MOODY'S ANALYSES OF INVESTMENTS

STEAM RAILROADS

JOHN MOODY

1917

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MOODY'S ANALYSES OF INVESTMENTS

"Founded to endure and Investors make secure."

PART I—STEAM RAILROADS

BY JOHN MOODY

EIGHTH ANNUAL NUMBER

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TABLE OF CONTENTS

NOTE: SEE ALPHABETIBAL INDEX (pages 27 to 92 inclusive) to find any particular subject, or the exact location of the Record and Rating of all Stocks and Bonds listed in the volume.

	PAGES
PREFACE	17–18
KEY TO BOND RATINGS	19–21
KEY TO STOCK RATINGS	21–23
DEFINITIONS OF TERMS	24–26
ALPHABETICAL INDEX	27–92
INTRODUCTION	93–117
LOCATION AND CHARACTER OF TONNAGE	93
MANAGEMENT OF THE RAILROAD	94
THE RESULT OF THE DECADE	94
RELATIVE VALUES IN THE RAILROAD	95
THE PHYSICAL FACTORS	96
AVERAGE MILES OPERATED	96
EQUIPMENT	97
PROPORTION OF FREIGHT TO ALL TRAFFIC	98
PASSENGER AND FREIGHT DENSITY	99
AVERAGE FREIGHT TRAIN-LOAD	99
TRAIN-MILE EARNINGS	100
PASSENGER AND FREIGHT RATES	100
EARNINGS AND THEIR DISTRIBUTION	101
THE GENERAL INCOME ACCOUNT	102
OPERATING REVENUES (OR GROSS EARNINGS)	102
THE MAINTENANCE ACCOUNTS	104
CONDUCTING TRANSPORTATION AND OTHER OPERATING EXPENSES	105
NET OPERATING REVENUES (OR NET EARNINGS)	106
OTHER INCOME AND TOTAL NET INCOME	106
FIXED CHARGES AND MARGIN OF SAFETY	108
DISPOSAL OF SURPLUS	109

INTRODUCTION (Continued)

PAGES

The Balance Sheet 110
Assets and Liabilities 110
The Capital Assets 111
The Capital Liabilities 112
Capitalization of Rentals 113
Stocks and Bonds Outstanding Per Mile 113
Net Capitalization 115
Net Income on Net Capital 115
The Principle of Averages 115
The Bond Records and Ratings 116

SECTION I,

Railroad Systems and Their Subsidiaries in the United States 119–766

SECTION II,

Minor Railroad Companies in the United States 767–1132

SUPPLEMENTARY,

Railroad Systems Prepared Too Late for Classification 1133–1190

SECTION III,

Railroads of Canada, Mexico, Cuba and South American Countries 1191–1268

TEN-YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS 1269–1290

PREFACE

"MOODY'S ANALYSES OF INVESTMENTS" was established as an annual publication in 1909, in response to the growing demand for an annual financial reference book which would cover a wider scope of usefulness than supplied by the old line "manuals." Mr. Moody's former experience in the publication of a successful reference book of the latter type, especially equipped him for this larger and more important undertaking. At the beginning, however, the establishment of a book comprising analyses of corporation activities was necessarily an experiment, and therefore the first issues of the new publication were confined to the Steam Railroad field alone, and only a part of this ground was covered. In recent years, however, the scope of the "Analyses" has grown with every issue, until today the entire field of American investments is covered by our publication. It is now issued annually in three parts or volumes, Part I covering Steam Railroad issues of every type, whether located in the United States, Dominion of Canada, Mexico, Central America or South America. The carefully developed plan of RATING SECURITIES according to their investment quality has been extended to cover the entire field, and in the present volume it will be found that Ratings are given to all stock and bond issues of known value.

Part II of the "Analyses" covering Public Utility and Industrial Securities, is now in preparation, and will be issued on or about June 1st. Part III, a new volume, covering Government and Municipal Securities, is also in active preparation, and will be ready for delivery on or about September 1st.

The growth in the use and popularity of "MOODY'S ANALYSES OF INVESTMENTS" during the past few years has been little short of phenomenal. Although, when established in 1909, the book was an immediate success and at once achieved great popularity, its circulation at that time was very small as compared with what it is today. During the year 1916, the amount of money received from sales and subscriptions for the publication was more than ten times as great as in 1909. Today, the circulation of the book is undoubtedly larger than that of any other financial reference book published, notwithstanding the fact that some of the other publications have been established for nearly half a century.

The pronounced success of "MOODY'S ANALYSES OF INVESTMENTS" is undoubtedly due, in large measure, to the fact that the publication is issued entirely for the benefit of its users and not for the purpose of promoting the selling programs of security dealers. This publication consistently declines all advertising patronage. No amount of money can buy advertising space in its pages; consequently there is no danger that its subscribers might be misled by conspicuous featuring of any particular securities. This is a factor of very great importance and continuously emphasizes the independence and unbiased character of the information and the investment ratings.

A further factor which has added greatly to the usefulness of the publication is the system of supplying monthly supplements of earnings, in order that the user may be kept abreast of developments during the year. Both the volume covering Steam Railroad Securities and the volume covering Public Utility and Industrial Securities are supplemented in this way right throughout the year without any additional cost to the subscriber.

In these days of rapid change and expansion in the investment field, it is becoming more and more necessary for investors, bankers and all types of banking institutions to adopt adequate methods for keeping in touch with all developments relating to investment and financial matters. Recognizing this situation, we established, at about the same time the first volume of "MOODY'S ANALYSES OF INVESTMENTS" appeared, a supplementary Investors Service for the purpose of giving investors special and exhaustive information and advice regarding all matters which might be of importance or interest to them. This Investors Service has grown in scope and efficiency with the years, and at the present time has come to be an institution of the first importance in the American financial field. A large majority of the subscribers to "MOODY'S ANALYSES OF INVESTMENTS" are also subscribers to "MOODY'S INVESTORS SERVICE," a combination subscription being arranged on an equitable basis. Full details regarding this supplementary service will be gladly furnished on request.

An important improvement in this edition of the Steam Railroad "Analyses" is the inclusion of the statements of the important railroad systems of South America. In the years to come, larger and larger amounts of American capital will probably go into South American enterprises, and full details regarding the business and corporate undertakings in the Republics to the South are steadily becoming more essential.

It will be noted also, that in the presentation of the statements of Steam Railroads in the United States, closer attention than ever has been given to necessary details, and substantial improvements have been made in all the security descriptions. Much new matter has been added, nearly three hundred railroad company statements being inserted this year that have never been included before. It can be asserted, without fear of contradiction, that this issue of our Steam Railroad Section is more complete with full uniform information than any other financial reference book in existence. It is the only investor's reference book published which undertakes to classify and RATE securities according to their investment position.

MOODY'S INVESTORS SERVICE.

NOTE: While the utmost care has been exercised in the compilation of figures, and all facts have been taken at first hand from official sources, the absolute accuracy of statements cannot be guaranteed. More than six million figures are embraced in the many tables in the volume, and it is very possible that an occasional error will have passed unnoticed in the checking of the proofs. It is not likely, however, that any serious inaccuracies will be found. The editor will appreciate having any such pointed out with a view of correcting in future editions.

KEY TO THE BOND RATINGS

EXPLANATION

As fully explained in the introductory chapters, the ratings given the different bond issues are based jointly on the *security* and the *salability* of the different issues. The *security* is determined through the methods of analysis followed uniformly throughout the book, and is based broadly on the average earning results shown for ten-year periods. Each bond issue is entitled to a certain claim on net income, dependent on the position of the bond as a mortgage, on the character of property on which the bond is secured, and on its general position in relation to other security obligations. For example, if a certain bond has a prior claim ahead of all other bond issues, or other security issues, on an important section of mileage, it is necessarily in a better position than the others. At the same time, if it is simply a first mortgage on a section of line which is apparently not of great value to the system, or does not make a profitable showing, then the fact of its being a first mortgage may not help its rating materially.

On most of the large systems it will be found that many of the issues have practically a joint or equal claim on income. That is to say, while their technical position may give them priority, yet in the actual results they do not stand a much better chance than some other issues of a more junior character. The figures shown in the bond records in relation to the average income available are, of course, simply the approximate averages of the past decade, reduced to a one-year basis, and are not the actual figures for any one year. The idea is, as already explained, to show the position of the issue in the results of the decade, thereby enabling one to arrive at a very conservative judgment of the strength and value of the given security. See "The Principles of Averages," and "The Bond Records and Ratings" (pages 115 and 116) in the Introduction, for a full discussion of this subject.

Aaa.

Bonds which are given this rating are to be regarded as of the highest class, not only in the matter of actual security of principal and certainty of interest or dividend payments, but of general marketability. In other words, issues of this type are almost ideally situated so far as these matters are concerned, and practically all such issues are directly responsive in their prices to current interest rates in the financial markets rather than to fluctuations in earning power. Such bonds and stocks will sell lower at some periods than at other times, but such change in price will not be due to any change or depreciation in their investment strength or true value. It will be due almost wholly to general investment conditions, which of course are at some times more favorable than at other times. For example: the highest grade government, railroad, public utility or other bonds during the years 1911 to 1914 underwent substantial declines in prices. These declines were, for such issues, in no degree due to any depreciation in their actual security, but came about wholly as a result of supply and demand in the general investment markets.

While the majority of bonds which are given the "Aaa" rating are either first mortgages or well protected underlying mortgages, yet there are some issues of more junior position which also receive this rating. But to secure a rating so high as this, the physical property back of the issue must be heavy; the amount of available income for a long period must have been at least several times the interest requirements and there must always be a substantial investment demand for the issue at reasonably close market prices.

Aa.

This rating is given to those bond issues which, while unquestionably high grade, are not, broadly speaking, so ideally situated as those which have the first rating. Sometimes the difference may be in the matter of equity or security, and sometimes it may be simply a matter of salability. More often this slight difference in the rating is due to the fact that the "Aa" bond is not so well "seasoned" as the other. That is to say, the length of its life or that of the company has been shorter, or the current earning results have not been maintained for a long enough period to absolutely insure the permanency or the maintenance of the recent increases. As a whole, however, looking at it from the general investment standpoint, there is but slight difference between these two classes of issues, and both are to be regarded as on a high investment plane.

A.

Issues which have this rating are apt to be affected to some degree by changing earning power, although they are to be regarded as high grade. Any bond which has been given an "A" rating is to be regarded as being quite secure, with a permanent and substantial future. An "A" rating implies that the price of the bond will be apt to respond to changes in the "margin of safety" shown by the company much more directly than would the higher grade issues. Furthermore, an "A" bond is not always a fully seasoned issue. Very often it is an issue which has risen in the past from a lower investment plane, but has added to its strength because of steady improvement in the earning power of the company. In a period of tight money an "A" bond would of course decline in price just as the higher grade issues would, but in addition to this, specific influences, such as rapid growth in surplus and financial strength of the company, would tend to force a more rapid increase in price to the "A" bond than it would to the higher grade type. In other words, the "A" bond is an issue which has arrived in the high-grade investment field, but is not altogether as sure of its future as are the other issues in the same field.

Baa.

Bond issues that are given the "Baa" rating are generally good investments, but are not so stable in position as are the "A" bonds, and are more apt to be affected to a substantial degree by changes in the actual earning power of the properties. In brief, they are not treated as in the class of first-grade bonds, but are considered as the best of the second-grade issues. Many bonds of this type will in the course of reasonable time reach a higher investment plane, especially if the results of the company prove as satisfactory in the future as they have in the recent past. But, nevertheless, there is an element of uncertainty regarding the permanently strong position of such issues.

Ba.

The bonds rated "Ba" are those which must be considered as in a half-way position between sound investments and speculations. Such bonds are often well secured so far as equity in property is concerned, but there is still some uncertainty as to their ultimate position as related to earning power. Further than this, they stand more directly in danger of declining in value with a falling off in earnings, although, on the other hand, with rapid improvement in earnings they are apt to materially advance in price. Many bonds which are not directly secured on the physical properties, but are secured by deposit of collateral or are simply promises to pay, are given this rating. One must not assume that a "Ba" rating implies great danger—it simply implies a larger percentage of risk than is found in a more substantial well-seasoned investment.

B.

Bond issues which are given this rating are directly responsive in price to fluctuations in earnings, and are to be regarded as in a speculative position. Many of them have investment elements back of them of considerable value, but in no case is the actual property worth much more than their face value, and in many cases it is worth far less. The bonds of this type usually move on the same principle as stocks of a somewhat speculative tinge, and should not generally be bought for permanent investment unless there is some special factor either present or pending which is to give them further strength.

Caa.

Bond issues which receive the "Caa" rating do not in many cases stand on a sound investment plane. Usually they are note issues of uncertain value or junior bonds which are not currently protected by sufficient income to equal much over their interest requirements. Such bonds are in danger of default, and must be classed as speculations.

Ca.

The bonds having a "Ca" rating are still weaker in position than those mentioned above and usually are protected by but a small equity or by very moderate income resources. Such issues often end by defaulting, although there have been many cases where a bond of this type has in time reached a sound investment position. "Ca" bonds should be treated always as speculative securities, and if held should be regarded as dependent for their ultimate payment on growth in possible earning power which has not yet materialized.

C.

The "C" rating is for bonds which, regardless of what may be said for them, are clearly in an uncertain position and on a very speculative plane. Either such bonds have already defaulted, been scaled down, or no definite knowledge of their value is available. Some note issues which have no security back of them, or are protected only by more or less doubtful collateral, are given this rating. In some cases in this book, where the companies have failed to give satisfactory information regarding their assets and earning power this rating has been given certain of their bond issues. It might turn out, were the facts available, that this rating would be too low, but it is a safe principle to avoid the purchase of any securities of this class, either for investment or speculation, when the facts are not available on which a reasonable judgment might be based.

Daa.

"Daa" issues are of doubtful value and in practically all cases of a purely speculative nature. There are not a very great number of bonds rated in this book which receive so low a rating as "Daa," but there are a few. Usually such a bond has already defaulted or stands in great danger of being scaled down to a nominal position as a result of foreclosure or reorganization. Some of these "Daa" bonds at times have a wide and active market, but their position in the financial field is purely a speculative one. Unless one is seeking a pure speculation, it is always wise to leave bonds of this type severely alone.

Da.

The "Da" rating is given to still lower issues than those mentioned above. Bonds with this rating are to be regarded as largely hopeless, even from a speculative standpoint.

D, E, and F.

The "D, E, and F" rating has been given to a few defaulted issues which are either rapidly evaporating into worthlessness or appear to have an entirely hopeless future. A defaulted bond with a "D" rating, if it lives in the future at all, is likely to be exchanged for a speculative stock which might or might not have some value.

KEY TO THE STOCK RATINGS

EXPLANATION

Aaa.

The stocks which have been accorded this rating are regarded as in the highest class, not only as regards equity in assets, and claim on surplus income, but also as to surety of income. Thus, some of the guaranteed stock issues of the large railroad systems (and there are many such) are accorded this rating, or the next below it. Many mature preferred stock issues are also in this high investment class, as are some common stocks which have long and favorable dividend records back of them.

Aa.

The stocks given this rating are also very high grade, but either because of a less extensive equity, shorter dividend record, or less attractive claim on assets, are slightly inferior to those given the best rating. All issues of this class, however, are on a high and assured investment plane. As in the case of the first rating, when stocks are given an "Aa" rating, it is based relatively more on marketability than a bond rating would be. There are but few stocks, unless they are guaranteed issues, or preferred stocks of limited amount, that receive the "Aaa" rating. A large number of seasoned preferred issues, and some common stocks, however, are clearly entitled to the "Aa" rating.

A.

These are good dividend-paying stock issues, either with excellent dividend records back of them, or rapidly growing equities, which have assured their future position. While inferior investments, as compared with the two higher classes, they are removed from the uncertain speculative plane of many issues, and to be regarded as selling on an investment basis. This rating is given, for example, to certain preferred stock issues, which have begun full dividend payments within the past few years only, but which seem assured of permanency in this regard in the future. It is also given to many of the standard dividend-paying common stock issues, which, while assured dividend-payers, may not have fully demonstrated their ability to retain a given dividend disbursement through good times and bad.

Baa.

In stocks the "Baa" rating is given to those issues which have a favorable dividend record and on which there seems to be little present doubt of a maintenance of current dividend rates. Such stocks are, however, necessarily on a more uncertain investment plane than the stock issues which receive the "A" rating.

Ba.

The stocks which are given the "Ba" rating are usually unseasoned issues, sometimes preferred and sometimes common, which are paying dividends, but regarding which there is no certainty of permanent maintenance of such dividends. In some cases a "Ba" stock may have been paying a moderate dividend for some years, but it will quite often be found that either too large a proportion of the surplus of the company has been consumed in the payment of these dividends, or prior obligations, such as increases in bond issues, have tended to expand out of proportion to the increases in the available surplus.

B.

Stocks given this rating have a strong speculative tinge. While some of them may be paying dividends, it is usually the case that the rate being disbursed is more than the results conservatively justify, or factors may be present which make the maintenance of the rate extremely doubtful. Many of these issues have, however, excellent prospects for future increase in strength. Stock issues having the "B" rating are generally receiving some dividend, but the certainty of this dividend is usually very speculative. It may often prove wise to purchase a "B" stock, but the purchaser should recognize that he has more of a speculation than an investment.

Caa.

Stocks with the "Caa" rating have very good prospective value and are not speculations in the same sense that many bond issues are which have this rating. A stock with a "Caa" rating usually sells at a heavy depreciation, and either pays no dividends or has only recently begun payments of dividends. Bought for possible appreciation such a stock may in time turn out to be a satisfactory investment, but the purchaser should always realize that he is taking a considerable chance in buying issues of this class.

Ca.

Stocks having a "Ca" rating are usually non-dividend payers, but issues on which a reasonable percentage is being shown in earnings. Generally, if a stock is given this rating it is approaching the time when it may begin moderate dividend payments.

C.

The stock issues which are given the "C" ratings are the large number of common stocks which are in the generally speculative class. They usually sell for much less than their face value, and while the records indicate that many such stocks may be headed for a better position, yet they have not yet reached a point where they are entitled to any rating beyond that of speculations.

Daa, Da, and D.

Stocks having these ratings are also on a purely speculative plane. Sometimes from this speculative standpoint such stocks might prove bargains to buy, as they usually sell at low prices. But purchasers of such securities are, of course, speculating on the future and run a substantial risk of ultimately either getting no profit or losing a considerable amount of their money.

E or F.

No attempt has been made to show differences between such issues as are not entitled even to a "D" rating. A few such have been marked either "E" or "F," which, of course, implies practical worthlessness. For example, such common stocks as those which sell for only a few dollars a share, and which could not increase in value even with a great growth in earnings of the company because of the prior claims ahead. They are given an "E" or even lower rating.

NOTE.

In rating the stocks, the question of "equity" is an important one, and the changing equities during the decade of the different railroad stocks have been steadily borne in mind in determining the different ratings. As in the bond ratings, the purpose has been to show the position of the different stock issues in the results of the decade, thereby maintaining a tendency to lean to conservatism in the ratings given, rather than the reverse. See "The Principle of Averages" (page 115) for further dicsussion of this subject.

It must not be forgotten that arbitrary judgment is used to a large degree in making all these ratings. The percentages showing the factors of safety, etc., serve as a general guide, but the rating given is, in many cases, affected by other considerations not shown in figures, such as character of management and of traffic, general position of the railroad system, policy of the company in maintenance and other expenses, and in other ways. The ratings are, therefore, to be looked upon as *indicators* of values, rather than as definite or final opinions.

In order to make the best possible use of the book, every subscriber should read with care the entire Introduction, which will be found on pages 93 to 117. In this Introduction, the entire subjects of railroad operation, management, accounting, and financing are fully discussed and explained, and the principles on which the classification and rating of the stock and bond issues are based are made clear.

The proper principles for studying railroad security values, however, cover a very broad field, and for those who wish to go into this subject more extensively than is done in our Introduction, we have published a separate text-book, entitled "How to Analyze Railroad Reports." This is a handy little volume of about 230 pages, bound in flexible leather, and sells for $2 per copy. It has been adopted as the standard text-book on the subject by many universities and colleges, while railroad officials are making practical use of it in many ways.

DEFINITIONS OF TERMS

NOTE: While most of the terms employed in the Analyses of the different railroad systems are self-explanatory, a full explanation is presented below of the meaning of them all. The user of the book is referred to the general Introduction for a detailed elaboration of the entire subject.

Average Miles Operated.—This indicates the average length of track operated by the railroad in a given year, and does not include the trackage of controlled or leased lines, except where the latter are directly operated. In many cases such lines are directly operated and, therefore, included in the figures given. Where a system owns other important controlled lines, which are separately operated, as, for instance, in the case of the New York Central and Michigan Central, a complete analysis is furnished of the separately operated lines. See "Average Miles Operated" in Introduction.

Extra Main Track.—This item includes second, third, and fourth tracks which the railroad may own and operate, but, as in the case of the average mileage, extra main track belonging to separately operated, leased and controlled lines is not included. The switches and sidings are also not included in extra main track. A separate statement is given of switches, sidings, etc., for nearly all the systems for the closing year of the decade.

Equipment Owned.—This includes all locomotives, passenger and freight cars, and other equipment of like nature owned by the company or embraced in equipment trusts. In many instances, large amounts of equipment are held under equipment trusts, and where possible this fact has been indicated in the analysis. See "Equipment," in Introduction, for discussion of the subject.

Passenger Density.—This is a term indicating the number of passengers carried one mile per mile of road. These figures are not usually given in the railroad reports, but the number of passengers carried one mile is usually stated, and the passenger density can be ascertained by dividing the figures showing passengers carried one mile by the average mileage operated for the year. The density figures are of great value as showing the volume of business done. See Introduction on "Passenger and Freight Density," for full discussion of the subject.

Freight Density.—This indicates the number of tons of freight carried one mile per mile of road, and can be worked out from the annual reports of the railroads, in the same manner as can the passenger density; that is, the number of tons carried one mile, which is stated in the report, should be divided by the average miles operated. It is important that thorough knowledge should be had by the user of the book as to the significance of the freight density, and Introduction on "Passenger and Freight Density" should be carefully read.

Average Freight Train Load.—This indicates the number of tons of revenue freight carried on each train per train mile. Some railroad reports furnish these figures, but many do not. The can be ascertained by dividing the number of tons carried one mile by the revenue freight train mileage. The latter figure, showing the number of miles run within the year by revenue freight trains, is given in practically all reports. As will be seen by examining the Analyses, the freight train load varies greatly on roads of different type and characteristics. See Introduction on "Average Freight Train Load" for complete explanation of the variation of the train load.

Train Mile Earnings.—These figures indicate, in dollars and cents, the amount of money earned on the average per mile by each train operated for both passengers and freight. The figures can be worked out in the annual reports by dividing the total gross business reported by the numebr of miles run by all trains, both passenger and freight. If desired, the same figures can be ascertained in relation to passenger business alone, or freight business alone, and also in relation to operating expenses and net operating earnings. See Introduction on "Train Mile Earnings," for full discussion of this important subject.

Average Passenger and Freight Rates.—These figures show the average rate received per passenger per mile and per ton per mile during the year by the railroad. Many reports state these rates, but where they do not they can in all cases be ascertained by dividing, in the case of passenger business, the passenger gross earnings by the passengers carried one mile, and in the case of freight, the freight gross earnings by the tons carried one mile. The subject of "Passenger and Freight Rates" is fully discussed in the Introduction.

Gross Revenues.—This item includes all operating revenues, and also now includes income from "non-operating" sources, but not income from outside investments or other sources. Under the present accounting requirements of the Interstate Commerce Commission, the gross earnings of the railroads are now reported as gross operating revenue, and include only receipts from sources derived from operation of the property. In the Analyses in this book, the requirements of the commission have been closely followed since 1908. The Gross Revenues are presented in Table B on a mileage basis, and also in full in the comparative income accounts. See "The Gross Revenues," in Introduction.

Maintenance of Way.—Indicates the amount spent by the railroad during the year for maintaining its tracks and buildings. These figures are presented in Table B on the mileage basis, and also in the full income accounts. See Introduction on "The Maintenance Accounts." It is important that this discussion be carefully read, as the maintenance figures are among the most important in the entire railroad report.

Maintenance of Equipment.—This item shows what amount the railroad is spending during the year for maintaining its engines and cars. These figures are presented in Table B on the mileage basis, and also in the full income accounts. See Introduction on "The Maintenance Accounts."

All Other Operating Expenses.—This item includes all traffic, transportation, and general expenses which relate to the operation of the railroad. It does not include taxes or other special charges. See Introduction on "Transportation and Other Operating Expenses."

Net Revenues.—These figures represent the operating profit shown by the railroad through the operating of its trains and do not include any items from outside sources. See Introduction on "The Net Revenues," for a full explanation of this subject. It is especially recommended that the Introduction be read as a preliminary to examining the Analyses themselves.

Total Net Income.—This is the sum of the operating income and the receipts from investments and all other sources distinct from operation. Among such special sources of income are dividends and interest on bonds and stocks owned, in many cases rentals of tracks and terminals, profit from rental of equipment, etc., as well as other miscellaneous items. See Introduction on "Other Income and Total Net Income."

Balance for Charges.—This is the amount of available income left over after deducting all taxes, and also any miscellaneous items properly chargeable in operating expenses.

Fixed Charges.—The fixed charges include all interest on bonds, or rentals, whether in the shape of guarantees on bond issues or stock issues, or otherwise; special charges, such as interest or principal of equipment trusts and other items which must be paid. See Introduction on "Fixed Charges and the Margin of Safety."

Margin of Safety.—This is a percentage figure indicating the proportion of the surplus remaining over after payment has been made of all fixed charges. For example, if the "balance for charges" in a given year is $5,000 per mile, and fixed charges consume $2,000 per mile (or 40%), the "margin of safety" is $3,000 per mile, or 60%. It is an important item and should be closely watched. See Introduction on "Margin of Safety" for a full explanation of this subject. The Margin of Safety is such an important key to the condition of the property that it is especially urged that the chapter on this subject he carefully read.

Surplus Over Charges.—This is the amount of money left over after payment of the fixed charges and is the sum total of the proportion of net income in hand, as reflected by the margin of safety. This surplus is not necessarily the amount available for dividends.

Dividend.—As shown in the tables, this indicates the amount paid out in dividends during each year, per mile of road. Actual dividend payments are shown in the full income statement. It is supposed to include all dividend payments made before carrying any remaining balance into the profit and loss account. See Introduction on "Disposal of Surplus" for elaboration of this subject.

Stock Outstanding and Per Cent. of Whole.—This term, in Table C, indicates the amount of capital stock, both common and preferred, per mile, which is outstanding, and also the percentage it bears to the aggregate amount of stocks and bonds, disregarding such items as rentals, etc.

Bonds Outstanding and Per Cent. of Whole.—This is the same figure relating to the bond issues of the company, and the percentage indicates the proportion of the whole capital which is represented. See Introduction on "Stocks and Bonds Outstanding per Mile."

Rentals Capitalized at 5%.—This column includes all guarantees and fixed obligations in connection with leased lines which the company is responsible for, the same being capitalized on a basis of 5% per annum. The capitalization figure is an arbitrary one, but is employed to harmonize the capitalization figures with the income results, as already explained in preceding chapters. See Introduction on "The Capitalization of Rentals." This is a very important chapter.

Total Gross Capital.—This is the sum total of the stock and bonds outstanding, and the capitalized rentals as given for the period.

Owned by Company as per Balance Sheet.—This represents the securities or investments which the railroad owns and carries in its balance sheet, the figures given being based on the valuations as shown by the company itself in its own balance sheets. Read Introduction entitled "The Capital Assets," for full explanation.

Net Capitalization.—This is the mileage figure showing the net value of the property, including the capitalization of rentals and after the deduction from the total of the investments owned by the property. It is an approximate figures indicating true capitalization. This subject is discussed in detail under the head of "Net Capitalization."

Net Income on Net Capital.—This is a percentage figure showing the relationship between the total net income of the road before deducting taxes and fixed charges and the net capital, as before shown. It is a valuable figure and should be closely scrutinized, as already explained. Chapter on "Net Income on Net Capital" discusses this important factor in detail.

Dividend Records.—In Table C, the rates and amounts of dividends paid per mile for each year are uniformly furnished, and a special margin of safety is worked out to show the proportion of surplus left over each year after the payment of the dividend. For example, if the surplus available for dividends (per mile) is $3,000 (as shown in Table B), and the dividend paid amounts to $2,000 per mile, this means that 66 2/3% has been consumed for dividends, and the balance ($1,000) 33 1/3%, is the "margin of safety" for the particular stock issue in question. If there are two classes of stock, the margin of safety for the common stock is of course based on the surplus shown after deducting preferred dividends.

Bond Record and Ratings.—Where a railroad company has but one or two bond issues outstanding, it is comparatively simple to classify and rate the issues. The margin of safety of the company as a whole fully reflects the position of the issue in cases of this kind. But where there are a large number of liens outstanding, some secured by direct first mortgage on the main lines, others by second or third mortgages, still others by a first lien on branches, or by a partial lien on branches and on main line, and futrher issues secured by joint mortgage or protected by guarantees, etc., it will be seen that the problem of correctly classifying and rating the bonds at once becomes far more complex.

The principle which has been followed in this volume in the matter of rating the bonds is briefly this: The issues which, as viewed from the practical standpoints of earning power, have the first claim on income are given the preference and rated highest; those of a more junior grade are classified and grouped, and in many cases give a joint position, as they have, in practice, a joint claim on income. Junior liens, debentures, etc., of course, are naturally rated lower than the underlying issues.

For a complete discussion of this matter, the user of the book is referred to pages 115 and 116, in the Introduction, under the headings "The Principle of Averages" and "The Bond Records and Ratings."

Stock Record and Ratings.—The same principle is followed in classifying and rating the various stock issues as is done in the case of the bond obligations.

It must be remembered, however, that stock issues, as a class, do not stand in as strong an investment position as bonds, even when they have a heavy margin of safety to protect them. The fluctuations in income available for dividends are naturally wider in this field than the fluctuations in surplus available for charges. And the character of the stock itself also in many cases tends to qualify a rating. A guaranteed stock is often fully as strong and in some cases stronger than a bond, and practically, its claim on income may have preference over the claim on certain bonds of the guaranteeing company. Due regard to such facts as this have been given in according the ratings to the stock issues. Preferred stocks also, as a class, have a better investment position than common stocks, although this does not always hold true.

Thus, the determination of a proper rating for the stock issues does not always depend as much on actual statistical exhibits as is the case with practically all bonds.

ALPHABETICAL INDEX

EXPLANATION.—This alphabetically arranged general index covers every title in the volume. All the Stock and Bond issues, as well as subject titles, are indexed in alphabetical order, regardless of their location in the volume, etc. It is therefore not necessary to know the title of any particular controlling road to find the description or rating of the underlying or controlled bond or stock issues. The plan is followed, as closely as possible, of arranging the titles in proper alphabetical order, disregarding "&" where the latter is part of the title.

For Key to Bond Ratings see Page 19.
For Key to Stock Ratings see Page 21.
For Definitions of all Technical Terms see Pages 24-26.
For Ten-Year Price Range of Stocks and Bonds see Page 1270.

A

	RATING	PAGE
Aberdeen & Ashboro Railroad first 5s, 1940 (7)	Baa	524
Aberdeen & Rockfish Railroad		769
Aberdeen & Rockfish Railroad first 6s, 1932	B	769
Abilene & Southern Railway		769
Abilene & Southern Railway first 6s, 1941	Ba	770
Addison & Susquehanna Railroad		805
Adirondack Railway first mortgage 4½s, 1942 (2)	Aaa	304
Adirondack & St. Lawrence Railroad		770
Ahnapee & Western Railway		1145
Ahnapee & Western Railway first 5s, 1936	B	1145
Akron & Barberton Belt Railroad (Joint Control)		771
Akron & Barberton Belt Railroad first 4s, 1942	A	771
Akron, Canton & Youngstown Railway		772
Akron, Canton & Youngstown Railway first 6s, 1930 (1)	Ba	772
Akron, Canton & Youngstown Railway first 5s, 1941 (2)	B	772
Akron Union Passenger Depot Company		772
Akron Union Passenger Depot Company first 6s, 1922	Aa	773
Alabama Central Railroad		773
Alabama Central Railroad first 6s, 1918 (1)	Aaa	687
Alabama, Florida & Southern Railroad		774
ALABAMA GREAT SOUTHERN RAILROAD COMPANY (Analysis)		697
Alabama Great Southern Railroad Company equipment trust 4½s, Series D1917-19 (5)	Aaa	700
Alabama Great Southern Railroad Company equipment trust 4½s, Series E 1917-26 (6)	Aa	700
Alabama Great Southern Railroad Company first 5s, 1927 (1)	Aaa	700
Alabama Great Southern Railroad Company first consolidated 5s, 1943 (3)	Aa	700
Alabama Great Southern Railroad Company general 5s, 1927 (2)	Aaa	700
Alabama Great Southern Railroad Company preferred stock (1)	A	700
Alabama Great Southern Railroad Company common stock (2)	Baa	700
Alabama Midland Railway first mortgage 5s, 1928 (5)	Aaa	146
Alabama & Mississippi Railroad		773
Alabama, New Orleans, Texas & Pacific Junction Railways Company, Ltd		121
Alabama, Tennessee & Northern Railroad first gold 5s, 1956 (1)	Ba	775
Alabama, Tennessee & Northern Railway		775

	RATING	PAGE
ALABAMA & VICKSBURG RAILWAY COMPANY (Analysis)		121
Alabama & Vicksburg Railway first consolidated mortgage 5s, 1921 (2)	Aa	123
Alabama & Vicksburg Railway second mortgage 5s, 1921 (3)	Aa	123
Alabama & Vicksburg Railway stock	Baa	124
Alamogordo & Sacramento Mountain Railway		876
Alamogordo & Sacramento Mountain Railway first 5s, 1928 (3)	Aa	876
Albany & Northern Railway first 5s, 1946 (2)	Ba	898
Albany Passenger Terminal Company		776
Albany & Susquehanna Railroad		306
Albany & Susquehanna Railroad first consolidated mortgage 3½s, 1946 (9)	Aaa	304
Albany & Susquehanna Railroad guaranteed stock (1)	Aaa	305
Albany & Vermont Railroad		307
Albany & Vermont Railroad guaranteed stock (2)	Aa	305
Alberta Railway & Irrigation Company		1224
Albuquerque Eastern Railroad first 5s, 1944		1000
Alcolu Railroad		776
Algoma Central & Hudson Bay Railway		1193
Algoma Central & Hudson Bay Railway equipment trust 6s, 1917-22 (4)		1193
Algoma Central & Hudson Bay Railway first 5s, 1960 (1)		1193
Algoma Central & Hudson Bay Railway second 6s, 1964 (2)		1193
Algoma Central Terminal Company, Ltd., first guaranteed 5s, 1962 (3)		1193
Algoma Eastern Railway		1194
Allegheny Valley Railway general 4s, 1942 (18)	Aaa	547
Allegheny & Western Railway first mortgage 4s, 1998 (4)	Aaa	211
Allegheny & Western Railway guaranteed stock (1)	Aaa	212
Allentown Terminal Railroad first 4s, 1919 (11)	Aaa	616
Allentown Terminal Railroad guaranteed stock (1)	Aaa	619
Alquippa & Southern Railroad		777
Amador Central Railroad		778
Amador Central Railroad first 5s, 1938	Ba	778
American Dock & Improvement Company first 5s, 1921 (2)	Aaa	624
Angelina & Neches River Railroad		778
ANN ARBOR RAILROAD COMPANY (Analysis)		1133
Ann Arbor Railroad equpiment 5s, 1917-21 (4)	A	1135
Ann Arbor Railroad first mortgage 4s, 1995 (1)	Baa	1135
Ann Arbor Railroad improvement 5s, 1941 (2)	B	1135
Ann Arbor Railroad 6 per cent. notes, 1919 (3)	B	1135
Ann Arbor Railroad preferred stock (1)	C	1136
Ann Arbor Railroad common stock (2)	D	1136
Antofagasta (Chili) & Bolivia Railway Company, Ltd		1194
Apalachicola Northern Railroad		779
Aransas Harbor Terminal Company		780
Arcadia & Betsey River Railway		780
Arcata & Mad River Railroad		781
Argentine Great Western Railway Company, Ltd		1199
Argentine North Eastern Railway Company, Ltd		1196
Argentine Railway Company		1196
Argentine Transandine Railway Company, Ltd		1199
Arizona Eastern Railroad		669
Arizona Eastern Railroad first and refunding 5s, 1950 (36)	A	665
Arizona & New Mexico Railway		781
Arizona & New Mexico Railway first 6s, 1928	Baa	782
Arizona Southern Railroad		782
Arkansas & Louisiana Midland Railway		783
Arkansas & Memphis Railway Bridge & Terminal Company		783

	RATING	PAGE
Arkansas & Memphis Railway Bridge & Terminal Company first 5s, 1964 (1)	A	783
Arkansas & Memphis Railway Bridge & Terminal Company 6 per cent. notes 1918 (2)		783
Arkansas, Oklahoma & Western Railroad first 6s, 1947 (2)		925
Arkansas Western Railway Company		398
Aroostook Construction Company		193
Aroostook Construction Company five-year collateral 5s, 1917	Baa	193
Aroostook Northern Railroad first mortgage 5s, 1947 (5)	Baa	192
Ashland Coal & Iron Railway		784
Ashley, Drew & Northern Railway first 6s, 1922	B	783
Ashland Coal & Iron Railway first refunding 4s, 1925	Baa	784
Atchison & Eastern Bridge Company (Joint Control)		784
Atchison & Eastern Bridge Company first 4s, 1928	Baa	785
ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY (Analysis)		128
Atchison, Topeka & Santa Fe Railway adjustment mortgage 4s, 1995 (3)	Aa	130
Atchison, Topeka & Santa Fe Railway Cal.-Ariz. Lines first 4½s, 1962 (6)	Aa	130
Atchison, Topeka & Santa Fe Railway convertible 5s of 1917 (8)	Aa	130
Atchison, Topeka & Santa Fe Railway convertible 4s of 1955 (7)	Aa	130
Atchison, Topeka & Santa Fe Railway convertible 4s of 1960 (9)	Aa	130
Atchison, Topeka & Santa Fe Railway East Oklahoma first mortgage 4s, 1928 (4)	Aaa	130
Atchison, Topeka & Santa Fe Railway general mortgage 4s, 1995 (2)	Aaa	130
Atchison, Topeka & Santa Fe Railway Rocky Mountain Division 4s, 1965 (14)	Aa	130
Atchison, Topeka & Santa Fe Railway Transcontinental Short Line 4s, 1958 (5)	Aa	130
Atchison, Topeka & Santa Fe Railway preferred stock (1)	Aa	132
Atchison, Topeka & Santa Fe Railway common stock (2)	A	132
Athens Terminal Company (Joint Control)		785
Athens Terminal Company first 5s, 1937	Baa	785
ATLANTA, BIRMINGHAM & ATLANTIC RAILWAY COMPANY (Analysis)		136
Atlanta, Birmingham & Atlantic Railway income 5s, 1930 (2)	B	138
Atlanta, Birmingham & Atlantic Railway stock		138
Atlanta & Birmingham Railway first mortgage 5s, 1934 (1)	Baa	138
Atlanta & Charlotte Air Line Railway		691
Atlanta & Charlotte Air Line Railway first 4½s and 5s, 1944 (31)	Aa	687
Atlanta & Charlotte Air Line Railway guaranteed stock (1)	A	690
Atlanta, Knoxville & Northern Railway first consolidated mortgage 4s, 2002 (19)	Aa	161
Atlanta, Knoxville & Northern Railway first mortgage 5s, 1946 (18)	Aaa	161
Atlanta & St. Andrews Bay Railway		785
Atlanta & St. Andrews Bay Railway first 6s, 1938 (1)	Baa	786
Atlanta Terminal Company (Joint Control)		786
Atlanta Terminal Company first 4s, 1953	Baa	786
ATLANTA & WEST POINT RAILROAD COMPANY (Analysis)		138
Atlanta & West Point Railroad stock	A	141
Atlantic City Railroad		620
Atlantic City Railroad first consolidated 4s, 1951 (2)	Aa	621
Atlantic City Railroad first 5s, 1919 (1)	Aa	620
Atlantic Coast Line Company of Connecticut		141
Atlantic Coast Line Company of Connecticut certificates of indebtedness (1)	Aa	142
Atlantic Coast Line Company of Connecticut 4% debenture certificates, 1925 (2)	Aa	142
Atlantic Coast Line Company of Connecticut stock	A	142
ATLANTIC COAST LINE RAILROAD COMPANY (Analysis)		143
Atlantic Coast Line Railroad L. & N. collateral 4s, 1952 (24)	Aa	146
Atlantic Coast Line Railroad consolidated 4s, 1952 (21)	Aaa	146
Atlantic Coast Line Railroad convertible debenture 4s, 1939 (25)	Aa	146
Atlantic Coast Line Railroad equipment trust 4s and 4½s, 1917-21 (26)	Aaa	146
Atlantic Coast Line Railroad general unified 4s and 4½s, Series A and B, 1964 (23)	Aa	146
Atlantic Coast Line Railroad unified 4s, 1959 (22)	Aa	146

	RATING	PAGE
Atlantic Coast Line Railroad common stock	A	149
Atlantic Coast Line Railroad of South Carolina general first mortgage 4s, 1948 (18)	Aaa	146
Atlantic & Danville Railway		691
Atlantic & Danville Railway first 4s, 1948 (21)	Aa	687
Atlantic & Danville Railway second 4s, 1948 (22)	A	687
Atlantic & North Carolina Railroad		525
Atlantic & North Carolina Railroad first 6s, 1917	Ba	526
Atlantic & North West Railroad first mortgage 5s, 1937 (3)	Aaa	1212
Atlantic, Quebec & Western Railway		1197
Atlantic & St. Lawrence Railroad		1239
Atlantic & St. Lawrence Railroad 6 per cent. guaranteed stock (5)	A	1239
Atlantic & Western Railroad		787
Atlantic & Western Railroad first 5s, 1952	B	787
Atlantic & Yadkin Railway first 4s, 1949 (2)	Aaa	687
Augusta & Savannah Railroad		389
Augusta & Savannah Railroad stock (1)	A	389
Augusta Southern Railroad		692
Augusta Southern Railroad first 5s, 1924	B	692
Augusta & Summerville Railroad		787
Augusta Terminal Railway first mortgage 6s, 1947 (2)	A	151
Augusta Union Station Company (Joint Control)		788
Augusta Union Station Company first 4s, 1953	A	788
Austin & Northwestern Railroad first 5s, 1941 (9)	Aaa	665
Avon, Geneseo & Mt. Morris Railroad stock (8)	Aa	346

B

Bachman Valley Railroad of Maryland		788
Bahia-Blanca & Northwestern Railway Company, Ltd		1199
Baltimore, Chesapeake & Atlantic Railway		555
Baltimore, Chesapeake & Atlantic Railway first 5s, 1934	Ba	556
Baltimore & Cumberland Valley Railroad first 6s, 1929 (4)	Aa	1174
Baltimore & Cumberland Valley Railroad Extension first 6s, 1931 (5)	Aa	1174
Baltimore & Cumberland Valley Railway first 6s, 1929 (3)	Aa	1174
Baltimore & Harrisburg Railroad first 5s, 1936 (6)	Aa	1174
Baltimore & Harrisburg Railroad Western Extension 5s, 1938 (7)	Aa	1174
Baltimore & Ohio Chicago Terminal Railroad		181
BALTIMORE & OHIO RAILROAD COMPANY (Analysis)		173
Baltimore & Ohio Railroad convertible 4½s, 1933 (25)	Aa	177
Baltimore & Ohio Railroad equipment 4½s, 1917-26 (27)	Aaa	177
Baltimore & Ohio Railroad first mortgage 4s, 1948 (15)	Aaa	177
Baltimore & Ohio Railroad Pitts. Junc. & Middle West. Div. first coll. 3½s, 1925 (16)	Aa	177
Baltimore & Ohio Railroad Pitts., Lake Erie & W. Virg. refunding 4s, 1941 (18)	Aa	177
Baltimore & Ohio Railroad prior lien mortgage 3½s, 1925 (14)	Aaa	177
Baltimore & Ohio Railroad refunding and general 5s, Series A, 1995 (26)	Aa	177
Baltimore & Ohio Railroad South Western Division first mortgage 3½s, 1925 (17)	Aa	177
Baltimore & Ohio Railroad—Toledo & Cincinnati division 4s		184
Baltimore & Ohio Railroad preferred stock (1)	A	180
Baltimore & Ohio Railroad common stock (2)	Baa	180
Baltimore & Sparrow's Point Railroad		574
BANGOR & AROOSTOOK RAILROAD COMPANY (Analysis)		189
Bangor & Aroostook Railroad car trusts, Series D, E and F, 1917-25 (11, 12 and 13)	A	192
Bangor & Aroostook Railroad first mortgage 5s, 1943 (1)	Aa	192
Bangor & Aroostook Railroad Medford Extension first mortgage 5s, 1937 (8)	Baa	192

	RATING	PAGE
Bangor & Aroostook Railroad Piscataquis Division first mortgage 5s, 1943 (3)	A	192
Bangor & Aroostook Railroad refunding mortgage 4s, 1951 (6)	Ba	192
Bangor & Aroostook Railroad second mortgage 5s, 1945 (2)	Aa	192
Bangor & Aroostook Railroad St. John River Extension first 5s, 1939 (10)	Ba	192
Bangor & Aroostook Railroad two-year notes, 1918 (14)	Ba	192
Bangor & Aroostook Railroad Van Buren Extension 5s, 1943 (4)	Baa	192
Bangor & Aroostook Railroad Washburn Extension first 5s, 1939 (9)	Ba	192
Bangor & Aroostook Railroad stock	B	193
Bangor & Portland Railroad first mortgage 6s, 1930-36 (7)	Aaa	314
Bare Rock Railroad		789
Barre & Chelsea Railroad Company		205
Bath & Hammondsport Railroad		347
Bath & Hammondport Railroad first 5s, 1919 (1)	B	348
Bath & Hammondsport Railroad second 5s, 1923 (2)	Ca	348
Battle Creek & Sturgis Railway first mortgage 3s, 1989 (7)	Aaa	480
Bay City & Battle Creek Railroad first mortgage 3s, 1989 (8)	Aaa	480
Bay of Quinte Railway first 5s, 1927 (18)	Baa	1205
Bayfield Transfer Railway		789
Beaumont & Great Northern first 5s, 1939 (24)	B	1150
Beaumont, Sour Lake & Western Railway		1161
Beaumont Wharf & Terminal Company		132
Beaver Dam Railroad (of Va.)		789
Bedford Belt Railway first 5s, 1938 (1)	A	286
Bedford Stone Railroad		790
Beech Creek Extension Railroad		456
Beech Creek Extension Railroad consolidated mortgage 4s, 1955 (16)	Aaa	449
Beech Creek Extension Railroad first mortgage 3½s, 1951 (15)	Aaa	449
Beech Creek Railroad Company		456
Beech Creek Railroad first mortgage 4s, 1936 (17)	Aaa	449
Beech Creek Railroad guaranteed stock (1)	Aaa	455
Beech Creek Railroad second mortgage 5s, 1936 (18)	Aaa	449
Belfast & Moosehead Lake Railroad first 4s, 1920 (21)	Aa	420
Belfast & Moosehead Lake Railroad preferred stock (1)	A	422
Bellefonte Central Railroad		790
Bellefonte Central Railroad first 5s, 1924	A	791
Belle Fourche Valley Railway		266
Belleville & Carondelet Railroad first mortgage 6s, 1923 (20)	Aaa	378
Bellingham Bay & British Columbia Railroad first sinking fund 5s, 1932	B	257
Bellingham & Northern Railway Company		257
Belt Line Railway (Montgomery, Ala.)		155
Belt Railroad & Stockyards Company		916
Belt Railroad & Stockyards Company first refunding 4s, 1989	Aa	916
Belt Railway of Chattanooga		701
Belt Railway of Chattanooga first 5s, 1945 (4)	Aa	700
Belvidere Delaware Railroad		551
Belvidere Delaware Railroad consolidated 4s of 1925 (19)	Aaa	547
Belvidere Delaware Railroad consolidated 4s of 1933 (21)	Aaa	547
Belvidere Delaware Railroad consolidated 4s of 1927 (20)	Aaa	547
Belvidere Delaware Railroad consolidated 3½s of 1943 (22)	Aaa	547
Bennettsville & Cheraw Railroad		791
Bennettsville & Cheraw Railroad first 5s, 1941	Baa	791
Bennington & Rutland Railway first 4½s, 1927 (4)	Baa	494
Bennington & Rutland Railway second 5s, 1920 (5)	Ba	494
Benwood & Wheeling Connecting Railway		792
Bergen County Railroad extension 5s, 1921 (11)	Aaa	342

	RATING	PAGE
BESSEMER & LAKE ERIE RAILROAD (Analysis)		194
Bessemer & Lake Erie Railroad equipment 5s (6)	Aaa	196
Bessemer & Lake Erie Railroad stock (3)	Aa	197
Bevier & Southern Railroad		792
Big Blackfoot Railway Company		256
Big Sandy Railway first mortgage 4s, 1944 (10)	Aa	219
Billings & Central Montana Railway		793
Bingham Central Railway		794
Bingham & Garfield Railway		793
Birmingham & Atlantic Railroad Company		794
Birmingham Belt Railroad first 4s, 1922 (10)	Baa	1170
Birmingham, Columbus & St. Andrews Railroad		797
Birmingham & Northwestern Company		795
Birmingham & Northwestern Railway		795
Birmingham & Southeastern Railway		796
Birmingham Southern Railroad		797
Birmingham Terminal Company (Joint Control)		798
Birmingham Terminal Company first 4s, 1957	Aa	798
Black Mountain Railway first 5s, 1917-36 (7)	Ba	215
Bloomsburg & Sullivan Railroad		798
Bloomsburg & Sullivan Railroad first 5s, 1928 (1)	B	799
Bloomsburg & Sullivan Railroad second income 5s, 1928 (2)	Caa	799
Blue Ridge Railway Company		692
Bluff Point Land Improvement Company first mortgage 4s, 1940 (5)	Aa	304
Blytheville, Burdette & Mississippi River Railway		799
Blytheville, Leachville & Arkansas Southern Railroad		799
Bolivia Railway Company		1195
Bonlee & Western Railway		800
Booneville Railroad Bridge Company first mortgage 4s, 1951 (10)	Baa	1150
Booneville, St. Louis & Southern Railroad first mortgage 5s, 1951 (11)		1156
Boston & Albany Railroad		457
Boston & Albany Railroad 3½s, 1952 (19)	Aaa	449
Boston & Albany Railroad currency 3½s, 1951 (21)	Aaa	449
Boston & Albany Railroad guaranteed stock (2)	Aa	455
Boston & Albany Railroad 25-year guaranteed 4s and 5s, 1933-63 (22)	Aaa	449
Boston & Lowell Railroad debenture 3½s, 4s and 4½s, 1917-33 (11)	A	202
Boston & Lowell Railroad 8 per cent guaranteed stock (1)	Ba	204
BOSTON & MAINE RAILROAD COMPANY (Analysis)		199
Boston & Maine Railroad leased line notes (27)	B	202
Boston & Maine Railroad notes (25 and 26)		202
Boston & Maine Railroad plain 3s of 1950 (4)	Ba	202
Boston & Maine Railroad plain 4½s of 1929 (9)		202
Boston & Maine Railroad plain 4s of 1926 (8)		202
Boston & Maine Railroad plain 3½s of 1925 (7)	Ba	202
Boston & Maine Railroad plain 3½s of 1923 (6)	Ba	202
Boston & Maine Railroad plain 3½s of 1921 (5)	Ba	202
Boston & Maine Railroad plain 4s of 1942 (2)	Ba	202
Boston & Maine Railroad plain 4½s of 1944 (3)	Ba	202
Boston & Maine Railroad sinking fund improvement 4s, 1937 (1)	Ba	202
Boston & Maine Railroad preferred stock (20)	Caa	204
Boston & Maine Railroad common stock (21)	C	204
Boston & New York Air Line Railroad first 4s, 1955 (11)	Aa	504
Boston & Providence Railroad Corporation		515
Boston & Providence Railroad Corporation plain 4s, 1918	Aaa	515
Boston & Providence Railroad stock (4)	Aa	507

	RATING	PAGE
Boston Railroad Holding Company		198
Boston, Revere Beach & Lynn Railroad		800
Boston, Revere Beach & Lynn Railroad first 4½s, 1927	A	801
Boston, Revere Beach & Lynn Railroad stock	B	801
Boston Terminal Company (Joint Control)		801
Boston Terminal Company first 3½s, 1947	Aa	801
Boston Terminal Railway first 4s, 1939 (25)	Aa	504
Boyer Valley Railway first mortgage 3½s, 1923 (13)	Aa	263
Boyne City, Gaylord & Alpena Railroad		801
Branford Electric Company first 5s, 1937 (22)	Aa	504
Brazil Great Southern Railway Company, Ltd		1197
Brazil North Eastern Railways, Ltd		1198
Breakwater & Frankford Railroad first 3s, 1932 (6)	Aa	573
Bridgton & Saco River Railroad		423
Bridgton & Saco River Railroad first 4s, 1928 (1)	Baa	423
Bridgton & Saco River Railroad second 4s, 1928 (2)	Ba	423
Brimstone Railroad & Canal Company		802
Brinson Railway first and refunding 6s, 1943		1062
Brinson Railway equipment trust 6s, Serial (4)		1062
Brinson Railway first 5s, 1935 (1)		1062
Bristol Railroad		1183
Brooklyn & Montauk Railroad second (now first) 5s, 1938 (9)	Aa	566
Brownsville & Matamoras Bridge Company		803
Brunswick & Western Railroad first mortgage 4s, 1938 (12)	Aaa	146
Bucksport & Elk River Railroad		803
Buenos Ayres Central Railway		1200
Buenos Ayres Great Southern Railway Company, Ltd		1200
Buenos Ayres Midland Railway Company, Ltd		1201
Buenos Ayres & Pacific Railway Company, Ltd		1198
Buenos Ayres Western Railway, Ltd		1201
Buffalo, Attica & Arcade Railroad		805
Buffalo Creek & Gauley Railroad		806
Buffalo Creek Railroad (Joint Control)		806
Buffalo Creek Railroad consolidated 5s, 1941 (1)	Aa	806
Buffalo Creek Railroad first refunding 5s, 1961 (2)	A	806
Buffalo & Lake Huron Railway		1240
Buffalo & Lake Huron Railway stock (6)	A	1239
BUFFALO, ROCHESTER & PITTSBURGH RAILWAY COMPANY (Analysis)		209
Buffalo, Rochester & Pittsburgh Railway consolidated mortgage 4½s, 1957 (7)	Aaa	211
Buffalo, Rochester & Pittsburgh Railway equipments "A" to "E" 4½s, 1919-22 (8-12)	Aaa	211
Buffalo, Rochester & Pittsburgh equipments "F" to "H" 4s, 4½s, 5s, 1917—30 (13 to 15)	Aa	111
Buffalo, Rochester & Pittsburgh Railway first general mortgage 5s, 1937 (6)	Aaa	211
Buffalo, Rochester & Pittsburgh Railway preferred stock (3)	Aa	212
Buffalo, Rochester & Pittsburgh Railway common stock (4)	Baa	212
Buffalo & Southwestern Railroad first mortgage 5s, 1918 (9)	Aa	342
Buffalo & Susquehanna Railroad Corporation		803
Buffalo & Susquehanna Railroad Corporation equipment 5s, 1917 (2)	Aa	804
Buffalo & Susquehanna Railroad Corporation first 4s, 1963 (1)	A	804
Bullfrog Goldfield Railroad		945
Bullfrog Goldfield Railroad first 6s, 1922 (1)	B	946
Burlington, Cedar Rapids & Northern Railway consolidated first 5s, 1934 (3)	Aaa	279
Burlington & Missouri River Railroad in Nebraska sinking fund 6s, 1918 (8)	Aaa	228
Butler County Railroad		807
Butte, Anaconda & Pacific Railway		808
Butte, Anaconda & Pacific Railway first 5s, 1944 (1)	Aa	808

C

	RATING	PAGE
Cache Valley Railroad		809
Cadiz Railroad		809
Cairo Bridge Company first mortgage 4s, 1950 (11)	Aaa	378
Cairo & Kanawha Railway		809
Cairo Railroad first 6s, 1925 (2)	Ba	818
Cairo, Truman & Southern Railroad		810
Caldwell & Northern Railroad first 5s, 1957 (2)	B	816
Calgary & Edmonton Railroad debenture stock 4 per cent., 2002 (9)	Aa	1212
California-Arizona Lines (Atchison System) first 4½s, 1962 (6)	Aa	130
California Central Railroad		811
California Northwestern Railway first 5s, 1928 (1)	Aa	540
California-Western Railroad & Navigation Company		811
California-Western Railroad & Navigation Company first 6s, 1934	Ba	811
Calumet, Hammond & Southeastern Railroad		812
Calumet Western Railway		812
Camas Prairie Railroad		813
Cambria & Clearfield Railway first 5s, 1941 (23)	Aaa	547
Cambria & Clearfield Railway general 4s, 1955 (26)	Aa	547
Cambria & Indiana Railroad		813
Cambria & Indiana Railroad equipment 5s, 1917-20	A	814
Cambria & Indiana Railroad first 5s, 1936	Baa	814
Camden & Burlington County Railroad first 4s, 1927 (27)	Aaa	547
Camden & Burlington County Railway		552
Camden & Burlington County Railway guaranteed stock (1)	Aaa	550
Camino, Placerville & Lake Tahoe Railroad		814
Campbell's Creek Railroad		814
Campbell's Creek Railroad first 5s, 1924	Ba	814
Campbell Hall Connecting Railroad		406
Canada Atlantic Railway first 4s, 1955 (7)	A	1237
Canada Southern Railway		482
Canada Southern Railway consolidated 5s, 1962 (9)	Aaa	480
Canada Southern Railway stock (1)	Aa	482
Canadian Northern Alberta Ry. first 3½% debenture stock, 1960 (4)	A	1205
Canadian Northern Ontario Railway first 3½% debenture stock, 1961 (5)	A	1205
Canadian Northern Ontario Railway first 3½% debenture stock, 1936 and 1938 (6)	A	1205
Canadian Northern Ontario Railway perpetual consolidated 4% debenture stock (30)	Ba	1205
Canadian Northern Pacific Railway first 4% debenture stock, 1950 (15)	A	1205
Canadian Northern Pacific Railway first terminal 4½% debenture stock, 1950 (16)	A	1205
Canadian Northern Quebec Railway 4% perpetual debenture stock (28)	Ba	1205
CANADIAN NORTHERN RAILWAY SYSTEM (Analysis)		1202
Canadian Northern Railway, Alberta guaranteed 4% debenture stock, 1939 (12)	A	1205
Canadian Northern Railway equipment trusts (36)	Ba	1205
Canadian Northern Railway first consolidated debenture 4s, 1930 (7)	A	1205
Canadian Northern Railway first 3% debenture stock, 1953 (1)	A	1205
Canadian Northern Railway first 3½% debenture stock, 1958 (2)	A	1205
Canadian Northern Railway first 4% debenture stock, 1934 (3)	A	1205
Canadian Northern Railway first land grant 4s, 1919 (23)	Baa	1205
Canadian Northern Railway first land grant 4s, 1938 (24)	Baa	1205
Canadian Northern Railway 5% collateral notes, 1917 (33)	Baa	1205
Canadian Northern Railway 5% and 6% secured gold notes, 1916-19 (34)	Baa	1205
Canadian Northern Railway 5% sterling notes, 1918-19 (32)	Ba	1205
Canadian Northern Railway income convertible debenture stock, 1930 (37)	B	1205
Canadian Northern Railway land debenture 5s, 1923 (25)	Baa	1205

	RATING	PAGE
Canadian Northern Railway, Manitoba guaranteed 4% debenture stock, 1930 (10)	A	1205
Canadian Northern Railway Ontario Division first debenture 4s, 1930 (8)	A	1205
Canadian Northern Railway perpetual consolidated 4% debenture stock (31)	Ba	1205
Canadian Northern Railway, Saskatchewan guaranteed 4% debenture stock, 1939 (11)	A	1205
Canadian Northern Western Railway first 4½% debenture stock, 1942 (13)	A	1205
Canadian Northern Western Railway first 4½% debenture stock, 1943 (14)	A	1205
CANADIAN PACIFIC RAILWAY COMPANY (Analysis)		1209
Canadian Pacific Railway Algoma Branch first mortgage 5s, 1937 (1)	Aaa	1212
Canadian Pacific Railway perpetual 4% consolidated debenture stock	Aa	1212
Canadian Pacific Railway equipment 4½s, 1917-28 (14)	Aa	1212
Canadian Pacific Railway note certificate 6s, 1924 (13)	Aa	1212
Canadian Pacific Railway preferred stock (1)	Aaa	1213
Canadian Pacific Railway common stock (2)	A	1213
Cape Breton Railway, Ltd.		1228
Carbondale & Shawneetown Railroad first mortgage 4s, 1932 (21)	Aaa	378
Carlton & Coast Railroad		815
Carolina Central first consolidated 4s, 1949 (7)	Aa	652
CAROLINA, CLINCHFIELD & OHIO RAILWAY (Analysis)		213
Carolina, Clinchfield & Ohio Railway Elkhorn Extension first 5s, 1917 (4)	Baa	215
Carolina, Clinchfield & Ohio Railway equipment 5s, 1917-24 (5)	A	215
Carolina, Clinchfield & Ohio Railway first 5s, 1938 (2)	Baa	215
Carolina, Clinchfield & Ohio Railway ten-year 5 per cent. notes, 1919 (3)	Ba	215
Carolina, Clinchfield & Ohio Railway preferred stock (1)	B	216
Carolina, Clinchfield & Ohio Railway common stock (2)	Caa	216
Carolina, Clinchfield & Ohio Railway of South Carolina		216
Carolina & North Western Railway		815
Carolina & North Western Railway first 5s, 1953 (1)	B	816
Carolina Railroad		526
Carolina & Western Railroad		816
Carolina & Yadkin River Railway		816
Carthage & Adirondack Railroad first mortgage 4s, 1981 (23)	Aaa	449
Carthage & Copenhagen Railroad		817
Carthage & Pinehurst Railroad		526
Carthage & Pinehurst Railroad first 6s, 1922	Ba	526
Carthage, Watertown & Sacketts Harbor Railroad consolidated 5s, 1931 (24)	Aaa	449
Catasauqua & Fogelsville Railroad		621
Catasauqua & Fogelsville Railroad first gold 4s, 1928	Aa	622
Catawissa Railroad first consolidated 4s, 1948 (12)	Aaa	616
Catawissa Railroad guaranteed preferred stock (2)	Aaa	619
Catskill Mountain Railway		818
Catskill Mountain Railway first 5s, 1915 (1)	B	818
Catskill & Tannersville Railway		818
Cayadutta Electric Railway first guaranteed 5s, 1922 (5)	Ba	356
Cayuga & Susquehanna Railroad guaranteed stock (8)	Aaa	316
Cedar Rapids, Iowa Falls & Northwestern Railway first 5s, 1921 (4)	Aaa	279
Central Argentine Railway, Ltd.		1229
Central Arkansas & Eastern Railroad first 5s, 1940 (6)	Ba	645
Central Branch Railway first mortgage 4s, 1919 (14)		1156
Central Branch Union Pacific Railway first mortgage 4s, 1948 (22)		1156
CENTRAL OF GEORGIA RAILWAY COMPANY (Analysis)		385
Central of Georgia Railway Chattanooga Division purchase money 4s, 1951 (8)	Aa	387
Central of Georgia Railway consolidated mortgage 5s, 1945 (10)	Aa	387
Central of Georgia Railway Eatonton Branch first mortgage 5s, 1926 (5)	Aa	387
Central of Georgia Railway equipment 4½s and 5s, 1917-26 (15)	Aaa	387
Central of Georgia Railway first mortgage 5s, 1945 (1)	Aaa	387

	RATING	PAGE
Central of Georgia Railway general and refunding 5s, 1962 (16)	A	387
Central of Georgia Railway Macon & Northern Division first mortgage 5s, 1946 (3)	Aaa	387
Central of Georgia Railway Middle Georgia & Atlantic Division first 5s, 1947 (4)	Aaa	387
Central of Georgia Railway Mobile Division first mortgage 5s, 1946 (2)	Aaa	387
Central of Georgia Railway preference incomes		389
Central of Georgia Railway Oconee Division first mortgage 5s, 1945 (6)	Aa	387
Central of Georgia Railway Upper Cahaba Branch first mortgage 4s, 1925 (9)	Aa	387
Central of Georgia Railway preferred stock (4)	Baa	389
Central of Georgia Railway common stock (5)	Ba	389
Central Indiana Railway (Joint Control)		819
Central Indiana Railway first 4s, 1953	A	819
CENTRAL NEW ENGLAND RAILWAY (Analysis)		508
Central New England Railway first 4s, 1961 (3)	Baa	511
Central New England Railway income 5s, 1949 (1)	Aaa	511
Central New York Southern Railroad Corporation		819
Central New York Southern Railroad Corporation first collateral 5s, 1964	B	820
Central Ohio Railroad first consolidated mortgage 4½s, 1930 (4)	Aaa	177
Central Ontario Railway first 5s, 1934 (17)	Baa	1205
Central Pacific Railroad fifty-year 5s, 1939 (1)	Aaa	665
Central Pacific Railroad fifty-year 6s, 1936 (2)	Aaa	665
Central Pacific Railroad California & Oregon Division Series A & B 5s, 1918 (3 and 4)	Aaa	665
Central Pacific Railway		670
Central Pacific Railway European loan 4s, 1946 (8)	Aaa	665
Central Pacific Railway first refunding 4s, 1949 (5)	Aaa	665
Central Pacific Railway 30-year 3½s, 1929 (6)	Aaa	665
Central Pacific Railway Through Short Line first 4s, 1954 (7)	Aaa	665
Central Railroad & Banking Company collateral trust 5s, 1937 (11)	Aa	387
CENTRAL RAILROAD COMPANY OF NEW JERSEY (Analysis)		622
Central Railroad Company of New Jersey general 5s, 1987 (1)	Aaa	624
Central Railroad Company of New Jersey stock (4)	Aaa	625
Central Railroad of Haiti		1229
Central Railroad of Oregon		820
Central Railroad of Pennsylvania		821
Central Railroad of Pennyslvania first 3s, 1923	Ca	821
Central Railroad of South Carolina first mortgage 6s, 1921 (20)	Aa	146
Central Railway Company of Arkansas		822
Central Terminal Railway		1220
Central Terminal Railway—Minneapolis, St. Paul & Sault Ste. Marie joint first 4s, 1941	Aa	1220
Central Union Depot & Railway Company of Cincinnati		822
Central Union Depot & Railway Company of Cincinnati first 4½s, 1940	Baa	823
CENTRAL VERMONT RAILWAY COMPANY (Analysis)		1245
Central Vermont Railway equipment 5s, 1917-22 (7)	A	1247
Central Vermont Railway first mortgage 4s, 1920 (1)	Baa	1247
Central Vermont Transportation Company first mortgage 5s, 1917-21 (3)	Ba	1247
Central Vermont Transportation Company 5s, 1917-22 (4)	Ba	1247
Central West Virginia & Southern Railroad Company		823
Central West Virginia & Southern Railroad Company first 5s, 1933	B	823
Centralia Eastern Railroad		824
Charleston & Savannah Railroad general mortgage 7s, 1936 (11)	Aaa	146
Charleston Terminal Company (Joint Control)		824
Charleston Terminal Company first 4s, 1953	A	825
Charleston Union Station Company (Joint Control)		825
Charleston Union Station Company first 4s, 1937	Aa	825
CHARLESTON & WESTERN CAROLINA RAILWAY COMPANY (Analysis)		149
Charleston & Western Carolina Railway first mortgage 5s, 1946 (1)	A	151

	RATING	PAGE
Charleston & Western Carolina Railway first consolidated mortgage, 1964 (3)	Ba	151
Charlotte Harbor & Northern Railway		826
Charlotte, Monroe & Columbia Railroad		826
Charlotte, Monroe & Columbia Railroad first 5s, 1932	B	827
Chartiers Railway first 3½s, 1931 (2)	Aaa	602
Chateaugay & Lake Placid Railway		307
Chateaugay Ore & Iron Company refunding mortgage 4s, 1942 (6)	Aa	304
Chatham Railroad		516
Chattahoochee & Gulf Railroad		389
Chattahoochee & Gulf Railroad first mortgage 5s, 1930 (14)	A	387
Chattahoochee & Gulf Railroad stock (2)	A	389
Chattahoochee Valley Railway		827
Chattahoochee Valley Railway consolidated 5s, 1920	Ba	827
Chattanooga, Rome & Southern Railway first mortgage 5s, 1947 (7)	Aa	387
Chattanooga Station Company (Joint Control)		828
Chattanooga Station Company first 4s, 1957	Aa	828
Cherry Tree & Dixonville Railroad		828
Chesapeake Beach Railway		829
Chesapeake & Ohio Grain Elevator Company first mortgage 4s, 1938 (13)	Ba	219
Chesapeake & Ohio Northern Railway first 5s, 1945 (19)	A	219
CHESAPEAKE & OHIO RAILWAY COMPANY (Analysis)		216
Chesapeake & Ohio Railway convertible 4½s, 1930 (20)	Baa	219
Chesapeake & Ohio Railway convertible 5s, 1946 (22)	Baa	219
Chesapeake & Ohio Railway Craig Valley Branch first mortgage 5s, 1940 (5)	Aa	219
Chesapeake & Ohio Railway equipment trusts, 1917-26 (23)	A	219
Chesapeake & Ohio Railway first consolidated 5s, 1939 (2)	Aaa	219
Chesapeake & Ohio Railway first lien and improvement 5s, 1930 (21)	Baa	219
Chesapeake & Ohio Railway general funding and improvement 5s, 1929 (12)	A	219
Chesapeake & Ohio Railway general mortgage 4½s, 1992 (7)	Aa	219
Chesapeake & Ohio Railway Potts Creek Branch first mortgage 4s, 1946 (11)	A	219
Chesapeake & Ohio Railway Richmond & Allegheny Division first 4s, 1989 (3)	Aaa	219
Chesapeake & Ohio Railway Richmond & Allegheny Division second 4s, 1989 (4)	Aaa	219
Chesapeake & Ohio Railway Terminal Extension first mortgage 6s, 1922 (1)	Aaa	219
Chesapeake & Ohio Railway Warm Springs Valley Branch first 5s, 1941 (6)	Aa	219
Chesapeake & Ohio Railway stock	B	221
Chesapeake & Western Railroad first 5s, 1945 (2)	Ba	830
Chesapeake Western Railway		830
Chesapeake Western Railway first gold 4s, 1951 (1)	B	830
Chesterfield & Lancaster Railroad		655
Chesterfield & Lancaster Railroad first 5s, 1955	B	655
Chestnut Hill Railroad guaranteed stock (3)	Aaa	619
Chestnut Ridge Railway		830
CHICAGO & ALTON RAILROAD COMPANY (Analysis)		734
Chicago & Alton Railroad debenture 5s, 1922 (3)	Ca	737
Chicago & Alton Railroad equipment trust 4½s and 5s, 1917-19 (5)	Baa	737
Chicago & Alton Railroad general 6s, 1932 (4)	C	737
Chicago & Alton Railroad refunding 3s, 1949 (1)	Aa	737
Chicago & Alton Railroad prior lien preferred stock (4)	C	738
Chicago & Alton Railroad preferred stock (5)	C	738
Chicago & Alton Railroad common stock (6)	D	738
Chicago & Alton Railway first lien 3½s, 1950 (2)	B	737
Chicago & Atlantic Terminal Company first mortgage 5s, 1918 (21)	Aa	342
CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY (Analysis)		226
Chicago, Burlington & Quincy Railroad Denver Extension 4s, 1922 (6)	Aaa	228
Chicago, Burlington & Quincy Railroad general mortgage 4s, 1958 (12)	Aaa	228

	RATING	PAGE
Chicago, Burlington & Quincy Railroad Illinois Division first 3½s, 1949 (1)	Aaa	228
Chicago, Burlington & Quincy Railroad Illinois Division first 4s, 1949 (2)	Aaa	228
Chicago, Burlington & Quincy Railroad Iowa Division sinking fund 4s, 1919 (3)	Aaa	228
Chicago, Burlington & Quincy Railroad Iowa Division sinking fund 5s, 1919 (4)	Aaa	228
Chicago, Burlington & Quincy Railroad (Joint) collateral 4s (10)	Aaa	362
Chicago, Burlington & Quincy Railroad Nebraska Extension 4s, 1927 (7)	Aaa	228
Chicago, Burlington & Quincy Railroad South Western Division 4s, 1921 (5)	Aaa	228
Chicago, Burlington & Quincy Railroad stock	Aaa	230
Chicago & Calumet River Railroad		831
Chicago, Detroit & Canada Grand Trunk Junction Railroad		1240
Chicago, Detroit & Canada Grand Trunk Junction Railroad stock (7)	A	1239
CHICAGO & EASTERN ILLINOIS RAILROAD COMPANY (Analysis)		236
Chicago & Eastern Illinois Railroad equipment trust 5½s, 1918 (18)	Baa	239
Chicago & Eastern Illinois Railroad first consolidated 6s, 1934 (4)	Baa	239
Chicago & Eastern Illinois Railroad first extension 6s, 1931 (3)	Baa	239
Chicago & Eastern Illinois Railroad general consolidated and first 5s, 1937 (6)	Ba	239
Chicago & Eastern Illinois Railroad purchase money coal 5s, 1942 (15)	Caa	239
Chicago & Eastern Illinois Railroad receivers' certificates 6s, 1917 (17)	A	239
Chicago & Eastern Illinois Railroad refunding and improvement 4s, 1955 (7)	Ca	239
Chicago & Eastern Illinois Railroad preferred stock (1)	Ca	241
Chicago & Eastern Illinois Railroad common stock (2)	C	241
Chicago & Erie Railroad first mortgage 5s, 1982 (20)	Aa	342
Chicago & Great Western Railroad first 5s, 1936 (1)	Aaa	181
CHICAGO GREAT WESTERN RAILROAD COMPANY (Analysis)		241
Chicago Great Western Railroad first mortgage 4s, 1959 (1)	Ba	244
Chicago Great Western Railroad preferred stock (1)	Caa	244
Chicago Great Western Railroad common stock (2)	C	244
Chicago, Hammond & Western Railroad first 6s, 1927 (1)	Aaa	470
Chicago Heights Terminal Transfer Railroad		834
Chicago & Illinois Midland Railway		832
Chicago & Illinois Western Railroad		833
Chicago & Indiana Coal Railway first 5s, 1936 (5)	C	239
Chicago, Indiana & Eastern Railway		585
Chicago, Indiana & Southern Railroad first mortgage 4s, 1956 (41)	Aa	449
CHICAGO, INDIANAPOLIS & LOUISVILLE RAILWAY COMPANY (Analysis)		246
Chicago, Indianapolis & Louisville Railway equipment 4½s, 1917-23 (7, 8 and 9)	A	249
Chicago, Indianapolis & Louisville Railway first and general 5s, 1966 (4)	Baa	249
Chicago, Indianapolis & Louisville Railway refunding mortgage 4s, 1947 (3)	A	249
Chicago, Indianapolis & Louisville Railway refunding mortgage 5s, 1947 (1)	A	249
Chicago, Indianapolis & Louisville Railway refunding mortgage 6s, 1947 (2)	A	249
Chicago, Indianapolis & Louisville Railway preferred stock (1)	Ba	250
Chicago, Indianapolis & Louisville Railway common stock (2)	Caa	250
Chicago, Indianapolis & St. Louis Shore Line Railway first guaranteed 4s, 1953 (12)	A	466
Chicago Junction Railway		835
Chicago, Lake Shore & Eastern Railway first 4½s, 1969 (2)	Aaa	338
Chicago, Memphis & Gulf Railroad Company		382
Chicago, Memphis & Gulf Railroad equipment 5s, 1917-21 (2)	Baa	382
Chicago, Memphis & Gulf Railroad first 5s, 1940 (1)	Ba	382
Chicago, Milwaukee & Gary Railway		835
Chicago, Milwaukee & Puget Sound first 4s, 1949 (17)	Aa	254
CHICAGO, MILWAUKEE & ST. PAUL RAILWAY COMPANY (Analysis)		251
Chicago, Milwaukee & St. Paul Chicago & Lake Superior Division first 5s, 1921 (1)	Aaa	254
Chicago, Milwaukee & St. Paul Chicago & Missouri River Division first 5s, 1926 (2)	Aaa	254
Chicago, Milwaukee & St. Paul Chicago & Pacific Western Division first 5s, 1921 (3)	Aaa	254
Chicago, Milwaukee & St. Paul Railway convertible 4½s, 1932 (16)	Aa	254

	RATING	PAGE
Chicago, Milwaukee & St. Paul Railway debenture 4s, 1934 (13)	Aa	254
Chicago, Milwaukee & St. Paul Railway Dubuque Division first 6s, 1920 (4)	Aaa	254
Chicago, Milwaukee & St. Paul Railway European loan 4s, 1925 (14)	Aa	254
Chicago, Milwaukee & St. Paul Railway general mortgage 3½s, 1989 (10)	Aaa	254
Chicago, Milwaukee & St. Paul Railway general mortgage 4s and 4½s, 1989 (9)	Aaa	254
Chicago, Milwaukee & St. Paul Railway general and refunding Series A 4½s, 2014 (18)	Aa	254
Chicago, Milwaukee & St. Paul general and refund. convert. 5s, Series B, 2014 (19)	Aa	254
Chicago, Milwaukee & St. Paul Railway gold 4s, 1925 (15)	Aa	254
Chicago, Milwaukee & St. Paul La Crosse & Davenport Division first 5s, 1919 (5)	Aaa	254
Chicago, Milwaukee & St. Paul Wisconsin & Minnesota Division first 5s, 1921 (6)	Aaa	254
Chicago, Milwaukee & St. Paul Wisconsin Valley Division first 6s, 1920 (7)	Aaa	254
Chicago, Milwaukee & St. Paul Railway preferred stock (1)	Aa	256
Chicago, Milwaukee & St. Paul Railway common stock (2)	Baa	256
Chicago & North Michigan Railway first mortgage 5s, 1931 (1)		1165
CHICAGO & NORTH WESTERN RAILWAY COMPANY (Analysis)		260
Chicago & North Western Railway equipment 4½s, 1917-23 (27)	Aa	263
Chicago & North Western Railway extension 4s, 1926 (6)	Aaa	263
Chicago & North Western Railway general mortgage 3½s, 4s and 5s, 1987 (12)	Aaa	263
Chicago & North Western Railway sinking fund debenture 5s, 1933 (2)	Aaa	263
Chicago & North Western Railway sinking fund 5s, 1929 (4)	Aaa	263
Chicago & North Western Railway sinking fund 6s, 1929 (5)	Aaa	263
Chicago & Northwestern Railway 30-year debenture 5s, 1921 (3)	Aaa	263
Chicago & North Western Railway preferred stock (1)	Aa	266
Chicago & North Western Railway common stock (2)	A	266
CHICAGO, PEORIA & ST. LOUIS RAILROAD COMPANY (Analysis)		273
Chicago, Peoria & St. Louis Railroad equipment 6s, 1917-23 (3)	Ba	275
Chicago, Peoria & St. Louis Railroad general and refunding 4½s, 1939 (2)	C	275
Chicago, Peoria & St. Louis Railway prior lien 4½s, 1930 (1)	Ca	275
Chicago River & Indiana Railroad		836
Chicago River & Indiana Railroad first refunding 5s, 1925	Ba	837
Chicago & Rock Island Elevator first 5s, 1924 (13)	Ba	279
Chicago, Rock Island & Pacific Railroad first 6s, 1917 (1)	Aaa	279
CHICAGO, ROCK ISLAND & PACIFIC RAILWAY (Analysis)		276
Chicago, Rock Island & Pacific Railway debenture 5s, 1932 (17)		279
Chicago, Rock Island & Pacific Railway equipment trusts, 1917-27 (18)	A	279
Chicago, Rock Island & Pacific Railway first and refunding 4s, 1934 (12)	Baa	279
Chicago, Rock Island & Pacific Railway general 4s, 1988 (2)	Aa	279
Chicago, Rock Island & Pacific Railway gold 4s, Series O to P, 1917-18 (11)	Aa	279
Chicago, Rock Island & Pacific Railway receivers' certificates, 1917 (19)	Aa	279
Chicago, Rock Island & Pacific Railway two-year notes, 1917 (20)		279
Chicago, Rock Island & Pacific Railway stock		282
Chicago, St. Louis & New Orleans Railway consolidated 3½s, 1951 (24)	Aaa	378
Chicago, St. Louis & New Orleans Railway consolidated 5s, 1951 (23)	Aaa	378
Chicago, St. Louis & New Orleans Railway equipment 5s, Series A, 1917-24 (34)	Aaa	378
Chicago, St. Louis & New Orleans Railway Memphis Division first 4s, 1951 (25)	Aa	378
Chicago, St. Louis & Pittsburgh Railway consolidated 5s, 1932 (1)	Aaa	602
CHICAGO, ST. PAUL, MINNEAPOLIS & OMAHA RAILWAY COMPANY (Analysis)		269
Chicago, St. Paul, Minneapolis & Omaha Railway consolidated 6s, 1930 (4)	Aaa	272
Chicago, St. Paul, Minneapolis & Omaha Railway consolidated 3½s, 1930 (5)	Aaa	272
Chicago, St. Paul, Minneapolis & Omaha Railway debenture 5s, 1930 (7)	Aa	272
Chicago, St. Paul, Minneapolis & Omaha Railway preferred stock (1)	Aa	273
Chicago, St. Paul, Minneapolis & Omaha Railway common stock (2)	A	273
Chicago, St. Paul & Minneapolis Railway first mortgage 6s, 1918 (1)	Aaa	272
Chicago, Santa Fe & California Railway first mortgage 5s, 1937 (1)	Aaa	130
Chicago School Board Purchase Money 5s (B. & O. Chic. Term. R.R.), 1938 (3)	Aaa	181

	RATING	PAGE
Chicago Short Line Railway		837
CHICAGO, TERRE HAUTE & SOUTHEASTERN RAILWAY (Analysis)		284
Chicago, Terre Haute & Southeastern Railway equipment 5s, 1917-23 (4)	Baa	286
Chicago, Terre Haute & Southeastern Railway first and refunding 5s, 1960 (3)	B	286
Chicago, Terre Haute & Southeastern Railway income 4-5s, 1960 (5)	C	286
Chicago Union Station Company		838
Chicago Union Station Company first 4½s, 1963	Aaa	838
Chicago & Wabash Valley Railway Company		250
Chicago & Western Indiana Railroad (Joint Control)		833
Chicago & Western Indiana Railroad consolidated 4s, 1952 (2)	Aa	834
Chicago & Western Indiana Railroad first and refunding 5s, 1962 (4)		834
Chicago & Western Indiana Railroad general 6s, 1932 (1)	Aaa	834
Chicago & Western Indiana Railroad 2-year 5 per cent. notes, 1917 (3)	Baa	834
Chicago & West Michigan Railway consolidated 5s, 1921 (2)		1165
Chicago, West Pullman & Southern Railroad		838
Chilian Transandine Railway Company, Ltd		1230
Chippewa Valley & Northern Railway		838
Choctaw & Memphis Railway first 5s, 1949 (8)	Aa	279
Choctaw, Oklahoma & Gulf Railroad consolidated 5s, 1952 (10)	A	279
Choctaw, Oklahoma & Gulf Railroad first 5s, 1919 (7)	Aa	279
Cincinnati, Bluffton & Chicago Railroad		839
Cincinnati, Burnside & Cumberland River Railway		290
Cincinnati, Dayton & Chicago Railway first mortgage 4s, 1942 (3)		187
Cincinnati, Dayton & Ironton Railway first mortgage 5s, 1941 (4)		187
Cincinnati, Findlay & Fort Wayne Railway Company		188
Cincinanti, Findlay & Fort Wayne Railway first mortgage 4s, 1923	Caa	188
Cincinnati, Flemingsburg & Southeastern Railroad		840
CINCINNATI, HAMILTON & DAYTON RAILWAY COMPANY (Analysis)		184
Cincinnati, Hamilton & Dayton Railway equipment 5s, 1917-20 (9)	A	187
Cincinnati, Hamilton & Dayton Railway first and refunding mortgage 4s, 1959 (7)		187
Cincinnati Hamilton & Dayton Railway general gold bonds, 1939 (8)		187
Cincinnati, Hamilton & Dayton Railway general mortgage 5s, 1942 (2)	Baa	187
Cincinnati, Hamilton & Dayton Railway second (now first) mortgage 4½s 1937 (1)	A	187
Cincinnati, Hamilton & Dayton Railway stock		188
Cincinnati, Indianapolis, St. Louis & Chicago Railway first consolidated 6s, 1920 (1)	Aaa	466
Cincinnati, Indianapolis, St. Louis & Chicago Railway general first 4s, 1936 (2)	Aaa	466
Cincinnati, Indianapolis & Western Railroad Company		840
Cincinnati, Indianapolis & Western Railroad equipment 5s, 1917-26 (2 and 3)	Baa	841
Cincinnati, Indianapolis & Western Railroad first 5s, 1965 (1)	Ba	841
Cincinnati Inter-Terminal Railroad		221
Cincinnati, Lebanon & Northern Railway		585
Cincinnati, Lebanon & Northern Railway first consolidated 4s, 1942 (2)	Aa	586
Cincinnati & Muskingum Valley Railroad first sinking funds 4s, 1948 (24)	Aaa	582
Cincinnati-Nashville Southern Railway first 5s, 1937	B	1086
CINCINNATI, NEW ORLEANS & TEXAS PACIFIC RAILWAY (Analysis)		287
Cincinnati, New Orleans & Texas Pacific Railway equipment trust 4½s, 1917-26	Aaa	289
Cincinnati, New Orleans & Texas Pacific Railway preferred stock (1)	Aaa	290
Cincinnati, New Orleans & Texas Pacific Railway common stock (2)	Aa	290
CINCINNATI NORTHERN RAILROAD COMPANY (Analysis)		459
Cincinnati Northern Railroad equipment 5s, 1917-25 (2)	A	462
Cincinnati Northern Railroad first mortgage 4s, 1951 (1)	Baa	462
Cincinnati Northern Railroad stock	Caa	462
Cincinnati, Richmond & Fort Wayne Railroad first 7s, 1921 (4)	Baa	591
Cincinnati, Saginaw & Mackinaw Railroad		1240
Cincinnati, Saginaw & Mackinaw guaranteed stock (8)	A	1239

	RATING	PAGE
Cincinnati, Sandusky & Cleveland Railroad		468
Cincinnati, Sandusky & Cleveland Railroad consolidated 5s, 1928 (5)	Aaa	466
Cincinnati Union Depot & Terminal Company		841
Clarendon & Pittsford Railroad		842
Clarksburg Northern Railroad		842
Clearfield & Jefferson Railroad first 6s, 1927 (24)	Aa	547
Clearfield & Mahoning Railway first mortgage 5s, 1943 (5)	Aaa	211
Clearfield & Mahoning Railway guaranteed stock (2)	Aaa	212
Cleveland, Akron & Cincinnati Railway Company		586
Cleveland, Akron & Columbus Railway first consolidated guaranteed 4s, 1940 (23)	Aaa	582
Cleveland, Akron & Columbus Railway general (now first) 5s, 1927 (22)	Aaa	582
CLEVELAND, CINCINNATI, CHICAGO & ST. LOUIS RAILWAY COMPANY (Analysis)		462
Cleveland, Cincinnati, Chicago & St. Louis Railway, Cairo Division first 4s 1939 (6)	Aa	466
Cleveland, Cincinnati, Chicago & St. Louis Railway, Cincinnati, Wabash & Michigan Division first mortgage 4s, 1991 (10)	Aa	466
Cleveland, Cincinnati, Chicago & St. Louis Railway European loan 4s, 1930 (13)	Baa	466
Cleveland, Cincinnati, Chicago & St. Louis Railway equipments (15)	A	466
Cleveland, Cincinnati, Chicago & St. Louis Railway general 4s and 5s, 1993 (11)	A	466
Cleveland, Cincinnati, Chicago & St. Louis Railway new 4½s, 1931 (14)	Baa	466
Cleveland, Cincinnati, Chicago & St. Louis Ry., St. Louis Division collateral 4s, 1990 (9)	Aa	466
Cleveland, Cincinnati, Chicago & St. Louis Ry., Springfield & Columbus Div first mtg. 4s, 1940 (7)	Aa	466
Cleveland, Cincinnati, Chicago & St. Louis Ry., White Water Valley Div. first mtg. 4s 1940 (8)	Aa	466
Cleveland, Cincinnati, Chicago & St. Louis Railway preferred stock (1)	A	468
Cleveland, Cincinnati, Chicago & St. Louis Railway common stock (2)	B	468
Cleveland, Columbus, Cincinnati & Indianapolis Railway general 6s, 1934 (3)	Aaa	466
Cleveland, Lorain & Wheeling Railway consolidated (now first) mortgage 5s, 1933 (20)	Aaa	177
Cleveland, Lorain & Wheeling Railway general mortgage 5s, 1936 (21)	Aaa	177
Cleveland, Lorain & Wheeling Railway consolidated 4½s, 1930 (22)	Aaa	177
Cleveland & Mahoning Valley first consolidated mortgage 5s, 1938 (23)	Aa	342
Cleveland & Mahoning Valley Railway stock (1)	Aaa	346
Cleveland & Marietta Railway first 4½s, 1935 (10)	Aaa	582
Cleveland & Pittsburgh Railroad Company		587
Cleveland & Pittsburgh Railroad general sinking fund 4½s Series A, 1942 (11)	Aaa	582
Cleveland & Pittsburgh Railroad general sinking fund 4½s Series B, 1942 (12)	Aaa	582
Cleveland & Pittsburgh Railroad general sinking fund 3½s Series B, 1942 (13)	Aaa	582
Cleveland & Pittsburgh Railroad general sinking fund 3½s Series C, 1948 (14)	Aaa	582
Cleveland & Pittsburgh Railroad general sinking fund 3½s Series D, 1950 (15)	Aaa	582
Cleveland & Pittsburgh Railroad betterment stock (2)	Aaa	584
Cleveland & Pittsburgh Railroad guaranteed stock (1)	Aaa	584
Cleveland Short Line first 4½s, 1961 (10)	Aaa	449
Cleveland Terminal & Valley Railroad first mortgage 4s, 1995 (19)	Aaa	177
Clinton & Oklahoma Western Railway		842
Clinton & Oklahoma Western Railway first 5s, 1930	B	843
COAL & COKE RAILWAY COMPANY (Analysis)		291
Coal & Coke Railway first 5s, 1919 (1)	Ba	293
Coal & Coke Railway equipment trust 5s, 1917 (2)	A	293
Coal & Iron Railway first 5s, 1920 (1)	Aaa	1174
Coal River Railway first mortgage 4s, 1945 (14)	A	219
Colorado Bridge Company first 7s, 1920 (5)	Ba	394
Colorado-Kansas Railway		845
COLORADO MIDLAND RAILWAY COMPANY (Analysis)		294
Colorado Midland Railway first 4s 1947 (1)		296
Colorado & South-Eastern Railroad		843

	RATING	PAGE
Colorado & South-Eastern Railway first 5s, 1955	Ba	844
COLORADO & SOUTHERN RAILWAY COMPANY (Analysis)		231
Colorado & Southern Railway equipment 5s, 1917 (7)	Aa	233
Colorado & Southern Railway first mortgage 4s, 1929 (1)	Aaa	233
Colorado & Southern Railway refunding and extension 4½s, 1935 (2)	A	233
Colorado & Southern Railway first and second preferred stock (1 and 2)	B	234
Colorado & Southern Railway common stock (3)	Caa	234
Colorado Springs & Cripple Creek District Railway consolidated 5s, 1942 (4)	Ba	233
Colorado Springs & Cripple Creek District Railway first mortgage 5s, 1930 (3)	Aa	233
Colorado, Texas & Mexico Railroad		845
Colorado, Wyoming & Eastern Railway Company		845
Colorado & Wyoming Railway		844
Colorado & Wyoming Railway first 4s, 1953	Ba	844
Columbia, Newberry & Laurens Railroad		846
Columbia, Newberry & Laurens Railroad first 3s, 1937	Ba	847
Columbia & Port Deposit Railway first 4s, 1940 (3)	Aaa	573
Columbia & St. Louis Railway first 4s, 1942 (9)	Baa	762
Columbia Union Station Company		847
Columbus Connecting and Terminal Railroad first 5s, 1922 (5)	Aaa	529
Columbus & Hocking Valley Railway first mortgage 4s, 1948 (1)	Aaa	224
Columbus & Toledo Railway first mortgage 4s, 1955 (2)	Aaa	224
Columbus & Xenia Railroad		603
Columbus & Xenia Railroad stock (3)	Aaa	603
Concord & Claremont Railroad first 5s, 1944 (12)	Aa	202
Concord & Montreal Railroad consolidated 4s, 1920 (14)	A	202
Concord & Montreal Railroad debenture 3½s and 4s, 1920 (15)	A	202
Concord & Montreal Railroad 7 per cent. guaranteed stock (9)	Ba	204
Concord & Portsmouth Railroad 7 per cent. guaranteed stock (10)	Ba	204
Connecticut & Passumpsic Rivers Railroad first 4s, 1943 (13)	Aa	202
Connecticut & Passumpsic Rivers Railroad 6 per cent. guaranteed stock (2)	Ba	204
Connecticut River Railroad 10 per cent. guaranteed stock (13)	Ba	204
Connecticut River Railroad plain 3½s of 1923 (16)	A	202
Connecticut River Railroad plain 4s, 1943 (17)	A	202
Connecticut River Railroad plain 3½s of 1921 (18)	A	202
Connecting Railway first 4s, 1951 (28)	Aaa	547
Connecting Terminal Railroad		847
Consolidated Indiana Coal Company first sinking fund 5s, 1935 (14)	Ba	279
Consolidated Railway debenture 4s, 1930-56 (40)	Ba	504
Cooperstown & Charlotte Valley Railroad		308
Cooperstown & Susquehanna Valley Railroad		308
Cooperstown & Susquehanna Valley Railroad first 5s, 1918	Ba	308
Copper Range Railroad		848
Copper Range Railroad first 5s, 1949	Ba	848
Copper River & Northwestern Railway		849
Cordoba Central Railway Company, Ltd		1230
CORNWALL & LEBANON RAILROAD COMPANY (Analysis)		556
Cornwall & Lebanon Railroad first 4s, 1921 (1)	Baa	558
CORNWALL RAILROAD COMPANY (Analysis)		296
Cornwall Railroad stock	Baa	298
COUDERSPORT & PORT ALLEGANY RAILROAD (Analysis)		299
Coudersport & Port Allegany Railroad first 5s, 1936 (1)	Ba	300
Cripple Creek Central Railway Company		849
Cripple Creek Central Railway Company preferred stock	Baa	850
Cripple Creek & Colorado Springs Railroad Company		850
Crosbyton-Southplains Railroad		133

	RATING	PAGE
Crystal River Railroad		852
Cuba Company		1231
Cuba Company debenture 6s, 1955	Aa	1231
Cuba Company preferred stock (1)	A	1232
Cuba Company common stock (2)	Baa	1232
Cuban Central Railways, Ltd		1264
CUBA RAILROAD COMPANY (Analysis)		1232
Cuba Railroad Company first 5s, 1952 (1)	Aa	1233
Cuba Railroad Company improvement and equipment 5s, 1960 (2)	Aa	1233
Cuba Railroad Company equipment trusts 5s, 1917-25 (4)	Aa	1233
Cuba Railroad Company 5% notes, 1918 (3)	A	1233
Cumberland & Pennsylvania Railroad		852
Cumberland & Pennsylvania Railroad first 5s, 1921	Aa	853
Cumberland Railroad		853
Cumberland Valley & Martinsburg Railroad		559
Cumberland Valley Railroad Company		558
Current River Railroad first 5s, 1927 (5)	Aa	1170

D

Dakota & Great Southern Railway first mortgage 5s, 1927 (5)	Aa	1170
Dallas Terminal Railway & Union Depot Company		646
Dallas & Waco Railroad first mortgage 5s, 1940 (9)	B	1150
Danbury & Norwalk Railroad consolidated 5s, 1920 (4)	Aaa	504
Danbury & Norwalk Railroad consolidated 6s, 1920 (5)	Aaa	504
Danbury & Norwalk Railroad first refunding 4s, 1955 (7)	Aaa	504
Danbury & Norwalk Railroad general 5s, 1925 (6)	Aaa	504
Dansville & Mt. Morris Railroad Company		854
Danville & Grape Creek Railroad first 6s, 1920 (1)	Ba	239
Danville & Western Railway Company		693
Dardanelle & Russellville Railroad		855
Dardanelle & Russellville Railroad first 6s, 1920	Caa	855
Davenport, Rock Island & Northwestern Railway		855
Dawson Railway Company		877
Dawson Railway & Coal Company		877
Dawson Railway & Coal Company first collateral 5s, 1951 (5)	Aa	876
Dayton, Lebanon & Cincinnati Railroad & Terminal Company first 6s, 1934 (1)	Aaa	586
Dayton & Michigan Railroad Company		188
Dayton & Michigan Railroad first mortgage 4½s, 1931 (5)	A	187
Dayton & Michigan Railroad preferred stock (1)	Ba	188
Dayton & Michigan Railroad common stock (2)	Ba	188
Dayton & Union Railroad Company (Joint Control)		855
Dayton Union Railway (Joint Control)		856
Dayton Union Railway first 4s, 1949	A	857
Delaware & Bound Brook Railroad first 3½s, 1955 (13)	Aaa	616
Delaware & Bound Brook Railroad guaranteed stock (4)	Aaa	619
DELAWARE & HUDSON COMPANY (Analysis)		301
Delaware & Hudson Company convertible 5s, 1935 (13)	Aa	304
Delaware & Hudson Company equipment trust 4½s, 1922 (12)	Aaa	304
Delaware & Hudson Company first and refunding mortgage 4s, 1943 (4)	Aaa	304
Delaware & Hudson Company Pennsylvania Division first mortgage 7s, 1917 (1)	Aaa	304
Delaware & Hudson Company stock (6)	A	305
DELAWARE, LACKAWANNA & WESTERN RAILROAD COMPANY (Analysis)		312
Delaware, Lackawanna & Western Railroad stock (15)	Aaa	316

	RATING	PAGE
Delaware & Northern Railroad		857
Delaware Railroad general 4½s, 1932 (4)	Aaa	573
Delaware Railroad guaranteed stock (1)	Aaa	574
Delaware River Railroad & Bridge Company		553
Delaware River Railroad & Bridge Company first 4s, 1936 (29)	Aaa	547
Delaware River Terminal extension purchase money 5s, 1942 (2)	Aaa	616
Delaware River Terminal purchase money 5s (extended), 1942 (1)	Aaa	616
Delaware River & Union Railroad		858
Delaware Valley Railway Company		858
Denison & Pacific Suburban Railway		727
Denver, Boulder & Western Railroad		859
Denver, Laramie & Northwestern Railroad		860
DENVER & RIO GRANDE RAILROAD COMPANY (Analysis)		318
Denver & Rio Grande Railroad accumulative adjustment 7s, 1932 (7)	B	321
Denver & Rio Grande Railroad equipment trust Series B 5s, 1917 (8)	Aa	321
Denver & Rio Grande Railroad first consolidated 4s, 1936 (1)	A	321
Denver & Rio Grande Railroad first consolidated 4½s, 1936 (2)	A	321
Denver & Rio Grande Railroad first refunding 5s, 1955 (6)	Ba	321
Denver & Rio Grande Railroad improvement 5s, 1928 (3)	Baa	321
Denver & Rio Grande Railroad preferred stock (1)	Caa	322
Denver & Rio Grande Railroad common stock (2)	Ca	322
DENVER & SALT LAKE RAILROAD (Analysis)		1137
Denver & Salt Lake Railroad adjustment 5s, 1943 (3)	C	1139
Denver & Salt Lake Railroad equipment trust 5s, 1917-23 (2)	B	1139
Denver & Salt Lake Railroad first mortgage bonds, 1943 (1)	Ca	1139
Denver Union Terminal Railway		860
Denver Union Terminal Railway first 4½s, 1964	A	861
De Queen & Eastern Railroad		861
Des Moines & Fort Dodge Railroad first mortgage 4s, 1935 (5)	Ba	434
Des Moines Terminal Company		1183
Des Moines Union Railway (Joint Control)		862
Des Moines Union Railway first 5s, 1917	A	863
Des Moines Western Railway		863
Des Plaines Valley first 4½s, 1947 (25)	Aa	263
Detroit & Bay City Railway first mortgage 5s, 1931 (2)	Aaa	480
Detroit, Bay City & Western Railway		1183
Detroit, Bay City & Western Railroad first sinking fund 5s, 1932	Ba	1183
Detroit, Grand Haven & Milwaukee Railway		1241
Detroit, Grand Rapids & Western Railroad consolidated (now first) 4s, 1946 (3)		1165
Detroit, Hillsdale & South Western Railway guaranteed stock (8)	Aaa	455
DETROIT & MACKINAC RAILWAY COMPANY (Analysis)		324
Detroit & Mackinac Railway first lien 4s, 1995 (1)	Aa	326
Detroit & Mackinac Railway mortgage 4s, 1995 (2)	Baa	326
Detroit & Mackinac Railway preferred stock (1)	Baa	326
Detroit & Mackinac Railway common stock (2)	Ba	326
Detroit River Tunnel Company		483
Detroit Terminal Railroad		863
Detroit Terminal & Tunnel first 4½s, 1961 (14)	Aa	480
DETROIT, TOLEDO & IRONTON RAILROAD COMPANY (Analysis)		326
Detroit, Toledo & Ironton Railroad adjustment mortgage 5s, 1954 (2)	Caa	329
Detroit, Toledo & Ironton Railroad equipment trust 6s, 1917-25 (3)	A	329
Detroit, Toledo & Ironton Railroad first 5s, 1964 (1)	Baa	329
DETROIT & TOLEDO SHORE LINE RAILROAD (Analysis)		329
Detroit & Toledo Shore Line Railroad first 4s, 1953 (1)	Aa	331
Detroit Union Railroad Depot & Station Company		864

	RATING	PAGE
Detroit Union Railroad Depot & Station Company stock	B	864
Dexter & Newport Railroad first 4s, 1917 (7)	Aa	420
Dexter & Newport Railroad guaranteed stock (2)	A	422
Dexter & Piscataquis Railroad first 4s, 1929 (8)	Aa	420
Dexter & Piscataquis Railroad guaranteed stock (3)	A	422
Diamond & Caldor Railway		864
Dominion Atlantic Railway Company		1224
Dominion Atlantic Railway extension debenture 4s, 1965 (3)		1224
Dominion Atlantic Railway first debenture 4s, 1944 (1)		1224
Dominion Atlantic Railway second debenture 4s, 1956 (2)		1224
Dover & Rockaway Railroad guaranteed stock (1)	Aaa	625
DULUTH & IRON RANGE RAILROAD COMPANY (Analysis)		332
Duluth & Iron Range Railroad first 5s, 1937 (1)	Aaa	334
DULUTH, MISSABE & NORTHERN RAILWAY COMPANY (Analysis)		334
Duluth, Missabe & Northern Railway first 6s, 1922 (1)	Aaa	336
Duluth, Missabe & Northern Railway first consolidated 6s, 1923 (2)	Aaa	336
Duluth, Missabe & Northern Railway general 5s, 1941 (3)	Aaa	336
Duluth & Northeastern Railroad		864
Duluth & Northern Minnesota Railway		865
Duluth, Rainy Lake & Winnipeg Railway first 5s, 1921 (19)	Baa	1205
DULUTH, SOUTH SHORE & ATLANTIC RAILWAY COMPANY (Analysis)		1213
Duluth, South Shore & Atlantic Railway car trust 4s and 4½s, 1917-23 (4)	Baa	1215
Duluth, South Shore & Atlantic Railway first mortgage 5s, 1937 (1)	Ba	1215
Duluth, South Shore & Atlantic Railway first consolidated mortgage 4s, 1990 (30)	Ca	1215
Duluth, South Shore & Atlantic Railway income 4s, 1912 (5)	E	1215
Duluth, South Shore & Atlantic Railway preferred stock (1)	E	1216
Duluth, South Shore & Atlantic Railway common stock (2)	F	1216
Duluth, Winnipeg & Pacific Railway first 4% debenture stock, 1939 (26)	Ba	1205
Dunbar & Wausaukee Railway		866
Dunleith & Dubuque Bridge Company		382
Durham & Northern Railroad first 6s, 1928 (5)	Aaa	652
Durham & South Carolina Railroad		866
Durham & South Carolina Railroad first 5s, 1941	Ba	867
Durham & Southern Railway		867
Durham Union Station Company		867
Durham Union Station Company first 5s, 1955	A	868
Dutchess County Railroad first 4½s, 1940 (2)	A	511

E

Eagles Mere Railroad first 5s, 1942 (2)	Baa	1123
East Broad Top Railroad & Coal Company		868
East Broad Top Railroad & Coal Company first 4s, 1958 (1)	A	869
East Broad Top Railroad & Coal Company second income 4s, 1958 (2)	Ba	869
East Carolina Railway		869
East Carolina Railway first gold 4s, 1936	Caa	869
East Jersey Railroad & Terminal Company		869
East Jordan & Southern Railroad		871
East Mahanoy Railroad guaranteed stock (5)	Aaa	619
East Pennsylvania Railroad first 4s, 1958 (14)	Aaa	616
East Pennsylvania Railroad guaranteed stock (6)	Aaa	619
East Tennessee, Virginia & Georgia Railway consolidated 5s, 1956 (4)	Aaa	687
East Tennessee, Virginia & Georgia Railway first 5s, 1930 (3)	Aaa	687
East Tennessee & Western North Carolina Railroad		870

	RATING	PAGE
East Tennessee & Western North Carolina Railroad first 5s, 1935	A	871
Eastern British Columbia Railway		1234
Eastern Kentucky Railway		871
Eastern Maine Railroad guaranteed stock (4)	A	422
Eastern Railway of Minnesota Northern Division first mortgage 4s, 1948 (4)	Aaa	362
Easton & Amboy Railroad first mortgage 5s, 1920, (7)	Aaa	409
Easton & Northern Railroad first 4½s, 1935 (12)	Aaa	409
Eddystone & Delaware River Railroad		872
Elberton & Eastern Railway		873
El Dorado & Wesson Railway		873
Elgin & Havelock Railway		1234
ELGIN, JOLIET & EASTERN RAILWAY COMPANY (Analysis)		336
Elgin, Joliet & Eastern Railway first 5s, 1941 (1)	Aaa	338
Elizabeth River Railroad first 4s, 1935 (2)	Baa	1005
Elk & Little Kanawha Railroad		874
Elkin & Alleghany Railway		874
Elkton & Guthrie Railroad		164
Ellwood Short Line Railroad first mortgage 5s, 1922 (10)	Aaa	177
Elmira & Williamsport Railroad first 4s, 1950 (41)	Aa	547
Elmira & Williamsport Railroad income 5s, 2862 (42)	Aa	547
Elmira & Williamsport Railroad preferred and common stock (6 and 7)	Aaa	550
El Oro Mining & Railway Company, Ltd		1235
El Paso & Northeastern Company		876
El Paso & Northeastern Railroad		878
El Paso & Northeastern Railway		878
El Paso & Rock Island Railway		879
El Paso & Rock Island first 5s, 1951 (4)	Aa	876
El Paso & Southwestern Company		875
El Paso & Southwestern Railroad Company		879
El Paso & Southwestern Railroad of Texas		880
El Paso Union Passenger Depot Company (Joint Control)		881
El Paso Union Passenger Depot Company first 5s, 1934	Aa	882
Entre Rios Railways Company, Ltd		1235
Erie & Jersey Railroad first 6s, 1955 (34)	A	342
Erie & Kalamazoo Railroad guaranteed stock (13)	Aaa	455
Erie & Michigan Railway & Navigation Company		882
Erie & Pittsburgh Railroad Company		588
Erie & Pittsburgh Railroad general (now first) 3½s, 1940 (16)	Aaa	582
Erie & Pittsburgh Railroad common guaranteed stock (3)	Aaa	584
Erie & Pittsburgh Railroad special guaranteed stock (4)	Aaa	584
ERIE RAILROAD COMPANY (Analysis)		339
Erie Railroad Buffalo & South Western Division second mortgage 5s, 1918 (33)	A	342
Erie Railroad collateral trust 5½s, 1917 (41)	Aa	342
Erie Railroad consolidated general lien 4s, 1996 (37)	Baa	342
Erie Railroad Series A 4s, 1953 (38)	Ba	342
Erie Railroad convertible Series B 4s, 1953 (39)	Ba	342
Erie Railroad convertible Series D 4s, 1953 (40)	Ba	342
Erie Railroad equipment trust 4½s and 5s, 1917-26 (42)	Aa	342
Erie Railroad first consolidated prior lien 4s, 1996 (36)	A	342
Erie Railroad Pennyslvania Coal collateral 4s, 1951 (19)	Aa	342
Erie Railroad first preferred stock (10)	B	346
Erie Railroad second preferred stock (11)	Caa	346
Erie Railroad common stock (12)	C	346
Erie Railroad Buffalo Branch first mortgage 4s, 1931 (6)	Aaa	342
Erie Railway consolidated 7s, 1920 (7)	Aaa	342

	RATING	PAGE
Escanaba & Lake Superior Railroad		883
Esquimalt & Nanaimo Railway		1224
Essex Terminal Railway		1236
Etna & Montrose Railroad		883
European & North American Railway first refundings 4s, 1933 (9)	Aa	420
European & North American Railway guaranteed stock (5)	A	422
Evansville Belt first 5s, 1940 (16)	Ba	239
Evansville & Indianapolis Railroad first 6s, 1924 (12)	Ca	239
Evansville & Indianapolis Railroad first consolidated 6s, 1926 (13)	Ca	239
Evansville, Suburban & Newburgh Railway		884
Evansville, Suburban & Newburgh Railway first 5s, 1935	B	884
Evansville, Terre Haute & Chicago Railway income 6s, 1920 (2)	Ba	239
Evansville & Terre Haute Railroad first consolidated 6s, 1921 (8)	Baa	239
Evansville & Terre Haute Railroad first general 5s, 1942 (11)	Caa	239
Evansville & Terre Haute Railroad Mount Vernon Branch 6s, 1923 (9)	B	239
Evansville & Terre Haute Railroad refunding 5s, 1941 (14)	C	239
Evansville & Terre Haute Railroad Sullivan County Coal Branch 5s, 1930 (10)	B	239

F

Fairchild & North-Eastern Railway		885
Fairport, Painesville & Eastern Railroad		884
Fargo & Southern Railway first mortgage 6s, 1924 (8)	Aa?	254
Farmers' Grain and Shipping Company Railroad		365
Ferdinand Railroad		886
Fernwood & Gulf Railroad		886
FERROCARRILES NACIONALES DE MEXICO (Analysis)		1255
Fitchburg Railroad 5 per cent. guaranteed preferred stock (14)	Ba	204
Fitchburg Railroad plain 3½s, 4s and 4½s, 1920-34 (19)	A	202
Flint & Pere Marquette Railroad consolidated mortgage 5s, 1939 (6)		1165
Flint & Pere Marquette Railroad first mortgage 4s, 1920 (4)		1165
Flint & Pere Marquette Railroad first mortgage 6s, 1920 (5)		1165
Flint & Pere Marquette Railroad Port Huron Division 5s, 1939 (7)		1165
Flint & Pere Marquette Railroad Toledo Division first mortgage 5s, 1937 (8)		1165
Flint River & Northeastern Railroad		887
Flint River & Northeastern Railroad first 6s, 1935	Baa	887
Florence & Cripple Creek Railroad first 6s, 1934 (1)		851
Florida Central & Peninsular Railroad first 5s, 1918 (11)	Aaa	652
Florida Central & Peninsular Railroad first consolidated 5s, 1943 (13)	Aa	652
Florida Central & Peninsular Railroad first extension 5s, 1930 (12)	Aa	652
FLORIDA EAST COAST RAILWAY COMPANY (Analysis)		352
Florida East Coast Railway equipment 5s, 1917-22 (3)	A	354
Florida East Coast Railway first 4½s, 1959 (1)	Aa	354
Florida East Coast Railway general income 5s, 1959 (2)	Ba	354
Florida Railway Company		1184
Florida Southern Railroad first mortgage 4s, 1945 (17)	Aaa	146
Florida West Shore Railway first 5s, 1934 (17)	A	652
FONDA, JOHNSTOWN & GLOVERSVILLE RAILROAD COMPANY (Analysis)		354
Fonda, Johnstown & Gloversville Railroad first consolidated 6s, 1921 (1)	Aa	356
Fonda, Johnstown & Gloversville Railroad first consolidated refunding 4½s, 1947 (2)	Baa	356
Fonda, Johnstown & Gloversville Railroad general refunding 4s, 1950 (3)	Ba	356
Fonda, Johnstown & Gloversville Railroad consol. general refunding 4½s of 1952 (4)	Ba	356

	RATING	PAGE
Fort Smith & Western Railroad		888
Fort Street Union Depot Company		889
Fort Street Union Depot Company first 4½s, 1941 (1)	A	889
Fort Street Union Railroad 6 per cent. gold notes, 1918 (2)	Baa	889
Fort Wayne & Jackson Railroad guaranteed stock (9)	Aaa	455
Fort Worth & Denver City Railway		235
Fort Worth & Denver City Railway equipment 4½s and 5s, 1917-25 (7)	Aa	233
Fort Worth & Denver City Railway first mortgage 6s, 1921 (5)	Aa	233
Fort Worth & Denver City Railway Terminal first mortgage 6s, 1937 (6)	Ba	233
Fort Worth & New Orleans Railroad first 6s, 1925 (25)	Aa	665
Fort Worth & Rio Grande Railroad		1267
Fourche River Valley & Indian Territory Railway		889
Frankfort & Cincinnati Railway		890
Franklin & Abbeville Railway		891
Franklin & Pittsylvania Railroad		891
Fremont, Elkhorn & Missouri Valley Railway first mortgage 6s, 1933 (20)	Aa	263
Fulton Chain Railway		458
Fulton Chain Railway, first 5s, 1950	Ba	458

G

Gainesville Midland Railway		892
Gainesville Midland Railway first 5s, 1935	Ca	893
Gainesville & Northwestern Railroad		892
Gallatin Valley Railway Company		258
Galveston, Harrisburg & San Antonio Railway		672
Galveston, Harrisburg & San Antonio Ry. Mexican & Pacific exten. first 5s, 1931 (23)	Aaa	665
Galveston, Harrisburg & San Antonio Ry. Mex. & Pac. extension second 5s, 1931 (24)	Aa	665
GALVESTON, HOUSTON & HENDERSON RAILROAD COMPANY (Analysis)		357
Galveston, Houston & Henderson Railroad first 5s, 1933 (1)	Baa	359
Galveston Terminal Railway		893
Galveston Terminal Railway first 6s, 1938	Baa	894
Genesee River Railroad first 6s, 1957 (35)	A	342
Genesee & Wyoming Railroad		894
Genesee & Wyoming Railroad first 5s, 1929	Ba	894
Geneva, Corning & Southern Railroad first and refunding 4s, 1959 (42)	Aa	449
Georges Valley Railroad		894
Georgia & Alabama Railway first consolidated 5s, 1945 (9)	Aa	652
Georgia & Alabama Terminal Company first 5s, 1948 (10)	Aa	652
Georgia, Carolina & Northern Railroad first 5s, 1929 (8)	Aa	652
Georgia Coast & Piedmont Railroad		895
Georgia Coast & Piedmont Railroad first 5s, 1946 (1)		896
Georgia Coast & Piedmont Railroad first sinking fund 5s, 1962 (2)		896
Georgia Coast & Piedmont Railroad income debenture 6s, 1918 (3)		896
Georgia, Florida & Alabama Railway		896
GEORGIA & FLORIDA RAILWAY COMPANY (Analysis)		1140
Georgia & Florida Railway Company first 5s, 1956 (2)	Da	1142
Georgia & Florida Railway twenty-year 6s, 1932 (3)	D	1142
Georgia & Florida Terminal Company		1142
Georgia & Florida Terminal Company 6s, 1930 (4)	C	1142
Georgia Midland Railway		693
Georgia Midland Railway first 3s, 1946 (23)	A	687

	RATING	PAGE
Georgia Northern Railway		896
Georgia Northern Railway first 6s, 1935	Baa	897
Georgia Pacific Railway first 6s, 1922 (5)	Aaa	687
GEORGIA RAILROAD (Analysis)		153
Georgia Railroad & Banking Company		152
Georgia Railroad & Banking Company currency 5s, 1922 (2)	Aaa	152
Georgia Railroad & Banking Company debenture 6s, 1922 (1)	Aaa	152
Georgia Railroad & Banking Company refunding currency 5s, 1922 (3)	Aaa	152
Georgia Railroad & Banking Company refunding debenture 4s, 1947 (4)	Aaa	152
Georgia Railroad & Banking Company stock	Aa	152
GEORGIA SOUTHERN & FLORIDA RAILWAY (Analysis)		701
Georgia Southern & Florida consolidated 4s, 1952 (2)	A	703
Georgia Southern & Florida Railway equipment trust 4½s, 1917-25 (3-5)	A	703
Georgia Southern & Florida Railway first 5s, 1945 (1)	Aa	703
Georgia Southern & Florida Railway first preferred stock (1)	A	704
Georgia Southern & Florida Railway second preferred stock (2)	Baa	704
Georgia Southern & Florida Railway common stock (3)	Caa	704
Georgia, Southwestern & Gulf Railroad		897
Georgia, Southwestern & Gulf Railroad first 5s, 1969 (1)	B	898
Gettysburg & Harrisburg Railway		625
Gettysburg & Harrisburg Railway first 5s, 1926		626
Gila Valley, Globe & Northern Railway first 5s, 1924 (18)	Aa	665
Gilmore & Pittsburg Railroad Company, Ltd		537
Gilpin Railroad		235
Glady & Alpena Railroad		898
Glasgow Railway		164
Glasgow Railway first 4s, 1920 (1)	Baa	165
Glasgow Railway second 4s, 1925 (2)	Ba	165
Gloversville & Broadalbin Railroad first 5s, 1925 (6)	Baa	356
Golden Circle Railroad first 6s, 1934 (2)		851
Goshen & Deckertown Railway first mortgage 6s, 1928 (24)	Aa	342
Goshen & Deckertown Railway second 6s, 1929 (25)	Aa	342
Goshen & Deckertown Railway stock (2)	Aaa	346
Gouverneur & Oswegatchie Railway first mortgage 5s, 1942 (25)	Aaa	449
Grafton & Upton Railroad		898
Grand Canyon Railway		134
Grand Rapids, Belding & Saginaw Railway first mortgage 5s, 1924 (9)		1165
Grand Rapids & Indiana Railroad Company first extended 4½s, 1941 (1)	Aaa	591
Grand Rapids & Indiana Railroad Company first extended 3½s, 1941 (2)	Aaa	591
GRAND RAPIDS & INDIANA RAILWAY COMPANY (Analysis)		588
Grand Rapids & Indiana Railway Company second 4s, 1936 (3)	Aa	591
Grand Rapids & Indiana Railway Company stock	Caa	591
Grand Rapids & Northwestern Railroad		899
Grand River Valley Railway new first mortgage 4s, 1959 (12)	Aa	480
Grand Trunk Junction Railway first 5s, 1934 (2)		1243
Grand Trunk Pacific Branch Lines Company		1242
Grand Trunk Pacific Railway Company		1241
Grand Trunk Pacific Railway 4% debenture stock (4)		1242
Grand Trunk Pacific Railway 5% sterling secured notes, 1921		1242
Grand Trunk Pacific Railway, Lake Superior Branch, first 4s, 1955 (3)		1242
Grand Trunk Pacific Railway second mortgage 4s, 1955 (2)		1242
Grand Trunk Pacific Railway sterling 4s, 1962 (5)		1242
Grand Trunk Pacific Railway Western Division first mortgage 3s, 1962 (1)		1241
GRAND TRUNK RAILWAY COMPANY OF CANADA (Analysis)		1236
Grand Trunk Railway equipment 4½s, 1917-23 (8)	A	1237

	RATING	PAGE
Grand Trunk Railway second equipment 6s, 1919 (3)	Aa	1237
Grand Trunk Railway perpetual consolidated debenture 4s (2)	Aa	1237
Grand Trunk Railway perpetual debenture 5s (1)	Aa	1237
Grand Trunk Railway 5% guaranteed notes, 1917 (9)	A	1237
Grand Trunk Railway 5% secured notes, 1918 (10)	A	1237
Grand Trunk Railway 5½% secured notes, 1918, 1920 (11)	Ba	1237
Grand Trunk Railway 4 per cent. guaranteed stock (1)	A	1239
Grand Trunk Railway 5 per cent. first preference stock (2)	Baa	1239
Grand Trunk Railway second preference stock (3)	B	1239
Grand Trunk Railway third preference stock (4)	Caa	1239
Grand Trunk Railway ordinary stock (9)	Ca	1239
Grand Trunk Western Railway		1243
Grand Trunk Western Railway first 4s, 1950 (1)		1243
Grand Trunk Western Railway general consolidated 4s, 1962 (3)		1243
Gray's Point Terminal Railway Company		647
Gray's Point Terminal Railway Company first 5s, 1947 (3)	Aa	645
Great Northern & Northern Pacific joint (C. B. & Q. collateral) 4s, 1921 (10)	Aaa	362
GREAT NORTHERN RAILWAY COMPANY (Analysis)		360
Great Northern Railway of Canada first 4s, 1934 (21)	Baa	1205
Great Northern Railway C. B. & Q. collateral 4s, 1921 (10)	Aaa	362
Great Northern Railway first and refunding 4¼s, 1961 (9)	Aaa	362
Great Northern Railway stock	Aa	364
Great Southern Railroad Company		899
Great Western of Brazil Railway Company, Ltd		1248
Great Western Railway		900
Great Western Railway perpetual debenture 5s (4)	A	1237
GREEN BAY & WESTERN RAILROAD COMPANY (Analysis)		1143
Green Bay & Western Railroad Class A debentures (1)	A	1145
Green Bay & Western Railroad Class B debentures (3)	B	1145
Green Bay & Western Railroad stock (2)	Ba	1145
Greenbrier Railway first mortgage 4s, 1940 (8)	A	219
Greene County Railroad		901
Greene Railroad guaranteed stock (11)	Aaa	316
Greenville & Newnan Railway first mortgage 4s, 1925 (12)	Aa	387
Greenville & Western Railway		1184
Greenwich & Johnsonville Railway		308
Greenwich & Johnsonville Railway first 4s, 1924	A	309
Greenwich Tramway first 5s, 1931 (21)	Aa	504
Groveton, Lufkin & Northern Railway		901
Guantanamo & Western Railroad Company		1249
Guatemala Central Railroad first 6s, 1931		1251
Guayaquil & Quito Railway Company		1249
Gulf, Florida & Alabama Railway Company		903
Gulf, Florida & Alabama Railway Company first 5s, 1961	B	903
GULF, MOBILE & NORTHERN RAILROAD COMPANY (Analysis)		366
Gulf & Sabine River Railroad		902
GULF & SHIP ISLAND RAILROAD COMPANY (Analysis)		368
Gulf & Ship Island Railroad first refunding and terminal 5s, 1952 (1)	Baa	370
Gulf & Ship Island Railroad debenture 6s, 1918-24 (3)	A	370
Gulf & Ship Island Railroad general and refunding 6s, 1917 (2)	A	370
Gulf & Ship Island Railroad stock	Ca	371
Gulf Terminal Company		904
Gulf Terminal Company first 4s, 1957	A	904
Gulf, Texas & Western Railway		904

H

	RATING	PAGE
Halifax & Southwestern Railway first 3½s, 1943 (20)	Baa	1205
Hampden Railroad Corporation		905
Hampton & Branchville Railroad		905
Hancock & Calumet Railroad consolidated 5s, 1931 (2)	B	1216
Hannibal Connecting Railroad		906
Hannibal Union Depot Company		906
Hardwick & Woodbury Railroad		907
Harlem River & Port Chester Railroad		512
Harlem River & Port Chester Railroad first 4s, 1954 (1)	Aaa	504
Harriman & Northeastern Railroad		290
Harriman & Northeastern Railroad first 6s, 1921	Ba	291
Harrisburg, Portsmouth, Mount Joy & Lancaster Railroad		553
Harrisburg, Portsmouth, Mount Joy & Lancaster Railroad first 4s, 1943	Aaa	554
Harrisburg, Portsmouth, Mount Joy & Lancaster Railroad guaranteed stock (2)	Aaa	550
Hartford & Connecticut Western Railroad		511
Hartford & Connecticut Western first 4½s, 1923	A	512
Hartford, Manchester & Rockville Tramway first 5s, 1924 (19)	Aa	504
Hartford Street Railway debenture 4s, 1930 (41)	A	504
Hartford Street Railway first 4s, 1930 (20)	Aa	504
Hartwell Railway		694
Havana Central Railroad		1264
Havana Terminal Railroad		1265
Hawaii Consolidated Railway, Ltd		908
Hawkinsville & Florida Southern Railway		704
Hawkinsville & Florida Southern Railway first 5s, 1952	Baa	705
Hayneville & Montgomery Railroad		907
Henderson Bridge Company first mortgage 6s, 1931 (21)	Aaa	161
Hereford Railway first 4s, 1930 (10)	Aa	420
Hereford Railway guaranteed stock (6)	A	422
Hibernia Mine Railroad guaranteed stock (2)	Aaa	625
Hill City Railway		909
Hillsboro & Northeastern Railway		909
Hoboken Manufacturers Railroad		1184
HOCKING VALLEY RAILWAY COMPANY (Analysis)		222
Hocking Valley Railway consolidated 4½s, 1999 (3)	Aaa	224
Hocking Valley Railway equipment trusts, 1917-24 (5)	Aaa	224
Hocking Valley Railway two-year 5% notes, 1917 (4)	Aa	224
Hocking Valley Railway common stock	A	225
Hollidaysburg, Bedford & Cumberland Railroad first 4s, 1951 (12)	Aa	547
Holston Corporation consolidated 5s, 1926 (6)	Ba	215
Holton Inter-Urban Railway		909
Holton Inter-Urban Railway first 6s, 1918-1937	Ba	910
Holyoke & Westfield Railroad		512
Holyoke & Westfield Railroad first 4½s, 1951	Aa	513
Holyoke & Westfield Railroad stock (1)	Aa	507
Home Avenue Railroad Company		189
Hoosac Tunnel & Wilmington Railroad		910
Hoosac Tunnel & Wilmington Railroad first 5s, 1922	Baa	911
Housatonic Railroad consolidated 5s, 1937 (3)	Aaa	504
Houston Belt & Terminal Railway		911
Houston Belt & Terminal Railway sinking fund 5s, 1937	Baa	911
Houston East & West Texas Railway		673

	RATING	PAGE
Houston East & West Texas Railway first 5s, 1933 (10)	Aaa	665
Houston & Shreveport Railroad		673
Houston & Texas Central Railroad		674
Houston & Texas Central Railroad first 5s, 1937 (20)	Aaa	665
Houston & Texas Central Railroad general 4s, 1921 (21)	Aa	665
Hudson Coal Company debenture 4s, 1917 (7)	Aa	304
Hudson Coal Company debenture 4s, 1917-18 (8)	Aa	304
HUNTINGDON & BROAD TOP MOUNTAIN RAILROAD & COAL CO. (Analysis)		371
Huntingdon & Broad Top Mountain Railroad & Coal Company consolidated 5s, 1925 (3)	B	373
Huntingdon & Broad Top Mountain Railroad & Coal Company equip. 4½s, 1917-21 (4)	A	373
Huntingdon & Broad Top Mountain Railroad & Coal Company first 4s, 1920 (1)	Baa	373
Huntingdon & Broad Top Mountain Railroad & Coal Company second 4s, 1925 (2)	Ba	373
Huntington & Big Sandy Railroad first mortgage 6s, 1922 (13)	Aaa	177
Hutchinson & Southern Railway first mortgage 5s, 1928 (10)	Aaa	130

I

Iberia & Vermilion Railroad		677
Idaho Southern Railroad		911
ILLINOIS CENTRAL RAILROAD COMPANY (Analysis)		374
Illinois Central Railroad, Chicago, St. L. & N. O. joint 5s, 1963 (28)	Aa	378
Illinois Central Railroad collateral trust 4s, 1952 (10)	Aaa	378
Illinois Central Railroad equipment 4s, 4½s and 5s, 1917-26 (29-33)	Aaa	378
Illinois Central Railroad first 3½s, 1950 (2)	Aaa	378
Illinois Central Railroad first mortgage 3½s and 4s, 1951 (3, 4 and 6)	Aaa	378
Illinois Central Railroad Litchfield Division first mortgage 3s, 1951 (18)	Aaa	378
Illinois Central Railroad L. N. O. & T. collateral trust 4s, 1953 (12)	Aaa	378
Illinois Central Railroad Louisville Division and Terminal first 3½s, 1953 (16)	Aaa	378
Illinois Central Railroad Omaha Division first mortgage 3s, 1951 (17)	Aaa	378
Illinois Central Railroad Purchased Lines first mortgage 3½s, 1952 (19)	Aaa	378
Illinois Central Railroad refunding mortgage 4s, 1955 (27)	Aa	378
Illinois Central Railroad St. Louis Division and Terminal first 3½s, 1951 (14)	Aaa	378
Illinois Central Railroad St. Louis Division and Terminal first mortgage 3s, 1951 (15)	Aaa	378
Illinois Central Railroad Springfield Division first mortgage 3½s, 1951 (8)	Aaa	378
Illinois Central Railroad sterling 4s, 1951 (1)	Aaa	378
Illinois Central Railroad sterlings 3s, 1951 (5)	Aaa	378
Illinois Central Railroad sterling trust 3½s, 1950 (7)	Aaa	378
Illinois Central Railroad Western Lines first mortgage 4s, 1951 (13)	Aaa	378
Illinois Central Railroad "leased lines" stock (1)	Aa	381
Illinois Central Railroad stock (2)	A	381
Illinois Northern Railway		912
Illinois Southern Railway Company (The)		913
Illinois Southern Railway first 5s, 1951 (1)	B	913
Illinois Terminal Railroad		914
Illinois Terminal Railroad first 5s, 1925	A	914
Imperial Rolling Stock Company, Limited, equipment trusts (35)	Ba	1205
Independence & Monmouth Railway		914
Indian Creek Valley Railway		915
Indiana, Bloomington & Western Railway first preferred 4s, 1940 (16)	Aa	466
INDIANA HARBOR BELT RAILROAD (Analysis)		468
Indiana Harbor Belt Railroad general 4s, 1957 (2)	Aaa	470
Indiana, Illinois & Iowa Railroad first mortgage 4s, 1950 (40)	Aaa	449
Indiana Stone Railroad Company		251

	RATING	PAGE
Indianapolis & Louisville Railway		250
Indianapolis & Louisville Railway first mortgage 4s, 1956 (5)	A	249
Indianapolis & St. Louis Railroad first mortgage 7s, 1919 (4)	Aaa	466
Indianapolis Union Railway		915
Indianapolis Union Railway general and refunding 5s, 1965 (2)	Aa	916
Indianapolis Union Railway sinking fund 4½s, 1926 (1)	Aa	916
International Bridge Company		1243
International & Great Northern Railroad first 6s, 1919 (1)	Baa	394
INTERNATIONAL & GREAT NORTHERN RAILWAY (Analysis)		392
International & Great Northern Railway equipment 5s, 1917-23 (6)	Ba	394
International & Great Northern Railway first refunding 5s, 1941 (4)	C	394
International & Great Northern Railway receivers' certificates 6s, 1917 (2)	Baa	394
International & Great Northern Railway three-year notes, 1914 (3)	C	394
International Railways of Central America		1250
Interstate Railroad		916
Interstate Railroad equipment trust 5s, 1918-1923	Baa	917
Iowa Central Railway equipment 5s, 1917-20 (10)	A	434
Iowa Central Railway first mortgage 5s, 1938 (6)	A	434
Iowa Central Railway refunding 4s, 1951 (7)	B	434
Iowa Falls & Sioux City Railway first mortgage 7s, 1917 (26)	Aaa	378
Iowa, Minnesota & North Western Railway first mortgage 3½s, 1935 (14)	Aa	263
Ironton Railroad Company		917
Island Railroad		918
Ivorydale & Mill Creek Valley Railway		918

J

Jackson, Lansing & Saginaw Railway first mortgage 3½s, 1951 (5)	Aaa	480
Jacksonville Terminal Company		919
Jacksonville Terminal Company first 5s, 1939	Aaa	919
James River Valley & Northwestern Railway		266
Jamestown, Franklin & Clearfield Railroad first mortgage 4s, 1959 (8)	Aaa	449
Jefferson & Northwestern Railway		919
Jefferson Railroad first mortgage 5s, 1919 (14)	Aaa	342
Jefferson Railroad, Honesdale Branch first mortgage 4½s, 1927 (12)	Aaa	342
Jefferson Railroad, Honesdale Branch second mortgage 6s, 1929 (13)	Aaa	342
Johnsonburg Railroad first 6s, 1929 (30)	Aa	547
Johnstown, Gloversville & Kingsboro Horse Railroad first extended 5s, 1933 (7)	Ba	356
Joliet & Chicago Railroad		738
Joliet & Chicago Railroad guaranteed stock (2)	B	738
Joliet & Northern Indiana Railway first mortgage 4s, 1957 (6)	Aaa	480
Jonesboro, Lake City & Eastern Railroad		920
Jonesboro, Lake City & Eastern Railroad first 5s, 1925	B	920
Joplin Union Depot Company		920
Joplin Union Depot Company first 4½s, 1940	Aa	921
Jucaro & Moron Railway		1251
Junction & Breakwater Railroad first 3s, 1932 (5)	Aa	573
Junction Railroad general 3½s, 1930 (11)	Aa	547

K

Kahului Railroad		1252
Kalamazoo, Allegan & Grand Rapids Railway first mortgage 5s, 1938 (6)	Aaa	449
Kalamazoo, Allegan & Grand Rapids Railway guaranteed stock (10)	Aaa	455
Kalamazoo, Lake Shore & Chicago Railway		921

	RATING	PAGE
Kalamazoo & South Haven Railroad first mortgage 5s, 1939 (3)	Aaa	480
Kalamazoo & White Pigeon Railroad first mortgage 5s, 1940 (5)	Aaa	449
Kanawha Bridge & Terminal Company		221
Kanawha Bridge & Terminal Company first 5s, 1948	Ba	222
Kanawha, Glen Jean & Eastern Railroad		922
KANAWHA & MICHIGAN RAILWAY COMPANY (Analysis)		487
Kanawha & Michigan Railway equipment 4½s, 1917-24 (4 and 5)	Aa	489
Kanawha & Michigan Railway first mortgage 4s, 1990 (1)	Aaa	489
Kanawha & Michigan Railway second mortgage 5s, 1927 (2)	Aa	489
Kanawha & Michigan Railway stock	Baa	490
Kanawha & West Virginia Railroad		490
Kanawha & West Virginia Railroad first 5s, 1955 (3)	A	489
Kane & Elk Railroad		922
Kankakee & Seneca Railroad		923
Kankakee & Southwestern Railroad first mortgage 5s, 1921 (9)	Aaa	378
Kanona & Prattsburgh Railway		923
Kansas City, Clinton & Springfield Railway		925
Kansas City, Clinton & Springfield Railway first 5s, 1925		926
Kansas City, Excelsior Springs & Northern Railroad first 4s, 1928 (8)	Baa	762
Kansas City, Fort Scott & Memphis Railway consolidated 6s, 1928 (4)	Aa	1170
Kansas City, Fort Scott & Memphis Railway refunding 4s, 1936 (8)	Baa	1170
Kansas City, Fort Scott & Memphis Railway preferred stock certificates (1)	Ba	1172
Kansas City, Memphis & Birmingham Railroad general 4s, 1934 (6)	A	1170
Kansas City, Memphis & Birmingham Railroad income 5s, 1934 (7)	Baa	1170
Kansas City & Memphis Railway & Bridge Company first 5s, 1929 (9)	Baa	1170
Kansas City & Memphis Railway Company		924
Kansas City, Mexico & Orient Railroad Company		926
Kansas City, Mexico & Orient Railroad adjustment bonds, 1964		927
Kansas City, Mexico & Orient Railroad six per cent gold notes, 1916		927
Kansas City North Western Railroad first mortgage 5s, 1933 (12)		1156
Kansas City & Pacific Railroad first mortgage 4s, 1990 (8)	Ba	1150
Kansas City, St. Louis & Chicago Railroad		739
Kansas City, St. Louis & Chicago Railroad preferred stock (1)	B	738
Kansas City, Shreveport & Gulf Terminal Company		399
KANSAS CITY SOUTHERN RAILWAY COMPANY (Analysis)		395
Kansas City Southern Railway equipment 5s, 1917-24 (3)	Aa	397
Kansas City Southern Railway first mortgage 3s, 1950 (1)	Aaa	397
Kansas City Southern Railway refunding and improvement mortgage 5s, 1950 (2)	A	397
Kansas City Southern Railway preferred stock (1)	Baa	398
Kansas City Southern Railway common stock (2)	Caa	398
Kansas City Terminal Railway		927
Kansas City Terminal Railway first 4s, 1960 (1)	Aa	928
Kansas City Terminal Railway secured notes, (a, b and c)	Aa	928
Kansas & Colorado Pacific Railway first refunding 6s, 1938 (10)		1156
Kansas & Missouri Railroad first 5s, 1922 (3)	Aaa	1170
Kansas & Oklahoma Southern Railway		924
Kansas Southwestern Railway		134
Keeseville, Ausable Chasm & Lake Champlain Railroad		928
Kennebec Central Railroad		929
Kennebec Central Railroad first 4½s	Baa	929
Kennebunk & Kennebunkport Railroad 4½ per cent guaranteed stock (17)	Ba	204
Kentucky Central Railway first mortgage 4s, 1987 (12)	Aa	161
Kentucky & Indiana Terminal Railroad		929
Kentucky & Indiana Terminal Railroad first 4½s, 1961	Aa	930
Kentucky Midland Railway		931

	RATING	PAGE
Kentucky & Tennessee Railway		930
Kentucky & Tennessee Railway first 6s, 1925	B	930
Kentwood & Eastern Railway		931
Kentwood, Greenburg & Southwestern Railroad		932
Keokuk & Des Moines Railway		282
Keokuk & Des Moines Railway first 5s, 1923	Caa	283
Keokuk & Hamilton Bondholders Company		932
Keokuk & Hamilton Bridge Company		932
Keokuk & Hamilton Bridge Company first 8s	B	933
Keweenaw Central Railroad		933
Kinder & Northwestern Railroad		933
Kingston & Pembroke Railway		1225
Kishacoquillas Valley Railroad		934
Kittanning Run Railroad		934
Klondike Mines Railway		935
Knox & Lincoln Railway Series "A" 5s, 1921 (3)	Aaa	420
Knoxville & Ohio Railroad first 6s, 1925 (6)	Aaa	687
Knoxville, Sevierville & Eastern Railway Company		935

L

Lackawanna & Montrose Railroad		317
Lackawanna Railroad of New Jersey guaranteed stock (13)	Aaa	316
La Crosse & Southeastern Railway		936
Lake Champlain & Moriah Railroad		936
Lake Champlain & St. Lawrence Junction Railway		1225
Lake Charles & Northern Railroad		675
Lake Charles Railway & Navigation Company		937
Lake Erie, Franklin & Clarion Railroad		938
Lake Erie, Franklin & Clarion Railroad 5s, 1953	B	939
Lake Erie & Pittsburg Railway		938
LAKE ERIE & WESTERN RAILROAD (Analysis)		471
Lake Erie & Western Railroad equipment 4½s, 1917-27 (4)	Baa	473
Lake Erie & Western Railroad first mortgage 5s, 1937 (1)	A	473
Lake Erie & Western Railroad second mortgage 5s, 1941 (2)	Ba	473
Lake Erie & Western Railroad preferred stock (1)	Ca	473
Lake Erie & Western Railroad common stock (2)	C	473
Lake Shore & Michigan Southern Railway debenture 4s, 1928 (3)	Aaa	449
Lake Shore & Michigan Southern Railway 25-year debenture 4s, 1931 (4)	Aaa	449
Lake Shore & Michigan Southern Railway first mortgage 3½s, 1997 (2)	Aaa	449
Lakeside & Marblehead Railroad		939
Lakeside & Marblehead Railroad first 6s, 1922	A	940
Lake Superior & Ishpeming Railway		940
Lake Superior & Ishpeming Railway first series 6s, 1918-1931	Ba	940
Lake Superior Terminal & Transfer Railway		941
Lake Tahoe Railway & Transportation Company		941
Lake Tahoe Railway & Transportation Company first sinking fund 5s, 1931	Baa	942
Lake Terminal Railroad		942
Lancaster & Chester Railway		943
Lancaster & Chester Railway first 5s, 1921	Ba	943
Lansing Manufacturers Railroad		943
Lansing Manufacturers Railroad first 5s, 1920-1930	Baa	944
Laramie, Hahn's Peak & Pacific Railway first 6s, 1929		846
La Salle & Bureau County Railroad		944

	RATING	PAGE
Las Vegas & Tonopah Railroad		944
Laurel Railroad		946
Leamington & St. Clair Railway first mortgage 4s, 1945 (10)	Aaa	480
Leavenworth Terminal Railway & Bridge Company		245
Leavenworth Terminal Railway & Bridge Company first 5s, 1923	Ba	245
Leavenworth & Topeka Railway		946
Leesville East & West Railroad		947
Leetonia Railway		947
LEHIGH & HUDSON RIVER RAILWAY COMPANY (Analysis)		400
Lehigh & Hudson River Railway debenture 4s, 1920 (3)	Aa	402
Lehigh & Hudson River Railway general mortgage 5s, 1920 (2)	Aaa*	402
Lehigh & Hudson River Railway second consolidated 5s, 1917 (1)	Aaa	402
Lehigh & Lake Erie Railroad first mortgage 4½s, 1957 (11)	Aa	409
LEHIGH & NEW ENGLAND RAILROAD COMPANY (Analysis)		403
Lehigh & New England Railroad first 5s, 1945 (1)	Aaa	405
Lehigh & New England Railroad general 5s, 1954 (2)	Aa	405
Lehigh & New England Railroad equipment trust 4½s, 1917-30 (3)	Aaa	405
Lehigh & New York Railroad first 4s, 1945 (6)	Aaa	409
LEHIGH VALLEY RAILROAD COMPANY (Analysis)		406
Lehigh Valley Railroad collateral 4s, 1917-26 (5)	Aaa	409
Lehigh Valley Railroad consolidated 4½s, 1923 and irredeemable (2)	Aaa	409
Lehigh Valley Railroad consolidated 6s, 1923 and irredeemable (3)	Aaa	409
Lehigh Valley Railroad equipment 4½s, 1917 (17)	Aaa	409
Lehigh Valley Railroad first extended 4s, 1948 (1)	Aaa	409
Lehigh Valley Railroad general consolidated 4s and 4½s, 2003 (4)	Aaa	409
Lehigh Valley Railroad preferred stock (3)	Aaa	411
Lehigh Valley Railroad common stock (4)	Baa	411
Lehigh Valley Railroad Terminal first mortgage 5s, 1941 (8)	Aaa	409
Lehigh Valley Railway of New York first mortgage 4½s, 1940 (9)	Aaa	409
Leroy & Caney Valley Air Line Railway first mortgage 5s, 1926 (13)		1156
Lewiston, Nezperce & Eastern Railroad		948
Lexington & Eastern Railway first 5s, 1965 (26)	Aa	161
Lexington Union Station Company		949
Lexington Union Station Company preferred stock	Baa	949
Liberty-White Railroad		949
Lick Creek & Lake Erie Railroad first 5s, 1923 (1)	Aa	215
Ligonier Valley Railroad		950
Ligonier Valley Railroad first 6s, 1943	Baa	950
Lime Rock Railroad		950
Lime Rock Railroad consolidated refunding 4s, 1929	Ba	951
Lincoln Park & Charlotte Railroad first mortgage 5s, 1939 (3)	Aaa	211
Lindsay, Bobcaygeon & Pontypool Railway first mortgage 4s, 2002 (10)	Aa	1212
Litchfield & Madison Railway		951
Litchfield & Madison Railway first 5s, 1934	Ba	952
Little Falls & Dolgeville Railroad first 3s, 1932 (44)	A	449
Little Kanawha Railroad		952
Little Miami Railroad		594
Little Miami Railroad betterment stock (2)	Aaa	603
Little Miami Railroad first 4s, 1962 (13)	Aaa	602
Little Miami Railroad original stock (1)	Aaa	603
Little River Railroad		953
Little Rock Bridge Company first 6s, 1919 (9)	Aa	279
Little Rock & Hot Springs Western Railway first mortgage 4s, 1939 (19)	Baa	1156
Little Rock Junction Railway first consolidated 6s, 1916 (18)		1156

* For Guaranteed Bonds.

	RATING	PAGE
Little Rock, Maumelle & Western Railroad		953
Little Rock, Sheridan & Saline River Railway		953
Little Schuylkill Navigation Railroad & Coal Company guaranteed stock (7)	Aaa	619
Live Oak, Perry & Gulf Railroad		954
Live Oak, Perry & Gulf Railroad first 5s, 1942	B	954
Long Dock Company consolidated 6s, 1935 (15)	Aaa	342
Long Island City & Flushing Railroad consolidated 5s, 1937 (10)	Aa	566
LONG ISLAND RAILROAD COMPANY (Analysis)		563
Long Island Railroad Company debenture 5s, 1934 (5)	Aa	566
Long Island Railroad Company debenture 4s, 1919 (19)		566
Long Island Railroad Company equipment 4s and 5s, 1917-24 (18)	Aa	566
Long Island Railroad Company Ferry first 4½s, 1922 (7)	Aa	566
Long Island Railroad Company first consolidated 5s, 1931 (2)	Aaa	566
Long Island Railroad Company first consolidated 4s, 1931 (3)	Aaa	566
Long Island Railroad Company general 4s, 1938 (4)	Aa	566
Long Island Railroad Company North Shore Branch first consolidated 5s, 1932 (15)	Aa	566
Long Island Railroad Company refunding 4s, 1949 (14)	Aa	566
Long Island Railroad Company second (now first) 7s, 1918 (1)	Aaa	566
Long Island Railroad Company Stewart Line 4s, 1932 (6)	Aa	566
Long Island Railroad Company unified 4s, 1949 (13)	A	566
Long Island Railroad Company stock (2)	C	567
Lorain, Ashland & Southern Railway		
Lorain & Southern Railroad		954
Lorain & West Virginia Railroad		955
Lorain & West Virginia Railroad first 5s, 1963	Ba	955
LOS ANGELES & SALT LAKE RAILROAD (Analysis)		751
Los Angeles & San Diego Beach Railway		956
LOUISIANA & ARKANSAS RAILWAY COMPANY (Analysis)		412
Louisiana & Arkansas Railway equipment 6s, 1917-23 (2)	Baa	414
Louisiana & Arkansas Railway first 5s, 1927 (1)	Baa	414
Louisiana & Missouri River Railroad		738
Louisiana & Missouri River Railroad preferred guaranteed stock (3)	B	738
Louisiana & North West Railroad		956
Louisiana & Pacific Railroad		957
Louisiana & Pacific Railway first 6s, 1920	Ba	957
LOUISIANA RAILWAY & NAVIGATION COMPANY (Analysis)		415
Louisiana Railway & Navigation Company first 4½s, 1953 (1)	Caa	417
Louisiana Southern Railway		1161
Louisiana Western Railroad		676
Louisiana Western Railroad first 6s, 1921 (26)	Aa	665
Louisville Bridge Company		591
Louisville, Cincinnati & Lexington Railway general mortgage 4½s, 1931 (4)	Aaa	161
LOUISVILLE, HENDERSON & ST. LOUIS RAILWAY COMPANY (Analysis)		167
Louisville, Henderson & St. Louis Railway consolidated 5s, 1965 (3)	Baa	169
Louisville, Henderson & St. Louis Railway equipment 4½s, 1917-22 (2)	A	169
Louisville, Henderson & St. Louis Railway fifty-year first mortgage 5s, 1946 (1)	Aa	169
Louisville, Henderson & St. Louis Railway preferred stock (1)	Caa	169
Louisville, Henderson & St. Louis Railway common stock (2)	Ca	169
Louisville & Jeffersonville Bridge Company		957
Louisville & Jeffersonville Bridge Company first 4s, 1945	Aa	958
LOUISVILLE & NASHVILLE RAILROAD COMPANY (Analysis)		158
Louisville & Nashville Railroad, Atlanta, Knoxville & Cincinnati division 4s 1955 (20)	Aa	161
Louisville & Nashville Railroad collateral first mortgage 5s, 1931 (3)	Aaa	161
Louisville & Nashville Railroad East Henderson & Nashville Division first 6s, 1919 (6)	Aaa	161
Louisville & Nashville Railroad equipment 5s, 1917-23 (27)	Aaa	161

	RATING	PAGE
Louisville & Nashville Railroad general mortgage gold 6s, 1930 (1)	Aaa	161
Louisville & Nashville Railroad 50-year first mortgage 5s, 1937 (2)	Aaa	161
Louisville & Nashville Railroad Mobile & Montgomery first mortgage 4½s 1945 (5)	Aaa	161
Louisville & Nashville Railroad New Orleans & Mobile Division first 6s, 1930 (7)	Aaa	161
Louisville & Nashville Railroad New Orleans & Mobile Division second 6s, 1930 (8)	Aa	161
Louisville & Nashville Railroad Paducah & Memphis Division first 4s, 1946 (13)	Aa	161
Louisville & Nashville Railroad Pensacola Division first mortgage 6s, 1920 (9)	Aaa	161
Louisville & Nashville Railroad South East & St. Louis Division first 6s, 1921 (10)	Aaa	161
Louisville & Nashville Railroad South East & St. Louis Division second 3s, 1980 (11)	Aa	161
Louisville & Nashville Railroad Southern-Monon joint mortgage 4s, 1952 (22)	A	161
Louisville & Nashville Railroad Terminal gold 4s, 1952 (23)	Aa	161
Louisville & Nashville Railroad unified mortgage 4s, 1940 (16)	Aaa	161
Louisville & Nashville Railroad stock (2)	Aa	164
Louisville & Nashville Terminal Company		165
Louisville, New Albany & Corydon Railroad		958
Louisville, New Albany & Corydon Railroad first 6s, 1918	Ba	959
Louisville, New Orleans & Texas Railroad bonds (4, 5 and 6)		
Louisville & Wadley Railroad		390
Lowell & Andover Railroad 8 per cent. guaranteed stock (18)	Ba	204
Lowville & Beaver River Railroad		959
Lykens Valley Railroad & Coal Company		561
Lykens Valley Railroad & Coal Company stock (3)	Aa	550

M

McCloud River Railroad		959
McCloud River Railroad first 5s, 1937	B	960
McKeesport & Belle Vernon Railroad first mortgage 6s, 1918 (5)	Aaa	476
McKeesport Connecting Railroad		960
Macon & Birmingham Railroad		961
Macon, Dublin & Savannah Railroad		655
Macon, Dublin & Savannah Railroad first 5s, 1947	Baa	656
Macon Terminal Company		961
Macon Terminal Company first 5s, 1965	A	962
Mahoning Coal Railroad first mortgage 5s, 1934 (7)	Aaa	449
Mahoning Coal Railroad guaranteed preferred stock (11)	Aaa	455
Mahoning Coal Company common stock (12)	Aaa	455
MAINE CENTRAL RAILROAD COMPANY (Analysis)		417
Maine Central Railroad Company collateral trust sinking fund 5s, 1923 (1)	Aaa	420
Maine Central Railroad Company first refunding 4½s, 1935 (6)	Aa	420
Maine Central Railroad Company sinking fund improvement 4½s, Series B 1917 (2)	Aaa	420
Maine Central Railroad Company preferred stock (10)	A	422
Maine Central Railroad Company common stock (11)	Baa	422
Maine Shore Line Railroad first 6s, 1923 (4)	Aaa	420
Mammoth Cave Railroad		962
Manchester & Lawrence Railroad 10 per cent. guaranteed stock (19)	Ba	204
Manchester & Lawrence Railroad plain 4s, 1922 (22)	Aa	202
Manchester & Oneida Railway		962
Manchester & Oneida Railway first 5s, 1921	B	963
Manistee & Northeastern Railroad		963
Manistee & Northeastern Railroad first 5s, 1918-1937	B	964
Manistique & Lake Superior Railroad		1136
Manistique & Lake Superior Railroad income 4s, 1934	B	1137
Manitoba South Western Colonization Railway first mortgage 5s, 1934 (2)	Aaa	1212

	RATING	PAGE
Manitou & Pike's Peak Railway		964
Manitou & Pike's Peak Railway first refunding 5s, 1928	B	964
Manitowoc, Green Bay & North Western Railway first mortgage 3½s, 1941 (21)	Aa	263
Mansfield Railway & Transportation Company		964
Manufacturers Junction Railway		965
Manufacturers Railway		966
Marcellus & Otisco Lake Railway		966
Marianna & Blountstown Railroad		967
Marietta, Columbus & Cleveland Railroad		968
Marinette, Tomahawk & Western Railroad		968
Marion & Rye Valley Railway		969
Marion & Rye Valley Railway first 6s, 1922	B	970
Maritime Coal, Railway & Power Company, Ltd		1252
Marquette, Houghton & Ontonagon Railroad general mortgage 6s, 1925 (2)	Ba	1215
Marquette & Southeastern Railway first 5s, 1933 (1)	B	992
Marshall & East Texas Railway		970
Maryland, Delaware & Virginia Railway		560
Maryland, Delaware & Virginia Railway first 5s, 1955	B	560
MARYLAND & PENNSYLVANIA RAILROAD (Analysis)		425
Maryland & Pennsylvania Railroad equipment 5s, 1917-23 (5)	A	427
Maryland & Pennsylvania Railroad first 4s, 1951 (2)	Ba	427
Maryland & Pennsylvania Railroad income 4s, 1951 (3)	Caa	427
Maryland & Pennsylvania Railroad 10-year convertible 6s, 1923 (6)	B	427
Maryland & Pennsylvania Terminal Railway first 5s, 1936 (4)	Ba	427
Mason City & Fort Dodge Railroad		245
Mason City & Fort Dodge Railroad first mortgage 4s, 1955 (2)	B	244
Massawippi Valley Railway 6 per cent. guaranteed stock (3)	Ba	204
Massena Terminal Railroad		970
Massillon & Cleveland Railroad		594
Massillon & Cleveland Railroad stock	A	595
Maxton, Alma & Southbound Railroad		971
Meadville, Conneaut Lake & Linesville Railroad		197
Meadville, Conneaut Lake & Linesville Railroad first 5s, 1921 (5)	Aa	196
Memphis, Dallas & Gulf Railroad		1185
Memphis, Dallas & Gulf first refunding 6s, 1943 (2)		1185
Memphis, Paris & Gulf first gold 6s, 1928 (1)	Ba	1185
Memphis Union Station Company		971
Memphis Union Station Company first 5s, 1959 (1)	Aaa	972
Meriden Horse Railroad consolidated 5s, 1924 (15)	Aa	504
Meriden, Southington & Compounce Tramway Company first 5s, 1928 (24)	Aa	504
Meridian Terminal Company		972
Meridian Terminal Company first 4s, 1955	Aa	972
Mexican Mineral Railway		1252
Mexican Northern Railway		1253
Mexican Northern Railway first 6s, 1930	Ba	1253
Mexican Railway Company, Ltd		1253
Mexico North Western Railway		1254
Michigan Air Line Railroad first mortgage 4s, 1940 (4)	Aaa	480
Michigan Air Line Railway		1244
MICHIGAN CENTRAL RAILROAD COMPANY (Analysis)		477
Michigan Central Railroad equipment trust 5s, 1917-30 (16)	Aa	480
Michigan Central Railroad debenture 4s, 1929 (13)	Aa	480
Michigan Central Railroad first mortgage 3½s, 1952 (1)	Aaa	480
Michigan Central Railroad stock (3)	Baa	482
Michigan East and West Railway		973

	RATING	PAGE
Middleburgh & Schoharie Railroad		1186
Middlesex Valley Railroad first mortgage 5s, 1942 (10)	Aaa	409
Middletown & Unionville Railroad		973
Middletown & Unionville Railroad first 6s, 1933 (1)	Ba	974
Midland Continental Construction Company collateral trust 6 per cent. notes (2)		1186
Midland Continental Railroad		1185
Midland Pennsylvania Railroad		974
Midland Railroad of New Jersey first mortgage 5s extended, 1940 (1)	Aaa	351
Midland Terminal Railway		851
Midland Terminal Railway first sinking fund 5s, 1925	A	852
MIDLAND VALLEY RAILROAD (Analysis)		428
Midland Valley Railroad first 5s, 1943 (1)	Ba	430
Midland Valley Railroad income 5s, 1953 (2)	Ca	430
Mill Creek & Mine Hill Navigation & Railroad guaranteed stock (8)	Aaa	619
Millen & Southwestern Railroad first 5s, 1955 (1)	B	1142
Mill Valley & Mount Tamalpais Scenic Railway first 5s, 1929	A	991
Milwaukee, Lake Shore & Western Railway Ashland Division first 6s, 1925 (9)	Aaa	263
Milwaukee, Lake Shore & Western Railway extension and improvement 5s, 1929 (10)	Aaa	263
Mliwaukee, Lake Shore & Western Railway first mortgage 6s, 1921 (7)	Aaa	263
Milwaukee, Lake Shore & Western Railway Marshfield Extension first 5s, 1922 (11)	Aaa	263
Milwaukee, Lake Shore & Western Railway Michigan Division first 6s, 1924 (8)	Aaa	263
Milwaukee & Northern Railroad consolidated extension 4½s, 1934 (12)	Aaa	254
Milwaukee & Northern Railroad first mortgage 4½s, 1934 (11)	Aaa	254
Milwaukee, Sparta & Northwestern Railroad first 4s, 1947 (23)	Aa	263
Milwaukee & State Line Railway first mortgage 3½s, 1941 (22)	Aa	263
Milwaukee Terminal Railway		258
Mine Hill & Schuylkill Haven Railroad guaranteed stock (9)	Aaa	619
Mineral Point & Northern Railway		974
Mineral Range Railroad		1216
Mineral Range Railroad first consolidated 4s and 5s, 1931 (1)	B	1216
Minneapolis Eastern Railway		975
Minneapolis Eastern Railway first 4½s, 1939	Baa	976
Minneapolis Eastern Railway second 6s, 1939	Ba	976
Minneapolis & Pacific Railroad first mortgage 4s, 1936 (2)	Aaa	1219
Minneapolis & Rainy River Railway		975
Minneapolis, Red Lake & Manitoba Railway		976
MINNEAPOLIS & ST. LOUIS RAILROAD COMPANY (Analysis)		431
Minneapolis & St. Louis Railroad equipment 5s, 1917-22 (9)	A	434
Minneapolis & St. Louis Railroad first consolidated mortgage 5s, 1934 (3)	A	434
Minneapolis & St. Louis Railroad first 7s, 1927 (5)	Aaa	279
Minneapolis & St. Louis Railroad first mortgage 7s, 1927 (1)	Aaa	434
Minneapolis & St. Louis Railroad first and refunding mortgage 4s, 1949 (4)	B	434
Minneapolis & St. Louis Railroad Pacific Extension first mortgage 6s, 1921 (2)	Aaa	434
Minneapolis & St. Louis Railroad refunding and extension 5s, 1962 (8)	B	434
Minneapolis & St. Louis Railroad stock (1)	Ca	435
MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY (Analysis)		1216
Minneapolis, St. Paul & Sault Ste Marie Railway consolidated 4s and 5s, 1938 (3)	Aaa	1219
Minneapolis, St. Paul & Sault Ste Marie Railway equipment 4½s and 5s, 1917-26 (6)	Aaa	1219
Minneapolis, St. Paul & Sault Ste. Marie Railway leased line stock certificates (1)	Aa	1220
Minneapolis, St. Paul & Sault Ste. Marie Railway second mortgage 4s, 1949 (4)	Aa	1219
Minneapolis, St. Paul & Sault Ste Marie & Central Term. 1st Chicago Term. 4s, 1941 (5)	Aa	1219
Minneapolis, St. Paul & Sault Ste. Marie Railway preferred stock (2)	Aa	1220
Minneapolis, St. Paul & Sault Ste. Marie Railway common stock (3)	A	1220
Minneapolis, Sault Ste. Marie & Atlantic Railway first 4s, 1926 (1)	Aaa	1219
Minneapolis Terminal Company first 3½s, 1950 (3)	Baa	244

	RATING	PAGE
Minneapolis Union Railway first mortgage 5s and 6s, 1922 (7)	Aaa	362
Minnesota, Dakota & Western Railway		977
Minnesota & International Railway		538
Minnesota & Iowa Railway first mortgage 3½s, 1924 (15)	Aa	263
Minnesota & South Dakota Railroad first mortgage 3½s, 1935 (16)	Aa	263
Minnesota Transfer Railway		978
Minnesota Transfer Railway first 5s, 1946	Ba	978
Mississippi, Arkansas & Western Railway		978
MISSISSIPPI CENTRAL RAILROAD COMPANY (Analysis)		435
Mississippi Central Railroad first 5s, 1949 (1)	Ba	437
Mississippi Eastern Railway		978
MISSISSIPPI RIVER & BONNE TERRE RAILWAY COMPANY (Analysis)		1146
Mississippi River & Bonne Terre Railway first 5s, 1931 (1)	Baa	1147
Missouri & Illinois Bridge & Belt Railroad		979
Missouri & Illinois Bridge & Belt Railroad consolidated 4s, 1951 (1)	Ba	980
Missouri, Kansas & Eastern Railway first mortgage 5s, 1942 (4)	B	1150
Missouri, Kansas & Eastern Railway second mortgage 5s, 1942 (5)	B	1150
Missouri, Kansas & Oklahoma Railroad first mortgage 5s, 1942 (12)	Baa	1150
MISSOURI, KANSAS & TEXAS RAILWAY COMPANY (Analysis)		1147
Missouri, Kansas & Texas Railway consolidated 5s, 1940 (17)	Caa	1150
Missouri, Kansas & Texas Railway equipment 5s, 1917-23 (25)	Baa	1150
Missouri, Kansas & Texas Railway first extension 5s, 1944 (3)	Caa	1150
Missouri, Kansas & Texas Railway first mortgage 4s, 1990 (1)	Baa	1150
Missouri, Kansas & Texas Railway first refunding 4s, 2004 (15)	B	1150
Missouri, Kansas & Texas Railway 5 per cent. notes, 1916 (18)	B	1150
Missouri, Kansas & Texas Railway general sinking fund 4½s, 1936 (16)	Caa	1150
Missouri, Kansas & Texas Railway St. Louis Division refunding 4s, 2001 (6)	Ca	1150
Missouri, Kansas & Texas Railway second mortgage 4s, 1990 (2)	B	1150
Missouri, Kansas & Texas Railway preferred stock (1)	Ca	1153
Missouri, Kansas & Texas Railway common stock (2)	Daa	1153
Misouri, Kansas & Texas Railway of Texas first mortgage 5s, 1942 (7)	Baa	1150
Missouri & North Arkansas Railroad		980
Missouri, Oklahoma & Gulf Railway		981
Missouri, Oklahoma & Gulf Railway first 5s, 1944		981
MISSOURI PACIFIC RAILWAY COMPANY (Analysis)		1153
Missouri Pacific Railway collateral trust 5s, 1917 (8)		1156
Missouri Pacific Railway consolidated mortgage 6s, 1920 (7)		1156
Missouri Pacific Railway equipment trust 5s, 1917-24 (26)	A	1156
Missouri Pacific Railway first collateral 5s, 1920 (9)		1156
Missouri Pacific Railway first and refunding 5s, 1959 (25)		1156
Missouri Pacific Railway 40-year collateral 4s, 1945 (21)		1156
Missouri Pacific Railway Lexington Division first mortgage 5s, 1920 (6)		1156
Missouri Pacific Railway one-year notes, 1917 (28)		1156
Missouri Pacific Railway third mortgage 4s, 1938 (5)	Aaa	1156
Missouri Pacific Railway stock		1159
Missouri Southern Railroad		982
Missouri Valley & Blair Railway & Bridge Company		266
Mobile & Bay Shore Railroad first 5s, 1949 (5)	A	707
Mobile & Birmingham Railroad		694
Mobile & Birmingham Railroad first 4s, 1945 (25)	Baa	687
Mobile & Birmingham Railroad prior lien 5s, 1945 (24)	A	687
Mobile & Birmingham Railroad preferred stock (2)	A	690
MOBILE & OHIO RAILROAD COMPANY (Analysis)		705
Mobile & Ohio Railroad Company equipment trust 4½s and 5s, 1917-26 (9)	A	707
Mobile & Ohio Railroad Company first extension 6s, 1927 (2)	Aa	707

	RATING	PAGE
Mobile & Ohio Railroad Company first 6s, 1927 (1)	Aaa	707
Mobile & Ohio Railroad Company general 4s, 1938 (6)	A	707
Mobile & Ohio Railroad Company Montgomery Division first 5s, 1947 (3)	Aa	707
Mobile & Ohio Railroad Company St. Louis division 5s, 1927 (7)	A	707
Mobile & Ohio Railroad Company terminal and collateral 5s, 1917-21 (8)	A	707
Mobile & Ohio Railroad Company stock	Baa	708
Mobile Terminal & Railway first gold 6s, 1935 (4)		775
Mohawk & Malone Railroad consolidated mortgage 3½s, 2002 (27)	Aaa	449
Mohawk & Malone Railroad first mortgage 4s, 1991 (26)	Aaa	449
Moncton & Boutouche Railway		1254
Monon Coal Company 5s, 1936 (6)	B	249
Monongahela Connecting Railroad		982
Monongahela Connecting Railroad first 5s, 1921	Baa	983
Monongahela Railroad first 3½s, 1942 (1)	Aaa	440
MONONGAHELA RAILWAY COMPANY (Analysis)		438
Monongahela River Railroad first mortgage 5s, 1919 (1)	Aaa	177
Monroe Railroad Company		165
Monroe Railroad first 4s, 1980	Ca	166
Monroe & Southwestern Railroad		1186
Monson Railroad		983
Montana Central Railway first mortgage 5s and 6s, 1937 (5)	Aaa	362
Montana, Wyoming & Southern Railroad		983
Montana, Wyoming & Southern Railroad first 5s, 1939 (1)	Ba	984
Montauk Extention Railroad first 5s, 1945 (12)	Aa	566
Montauk Steamboat Company, Ltd., first 6s, 1926		567
Montgomery & Erie Railroad first mortgage 5s, 1926 (26)	Aa	342
Montgomery & Erie Railroad second mortgage 5s, 1927 (27)	Aa	342
Montgomery & Erie Railroad stock (3)	Aaa	346
Montour Railroad		984
Montour Railroad first 5s, 1963	Ba	985
Montpelier & Wells River Railroad		206
Montreal & Atlantic Railway		1225
Montreal & Province Line Railway first mortgage 4s, 1950 (2)	Baa	1247
Montville Street Railway first 5s, 1920 (17)	Aa	504
Morehead & North Fork Railroad		985
Morelia & Tacambaro Railway		1254
Morenci Southern Railway		880
Morgan's Louisiana & Texas Railroad & Steamship Company		677
Morgan's Louisiana & Texas Railroad & Steamship Company Alexandria extension first 6s, 1920 (28)	Aa	665
Morgan's Louisiana & Texas Railroad & Steamship Company Maine Line 7s, 1918 (27)	Aa	665
Morgantown & Kingwood Railroad		986
Morgantown & Kingwood Railroad 20-year first 5s, 1922 (1)	A	986
Morgantown & Kingwood Railroad 30-year first gold 5s, 1935 (2)	B	986
Morris Canal & Banking Company consolidated guaranteed stock (2)	Aaa	411
Morris Canal & Banking Company guaranteed stock (1)	Aaa	411
Morris County Railroad first 6s, 1925		1119
Morris & Essex Extension Railroad guaranteed stock (2)	Aaa	316
Morris & Essex Railroad first refunding 3½s, 2000 (1)	Aaa	314
Morris & Essex Railroad guaranteed stock (1)	Aaa	316
Morrisey, Fernie & Michel Railway		1255
Morristown & Erie Railroad		986
Morristown & Erie Railroad first 5s, 1923	Ba	987
Morristown & Erie Railroad equipment notes	Baa	987
Moscow, Camden & San Augustine Railway		987

	RATING	PAGE
Moshassuck Valley Railroad		988
Mount Carbon & Port Carbon Railroad guaranteed stock (10)	Aaa	619
Mount Hood Railroad		988
Mount Hope Mineral Railroad		989
Mount Jewett, Kinzua & Riterville Railroad		990
Mount Penn Gravity Railroad		990
Mount Penn Gravity Railroad first extended 4½s, 1922	B	991
Mount Penn Gravity Railroad second extended 4½s, 1922	B	991
Mount Royal Tunnel & Terminal Company first 5s, 1970 (27)	Ba	1205
Mount Tamalpais & Muir Woods Railway		991
Mount Washington Railway Company		206
Munising, Marquette & Southeastern Railway		991
Munising Railway first 4s, 1925 (2)	Baa	992
Muscatine North & South Railway		992
Muscatine North & South Railway first 5s, 1935 (1)	B	993
Muscatine North & South Railway collateral 6s, 1914 (2)	Ba	993
Muskegon, Grand Rapids & Indiana Railroad first 5s, 1926 (5)	B	591
Mutual Terminal Company of Buffalo		993

N

Nacogdoches & Southeastern Railroad		993
Nacozari Railroad Company		881
Nantucket Railroad		994
Napierville Junction Railway		309
Nashua & Lowell Railroad Corporation 9 per cent. guaranteed stock (4)	Baa	204
NASHVILLE, CHATTANOOGA & ST. LOUIS RAILWAY (Analysis)		170
Nashville, Chattanooga & St. Louis Railway Centreville Branch first 6s, 1923 (2)	Aaa	172
Nashville, Chattanooga & St. Louis Railway consolidated trust mortgage 5s, 1928 (3)	Aaa	172
Nashville, Chattanooga & St. Louis Railway Jasper Branch extension first 6s, 1923 (1)	Aaa	172
Nashville, Chattanooga & St. Louis Railway stock	A	173
Nashville & Decatur Railroad		166
Nashville & Decatur Railroad stock (1)	Aaa	164
Nashville, Florence & Sheffield Railway first mortgage 5s, 1937 (14)	Aaa	161
National Railroad of Haiti		1255
National Railroad of Mexico first consolidated gold 4s, 1951 (4)	Ca	1257
National Railroad of Mexico prior lien gold 4½s, 1926 (3)	Ca	1257
NATIONAL RAILWAYS OF MEXICO (Analysis)		1255
National Railways of Mexico general guaranteed 4s, 1977 (2)	Ca	1257
National Railways of Mexico prior lien guaranteed 4½s, 1957 (1)	B	1257
Naugatuck Railroad debenture 3½s, 1930 (39)	A	504
Naugatuck Railroad first 4s, 1954 (10)	Aaa	504
Neame, Carson & Southern Railroad Company		994
Nebraska, Kansas & Southern Railway		995
Nelson & Albemarle Railway		995
Nelson & Albemarle Railway first 6s, 1918	Ba	995
NEVADA-CALIFORNIA-OREGON RAILWAY COMPANY (Analysis)		440
Nevada-California-Oregon Railway first 5s, 1919 (1)	B	442
Nevada Central Railroad		995
Nevada Central Railroad first income 5s, 1938	Ca	996
Nevada County Narrow-Gauge Railroad		996
Nevada County Narrow-Gauge Railroad first 7s, 1918-1924 (1)	A	997
Nevada County Narrow-Gauge Railroad 5s, 1943 (2)	Baa	997
Nevada Northern Railway		997

	RATING	PAGE
Nevada Northern first sinking fund 5s, 1925	Aa	998
Newark & Bloomfield Railroad guaranteed stock (3)	Aaa	316
New Brunswick Railway		1226
New Brunswick Railway perpetual 4% consolidated debenture stock (8)	Aa	1212
New Brunswick Railway first mortgage 5s, 1934 (7)	Aaa	1212
New Brunswick Southern Railway first 3s, 1953 (11)	Aa	1212
Newburgh & New York Railroad first mortgage 5s, 1929 (10)	Aaa	342
Newburgh & South Shore Railway		998
New Castle & Shenango Valley Railroad first mortgage 4½s, 1937 (31)	Aa	342
New England Railroad first consolidated 5s, 1945 (26)	Aa	504
New England Railroad first consolidated 4s, 1945 (27)	Aa	504
New Haven & Centreville Street Railway first 5s, 1933 (14)	Aa	504
New Haven & Derby Railroad consolidated (now first) 5s, 1918 (8)	Aaa	504
New Haven & Northampton Company refunding consolidated 4s, 1956 (29)	Aa	504
New Iberia & Northern Railroad		998
New Jersey, Indiana & Illinois Railway		999
New Jersey, Indiana & Illinois Railway first 5s, 1934	B	999
New Jersey Junction Railroad first mortgage 4s, 198 6 (28)	Aaa	449
New Jersey & New York Railroad		348
New Jersey & New York Railroad first 5s, 1950 (1)	Baa	348
New Jersey & New York general 5s, 1932 (3)	B	348
New London Northern Railroad first mortgage 4s, 1940 (5)	Ba	1247
New London Street Railway first 5s, 1923 (18)	Aa	504
New Mexico Central Railroad		1000
New Mexico Midland Railway		1000
New Mexico Railway & Coal Company first and collateral trust 5s, 1947 (1)	Aa	876
New Mexico Railway & Coal Company first consolidated and collateral trust 5s, 1951 (2)	Aa	876
NEW ORLEANS GREAT NORTHERN RAILROAD COMPANY (Analysis)		442
New Orleans Great Northern Railroad equipment 5s, 1917-18 (2)	Baa	444
New Orleans Great Northern Railroad first 5s, 1955 (1)	B	444
New Orleans, Natalbany & Natchez Railway		1001
NEW ORLEANS & NORTH EASTERN RAILROAD COMPANY (Analysis)		708
New Orleans & North Eastern Railroad equipment 4½s, 1917-26 (4)	Aa	711
New Orleans & North Eastern Railroad general mortgage 4½s, 1952 (2)	Aa	711
New Orleans & North Eastern Railroad income 4½s, 1952 (3)	Aa	711
New Orleans & North Eastern Railroad prior lien mortgage extended 5s, 1940 (1)	Aaa	711
New Orleans & North Eastern Railroad stock	A	711
New Orleans Terminal Company		1001
New Orleans Terminal Company first 4s, 1953	Ba	1002
New Orleans, Texas & Mexico Railroad equipment 5s, 1917-23 (2)	Baa	1160
New Orleans, Texas & Mexico Railway Company		1159
New Orleans, Texas & Mexico Railway first 6s, 1925 (1)	Baa	1160
New Orleans, Texas & Mexico Railway income 5s, 1935 (3)	B	1160
New Park & Fawn Grove Railroad		1002
Newport & Cincinnati Bridge Company general mortgage 4½s, 1945 (17)	Aaa	161
Newport & Richford Railroad		1226
Newport & Sherman's Valley Railroad		1003
Newport & Sherman's Valley Railroad second 4s, 1921	Aa	1003
Newport & Sherman's Valley Railroad refunding 5s, 1938	Ba	1003
New York Bay Extension Railroad first 5s, 1943 (11)	Aa	566
New York Bay Railroad first 4s, 1948 (31)	Aa	547
New York, Brooklyn & Manhattan Beach Railway first consolidated 5s, 1935 (17)	A	566
New York, Brooklyn & Manhattan Beach Railway guaranteed preferred stock (1)	B	567
New York Central, Boston & Albany equipment 4½s, 1917-27 (48)	Aa	449
New York Central & Hudson River Railroad consolidated 4s, 1998 (45)	Aa	449

	RATING	PAGE
New York Central & Hudson River Railroad debenture 3½s, 2000 (13)	Aaa	449
New York Central & Hudson River Railroad debenture 4s, 1934 (14)	Aaa	449
New York Central & Hudson River Railroad debenture 4s, 1942 (20)	Aaa	449
New York Central & Hudson River Railroad Lake Shore collateral 3½s, 1998 (11)	Aaa	449
New York Central & Hudson River Railroad Michigan Central coll. 3½s, 1998 (12)	Aaa	449
New York Central & Hudson River Railroad refunding 3½s, 1997 (1)	Aaa	449
New York Central & Hudson River Railroad ref. & imp. Ser. "A", 4½s 2013 (46)	Aa	449
New York Central Lines equipment trust 5s and 4½s, 1917-28 (47)	Aa	449
NEW YORK CENTRAL RAILROAD COMPANY (Analysis)		445
New York Central Railroad Company convertible debenture 6s, 1935 (49)	A	449
New York Central Railroad stock (14)	A	455
NEW YORK, CHICAGO & ST. LOUIS RAILROAD COMPANY (Analysis)		495
New York, Chicago & St. Louis Railroad Company debenture 4s, 1931 (2)	A	498
New York, Chicago & St. Louis Railroad Company equipment 4½s, 1917-26 (3)	Aa	498
New York, Chicago & St. Louis Railroad Company first 4s, 1937 (1)	Aaa	498
New York, Chicago & St. Louis Railroad Company first preferred stock (1)	Baa	498
New York, Chicago & St. Louis Railroad Company second preferred stock (2)	Ba	498
New York, Chicago & St. Louis Railroad Company common stock (3)	B	498
New York Connecting Railroad Company		1004
New York Connecting Railroad first 4½s, 1953	Aaa	1004
New York & Erie Railroad fifth mortgage 4s, 1928 (5)	Aaa	342
New York & Erie Railroad first mortgage 4s, 1947 (1)	Aaa	342
New York & Erie Railroad fourth mortgage 5s, 1920 (4)	Aaa	342
New York & Erie Railroad second mortgage 5s, 1919 (2)	Aaa	342
New York & Erie Railroad third mortgage 4½s, 1923 (3)	Aaa	342
New York & Flushing Railroad first 6s, 1920 (8)	Aa	566
New York & Greenwood Lake Railway prior lien 5s, 1946 (22)	Aa	342
New York & Harlem Railroad		458
New York & Harlem Railroad guaranteed stock (5)	Aaa	455
New York & Harlem Railroad refunding mortgage 3½s, 2000 (29)	Aaa	449
New York, Lackawanna & Western Railroad construction 5s, 1923 (3)	Aaa	314
New York, Lackawanna & Western Railroad first mortgage 6s, 1921 (2)	Aaa	314
New York, Lackawanna & Western Railroad guaranteed stock (9)	Aaa	316
New York, Lackawanna & Western Railroad Terminal Improvement 4s, 1923 (4)	Aaa	314
New York, Lake Erie & Western Coal & Railroad first mortgage 6s, 1922 (17)	Aaa	342
New York, Lake Erie & Western Dock & Improvement first extension 5s, 1943 (16)	Aaa	342
New York, Lake Erie & Western Railway first consolidated 7s, 1920 (8)	Aaa	342
New York & Long Branch Railroad general 4s and 5s, 1941 (3)	Aaa	624
New York & New England Railroad Boston Terminal 4s, 1939 (25)	Aa	504
NEW YORK, NEW HAVEN & HARTFORD RAILROAD COMPANY (Analysis)		499
New York, New Haven & Hartford Railroad convertible debenture 3½s, 1956 (32)	Ba	504
New York, New Haven & Hartford Railroad convertible debenture 6s, 1948 (33)	Baa	504
New York, New Haven & Hartford Railroad equipment 4½s, 5s and 6s, 1917-29 (48)	Aa	504
New York, New Haven & Hartford Railroad 15-year European Loan 4s, 1922 (42)	Baa	504
New York, New Haven & Hartford Railroad non-convertible debenture 4s of 1947 (34)	Ba	504
New York, New Haven & Hartford Railroad non-convertible debenture 3½s, 1947 (35)	Ba	504
New York, New Haven & Hartford Railroad non-convertible debenture 3½s, 1954 (36)	Ba	504
New York, New Haven & Hartford Railroad non-convertible debenture 4s of 1955 (37)	Ba	504
New York, New Haven & Hartford Railroad non-convertible debenture 4s of 1956 (38)	Ba	504
New York, New Haven & Hartford Railroad one-year 4½% notes, 1917 (47)	Baa	504
New York, New Haven & Hartford Railroad stock (7)	Caa	507
New York & Northern Railway first mortgage 5s, 1927 (30)	Aaa	449
NEW YORK, ONTARIO & WESTERN RAILWAY COMPANY (Analysis)		517
New York, Ontario & Western Railway general mortgage 4s, 1955 (2)	Aa	520
New York, Ontario & Western Railway gold equipment 4½s, 1917-28 (4)	A	520

	RATING	PAGE
New York, Ontario & Western Railway refunding 4s, 1992 (1)	Aaa	520
New York, Ontario & Western Railway stock	B	520
New York, Pennsylvania & Ohio Railroad prior lien 4½s, 1935 (18)	Aaa	342
New York & Pennsylvania Railway		1004
NEW YORK, PHILADELPHIA & NORFOLK RAILROAD (Analysis)		568
New York, Philadelphia & Norfolk Railroad equipment 4s, 1917-22 (3)	Aa	570
New York, Philadelphia & Norfolk Railroad first 4s, 1939 (1)	Aaa	570
New York, Philadelphia & Norfolk Railroad non-cumulative income 4s, 1939 (2)	Aa	570
New York, Philadelphia & Norfolk Railroad 4 per cent stock trust certificates		570
New York Providence & Boston Railroad general 4s, 1942 (2)	Aaa	504
New York & Putnam Railroad first consolidated mortgage 4s, 1993 (31)	Aaa	449
New York & Rockaway Beach Railway first 5s, 1927 (16)	Aa	566
New York Short Line Railroad first 4s, 1955 (15)	Aaa	616
NEW YORK, SUSQUEHANNA & WESTERN RAILROAD COMPANY (Analysis)		348
New York, Susquehanna & Western Railroad equipment 4½s and 5s, 1917-26 (9)	A	351
New York, Susquehanna & Western Railroad first refunding 5s, 1937 (3)	A	351
New York, Susquehanna & Western Railroad general mortgage 5s, 1940 (6)	B	351
New York, Susquehanna & Western Railroad second mortgage 4½s, 1937 (5)	Ba	351
New York, Susquehanna & Western Railroad Terminal first mortgage 5s, 1943 (4)	Aa	351
New York, Westchester & Boston Railway		513
New York, Westchester & Boston Railway first 4½s, 1946	B	513
Nezperce & Idaho Railroad first 6s, 1918-25	Ba	948
Nittany Valley Railroad		1004
Nodaway Valley Railroad first mortgage 7s, 1920 (11)	Aaa	228
Norfolk & Carolina Railroad first mortgage 5s, 1939 (13)	Aaa	146
Norfolk & Carolina Railroad second mortgage 5s, 1946 (14)	Aaa	146
Norfolk & Portsmouth Belt Line Railroad		1005
Norfolk & Portsmouth Belt Line Railroad first 5s, 1938 (1)	A	1005
NORFOLK SOUTHERN RAILROAD COMPANY (Analysis)		522
Norfolk Southern Railroad equipment 5s, 1917-24 (9)	A	524
Norfolk & Southern Railroad first 5s, 1941 (1)	Aaa	524
Norfolk & Southern Railroad first general 5s, 1954 (2)	A	524
Norfolk Southern Railroad first and refunding 5s, 1961 (8)	Ba	524
Norfolk Southern Railroad stock	Ca	525
Norfolk Terminal Railway		1005
Norfolk Terminal Railway first 4s, 1961	Aa	1006
Norfolk Terminal & Transfer first 5s, 1948 (17)	Aa	219
Norfolk & Western Railroad general (now first) 6s, 1931 (1)	Aaa	529
Norfolk & Western Railroad improvement and extension 6s, 1934 (3)	Aaa	529
Norfolk & Western Railroad New River Division first 6s, 1932 (2)	Aaa	529
NORFOLK & WESTERN RAILWAY COMPANY (Analysis)		527
Norfolk & Western Railway convertible 4s, 1932 (9)	Aaa	529
Norfolk & Western Railway convertible 4½s, 1938 (10)	Aa	529
Norfolk & Western Railway convertible 10-25-year 4s, 1932 (8)	Aaa	529
Norfolk & Western Railway equipment 4s and 4½s, 1917-24 (12)	Aaa	529
Norfolk & Western Railway divisional first lien and general 4s, 1944 (7)	Aaa	529
Norfolk & Western Railway first consolidated 4s, 1996 (6)	Aaa	529
Norfolk & Western Railway Pocahontas Coal Company joint 4s, 1941 (11)	Aa	529
Norfolk & Western Railway Company preferred stock (1)	Aaa	531
Norfolk & Western Railway Company common stock (2)	Aa	531
Norristown & Main Line Connecting Railroad consolidated first 4s, 1952 (16)	Aa	616
Northampton & Bath Railroad Company		1006
Northampton & Hertford Railway		1007
Northampton & Hertford Railway first 5s, 1925 (3)	B	1007
North Carolina Railroad		695

	RATING	PAGE
North Carolina Railroad guaranteed stock (3)	A	690
North East Pennsylvania Railroad		626
North East Pennsylvania Railroad first 5s, 1920	Ba	627
Northeastern Railroad of South Carolina consolidated 6s, 1933 (6)	Aaa	146
Northern Alabama Railway		695
Northern California Railway first 5s, 1929 (16)	Aaa	665
Northern Central Railway Company irredeemable first 6s (38)	Aaa	547
Northern Central Railway Company consolidated 4½s, 1925 (39)	Aaa	547
Northern Central Railway Company second 5s, 1926 (40)	Aaa	547
Northern Central Railway Company stock (9)	Aaa	550
Northern Maine Seaport & Terminal Railroad first mortgage 5s, 1935 (7)	Ba	192
Northern Ohio Railway first mortgage 5s, 1945 (3)	Ba	473
NORTHERN PACIFIC RAILWAY COMPANY (Analysis)		532
Northern Pacific Railway general lien 3s, 2047 (2)	Aaa	535
Northern Pacific Railway prior lien 4s, 1997 (1)	Aaa	535
Northern Pacific Railway refunding and improvement 4½s, 2047 (11)	Aa	535
Northern Pacific Railway St. Paul & Duluth Division 4s, 1996 (3)	Aaa	535
Northern Pacific-Great Northern (Chicago, Burlington & Quincy coll.) 4s, 1921 (9)	Aaa	535
Northern Pacific Railway stock	A	537
Northern Pacific Terminal Company of Oregon		1007
Northern Pacific Terminal Company of Oregon first 6s, 1933	Aa	1008
Northern Railroad (N. H.) 6 per cent. guaranteed stock (5)	Ba	204
Northern Railroad of New Jersey first mortgage 6s, 1917 (28)	Aa	342
Northern Railroad of New Jersey general mortgage 4½s, 2000 (29)	Aa	342
Northern Railroad of New Jersey stock (4)	Aaa	346
Northern Railway first consolidated 5s, 1938 (15)	Aaa	665
Northern Railway of Canada perpetual debenture 4s (6)	A	1237
Northern Railway of Canada third preference debenture 6s (5)	A	1237
North Louisiana & Gulf Railroad		1008
North Pennsylvania Railroad first 4s, 1936 (17)	Aaa	616
North Pennsylvania Railroad general 3 3-10s, 1953 (18)	Aaa	616
North Pennsylvania Railroad guaranteed stock (11)	Aaa	619
North Shore Railroad		1008
North Shore Railway Company, Ltd		1258
Northwestern Coal Railway		1009
Northwestern Improvement Company		532
NORTHWESTERN PACIFIC RAILROAD (Analysis)		538
Northwestern Pacific Railroad first and refunding 4½s, 1957 (3)	Ba	540
Northwestern Railroad of South Carolina		155
Northwestern Railroad of South Carolina first 4s, 1949 (1)	Ba	155
Northwestern Terminal Railway		1140
Northwestern Terminal Railway first 5s, 1926	B	1140
Northwestern Union Railway first mortgage 7s, 1917 (1)	Aaa	263
North Wisconsin Railway first mortgage 6s, 1930 (3)	Aaa	272
Norwich Street Railway first 5s, 1923 (16)	Aa	504
Norwich & Worcester Railroad		514
Norwich & Worcester Railroad debenture 4s, 1927	Aa	514
Norwich & Worcester Railroad preferred stock (2)	Aa	507
Norwood & St. Lawrence Railroad		1009
Norwood & St. Lawrence Railroad first 5s, 1932	Baa	1010

O

Oahu Railway & Land Company		1010
Oahu Railway & Land Company consolidated gold 5s, 1927	A	1011

	RATING	PAGE
Ocean Steamship Company first mortgage 5s, 1920 (13)	A	387
Ocilla Southern Railroad		1011
Ogden Mine Railroad guaranteed stock (3)	Aaa	625
Ogdensburg & Lake Champlain Railway first 4s, 1948 (2)	A	494
Ogdensburg Terminal Company		495
Ogdensburg Terminal Company first 5s, 1917-25	Ba	495
Ogden Union Railway & Depot Company		1012
Ohio Connecting Railway first 4s, 1943 (14)	Aaa	602
Ohio, Indiana & Western Railway first preferred 5s, 1938 (17)	Aa	466
Ohio & Kentucky Railway		1012
Ohio & Little Kanawha Railroad		182
Ohio & Little Kanawha Railroad first 5s, 1950 (23)	Aa	177
Ohio River & Columbus Railway		1013
Ohio River Railroad first mortgage 5s, 1936 (5)	Aaa	177
Ohio River Railroad general mortgage 5s, 1937 (6)	Aaa	177
Ohio River & Western Railway		592
Oil Belt Railway		1186
Oklahoma Central Railroad		135
Oklahoma Central Railroad first mortgage 5s, 1934	B	136
Oklahoma, Kansas & Missouri Interurban Railway		1014
Old Colony Railroad		514
Old Colony Railroad plain 4s of 1938 (43)	Aa	504
Old Colony Railroad plain 4s of 1924 (44)	Aa	504
Old Colony Railroad plain 4s of 1925 (45)	Aa	504
Old Colony Railroad plain 3½s of 1932 (46)	Aa	504
Old Colony Railroad stock (3)	Aa	507
Omaha Bridge & Terminal Railway Company		383
Ontario & Quebec Railway irredeemable debenture 5s (5)	Aaa	1212
Ontonagon Railroad		1014
Orange & Northwestern Railroad		1161
Orangeburg Railway		1015
Oregon & California Railroad		678
Oregon & California Railroad first 5s, 1927 (11)	Aaa	665
Oregon Interurban Railway		1015
Oregon Interurban Railway first 6s, 1929	B	1015
Oregon, Pacific & Eastern Railway		1015
Oregon Railroad & Navigation Company consolidated 4s, 1946 (3)	Aaa	749
Oregon Short Line Railroad consolidated first 5s, 1946 (7)	Aaa	749
Oregon Short Line Railroad refunding 4s, 1929 (8)	Aaa	749
Oregon Short Line Railroad series "A" income 5s, 1946 (10)	Aaa	749
Oregon Short Line Railroad series "B" income 4s, 1946 (11)	Aaa	749
Oregon Short Line Railway first 6s, 1922 (6)	Aaa	749
Oregon-Washington Railroad & Navigation Company first 4s, 1961 (12)	Aa	749
Oshkosh Transportation Company		1016
Oswego & Syracuse Railroad consolidated mortgage 5s, 1923 (5)	Aaa	314
Oswego & Syracuse Railroad guaranteed stock (12)	Aaa	316
Otis Railway		1016
Ottawa & New York Railway		458
Ouachita & Northwestern Railroad		1017
Ouachita Valley Railway		1017
Owasco River Railway		1018
Ozark Valley Railway		1018

P

	RATING	PAGE
Pacific Coast Railroad Company		1019
Pacific Coast Railway		1020
Pacific Great Eastern Railway		1258
Pacific & Idaho Northern Railroad		1019
Pacific Railroad of Missouri, Carondelet Branch first mortgage 4½s, 1938 (4)	Aaa	1156
Pacific Railroad of Missouri first 4s, 1938 (1)	Aaa	1156
Pacific Railroad of Missouri St. Louis real estate 5s, 1938 (3)	Aaa	1156
Pacific Railroad of Missouri second mortgage 5s, 1938 (2)	Aaa	1156
Paducah & Illinois Railroad		1021
Paducah & Illinois Railroad first sinking fund 4½s, 1955	Aaa	1021
Paint Creek Branch Railway first mortgage 4s, 1945 (9)	A	219
Pajaro Valley Consolidated Railroad		1021
Palm Beach & Everglades Railroad		1022
Panama Railroad Company		1022
Paragould Southeastern Railway		647
Paris & Mount Pleasant Railroad		1023
Parral & Durango Railroad		1258
Parral & Durango Railroad general sinking fund 6s, 1933	B	1259
Passaic & Delaware Extension Railroad guaranteed stock (5)	Aaa	316
Passaic & Delaware Railroad guaranteed stock (4)	Aaa	316
Passaic & New York Railroad first mortgage 5s, 1940 (8)	Ba	351
Paterson Extension Railroad first mortgage 5s, 1950 (2)	A	351
Paterson & Hudson River Railroad stock (5)	Aaa	346
Paterson & Ramapo Railroad stock (6)	Aaa	346
Pawtuxet Valley Railroad first 4s, 1925 (30)	Aa	504
Pecos Valley Southern Railway		1023
Pemigewasset Railroad 6 per cent. guaranteed stock (11)	Ba	204
Pencoyd & Philadelphia Railroad		1024
PENNSYLVANIA COMPANY (Analysis)		578
Pennsylvania Company equipment 4s, 1917-23 (25)	Aaa	582
Pennsylvania Company first 4½s, 1921 (1)	Aaa	582
Pennsylvania Company French franc loan 3¾s, 1921 (8)	Aaa	582
Pennsylvania Company gold 4s, 1931 (7)	Aaa	582
Pennsylvania Company gold 4½s, 1921 (9)	Aaa	582
Pennsylvania Company 3½ per cent trust certificates series A, 1937 (2)	Aaa	582
Pennsylvania Company 3½ per cent trust certificates series B, 1941 (3)	Aaa	582
Pennsylvania Company 3½ per cent trust certificates series C, 1942 (4)	Aaa	582
Pennsylvania Company 3½ per cent trust certificates series D, 1944 (5)	Aaa	582
Pennsylvania Company 4 per cent trust certificates series E, 1952 (6)	Aaa	582
Pennsylvania Company stock (8)	Baa	584
Pennsylvania & New York Canal & Railroad consolidated 4s, 4½s, 5s, 1939 (13, 14, 15)	Aaa	409
Pennsylvania & Northwestern Railroad general 5s, 1930 (25)	Aa	547
PENNSYLVANIA RAILROAD COMPANY (Analysis)		541
Pennsylvania Railroad Company consolidated 5s, 1919 (1)	Aaa	547
Pennsylvania Railroad Company consolidated 4s, 1943 (2)	Aaa	547
Pennsylvania Railroad Company consolidated 4½s, 1960 (5)	Aaa	547
Pennsylvania Railroad Company consolidated sterling 3½s, 1945 (3)	Aaa	547
Pennsylvania Railroad Company consolidated sterling and dollar 4s, 1948 (4)	Aaa	547
Pennsylvania Railroad Company equipment trust 4s and 4½s, 1917-23 (37)	Aaa	547
Pennsylvania Railroad Company general 4½s, 1965 (44)	Aaa	547
Pennsylvania Railroad Company real estate purchase money 4s, 1923 (6)	Aaa	547
Pennsylvania Railroad Company stock (10)	A	550

	RATING	PAGE
Pennsylvania Tunnel & Terminal Railroad Company		554
Penobscot Shore Line Railroad first 4s, 1920 (5)	Aaa	420
Pensacola & Atlantic Railway first mortgage 6s, 1921 (15)	Aaa	161
Pensacola, Mobile & New Orleans Railway		1024
People's Railway		1025
People's Railway first 5s, 1940	A	1025
Peoria & Bureau Valley Railroad		283
Peoria & Eastern Railway first consolidated 4s, 1940 (18)	Baa	466
Peoria & Eastern Railway income 4s, 1990 (19)	Ca	466
Peoria & North Western Railway first mortgage 3½s, 1926 (17)	Aa	263
Peoria & Pekin Union Railway		1025
Peoria & Pekin Union Railway debenture 5s, 1917-21 (3)	Ba	1026
Peoria & Pekin Union Railway first 6s, 1921 (1)	Aa	1026
Peoria & Pekin Union Railway second 4½s, 1921 (2)	Baa	1026
Peoria Railway Terminal Company		1026
Peoria Railway Terminal Company first 4s, 1937 (1)	Ba	1026
Peoria Railway Terminal Company first and refunding 4½s, 1941 (2)		1027
PERE MARQUETTE RAILROAD COMPANY (Analysis)		1162
Pere Marquette Railroad collateral trust 4s, 1923 (2)	Aa	1165
Pere Marquette Railroad consolidated mortgage 4s, 1951 (12)		1165
Pere Marquette Railroad first 5s Series A, 1956 (3)	Baa	1165
Pere Marquette Railroad first 4s Series B, 1956 (4)	Baa	1165
Pere Marquette Railroad Lake Erie Division collateral 4½s, 1932 (1)	Aa	1165
Pere Marquette Railroad refunding mortgage 4s, 1955 (13)		1165
Pere Marquette Railroad prior preferred stock (1)	Ba	1167
Pere Marquette Railroad preferred stock (2)	B	1167
Pere Marquette Railroad common stock (3)	E	1167
Pere Marquette Railroad of Indiana first mortgage 4s, 1943 (11)		1165
PERKIOMEN RAILROAD COMPANY (Analysis)		627
Perkiomen Railroad first 5s, 1918 (1)	Aa	629
Perkiomen Railroad second 5s, 1918 (2)	A	629
Peterboro & Hillsboro Railroad first 4½s, 1917 (23)	A	202
Peterborough Railroad 4 per cent. guaranteed stock (6)	Ba	204
Petersburg Railroad Class A 5s, 1926 (3)	Aaa	146
Petersburg Railroad Class B 6s, 1926 (4)	Aaa	146
Philadelphia & Baltimore Central Railroad 4s, 1951 (8)	Aa	573
PHILADELPHIA, BALTIMORE & WASHINGTON RAILROAD COMPANY (Analysis)		570
Philadelphia, Baltimore & Washington Railroad debenture 4s, 1918-24 (7)	Aa	573
Philadelphia, Baltimore & Washington Railroad first consolidated 4s, 1943 (1)	Aaa	573
Philadelphia, Baltimore & Washington Railroad Company stock (2)	A	574
Philadelphia Belt Line		1027
Philadelphia & Chester Valley Railroad Company		630
Philadelphia & Chester Valley Railroad non-preferred first 3s, 1938 (2)	A	630
Philadelphia & Chester Valley Railroad preferred first 4s, 1938 (1)	Aa	630
Philadelphia & Erie Railroad general (now first) 6s, 1920 (7)	Aaa	547
Philadelphia & Erie Railroad general (now first) 5s, 1920 (8)	Aaa	547
Philadelphia & Erie Railroad general (now first) 4s, 1920 (9)	Aaa	547
Philadelphia, Germantown & Norristown Railroad guaranteed stock (12)	Aaa	619
Philadelphia, Harrisburg & Pittsburg Railroad first 5s, 1925 (19)	Aaa	616
Philadelphia, Newtown & New York Railroad Company		630
Philadelphia, Newtown & New York Railroad first 3s, 1942	Aa	631
Philadelphia, Newtown & New York Railroad first 5s, 1942	Ba	631
Philadelphia & Reading Coal and Iron Company collateral sinking fund 4s, 1932 (7)	Aaa	616
Philadelphia & Reading Railroad extended 5s, 1933 (3)	Aaa	616
Philadelphia & Reading Railroad extended consolidated 4s, 1937 (5)	Aaa	616

	RATING	PAGE
Philadelphia & Reading Railroad improvement 4s, 1947 (4)	Aaa	616
Philadelphia & Reading Railroad Terminal first 5s, 1941 (6)	Aaa	616
Philadelphia & Trenton Railroad		554
Philadelphia & Trenton Railroad guaranteed stock (4)	Aaa	550
Philadelphia, Wilmington & Baltimore Railroad plain 4s, 1917-32 (2)	Aaa	573
Philadelphia, Wilmington & Baltimore Railroad stock trust certificates		574
Philippine Railway (The)		1027
Philippine Railway first sinking fund 4s, 1937	B	1028
Phillipsburg Railway & Quarry Company		1259
Pickens Railroad		1028
Pierre & Fort Pierre Bridge Railway Company		267
Pierre, Rapid City & Northwestern Railway		267
Pine Bluff Arkansas River Railway		648
Pine Bluff & Northern Railway		1028
Pine Bluff & Western Railway first mortgage 5s, 1923 (20)	Ba	1156
Pine Creek Railway first mortgage 6s, 1932 (32)	Aaa	449
Piqua & Troy Branch Railway first mortgage 4s, 1939 (6)		187
Pittsburg & Allegheny River Railroad		1029
Pittsburg, Allegheny & McKees Rocks Railroad		1029
Pittsburg, Bessemer & Lake Erie Railroad		198
Pittsburg, Bessemer & Lake Erie Railroad debenture 5s, 1919 (4)	Aa	196
Uittsburg, Bessemer & Lake Erie Railroad equipments (6)	Aaa	196
Pittsburg, Bessemer & Lake Erie Railroad first 5s, 1947 (3)	Aaa	196
Pittsburg, Bessemer & Lake Erie Railroad guaranteed preferred stock (1)	Aaa	197
Pittsburg, Bessemer & Lake Erie Railroad guaranteed common stock (2)	Aa	197
Pittsburg, Chartiers & Youghiogheny Railway		1031
Pittsburg, Chartiers & Youghiogheny Railway general 4s, 1932	Aaa	1031
PITTSBURG, CINCINNATI, CHICAGO & ST. LOUIS RAILWAY COMPANY (Analysis)		599
Pittsburg, Cincinnati, Chicago & St. Louis consolidated 3½s, 4s, 4½s, Series A to J 1940-64 (3-12)	Aaa	602
Pittsburg, Cincinnati, Chicago & St. Louis equipment 4s, 1917-23 (15)	Aaa	602
Pittsburg, Cincinnati, Chicago & St. Louis Railway preferred stock (4)	Baa	603
Pittsburg, Cincinnati, Chicago & St. Louis Railway common stock (5)	B	603
Pittsburg, Cleveland & Toledo Railway first mortgage 6s, 1922 (8)	Aaa	177
Pittsburg, Fort Wayne & Chicago Railway Company		593
Pittsburg, Fort Wayne & Chicago Railway guaranteed general stock (5)	Aaa	584
Pittsburg, Fort Wyane & Chicago Railway guaranteed special stock (6)	Aa	584
Pittsburg Junction Railroad first mortgage 6s, 1922 (9)	Aaa	177
Pittsburg Junction Railroad second mortgage 5s, 1922 (12)	Aaa	177
PITTSBURG & LAKE ERIE RAILROAD COMPANY (Analysis)		474
Pittsburg & Lake Erie Railroad first mortgage 6s, 1928 (1)	Aaa	476
Pittsburg & Lake Erie Railroad second mortgage 5s, 1928 (2)	Aaa	476
Pittsburg & Lake Erie Railroad stock (2)	Aaa	477
Pittsburg, Lisbon & Western Railroad		1267
Pittsburg, Lisbon & Western Railway first 5s, 1926		1268
Pittsburg, McKeesport & Youghiogheny Railroad first mortgage 6s, 1932 (3)	Aaa	476
Pittsburg, McKeesport & Youghiogheny Railroad guaranteed stock (1)	Aaa	477
Pittsburg, McKeesport & Youghiogheny Railroad second mortgage 6s, 1934 (4)	Aaa	476
Pittsburg, New Castle & Lake Erie first mortgage 4s, 1917 (11)	Aaa	177
Pittsburg, Ohio Valley & Cincinnati Railroad		595
Pittsburg, Ohio Valley & Cincinnati Railroad first 5s, 1920	Baa	595
Pittsburg & Ohio Valley Railroad		1030
Pittsburg & Shawmut Railroad (The)		611
Pittsburg & Shawmut Railroad collateral 6s, 1917 (4)	Ba	610
Pittsburg & Shawmut Railroad equipment 5s, 1917-24 (5)	Baa	610

	RATING	PAGE
Pittsburg & Shawmut Railroad first sinking fund 5s, 1959 (3)	B	610
PITTSBURG, SHAWMUT & NORTHERN RAILROAD COMPANY (Analysis)		607
Pittsburg, Shawmut & Northern Railroad receivers' certificates, 1917-18 (1)	A	610
Pittsburg, Shawmut & Northern Railroad equipment 5s, 1917-20 (2)	Baa	610
Pittsburg, Shawmut & Northern Railroad first 5s, 1949 (6)	Ca	610
Pittsburg, Shawmut & Northern Railroad refunding first 4s, 1952 (7)	C	610
Pittsburg, Shenango & Lake Erie Railroad first 5s, 1940 (1)	Aaa	196
Pittsburg, Shenango & Lake Erie Railroad consolidated first 5s, 1943 (2)	Aaa	196
Pittsburg & Susquehanna Railroad		1030
Pittsburg Terminal Railroad Coal Company first 5s, 1942 (2)		1190
Pittsburg, Virginia & Charleston Railway first 4s, 1943 (10)	Aaa	547
Pittsburg & Western Railway first consolidated 4s, 1917 (7)	Aaa	177
Pittsburg Westmoreland & Somerset Railroad		1031
Pittsburg & West Virginia Railway		1189
Pittsburg, Wheeling & Kentucky Railroad		595
Pittsburg, Wheeling & Kentucky Railroad stock	Baa	596
Pittsburg, Youngstown & Ashtabula Railway Company		596
Pittsburg, Youngstown & Ashtabula Railroad consolidated 5s, 1927 (17)	Aaa	582
Pittsburg, Youngstown & Ashtabula Railway first 4s, Series A, 1948 (18)	Aaa	582
Pittsburg, Youngstown & Ashtabula Railway preferred stock (7)	Aa	584
Pittsfield & North Adams Railroad guaranteed stock (3)	Aaa	455
Pochuck Railroad		406
Pomeroy Belt Railway		225
Pomeroy Belt Railway first 5s, 1929	Baa	225
Pontiac, Oxford & Northern Railroad		1244
Porth Arthur Canal & Dock Company		399
Portland, Nehalem & Seacoast Railway		1032
Portland & Northern Railway		1032
Portland & Ogdensburg Railway first 4½s, 1928 (19)	Aa	420
Portland & Ogdensburg Railway guaranteed stock (7)	A	422
Portland & Rumford Falls Railroad collateral trust 4s, 1934 (14)	Aa	420
Portland & Rumford Falls Railroad debenture 4s, 1917 and 1935 (12 and 13)	Aa	420
Portland & Rumford Falls Railroad sinking fund 4s, 1926 (11)	Aa	420
Portland & Rumford Falls Railroad guaranteed stock (8)	A	422
Portland & Southwestern Railroad		1032
Portland Terminal Company		424
Portland Terminal Company first 4s, 1961 (2)	A	424
Portland Union Station Company first sinking fund 4s, 1929 (1)	Aaa	424
Port Reading Railroad Company		631
Port Reading Railroad first 5s, 1941	Aa	632
Portsmouth, Great Falls & Conway Railroad first 4½s, 1937 (10)	Baa	202
Potato Creek Railroad		1033
Potato Creek Railroad first 6s, 1920	Ba	1033
Poteau Valley Railroad		400
Potomac, Fredericksburg & Piedmont Railroad		1033
Potomac, Fredericksburg & Piedmont Railroad first gold 4s, 1949	Ba	1034
Potomac Valley Railway first 5s, 1941 (2)	Aaa	1174
Potosi & Rio Verdi Railway		1259
Prescott & Eastern Railroad first mortgage 5s, 1928 (13)	Aa	130
Prescott & Northwestern Railroad		1034
Princeton & North Western Railway first mortgage 3½s, 1926 (18)	Aa	263
Prospect Park & Coney Island first 4½s, 1926		567
Prospect Park & Coney Island second 4½s, 1931		567
Providence Securities Company debenture 4s, 1957 (28)	Ba	504
Providence & Springfield Railroad first 5s, 1922 (9)	Aaa	504

	RATING	PAGE
Providence Terminal Company first 4s, 1956 (12)	Aa	504
Providence, Warren & Bristol Railroad		516
Providence, Warren & Bristol Railroad stock (5)	Aa	507
Providence & Worcester Railroad		517
Providence & Worcester Railroad first 4s, 1947	Aa	517
Providence & Worcester Railroad stock (6)	Aa	507
Pueblo Union Depot & Railroad Company		1034
Pueblo Union Depot & Railroad Company first 6s, 1919	Aa	1035
Puget Sound & Willapa Harbor Railway		259
Puget Sound & Willapa Harbor Railway 5% certificates, 1918 (20)	Aa	254
Pullman Railroad		1035

Q

Quanah, Acme & Pacific Railway Company		1036
Quanah, Acme & Pacific Railway Company first 6s, 1939		1036
Qu'Appelle, Long Lake & Saskatchewan R.R. & Steamboat Co. 4% deb. stock, 1936 (22)	Baa	1205
Quebec Central Railway		1227
Quebec Central Railway 4 per cent debenture stock (1)		1227
Quebec Central Railway third mortgage 5s, 1963 (3)		1227
Quebec Central Railway 3½ per cent debenture stock (2)		1227
Quebec & Lake St. John Railway first 4% perpetual debenture stock (29)	Ba	1205
Quebec, Montreal & Southern Railway		309
Quincy, Omaha & Kansas City Railroad		230

R

Rahway Valley Company		1036
Rahway Valley Railroad		1037
Raleigh & Augusta Air Line Railroad first 6s, 1926 (6)	Aaa	652
Raleigh & Cape Fear Railroad first 5s, 1943 (4)	Baa	524
Raleigh & Charleston Railroad		656
Raleigh & Charleston Railroad consolidated 4s, 1956 (2)	Baa	657
Raleigh & Charleston Railroad first prior lien 4s, 1956 (1)	Baa	656
Raleigh & Gaston Railroad first 5s, 1947 (3)	Aaa	652
Raleigh & Southport Railroad first 5s, 1965 (5)	Baa	524
Raleigh & Southport Railroad general 6s, 1917 (6)	Baa	524
Raleigh & South Western Railway first mortgage 4s, 1936 (15)	A	219
Randolph & Cumberland Railway		1037
Rapid City, Black Hills & Western Railway		1038
Raquette Lake Railway		459
Raritan River Railroad Company		1039
Raritan River Railroad first 5s, 1939	A	1039
Ravenswood, Spencer & Glenville Railway first 6s, 1920 (24)	Aa	177
Ray & Gila Valley Railroad		1039
Reading Belt Railroad first 4s, 1950 (20)	Aa	616
Reading & Columbia Railroad Company		632
Reading & Columbia Railroad first consolidated 4s, 1962	Aa	633
READING COMPANY (Analysis)		612
Reading Company general 4s, 1997 (8)	Aaa	616
Reading Company-Jersey Central collateral 4s, 1951 (9)	Aa	616
Reading Company first preferred stock (14)	Aaa	619
Reading Company second preferred stock (15)	Aaa	619

	RATING	PAGE
Reading Company common stock (16)	Aa	619
Red River & Gulf Railroad		1040
Rensselaer & Saratoga Railroad		310
Rensselaer & Saratoga Railroad first consolidated mortgage 7s, 1921 (10)	Aaa	304
Rensselaer & Saratoga Railroad guaranteed stock (3)	Aaa	305
Republican Valley Railroad sinking fund 6s, 1919 (9)	Aaa	228
Reynoldsville & Falls Creek Railroad		1040
Richmond Belt Railway		1041
Richmond & Danville Railroad debenture 5s, 1927 (7)	Aaa	687
RICHMOND, FREDERICKSBURG & POTOMAC RAILROAD COMPANY (Analysis)		635
Richmond, Fredericksburg & Potomac Railroad consolidated 4½s, 1940 (1)	Aaa	637
Richmond, Fredericksburg & Potomac Railroad general 3½s, 1943 (2)	Aaa	637
Richmond, Fredericksburg & Potomac Railroad stock	Aa	638
Richmond, Fredericksburg & Potomac and Richmond & Petersburg R.R. Connection Co.		638
Richmond & Mecklenburg Railroad		695
Richmond & Mecklenburg Railroad first 4s, 1948 (26)	A	687
Richmond & Potomac Railroad consolidated 4½s, 1940 (15)	Aaa	146
Richmond & Rappahannock River Railway		1042
Richmond-Washington Company		634
Richmond-Washington Company guaranteed collateral trust 4s, 1943	Aaa	635
Rio Grande & Eagle Pass Railway Company		1043
Rio Grande & Eagle Pass Railway Company first income 5s, 1929	B	1043
Rio Grande Junction Railway		322
Rio Grande Junction Railway first mortgage gold 5s, 1939 (1)	A	323
Rio Grande Railway		1042
Rio Grande Railway first 6s, 1924	B	1043
Rio Grande Southern Railroad Company		323
Rio Grande Southern Railroad first mortgage 4s, 1940 (1)	Ca	324
Rio Grande Western Railway first consolidated and collateral trust 4s, 1949 (5)	Ba	321
Rio Grande Western Railway first trust 4s, 1939 (4)	A	321
Roanoke River Railway		1043
Roanoke & Tar River Railroad first 6s, 1917 (4)	Aaa	652
Roberval-Saguenay Railroad		1259
Rochester & Genesee Valley Railroad stock (7)	Aaa	346
Rochester & Pittsburgh Railroad consolidated mortgage 6s, 1922 (2)	Aaa	211
Rochester & Pittsburgh Railroad first mortgage 6s, 1921 (1)	Aaa	211
Rockingham Railroad		1044
Rock Island, Arkansas & Louisiana Railway first 4½s, 1934 (15)	Ba	279
Rock Island-Frisco Terminal Railway		1044
Rock Island-Frisco Terminal Railway first 5s, 1927	B	1044
Rock Island & Peoria Railroad consolidated first 6s, 1925 (6)	Aa	279
Rock Island, Stuttgart & Southern Railway		284
Rock Island, Stuttgart & Southern Railway first 5s, 1934	B	284
Rockport, Langdon & Northern Railway		1045
Rockport, Langdon & Northern Railway first 6s, 1921	B	1045
Rome & Clinton Railroad		521
Rome & Clinton Railroad guaranteed stock (4)	Aa	305
Rome & Northern Railroad		1045
Rome, Watertown & Ogdensburg Railroad first consolidated 3½s, 1922 (33)	A	449
Rome, Watertown & Ogdensburg Railroad first consolidated 4s and 5s, 1922 (34)	Aaa	449
Rome, Watertown & Ogdensburg Railroad Terminal first 5s, 1918 (35)	Aaa	449
Roscoe, Snyder & Pacific Railway		1046
Roscoe, Snyder & Pacific Railway first refunding 5s, 1942 (2)	Ba	1046
Roswell Railroad		696
Rumford Falls & Rangeley Lakes Railroad first 5s, 1937 (15)	Aa	420

	RATING	PAGE
Rumford Falls & Rangeley Lakes Railroad trust 4s, 1923 (16)	Aa	420
Rutland-Canadian Railroad first 4s, 1949 (3)	Baa	494
RUTLAND RAILROAD COMPANY (Analysis)		491
Rutland Railroad Company equipment 4½s, 1917-28 (6)	A	494
Rutland Railroad Company first consolidated 4½s, 1941 (1)	Aa	494
Rutland Railroad Company preferred stock	Ca	495
Rutland, Toluca & Northern Railroad		739
Rutland Transit Company		495
Rutland & Whitehall Railroad		310
Rutland & Whitehall Railroad stock (guaranteed)	A	310

S

Sacramento Valley & Eastern Railroad		1047
Saginaw, Tuscola & Huron Railroad first mortgage 4s, 1931 (11)		1165
St. Clair, Madison & St. Louis Belt Railroad first 4s, 1951 (2)	Baa	980
St. Clair Terminal Railroad		1047
St. Clair Terminal Railroad first 5s, 1932	Baa	1048
St. Clair Tunnel Company		1244
St. John & Ophir Railroad Company		1048
St. John & Quebec Railway Company		1260
St. Johnsbury & Lake Champlain Railroad		206
St. Johnsbury & Lake Champlain first 5s, 1944	B	207
St. John's River Terminal Company		696
St. Joseph Belt Railway		1048
ST. JOSEPH & GRAND ISLAND RAILROAD COMPANY (Analysis)		753
St. Joseph & Grand Island Railroad Company first 4s, 1947 (1)	Baa	756
St. Joseph & Grand Island Railroad Company first preferred stock (1)	Ca	756
St. Joseph & Grand Island Railroad Company second preferred stock (2)	C	756
St. Joseph & Grand Island Railroad Company common stock (3)	D	756
St. Joseph, South Bend & Southern Railroad stock (2)	Aa	482
St. Joseph Terminal Railroad		1049
St. Joseph Terminal Railroad first 5s, 1918	Ba	1049
St. Joseph Union Depot Company		1049
St. Lawrence & Adirondack Railway		458
St. Lawrence & Adirondack Railway first mortgage 5s, 1996 (36)	Aa	449
St. Lawrence & Adirondack Railway second mortgage 6s, 1996 (37)	A	449
St. Lawrence & Ottawa Railroad irredeemable first mortgage 4s (4)	Aaa	1212
St. Louis Bridge Company first 7s, 1929 (4)	Aa	719
St. Louis Bridge Company guaranteed first preferred stock (1)	Aa	720
St. Louis Bridge Company guaranteed second preferred stock (2)	Aaa	720
St. Louis, Brownsville & Mexico Railway		1162
St. Louis & Cairo Railroad first 4s, 1931 (4)	Aa	707
St. Louis, El Reno & Western Railway		888
St. Louis & Hannibal Railway		1050
St. Louis & Illinois Belt Railway first 5s, 1929 (2)	Baa	1052
St. Louis, Iron Mountain & Southern Railroad car trust 5s, 1917-24 (27)	A	1156
St. Louis, Iron Mountain & Southern Railroad gen. consol. land grant 5s, 1931 (15)	Aa	1156
St. Louis, Iron Mountain & Southern Railroad first and refunding 6s, 1952 (24)		1156
St. Louis, Iron Mountain & Southern Railroad River & Gulf Div. first 4s, 1933 (17)	Baa	1156
St. Louis, Iron Mountain & Southern Railroad unifying and refunding 4s, 1929 (16)	Baa	1156
St. Louis Merchants' Bridge Company first 6s, 1929 (2)	A	721
St. Louis Merchants' Bridge Terminal Railway		720
St. Louis Merchants' Bridge Terminal Railway first 5s, 1930 (1)	Aaa	721

	RATING	PAGE
St. Louis & O'Fallon Railroad		1050
St. Louis & O'Fallon Railroad first 5s, 1922	Baa	1051
St. Louis & O'Fallon Railroad second 6s, 1928	Ba	1051
St. Louis, Peoria & Northwestern first 5s, 1948 (26)	Aa	263
St. Louis & San Francisco Railroad equipment trust 5s and 6s, 1917-23 (11)	Aa	1170
St. Louis & San Francisco Railroad general 5s and 6s, 1931 (1 and 2)	Aaa	1170
ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY (Analysis)		1167
St. Louis-San Francisco Railway Company adjustment 6s, 1955 (14)	B	1170
St. Louis-San Francisco Railway Company income 6s, 1960 (15)	Caa	1170
St. Louis-San Francisco Railway Company prior lien 4s, 1950 (12)	Baa	1170
St. Louis-San Francisco Railway Company prior lien 5s, 1950 (13)	Baa	1170
St. Louis-San Francisco Railway Company preferred stock (2)	Ca	1172
St. Louis-San Francisco Railway Company common stock (3)	C	1172
St. Louis Southern Railroad first mortgage 4s, 1931 (22)	Aaa	378
ST. LOUIS SOUTHWESTERN RAILWAY COMPANY (Analysis)		642
St. Louis Southwestern Railway equipment trust 4½s and 5s, 1917-26 (9)	Baa	645
St. Louis Southwestern Railway first consolidated 4s, 1932 (5)	Ba	645
St. Louis Southwestern Railway first 4s, 1989 (1)	Aa	645
St. Louis Southwestern Railway first terminal and unifying 5s, 1952 (8)	B	645
St. Louis Southwestern Railway second income 4s, 1989 (2)	Ba	645
St. Louis Southwestern Railway preferred stock (1)	B	646
St. Louis Southwestern Railway common stock (2)	Ca	646
St. Louis Terminal Cupples Station & Property Company		1051
St. Louis Terminal Cupples Station & Property Company first 4½s, 1917	A	1051
St. Louis, Troy & Eastern Railway		1051
St. Louis, Troy & Eastern Railroad first 5s, 1924 (1)	A	1052
St. Paul Bridge & Terminal Railway		1053
St. Paul Bridge & Terminal Railway first 6s, 1929	Baa	1053
St. Martins Railway		1260
St. Mary's & Western Railroad		1052
St. Paul & Duluth Railroad consolidated mortgage 4s, 1968 (7)	Aaa	535
St. Paul & Duluth Railroad first mortgage 5s, 1931 (5)	Aaa	535
St. Paul & Duluth Railroad second mortgage 5s, 1917 (6)	Aaa	535
St. Paul & Eastern Grand Trunk Railway first mortgage 4½s, 1947 (24)	Aa	263
St. Paul & Kansas City Short Line Railroad first 4½s, 1941 (16)	Ba	279
St. Paul, Minneapolis & Manitoba Railroad consolidated 4s, 4½s and 6s, 1933 (1)	Aaa	362
St. Paul, Minneapolis & Manitoba Railroad Montana Extension 4s, 1937 (2)	Aaa	362
St. Paul, Minneapolis & Manitoba Railroad Pacific Extension 4s, 1940 (3)	Aaa	362
St. Paul & Northern Pacific Railroad first 6s, 1923 (4)	Aaa	535
St. Paul & Sioux City Railroad first mortgage 6s, 1919 (2)	Aaa	272
St. Paul Union Depot Company		1053
St. Paul Union Depot Company first 6s, 1930 (1)	Aa	1054
St. Paul Union Depot Company consolidated 4s and 5s, 1944 (2)	A	1054
Salem, Winona & Southern Railroad		1054
Salina Northern Railroad Company		1054
Salisbury & Albert Railway		1260
Salt Lake City Union Depot & Railroad Company		1055
Salt Lake City Union Depot & Railroad Company first 5s, 1938	Ba	1055
Salt Lake, Garfield & Western Railway		1055
SAN ANTONIO & ARANSAS PASS RAILWAY COMPANY (Analysis)		639
San Antonio & Aransas Pass Railway first 4s, 1943 (1)	Ba	641
San Antonio Belt & Terminal Company 6% notes, 1919 (26)	A	1150
San Antonio, Uvalde & Gulf Railroad		1056
San Benito & Rio Grande Valley Railway		1057
San Diego & Arizona Railway		1057

	RATING	PAGE
San Diego & South Eastern Railway		1058
Sandy River & Rangeley Lakes Railroad		425
Sandy River & Rangeley Lakes Railroad first 4s, 1928	Ba	425
Sandy Valley & Elkhorn Railway		182
Sandy Valley & Elkhorn Railway first 5s, 1964	Baa	182
Sanford & St. Petersburg Railroad first mortgage 4s, 1924 (2)	Aaa	146
San Francisco & North Pacific Railroad first sinking fund 5s, 1919 (2)	A	540
San Francisco & San Joaquin Valley Railroad first mortgage 5s, 1940 (11)	Aaa	130
San Joaquin & Eastern Railway		1059
San Luis Central Railroad		1059
San Luis Southern Railway		1060
San Paulo Railway Company, Ltd		1260
San Pedro, Los Angeles & Salt Lake Railroad first 4s, 1961 (1)	Caa	753
Santa Fe Central first 5s, 1941		1000
Santa Fe, Prescott & Phoenix Railroad first mortgage 5s, 1942 (12)	Aa	130
Santa Maria Valley Railroad		1061
Santa Maria Valley Railroad first 6s, 1931	Ba	1061
Saratoga & Schenectady Railroad		310
Saratoga & Schenectady Railroad stock	Aa	311
Sault Ste. Marie Bridge Company		1227
Sault Ste. Marie Bridge Company first 5s, 1937	A	1227
Savannah & Atlantic Railway		1063
Savannah, Florida & Western Railway consolidated (now first mtge.) 5s, 1934 (7)	Aaa	146
Savannah, Florida & Western Railway consolidated (now first mtge.) 6s, 1934 (8)	Aaa	146
Savannah & Northwestern Railway		1061
Savannah & Southern Railroad		1063
Savannah & Statesboro Railway		657
Savannah & Statesboro Railway first 5s, 1953	Baa	657
Savannah Union Station Company (Joint Control)		1063
Savannah Union Station Company first 4s, 1952	Aa	1064
Schenectady & Duanesburgh Railroad first mortgage 6s, 1924 (3)	Aaa	304
Schoharie Valley Railway		311
Schuylkill & Lehigh Railroad first 4s, 1948 (21)	Aaa	616
Schuylkill River East Side Railroad first mortgage 4s, 1925 (2)	Aaa	177
Schuylkill Valley Navigation & Railroad guaranteed stock (13)	Aaa	619
Scioto Valley & New England Railroad Company first 4s, 1989 (4)	Aaa	529
Scootac Railway		1064
SEABOARD AIR LINE RAILWAY COMPANY (Analysis)		649
Seaboard Air Line Railway adjustment 5s, 1949 (20)	B	652
Seaboard Air Line Railway Atlanta & Birmingham first 4s, 1933 (16)	A	652
Seaboard Air Line Railway equipment trust 4½s and 5s, 1917-26 (21)	Aa	652
Seaboard Air Line Railway first 4s, 1950 (15)	Aa	652
Seaboard Air Line Railway first consolidated 6s, 1945 (19)	Ba	652
Seaboard Air Line Railway refunding 4s, 1959 (18)	Ba	652
Seaboard Air Line Railway preferred stock (1)	Caa	654
Seaboard Air Line Railway common stock (2)	C	654
Seaboard & Roanoke Railroad debenture 6s (2)	Aaa	652
Seaboard & Roanoke Railroad first 5s, 1926 (1)	Aaa	652
Sea Coast Railroad Company Series "A" and "B" gold 5s, 1948 (4)	Aa	621
Sea Coast Railroad prior lien 5s, 1948 (3)	Aa	621
Seattle, Port Angeles & Western Railway Company		259
Shady Gap Railroad first 4s, 1958 (3)	Ba	869
Shamokin, Sunbury & Lewisburg Railroad first 4s and second 6s, 1925 (22)	Aaa	616
Shamokin Valley & Pottsville Railroad stock (8)	Aaa	550
Shannon-Arizona Railway		1064

	RATING	PAGE
Sharon Railway first mortgage 4½s, 1919 (30)	Aa	342
Sharon Railway stock (9)	Aa	346
Sheffield & Tionesta Railway		1188
Sherman, Shreveport & Southern Railroad first mortgage 5s, 1943 (11)	Caa	1150
Shreveport Bridge & Terminal Company		648
Shreveport Bridge & Terminal Company first 5s, 1955 (4)	Baa	645
Shreveport, Houston & Gulf Railroad		1065
Sibley, Lake Bisteneau & Southern Railway		1065
Sierra Railway Company of California		1066
Sierra Railway first 6s, 1937 (1)	A	1066
Sierra Railway second 5s, 1944 (2)	B	1066
Silver Peak Railroad		1067
Silver Springs, Ocala & Gulf Railroad first mortgage 4s, 1918 (1)	Aaa	146
Silverton, Gladstone & Northerly Railroad first 6s, 1919		1067
Silverton Northern Railroad		1067
Silverton Railway		1067
Sioux City Bridge Company		268
Sioux City & Pacific Railroad first mortgage 3½s, 1936 (19)	Aa	263
Sioux City Terminal Railway		1068
Skaneateles Railroad		1068
Skaneateles Railroad refunding 5s, 1918-37 (2)	Ba	1069
Skaneateles Railroad serial gold 4s, 1917-27 (1)	Baa	1069
Sligo & Eastern Railway		1069
Sodus Bay & Southern Railroad first 5s, 1924 (43)	Aa	547
Somerset Railway first 5s, 1917 (22)	A	420
Somerset Railway consolidated 4s, 1950 (23)	A	420
Somerset Railway first and refunding 4s, 1955 (24)	A	420
South Bound Railroad first 5s, 1941 (14)	Aaa	652
South Buffalo Railway		1070
South Carolina & Georgia Railroad first 5s, 1919 (28)	A	687
South Georgia Railway		1070
South Georgia Railway first 5s, 1923	Baa	1071
South Manchester Railroad		1071
South & North Alabama Railroad consolidated mortgage gold 5s, 1936 (24)	Aaa	161
South & North Alabama Railroad general consolidated 5s, 1963 (25)	Aa	161
South Pacific Coast Railway		679
South Pacific Coast Railway first 4s, 1937 (12)	Aaa	665
Southern Illinois & Missouri Bridge Company (Joint Control)		1072
Southern Illinois & Missouri Bridge Company first 4s, 1951	A	1072
Southern Indiana Railway first 4s, 1951 (2)	Ba	286
Southern Pacific Branch Railway first 6s, 1937 (13)	Aaa	665
SOUTHERN PACIFIC COMPANY (Analysis)		658
Southern Pacific Company Central Pacific stock collateral 4s, 1949 (31)	Aaa	665
Southern Pacific Company convertible 4s, 1929 (32)	A	665
Southern Pacific Company equipment 4½s, 1917-24 (35)	Aa	665
Southern Pacific Company debenture 4½s, 1929 (33)	Aa	665
Southern Pacific Company new convertible 5s, 1934 (34)	A	665
Southern Pacific Company San Francisco Terminal first 4s, 1950 (19)	Aa	665
Southern Pacific Company stock	A	669
Southern Pacific Railroad		680
Southern Pacific Railroad of Mexico		681
Southern Pacific Railroad (of Cal.) first consolidated 5s, 1937 (14)	Aaa	665
Southern Pacific Railroad refunding 4s, 1955 (17)	Aaa	665
Southern Pacific Terminal Company		681
Southern Pennsylvania Railway & Mining Company		560

	RATING	PAGE
SOUTHERN RAILWAY COMPANY (Analysis)		683
Southern Railway Company Aiken Branch first 4s, 1998 (16)	A	687
Southern Railway Company collateral notes 5s, 1917 (33)	Aa	687
Southern Railway Company development and general 4s Series A, 1956 (19)	Baa	687
Southern Railway Company East Tennessee reorganization 5s, 1938 (14)	Aa	687
Southern Railway Company equipment trust 4½s and 5s, 1917-26 (32)	Aa	687
Southern Railway Company first consolidated 5s, 1994 (13)	Aa	687
Southern Railway Company L. & N. Monon collateral joint 4s, 1952 (20)	Baa	687
Southern Railway Company Memphis Division 5s, 1996 (15)	Aa	687
Southern Railway Company Mobile & Ohio collateral trust sinking fund 4s, 1938 (18)	Baa	687
Southern Railway Company St. Louis Division first 4s, 1951 (17)	A	687
Southern Railway Company preferred stock (4)	Caa	690
Southern Railway Company common stock (5)	C	690
Southwestern Coal & Improvement Company first mortgage 6s, 1929 (14)	Caa	1150
Southwestern Railroad of Georgia		390
Southwestern Railroad of Georgia stock (3)	A	389
Southwestern Railway		1072
Spartanburg, Union & Columbus Railroad first 4s, 1995 (27)	A	687
Spirit Lake Transfer Railway		1073
Spokane Falls & Northern first mortgage 6s, 1939 (8)	Aaa	362
Spokane International Railway		1228
Spokane, Portland & Seattle Railway		1073
Spokane, Portland & Seattle Railway first 4s, 1961	Aa	1074
Spuyten Duyvil & Port Morris Railroad first mortgage 3½s, 1959 (43)	Aa	449
Stafford Springs Street Railway first 5s, 1956 (31)	Aa	504
Standard & Hernando Railroad		1074
Stanley, Merrill & Phillips Railway		1074
State Line & Sullivan Railroad		411
State Line & Sullivan Railroad first mortgage 4½s, 1929 (16)	Aaa	409
Staten Island Railway		182
Staten Island Railway first 4½s, 1943	Ba	183
Staten Island Rapid Transit Railway		183
Stephenville North & South Texas Railway first 5s, 1940 (7)	B	645
Sterling Mountain Railway		1075
Stewartstown Railroad		1075
Stockton Terminal & Eastern Railroad		1076
Stony Brook Railroad 7 per cent guaranteed stock (7)	Ba	204
Stony Creek Railroad Company		633
Stony Creek Railroad first 4s, 1957	Aa	633
Sturgis, Goshen & St. Louis Railway first mortgage 3s, 1989 (9)	Aaa	449
Suffolk & Carolina Railway first consolidated 5s, 1952 (3)	A	524
Sugar Land Railway		1077
Sugar Land Railway first 5s, 1942	Baa	1077
Sullivan County Railroad		207
Sullivan County Railroad first 4s, 1924	A	207
Sumpter Valley Railway		1078
Sumpter Valley Railway first gold 6s, 1927	Ba	1078
Sumter & Choctaw Railway		1077
Sumter & Wateree River Railroad first 5s, 1919 (29)	A	687
Sunbury, Hazleton & Wilkes-Barre Railway first 5s, 1928 (14)	Aaa	547
Sunbury, Hazleton & Wilkes-Barre Railway second 6s, 1938 (15)	Aaa	547
Sunbury & Lewistown Railway first 4s, 1936 (13)	Aaa	547
Suncook Valley Railroad 3 per cent. guaranteed stock (12)	Ba	204
Sunset Railway		1078
Sunset Railroad first 4s, 1930 (1)	Aa	1079

	RATING	PAGE
Sunset Western Railway first 5s, 1932 (2)	Ba	1079
Superior Shore Line first 5s, 1930 (6)	Aaa	272
Surry, Sussex & Southampton Railway		1079
Susquehanna, Bloomsburg & Berwick Railroad		561
Susquehanna, Bloomsburg & Berwick Railroad first 5s, 1952	Ba	561
Susquehanna & New York Railroad		1079
Susquehanna & New York Railroad first 5s, 1955	Ba	1080
Susquehanna River & Western Railroad		1080
Sussex Railroad		318
Syracuse, Binghamton & New York Railroad guaranteed stock (14)	Aaa	316
Syracuse & Milford Railway		1081

T

Tabor & Northern Railway		1081
Tabor & Northern Railway first 5s, 1924	B	1082
Tacoma Eastern Railroad Company		259
Talbotton Railroad		1082
Tallulah Falls Railway		697
Tampa & Gulf Coast Railroad		1082
Tampa & Gulf Coast Railroad first 5s, 1953	Baa	1083
Tampa & Jacksonville Railway		1083
Tampa & Jacksonville Railway first 5s, 1949	Caa	1084
Tampa Northern Railroad		657
Tampa Northern Railroad first 5s, 1936	B	658
Tanana Valley Railroad Company		1084
Tanana Valley Railroad Company first 20-year sinking fund gold 6s, 1926	Ca	1084
Tarkio Valley Railroad first mortgage 7s, 1920 (10)	Aaa	228
Tavares & Gulf Railroad		1084
Temiscouata Railway		1261
Temiskaming & Northern Ontario Railway		1261
Tennessee, Alabama & Georgia Railroad		1085
TENNESSEE CENTRAL RAILROAD (Analysis)		715
Tennessee Central Railroad prior lien 4s, 1934 (1)	Ba	717
Tennessee Central Railroad general 5s, 1954 (2)	C	717
Tennessee, Kentucky & Northern Railroad		1086
Tennessee & North Carolina Railroad		1188
Tennessee Railway		1086
TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS (Analysis)		717
Terminal Railroad Association of St. Louis first 4½s, 1939 (1)	Aaa	719
Terminal Railroad Association of St. Louis first consolidated 5s, 1944 (2)	Aaa	719
Terminal Railroad Association of St. Louis general refunding 4s, 1953 (3)	Aaa	719
Terminal Railroad Association of St. Louis stock (4)	A	720
Terre Haute & Indianapolis Railroad consolidated (now first 5s, 1925 (1)	Aa	607
Terre Haute & Peoria Railroad		608
Terre Haute & Peoria Railroad first consolidated 5s, 1942 (5)	Baa	607
Terre Haute & Peoria Railroad first 5s, 1937 (4)	Aa	607
Texas, Arkansas & Louisiana Railway		1087
Texas Central Railroad first 4s and 5s, 1923 (19)	Ba	1150
TEXAS MIDLAND RAILROAD (Analysis)		721
Texas Midland Railroad first refunding 5s, 1938 (1)	Ca	723
Texas & New Orleans Railroad		681
Texas & New Orleans Railroad consolidated 5s, 1943 (29)	Aa	665
Texas & New Orleans Railroad Dallas Division first 4s, 1930 (30)	Aa	665

	RATING	PAGE
Texas, Oklahoma & Eastern Railroad		862
Texas & Oklahoma Railroad first mortgage 5s, 1943 (13)	Caa	1150
TEXAS & PACIFIC RAILWAY COMPANY (Analysis)		724
Texas & Pacific Railway consolidated (now first) 5s, 2000 (1)	Aa	726
Texas & Pacific Railway equipment trust 5s and 6s, 1917-26 (4)	A	726
Texas & Pacific Railway Louisiana Division branch line first 5s, 1931 (2)	A	726
Texas & Pacific Railway second income 5s, 2000 (3)	Ca	726
Texas & Pacific Railway stock	C	727
Texas Short Line Railway		1087
Texas Short Line Railway first 5s, 1921	B	1088
Texas Southeastern Railroad		1088
Thousand Islands Railway		1262
Ticonderoga Railroad		311
Tidewater & Western Railroad Company		1089
Tioga Railroad first 5s, 1935 (32)	A	342
Timpson & Henderson Railway		1089
Tionesta Valley Railway		1089
Toledo, Angola & Western Railway		1090
Toledo, Canada Southern & Detroit Railroad first mortgage 4s, 1956 (11)	Aa	480
Toledo, Columbus & Ohio River Railroad Company		597
TOLEDO & OHIO CENTRAL RAILWAY COMPANY (Analysis)		483
Toledo & Ohio Central Railway equipment trust 4s, 1917-20 (5)	Aa	485
Toledo & Ohio Central Railway first mortgage 5s, 1935 (1)	Aaa	485
Toledo & Ohio Central Railway general mortgage 5s, 1935 (3)	Baa	485
Toledo & Ohio Central Railway St. Mary's Division first mortgage 4s, 1951 (4)	Baa	485
Toledo & Ohio Central Railway St. Mary's Division first preference income 4s, 1951 (6)		485
Toledo & Ohio Central Railway Western Division first mortgage 5s, 1935 (2)	Aa	485
Toledo & Ohio Central Railway preferred stock (1)	Ba	486
Toledo & Ohio Central Railway common stock (2)	Caa	486
TOLEDO, PEORIA & WESTERN RAILWAY COMPANY (Analysis)		728
Toledo, Peoria & Western Railway Company first 4s, 1917 (1)	Ca	731
Toledo, Saginaw & Muskegon Railway Company		1245
TOLEDO, ST. LOUIS & WESTERN RAILROAD COMPANY (Analysis)		731
Toledo, St. Louis & Western Railroad collateral trust "A" 4s, 1917 (4)	C	733
Toledo, St. Louis & Western Railroad collateral trust "B" 4s, 1917 (5)	C	733
Toledo, St. Louis & Western Railroad first 4s, 1950 (2)	B	733
Toledo, St. Louis & Western Railroad 6% receivers' certificates, 1918 (3)		733
Toledo, St. Louis & Western Railroad prior lien 3½s, 1925 (1)	Baa	733
Toledo, St. Louis & Western Railroad preferred stock (1)	C	734
Toledo, St. Louis & Western Railroad common stock (2)	D	734
Toledo Southeastern Railway		1091
Toledo Terminal Railroad (Joint Control)		1091
Toledo Terminal Railroad first 4½s, 1957	Baa	1092
Toledo, Walhonding Valley & Ohio Railroad first 4½s Series A, 1931 (19)	Aaa	582
Toledo, Walhonding Valley & Ohio Railroad first 4½s Series B, 1933 (20)	Aaa	582
Toledo, Walhonding Valley & Ohio Railroad first 4s Series C, 1942 (21)	Aaa	582
Toluca, Tenango & San Juan Railway		1268
Tomahawk & Eastern Railway		1092
Tombigbee Valley Railroad first gold 5s, 1956 (2)		775
Tombigbee Valley Railroad general gold 6s, 1935 (3)		775
TONOPAH & GOLDFIELD RAILROAD COMPANY (Analysis)		739
Tonopah & Goldfield Railroad Company first 6s, 1921	Aa	741
Tonopah & Tidewater Railroad Company		1093
Tonopah & Tidewater Railroad first 5% debenture stock certificates, 1960	Ba	1093
Tonopah & Tidewater Railroad sterling 5s, 1960	Ba	1093

	RATING	PAGE
Tooele Valley Railway		1094
Toronto, Grey & Bruce Railway first mortgage 4s, 2882 (6)	Aaa	1212
Toronto, Hamilton & Buffalo Railway		1262
Toronto, Hamilton & Buffalo Railway first 4s, 1946 (1)	Aaa	1263
Toronto, Hamilton & Buffalo Railway consolidated Series A 4½s, 1966 (2)	A	1263
Toronto, Hamilton & Buffalo Railway Series "A" equipment 4½s, 1917-23 (3)	A	1263
Torrington & Winchester Street Railway first 5s, 1917 (23)	Aa	504
Trans-Mississippi Terminal Railroad		1094
Trans-Mississippi Terminal Company first 5s, 1944		1095
Transylvania Railroad first 5s, 1956 (30)	Ba	687
Traverse City Railroad first 3s, 1933 (6)	B	591
Tremont & Gulf Railway		1095
Tremont & Gulf Railway first 5s, 1948	B	1095
Trinity & Brazos Valley Railway		1096
Trona Railway		1097
Troy & Bennington Railroad 10 per cent. guaranteed stock (15)	Ba	204
Troy & Boston Railroad first 7s, 1924 (20)	Aa	202
Troy & Greenbush Railroad guaranteed stock (6)	Aaa	455
Troy Union Railroad		1097
Tuckerton Railroad		1098
Tuckerton Railroad first 5s, 1930	Ba	1098
Tunnel Railroad of St. Louis guaranteed stock (3)	A	720
Tuscarora Valley Railroad		1098
Tuskegee Railroad		1099
Twin Buttes Railroad		1099
Twin Mountain & Potomac Railroad		1100

U

Uintah Railway		1100
ULSTER & DELAWARE RAILROAD COMPANY (Analysis)		742
Ulster & Delaware Railroad first consolidated 5s, 1928 (1)	Aa	744
Ulster & Delaware Railroad first refunding 4s, 1952 (2)	Baa	744
Ulster & Delaware Railroad stock	Ca	744
Unadilla Valley Railway		1101
Unadilla Valley Railway first 4s, 1934	Ba	1101
Union Depot Company (of Columbus, Ohio)		1102
Union Depot Company of Columbus first 7s, 1923 (1)	A	1102
Union Depot Company of Columbus general 4½s, 1946 (2)	Baa	1103
Union Freight Railroad		1103
Union & Glenn Springs Railroad		1101
UNION PACIFIC RAILROAD COMPANY (Analysis)		744
Union Pacific Railroad convertible 4s, 1927 (9)	Aa	749
Union Pacific Railroad first lien and refunding 4s, 2008 (2)	Aaa	749
Union Pacific Railroad land grant and first 4s, 1947 (1)	Aaa	749
Union Pacific Railroad preferred stock (1)	Aaa	750
Union Pacific Railroad common stock (2)	A	750
Union Point & White Plains Railroad		156
Union Point & White Plains Railroad first 5s, 1920	Caa	156
Union Railroad		1103
Union Railroad first 5s, 1946 (1)	Aa	1104
Union Railroad equipment 5s (2-4)	Aa	1104
Union Terminal Company (Dallas)		1104
Union Terminal Company (Dallas) first 5s, 1942	Aa	1104

	RATING	PAGE
Union Terminal Railway		1104
Union Transportation Company		1105
United New Jersey Railroad & Canal Company		555
United New Jersey Railroad & Canal Company general (now first) 4s of 1923 (32)	Aaa	547
United New Jersey Railroad & Canal Company general (now first) 4s of 1929 (33)	Aaa	547
United New Jersey Railroad & Canal Company general (now first) 4s of 1944 (34)	Aaa	547
United New Jersey Railroad & Canal Company general (now first) 3½s of 1951 (35)	Aaa	547
United New Jersey Railroad & Canal Company general (now first) 4s of 1948 (36)	Aaa	547
United New Jersey Railroad & Canal Company guaranteed stock (5)	Aaa	550
United Railroads of Yucatan		1263
United Railways of Havana & Regla Warehouses		1263
United States & Canada Railroad		1245
United Verde & Pacific Railway		1106
Upper Coos Railroad extension 4½s, 1930 (18)	Aa	420
Upper Coos Railroad first 4s, 1930 (17)	Aa	420
Upper Coos Railroad guaranteed stock (9)	A	422
Upper Merion & Plymouth Railroad		1106
Utah & Northern Railway consolidated 5s, 1926 (5)	Aaa	749
Utah & Northern Railway first extended 4s, 1933 (4)	Aaa	749
Utica & Black River Railroad first mortgage 4s, 1922 (38)	Aaa	449
Utica, Chenango & Susquehanna Valley Railroad guaranteed stock (10)	Aaa	316
Utica, Clinton & Binghamton Railroad		521
Utica, Clinton & Binghamton Railroad first mortgage 5s, 1939 (11)	Aaa	304
Utica, Clinton & Binghamton Railroad guaranteed stock (5)	Aa	305

V

Valdosta, Fort Gaines & Montgomery Railway		1107
Valley Railroad		1107
Valley Railroad of New York guaranteed stock (7)	Aaa	316
Van Buren Bridge Company		193
Van Buren Bridge Company first sinking fund 6s, 1934	Ba	193
Vancouver, Victoria & Eastern Railway & Navigation Company		365
VANDALIA RAILROAD COMPANY (Analysis)		604
Vandalia Railroad consolidated Series A 4s, 1955 (2)	Aa	607
Vandalia Railroad consolidated Series B 4s, 1957 (3)	Aa	607
Vandalia Railroad stock	B	607
Vera Cruz Terminal Company, Ltd.		1265
Verdigris Valley, Independence & Western Railroad first mortgage 5s, 1926 (23)	A	1156
Vermont & Massachusetts Railroad 3½s, 1923 (21)	Aa	202
Vermont & Massachusetts Railroad 6 per cent. guaranteed stock (16)	Ba	204
Vermont Valley Railroad		208
Vermont Valley Railroad first 4½s, 1940	Baa	208
Vicksburg & Meridian Railroad first mortgage 6s, 1921 (1)	Aaa	123
VICKSBURG, SHREVEPORT & PACIFIC RAILWAY (Analysis)		124
Vicksburg, Shreveport & Pacific Railway equipment 4½s, 1917-23 (3)	A	126
Vicksburg, Shreveport & Pacific Railway general mortgage 5s, 1941 (2)	A	126
Vicksburg, Shreveport & Pacific Railway prior lien mortgage extended 5s, 1940 (1)	Aaa	126
Vicksburg, Shreveport & Pacific Railway preferred stock (1)	B	127
Vicksburg, Shreveport & Pacific Railway common stock (2)	Ca	127
Victoria, Fisher & Western Railroad		1108
Victoria & Sidney Railway		1266
Virginia Air Line Railway first mortgage 5s, 1952 (16)	A	219

	RATING	PAGE
Virginia & Carolina Southern Railroad		156
Virginia & Carolina Southern Railroad first 5s, 1948	B	157
Virginia-Carolina Railway		531
Virginia-Carolina Railway first 5s, 1950	A	532
Virginia & Kentucky Railway		1108
Virginia Midland Railway general 5s, 1936 (11)	Aaa	687
Virginia Midland Railway Series D to F 5s, 1921-31 (8-10)	Aaa	687
Virginia Southern Railroad		1109
VIRGINIA & SOUTHWESTERN RAILWAY COMPANY (Analysis)		712
Virginia & Southwestern Railway equipment 4½s and 5s, 1917-24 (3)	A	714
Virginia & Southwestern Railway first 5s, 2003 (1)	Aa	714
Virginia & Southwestern Railway first consolidated 5s, 1958 (2)	Baa	714
Virginia & Truckee Railway		1109
VIRGINIAN RAILWAY COMPANY (Analysis)		756
Virginian Railway first 5s (Series A), 1962 (1)	Aa	759
Virginian Railway equipment 5s, 1917-18 (2)	A	759

W

Wabash, Chester & Western Railroad		1110
Wabash-Pittsburg Terminal Railway Company		1189
Wabash Railroad debenture 6s, 1939 (3)	A	762
Wabash Railroad Des Moines Division first 4s, 1939 (7)	Baa	762
Wabash Railroad Detroit & Chicago extension first 5s, 1941 (5)	Baa	762
Wabash Railroad equipment 5s, 1917-21 (12)	A	762
Wabash Railroad Company first 5s, 1939 (1)	Aaa	762
Wabash Railroad Company first lien terminal 4s, 1954 (10)	Baa	762
Wabash Railroad Company second 5s, 1939 (2)	A	762
Wabash Railroad Omaha Division 3½s, 1941 (6)	Baa	762
Wabash Railroad Toledo & Chicago Division 4s, 1941 (4)	A	762
WABASH RAILWAY COMPANY (Analysis)		759
Wabash Railway Company 4 per cent. gold notes, 1920 (11)	Baa	762
Wabash Railway Company preferred A stock (1)	B	763
Wabash Railway Company preferred B stock (2)	Caa	763
Wabash Railway Company common stock (3)	C	763
Waco & Northwestern Railroad first gold 6s, 1930 (22)	Aa	665
Wadley Southern Railway Company		390
Wallkill Valley Railroad guaranteed stock (7)	Aaa	455
Ware River Railroad guaranteed stock (4)	Aaa	455
Warren, Johnsville & Saline River Railroad		1111
Warren & Ouachita Valley Railway		1111
Warren Railroad first refunding mortgage 3½s, 2000 (6)	Aaa	314
Warren Railroad guaranteed stock (6)	Aaa	316
Washington Central Railway first mortgage 4s, 1948 (8)	Aa	535
Washington & Choctaw Railway		1112
Washington & Columbia River Railroad first mortgage 4s, 1935 (10)	Aaa	535
Washington County Railway first 3½s, 1954 (20)	Aa	420
Washington & Franklin Railroad first 5s, 1939 (8)	Aa	1174
Washington, Idaho & Montana Railway		1112
Washington, Ohio & Western Railroad first 4s, 1924 (12)	Aaa	687
Washington, Potomac & Chesapeake Railroad		1113
Washington Run Railroad		1113
Washington Southern Railway Company		638
Washington Southern Railway first 4s, 1943	Aaa	639

	RATING	PAGE
Washington Terminal Company (Joint Control)		1114
Washington Terminal Company first 3½s and 4s, 1945	Aaa	1114
Washington & Vandemere Railroad		157
Washington & Vandemere Railroad 4½s, 1947 (19)	Aa	146
Washington Western Railway		1114
Watauga & Yadkin River Railroad		1115
Watertown & Sioux Falls Railway		1115
Waupaca-Green Bay Railway		1116
Waycross & Western Railroad		1117
Waynesburg & Washington Railroad		604
Weatherford, Mineral Wells & Northwestern Railway		728
Weatherford Mineral Wells & Northwestern Railway first 5s, 1930	Baa	728
Wellington, Grey & Bruce Railway bonds (12)	Ba	1237
Wellington & Powellville Railroad		1117
Wellston & Jackson Belt Railway		226
Wellsville, Coudersport & Pine Creek Railroad		805
Wenatchee Valley & Northern Railway		1118
West Chester Railroad first 5s, 1919 (16)	Aaa	547
Western Allegheny Railroad		1118
Western Annuity 4½s (1)		1229
WESTERN MARYLAND RAILWAY COMPANY (Analysis)		1172
Western Maryland Railway collateral trust 5s, 1915 (10)		1174
Western Maryland Railway equipment trust 5s, 1917-26		1176
Western Maryland Railway first 4s, 1952 (9)	Ba	1174
Western Maryland Railway gold notes, 1915 (11)		1174
Western Maryland Railway preferred stock (1)	Ca	1176
Western Maryland Railway common stock (2)	C	1176
Western New York & Pennsylvania Railway		561
Western New York & Pennsylvania Railway first 5s, 1937 (1)	A	562
Western New York & Pennsylvania Railway general 4s, 1943 (2)	Ba	562
Western New York & Pennsylvania Railway income 5s, 1943 (3)		562
Western Pacific Railroad Company first 5s, 1946	Ba	1178
WESTERN PACIFIC RAILROAD CORPORATION (Analysis)		1176
Western Pacific Railroad Corporation preferred stock (1)	Caa	1179
Western Pacific Railroad Corporation common stock (2)	C	1179
Western Pennsylvania Railroad consolidated (now first) 4s, 1928 (17)	Aaa	547
WESTERN RAILWAY OF ALABAMA (Analysis)		763
Western Railway of Alabama first 4½s, 1918 (1)	Aa	766
Western Railway of Havana, Ltd.		1265
Western Transit Company		459
Western Transit Company first 3½s, 1923	Aaa	459
West Jersey Railroad special guaranteed stock (1)	Aaa	577
WEST JERSEY & SEASHORE RAILROAD COMPANY (Analysis)		575
West Jersey & Seashore Railroad Company 3½s and 4s, 1936	Aaa	577
West Jersey & Seashore Railroad Company special guaranteed stock (2)	Aaa	577
West Jersey & Seashore Railroad Company common stock (3)	Baa	577
West Pocahontas Corporation first 4½s, 1945 (18)	A	219
West River Railroad first 4s, 1990 (6)	Ba	1247
West Shore Railroad first mortgage 4s, 2361 (39)	Aaa	449
West Side Belt Railroad first 5s, 1937 (1)		1190
West Side Belt Railroad 5% receivers' certificates, 1917-26 (3)		1190
West Virginia Midland Railroad		1187
West Virginia Northern Railroad		1118
West Virginia & Pittsburgh Railroad first mortgage 4s, 1990 (3)	Aa	177
Wharton & Northern Railroad		1119

	RATING	PAGE
Wharton Valley Railway		522
Wharton Valley Railway first mortgage 5s, 1918 (3)	Aa	520
Wheeling & Lake Erie Railroad equipment 4s and 5s, 1917-23 (6)	A	1181
Wheeling & Lake Erie Railroad first consolidated 4s, 1949 (4)	A	1181
Wheeling & Lake Erie Railroad receivers' certificates, 1926		1182
WHEELING & LAKE ERIE RAILWAY COMPANY (Analysis)		1179
Wheeling & Lake Erie Railway Company refunding 4½s, 1966 (5)	Baa	1181
Wheeling & Lake Erie Railway extension first 5s, 1930 (3)	Aa	1181
Wheeling & Lake Erie Railway Lake Erie Division first 5s, 1926 (1)	Aaa	1181
Wheeling & Lake Erie Railway Wheeling Division first 5s, 1928 (2)	Aa	1181
Wheeling & Lake Erie Railway Company prior lien stock (1)	Ba	1182
Wheeling & Lake Erie Railway Company preferred stock (2)	B	1182
Wheeling & Lake Erie Railway Company common stock (3)	Ca	1182
Wheeling Terminal Railway		598
Wheeling Terminal Railway first 4s, 1940	Aa	598
White & Black River Valley Railway		284
White & Black River Valley Railway first 5s, 1980	Ba	284
White Deer & Loganton Railway		1120
White Oak Railway		1120
White Pass & Yukon Railway, Limited		1266
White Sulphur Springs & Yellowstone Park Railroad		1121
Wichita Falls & Northwestern Railway first 5s, 1939 (20)	Baa	1150
Wichita Falls & Northwestern Railway first refunding 5s, 1940 (23)	Ba	1150
Wichita Falls & Northwestern Panhandle Division 5s, 1925 (21)	Ba	1150
Wichita Falls & Southern first 5s, 1938 (22)	Ca	1150
Wichita & Midland Valley Railroad first 5s, 1931 (3)		430
Wichita Union Terminal Railway		1122
Wichita Union Terminal Railway first gold 4½s, 1941	Baa	1122
Wiggins Ferry Company		721
Wilkes-Barre Connecting Railway		1122
Wilkes-Barre & Eastern Railroad first mortgage 5s, 1942 (7)	Ba	351
Williamsport & North Branch Railroad		1122
Williamsport & North Branch Railroad first 4½s, 1931 (1)	B	1123
Williams Valley Railroad Company		634
Williams Valley Railroad general 5s, 1924	B	634
Willmar & Sioux Falls Railway first mortgage 5s, 1938 (6)	Aaa	362
Wilmington & Newbern Railroad first mortgage 4s, 1947 (16)	Aaa	146
Wilmington & Northern Railroad first 5s, 1927 (23)	Aa	616
Wilmington & Northern Railroad general 5s, 1932 (24)	Aa	616
Wilmington & Northern Railroad stock certificate 4s (10)	Aaa	616
Wilmington Railway Bridge Company		1123
Wilmington Railway Bridge Company first consolidated 5s, 1943	Aa	1124
Wilmington & Weldon Railroad general mortgage 4s, 1935 (9)	Aaa	146
Wilmington & Weldon Railroad general mortgage 5s, 1935 (10)	Aaa	146
Wilton Railroad 8½ per cent. guaranteed stock (8)	Ba	204
Winfield Railroad		1124
Winifrede Railroad		1124
Winnipeg Terminal Company 4s, 1939 (9)	A	1205
Winona Bridge Railway		1124
Winona Bridge Railway first gold 5s, 1935	Baa	1125
Winston-Salem Southbound Railway Company		1125
Winston-Salem Southbound Railway first 4s, 1960 (1)	Aa	1126
Wiscasset, Waterville & Farmington Railway		1126
WISCONSIN CENTRAL RAILWAY COMPANY (Analysis)		1220
Wisconsin Central Railway equipment trust 4½s and 5s, 1917-31 (5)	Aa	1223

	RATING	PAGE
Wisconsin Central Railway first general mortgage 4s, 1949 (1)	Aa	1223
Wisconsin Central Railway first and refunding mortgage 4s, 1959 (4)	Baa	1223
Wisconsin Central Railway 5 per cent. notes, 1918 (6)	Baa	1223
Wisconsin Central Railway Marshfield & South Eastern Division 4s, 1951 (3)	A	1223
Wisconsin Central Railway Superior & Duluth Division terminal first 4s, 1936 (2)	A	1223
Wisconsin Central Railway preferred stock (1)	B	1223
Wisconsin Central Railway common stock (2)	C	1223
Wisconsin & Michigan Railway		1126
Wisconsin & Michigan Railway first 5s, 1945	B	1127
Wisconsin, Minnesota & Pacific Railroad		246
Wisconsin & Northern Railroad		1127
Wood River Branch Railroad		1128
Woodstock & Blocton Railway		1128
Woodstock Railway		1129
Woodworth & Louisiana Central Railway		1129
Worcester & Connecticut Eastern Railway first 4½s, 1943 (13)	Aa	504
Worcester, Nashua & Rochester Railroad first 4s, 1930-35 (24)	Aa	202
Wrightsville & Tennille Railroad		391
Wrightsville & Tennille Railroad first 5s, 1958 (1)	A	392
Wyoming & Missouri River Railroad		1130
Wyoming & Northwestern Railway		268

Y

Yazoo & Mississippi Valley Railroad		383
Yazoo & Mississippi Valley Railroad improvement 5s, 1934 (2)	Baa	384
York, Hanover & Frederick Railway		563
York Harbor & Beach Railroad		207
York & Peach Bottom Railroad Series B 5s, 1932 (1)	Aa	427
Yosemite Valley Railroad		1130
Yosemite Valley Railroad first sinking fund gold 5s, 1936 (1)	Ba	1131
Yosemite Valley Railroad second 5s, 1936 (2)		1131
Youngstown & Ravenna Railroad		598
Yreka Railroad		1131

Z

Zanesville Terminal Railroad		1132
Zanesville & Western Railway		486
Zwolle & Eastern Railway		1132

INTRODUCTION

Location and Character of Tonnage

THE three chief elements to be studied in analyzing railroad reports are the *Physical Factors*, the *Income Factors*, and the financial or *Capitalization Factors*. The physical factors or characteristics embrace everything of a physical nature, such as the mileage and location of the road, the equipment owned and used, the character of tonnage transported, the methods of handling the tonnage and passengers, the efficiency of operation of the trains, and the average rates received per person and per ton for transportation services performed.

Many of the railroads furnish their stockholders with quite complete figures covering the physical sides of their properties. Usually the railroad report begins with a statement, in condensed form, of the mileage operated. This statement of "mileage operated" indicates the *average* number of miles of main track operated within a single year, and is usually sufficiently elaborate to show in detail the entire mileage of the system, indicating where this mileage is located and what points it reaches, showing the number of extra main tracks and their mileage, and also the mileage of yard tracks, switches and sidings. Most railroad corporations also present with their annual reports a complete map of the entire railroad system, enabling the stock- or bond-holder to see at a glance just where the railroad runs, what cities it enters, what connections it has with other lines, and what the general character and type of territory are in which it is located.

The majority of railroad reports are so arranged that, following a statement of the mileage operated, a statement of earnings, or a condensed income account, is presented. But to examine the report systematically and scientifically, the location of the road and its mileage should be immediately followed up by an examination of the nature of the tonnage which is transported on the property. The character of the tonnage has direct relationship to the location of the property, and to the type of territory. In other words, railroads are directly dependent for their prosperity on the particular industries which are dominant in the territories through which they run, and the prosperity of those industries and their general stability are at the base of the success of the railroad itself. So we find that a railroad like the Gulf & Ship Island is largely dependent on the lumber industry; the Boston & Maine and Maine Central are dependent on diversified local traffic, their through business being a factor of minor importance. The New Haven is more largely dependent for its success on the maintenance of passenger rates than it is on the maintenance of freight rates, as passenger business predominates and is a large source of revenue. The Reading, New Jersey Central, and Lehigh Valley are dependent largely upon stable conditions in the anthracite coal fields, and a large part of their value is bound up in their ownership or control of these great coal deposits. The Chesapeake & Ohio, the Norfolk & Western, the Hocking Valley, the Buffalo, Rochester & Pittsburg, and to an extent the Baltimore & Ohio, the Erie, and Pennsylvania are dependent upon conditions in the soft-coal industry. Properties like the St. Paul, the Chicago, Burlington & Quincy, the Northern Pacific and the Missouri Pacific are more or less bound up with the agricultural conditions in the territories through which they run. In the event of crop failures or short crops, their earnings are vitally affected, while, on the other hand, in years of "bumper" crops they all prosper to unusual extent.

In view of the foregoing facts, it will be seen that a definite knowledge of the nature and character of tonnage transported by the railroad is a matter of great importance to the owner of the shares or bonds. In this book these tonnage figures have been given proper prominence, and wherever possible a comparison of the tonnage percentages for the entire decade, closing with the last fiscal year, has been presented. In this way the user of the book can see at a glance the changes, if any, which have occurred during the period under review.

Most of the railroads long ago adopted a uniform classification for their freight traffic. This classification is divided as follows:

1st, Products of agriculture, embracing such things as grain, flour, cotton, tobacco, hay, fruit and vegetables, mill products, etc.
2d, Products of animals, embracing live stock, dressed meats, hides and leather, poultry and game, wool packing house products, etc.
3d, Products of mines, embracing anthracite and bituminous coal, coke, ores, stone, sand and similar articles.
4th, Products of forests, embracing lumber and all allied products.
5th, Manufactures.
6th, Merchandise and miscellaneous articles.

There is a very wide diversification in the character of the tonnage transported by the different railroads, and the great dependence of some systems on particular articles for their tonnage is well brought out in the statements given throughout this book. It will be seen, for instance, that, of the total tonnage reported in 1915 by the Baltimore & Ohio Railroad Company, about 64 per cent. represented products of mines; on the New York Central in 1915, 51 per cent. represented products of mines; on the Lake Erie & Western 39 per cent. was so represented, while on the Lehigh Valley about 63½ per cent. was mining products. Turning to Western properties, we find that the Missouri

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Pacific, in 1915, depended to the extent of 21 per cent. on agriculture for its tonnage and 19 per cent. on forest products. The Missouri, Kansas & Texas reported 43 per cent. in mining products, and 25 per cent. in products of agriculture.

The more diversified the tonnage of a railroad and the less dependent it happens to be on any one or two types of industry, the stronger and more stable its traffic is apt to be. Thus the New England properties, like the New Haven and the Boston & Maine, on which the freight tonnage is unusually well diversified, can be expected to make a more satisfactory showing of stability, in good times and in bad, than can those railroads where the traffic is not so well diversified. The Boston & Maine, in 1915, reported its products of mines at 26 per cent. as the heaviest single class of tonnage, and its mining classification was itself well diversified. The same fact is true in relation to the Atchison reports of recent years.

Therefore, in considering the relative positions of different railroad companies, the length of track, as well as the characteristics of the territory covered and the type of tonnage carried, is a matter of vital importance. Superiority in these respects does much to put systems like the Atchison, the Baltimore & Ohio, the Canadian Pacific, the Great Northern, the New York Central, the Northern Pacific, the Pennsylvania, the Southern Railway, the Union Pacific and the Southern Pacific in a more desirable investment position than properties like the Chicago, Indianapolis & Louisville, the Toledo, St. Louis & Western, or the Mobile & Ohio. One of the elements of strength in the Southern Railway property which has enabled it to present a good record in recent years has been the fact that the system is of wide extent and penetrates much territory. The Toledo, Peoria & Western, confined to a small section, may make a fair showing in good times, but fails to earn its charges in poor times; the Lake Erie & Western and the Cincinnati, Hamilton & Dayton, confined within a narrow range for their business, have been at a disadvantage to meet periods of depression, entirely aside from the matter of diversity of tonnage.

The Management of the Railroad

OF equal importance with the geographical location of a railroad property, and the physical facts which grow out of that location, is the question of control or management. As position and credit among individuals are based largely on reputation for ability and past good records, so also the credit of a railroad property, other things aside, is better where that property is in the hands of men of acknowledged ability, integrity, and financial strength than where the reverse is true. It is a matter of far-reaching meaning to know whether a property is under the control of railroad builders or railroad speculators; to know whether the men at the head of the system are bent chiefly on operating it for the benefit of the real owners or for the benefit of themelves. In the days of Fiske and Jay Gould the Erie road had little or no credit; its volume of business grew as its territory grew in population, but the management was engaged in making it a football for speculation and not a well-operated and soundly financed business. While these conditions lasted and the standing of the property went from bad to worse, other railroads of like physical character, such as the Pennsylvania and the New York Central, were being managed with ability as business enterprises and were steadily building up their financial and operating strength, the fruits of which they have enjoyed in subsequent years.

Therefore, it is of great value to know something about the personnel of those who are the responsible heads of the railroad, and the statement of management is given in this book in the analyses in prominent position following the preliminary outline of location, etc. Each statement contains a full list of the officers and directors, and little trouble will be found in analyzing the significance of these names. Not only do they show managerial strength or weakness, as the case may be, but the general intercorporate relationships with other properties are indicated in this way. While many railroads have no alliances with other lines, in the technical sense, owning perhaps no securities to represent connection and control, yet the personnel of the directorate may be duplicated in many cases. Thus we find that men who are officers and directors in some Eastern railroad may also be officially connected with and influential in the management of other roads in other sections of the country, thus showing a connection entirely independent of that reflected by ownership of securities, lease or other control.

But the alliances of this nature are in most cases also reflected by stock or bond holdings of one railroad by another. The intercorporate relationships so brought about are of a far-reaching nature and of great significance. For example, the Pennsylvania Railroad not only controls numerous lines which are separately operated and which are grouped in this book under the general head of the Pennsylvania system, but it has important stock interests, and, therefore, some voice in the control or policy of a large number of other important railroad companies. Among these may be mentioned the Southern Pacific system, the New York, New Haven & Hartford system, and the Reading. The Baltimore & Ohio, on the other hand, itself has stock interests of importance in the Reading Company, and, therefore, in the New Jersey Central system. The Illinois Central is largely owned by the Union Pacific interests, who also have an interest in the Chicago & North Western and large stock holdings in the New York Central. In fact, nearly all the great railroad lines hold interests of some amount on other large systems, in addition to the holdings represented by control of many so-called subsidiary properties. This has resulted in segregating the railroad mileage of the country, in a broad sense, into a few enormous groups, and the final question of managerial policy is traced to the personnel of these groups.

The Results of the Decade

AN important question in relation to railroad results and earning power generally is that of permanency, and it is a matter to which entirely too little attention is given by the average investor. What the railroad may have done in the matter of earnings last year, which was a poor year, may be a very poor indication of what it can do in better times or what it did do in a period of prosperity. Consequently, the very poor earnings of 1913 and 1914 may

entirely mislead when the question of income in 1915 and 1916 comes to be considered. Many investors in both stocks and bonds were woefully misled by the 1906 and 1907 results of railroads, just as they were afterward misled by considering only the bad figures of 1914, or the lack of pronounced improvement in the earlier months of 1915.

The truth is that the principle of judging railroad securities on results for short periods is just as unsound and illogical as estimating the value of anything else of a business nature without considering the past record. A department store, if offered for sale, will bring more money (and it is worth more) if it can present a record of prosperity over a period of ten or twenty years, than one which, while it may be currently doing as well as the other, has no strong record back of it. The same principle applies with equal force to the business of a railroad. With a 10-year record as a dividend payer its stock will sell currently at a higher figure than were its dividend record only two years in duration; and this would be true were all else equal. An example of this is shown in connection with the Kansas City Southern and the Union Pacific. Each property has outstanding a preferred stock issue receiving 4 per cent. dividends per annum, and limited to that amount. The Union Pacific has paid its 4 per cent. dividend in every year since 1899, and on the average for the decade has earned the dividend five times over. The Kansas City Southern has paid its preferred dividend for ten years and has earned a sufficient amount over each year to place the stock apparently on a safe and permanent dividend basis. But there is really no comparison between the two stocks as to security and position, when the results of the decade are considered. An examination of the Kansas City Southern record would quickly divulge the fact that to show the same margin of surplus beyond dividend payments for the past ten years as did the Union Pacific beyond its 4 per cent. preferred dividend, it could have paid not more than 1½ per cent. per annum on its preferred stock issue, thus indicating that, judged on the average results of the decade, the Kansas City Southern preferred has nothing like the secure position which the Union Pacific preferred enjoys.

The same idea is applicable to railroad results generally; and it is on this basis of averages of 10-year results that the entire scheme of analysis is worked out in this volume. In every figure presented, the *yearly* average of every factor is presented, for each year of the decade, and then these yearly averages are themselves averaged, thus showing *the average yearly results of the entire decade.* By this method, a basis is reached which strongly emphasizes the element of permanency and stability, taking into consideration, as it does, good times and bad, poor managements and good, changes in costs of material, of wages and of operation, rises or falls in freight and passenger rates; as well as the periodical changes in character of traffic and of tonnage.

It is believed that the 10-year averages thus shown present as sound and conservative a basis for relative comparison of results as can be found, and in addition to being used as the standard for classifying the security issues and giving them a rating, the 10-year averages are employed for purposes of comparison with other properties of like general character.

Of course the application of this 10-year average principle is to be taken in given cases with proper qualification, and wherever in this book, extraordinary or unusual conditions enter in to affect the general result, reference is made to such conditions in the text. As pointed out in the preface, the changes in the accounting methods within the past few years have, in some of the items, varied the amounts and percentages for single years to some extent, but these changes, while in some cases producing a slightly inaccurate comparison between the last few years, have had little effect on the 10-year-average results.

Relative Values in the Railroad—The "Railroad-Mile"

ALL things are relative and must be measured by a fixed standard. This is just as true in considering railroad results as in considering other things. We cannot measure or compare the relative worth of a day's work and a pair of shoes except by measuring both according to a fixed standard of value, and this standard we call money; and we cannot measure the relative worth of a given piece of railroad property or a given amount of railroad results, except by means of a fixed standard for comparison, and this standard we call the "railroad-mile." In other words, to ascertain intelligently the condition and earning capacity of a railroad system we must consider everything in relation to the length of line operated, and measure all results by this standard. We must do this both in comparing the results over one year with the prior year or years, and also in comparing the results shown by one property with the results shown by another. If we do not do this any examination of railroad figures or railroad results which we might attempt to make would mean little or nothing and would lead in many cases to perfectly grotesque conclusions.

To illustrate: A given railroad may have doubled its equipment, as represented by the number of engines and cars owned, within a space of five years, and this fact, considered without relation to changes in the mileage figures, would lead one to assume that the volume of business, as well as the tangible value of the physical property, had shown gratifying growth within the period. But if in the same years the operated main track mileage has grown in equal or greater proportion, then the fact is quite apparent that the volume of business may not have grown at all, and the actual ownership of movable property, as represented by engines and cars, may not be any greater, *per mile of road operated*, than was the case before. The same principle applies to all figures presented in the railroad report. Its gross business may double in amount of money in five or ten years, but if the mileage has trebled in that time, then the traffic of the road is not nearly so dense as it was at the beginning of the period. Its earning capacity is declining. But if we measure the gross earnings each year by figuring the amount earned per mile, we then get an accurate scientific basis for comparison, and can measure the figures with those of other properties which we also reduce to a uniform mileage basis.

The same idea applies with equal force to all the income records, including operating and maintenance expenses, income from investments and other sources, fixed charges, dividends and surplus. And when we come to the

examination of questions of capitalization, the only measure we can use in a relative and comparative way is that of the length of line operated. The application of this principle to all parts of the railroad report is the only sound method which can be employed for analyzing the roads and their securities.

But while all exhibits made in the railroad report can be intelligently analyzed by methods of comparison with like properties, the fact should never be lost sight of that many qualifying factors are constantly entering in which must be given due weight. Take the maintenance accounts, for example. Two properties, operating in generally similar territory, and transporting similar types of traffic, should, other things being equal, spend about the same proportion of their gross receipts in the upkeep of road and equipment. But it may be that in one case a large portion of the mileage is new, while in the other the road has been operating its entire trackage for many years, and both its rails and equipment have had to stand the test of wear and tear to their limit. It is obvious, in such a case, that the older property, for this reason, should have more money per mile spent on it for its general maintenance than should the newer road. It is often noted that entirely new roads operate their lines at a very low ratio, and they are sometimes open to severe criticism for so doing. But as a matter of fact, they really may be spending even more for essential "upkeep" than the older and more or less worn-out properties which are perhaps disbursing larger amounts in the same accounts. In time, the newer property may have to increase its maintenance charges to the average attained by the older road; but it is no real evidence that sufficient amounts are not being spent if the maintenance accounts are running light for the first year or two of operation.

THE PHYSICAL FACTORS

Grouped under the head of the Physical Factors in the business of railroad operation are the records of Mileage and Equipment as well as other figures bearing on the physical side of the property. Nearly all railroad reports furnish the full figures necessary for making a comparison of the physical factors. Records of this nature in the average reports made to stockholders are not, however, always arranged in such form that the ordinary investor, not familiar with accounting principles, can make much use of them. Tabulations presenting freight or passenger traffic statistics, and embracing such items as "train-miles," "locomotive miles," "train mileage per mile of road" and "average number of passengers per train or engine mile," have little or no meaning to the average shareholder, and, as far as he is concerned, he apparently feels that they might as well have been left out of the report. But if he had some method for placing such figures in proper relationship to the other things in the report which he can understand, he would grasp their importance and meaning at once. And if, in addition to this, he could compare these and other figures shown with results and records of previous years, he would quickly find that the railroad report, instead of being made up of a large amount of technical matter which is of interest to railroad managers only, really embraces nearly all items required for making quick and intelligent comparative deductions.

But even when investors and dealers in railroad securities do possess the knowledge required for placing all the figures in the reports in their proper relationships, and are fully capable of making sound deductions, it is not possible for many to secure the necessary records more than a year or two back. Railroad reports themselves usually get out of print after a year or so; the current periodicals seldom publish the full records, while the old line railroad manuals give some of the facts, but not all. Therefore, one of the chief purposes of this volume is to furnish the complete back records of all the railroads for the full period of a decade; and this has been done in practically every case in the reviews of the railroad systems. As already stated, the deductions finally made for showing the position and value of the different security issues are all based on the average results of the decade closing with the last fiscal year.

Average Miles Operated

THIS is the "yard-stick" by which everything is measured, and indicates the length of line operated by the company during the given year. "Average miles operated" does not include second, third, or fourth track, nor any mileage controlled but not directly operated. The figures given on which the results apply are the operations or earnings of directly operated lines alone; that is, the results of lines which figure in the income accounts of the company. They often include the results of a leased or controlled line, but only where the leased or controlled line is directly operated; and in this case the mileage of the leased or controlled line is included in the "average mileage operated" of the main system. Where such mileage is separately operated, a separate analysis is of course necessary. For example, in the case of the Reading Company system, an entirely distinct statement is furnished for the Central Railroad of New Jersey, which is the leading separately operated controlled line.

It might be assumed that a better comparison could be made on the basis of length of track rather than length of line. That is to say, while all railroads have some extra tracks, such as second, third, and fourth tracks, yet it may seem that a comparison of two roads, one of which is 90 per cent. single track and the other only 50 per cent. single track, would be misleading. And it would, if the fact of the extra track or proportion of extra track were not taken into consideration. But it will be easily realized that to work out all the comparative figures on the basis of length of track would lead to very inequitable comparisons and grotesque results. Extra main track on a railroad does not in any case reflect the same earning capacity as the first track. A second track on an ordinary railroad line in the Eastern States might perhaps add from 30 to 50 per cent. to the possible capacity, but it would in no case double the capacity. Therefore, length of line in second track is not of the same relative significance as length of line in first track. The New York Central has a large percentage of extra main track, a substantial proportion of its main line being equipped with from three to four tracks. On the other hand, the Erie Railroad has a lesser percentage of extra main track and a large portion of its main lines are still single track. Yet the density of freight business on the Erie system, as shown by the records, is far greater than that of the New York Central. In 1915 the

Erie reported a freight density of 3,301,205 as compared with 2,803,146 for the New York Central. While extra main track is a factor of importance, it cannot be used as a mileage basis for a fair comparison.

At the same time the existence of all extra main track and its length must be considered in any comparative examination of railroad results, and in the following Analyses it will be noted that a statement of extra main track, wherever it exists, is furnished with the record of average miles operated of main track each year. These two columns thus convey to the user of the book the proportion of the average mileage which is equipped with more than one track, and, of course, show the trend of improvement in that direction. Where extra main track is increasing in greater ration than the main track mileage, it is an indication that the capacity of the road for handling its business has been increased and that its volume of business in general terms should be growing. As an illustration of this, an examination of the Illinois Central statement in this book is worth making. During the decade the average mileage operated (length of line) of the Union Pacific system has increased from 5,404 miles to 7,784 miles, an increase of over 44 per cent. During the same period its extra main track has grown from 168 miles as reported in 1906 to 1,097 miles in 1915, an increase of over 640 per cent. All of this increase has not, of course, been second track, some being third or perhaps fourth track. But every extra track which is main track mileage—that is to say, not switches, yard tracks, or sidings—is treated as extra main track.

As will be seen by a general examination of the Analyses, very few railroads of the United States can boast of extra main track up to 50 per cent. of their length of lines. Systems like the New York Central, the Pennsylvania, and New Haven report more than 50 per cent. in extra main track, but it must be remembered that a proportion of this is represented by third and fourth tracks and that, therefore, a very substantial part of the system is equipped with one track only. In the Western States most of the railroads are almost entirely single track, even a property like the Burlington reporting extra track equal to only 10 per cent. of its operated mileage and the Atchison reporting only about 9 per cent. The Missouri Pacific reports for 1915 only 269 miles of extra main track on its entire system of 7,285 miles, while the Kansas City Southern, with 837 miles operated in 1915, reported but 23 miles of extra main track. The Missouri, Kansas & Texas reported only 120 miles of extra main track.

Wherever possible in the Analyses the miles of yard tracks and sidings for the latest fiscal year are also stated, thus enabling the user of the book to get a complete general idea, not only of the length of the line and the trend of growth in length of line for the decade, but also the density of growth which is reflected by increase in extra main track, and in addition to get some conception of the amount of mileage involved in terminals, switches, etc. Having these general facts before him and comparing the averages as shown in the table with the average mileage and extra main track figures of the properties, he will be in a position to make an intelligent comparison. For example, the relative difference will be seen at a glance between the mileage of the St. Paul and the mileage of the Chicago & North Western. For the year 1915 the average mileage operated on the St. Paul was 10,053 miles, and the extra main track averaged 1,146 miles, while on the Chicago & North Western 8,108 miles of average main trackage were operated, with 1,114 miles of extra main track, showing at once that the North Western is equipped with a much higher percentage of extra main tracks than is the St. Paul. The same test applied to the Burlington would show that whereas the Burlington main track mileage averaged 9,339 miles for the year 1915, the extra main track averaged but 949 miles, a lower percentage in relation to the total length of line than that reported by the St. Paul.

So much for the trackage figures, which, as represented by mileage operated, as already stated, are the basis for working out all the comparisons and making all the deductions shown in the Analyses.

Equipment

THE equipment of a railroad consists of its movable property, that is to say, its engines and cars. Equipment as understood in railroad reports does not include such property as buildings, stations or other structures. It does include floating equipment, such as boats, tugs, etc., where a road has use for such, but as instances are rare where floating equipment is relatively important, the equipment question resolves itself almost wholly into the field of locomotives and passenger and freight cars. Just as it is important to know something about a railroad's location, its character of traffic and its length of lines, so it is important to have at hand full facts regarding its actual, movable property. In fact, the equipment is the machinery with which it does its business; it is constantly in motion, subject to endless wear and tear, and requires constant replacement. Every railroad report which is properly constructed furnishes a full statement of equipment, showing not only the number of engines owned, but usually the weight and tractive power of these engines and often their age and also the number of engines destroyed or displaced from service within the year and the number of new engines acquired. The total number of engines shown in use for the year is the net number after adding the new engines and deducting those destroyed or worn out. The same plan is followed in statements of passenger and freight equipment as well as company cars. The term "company cars" signifies those cars used for company work, and includes dirt cars, derricks, cabooses, etc. Company cars are separately classified, as they are not supposed to be direct revenue producers. On representative systems the company cars usually equal about 3 per cent. of the total number of freight cars owned by the company.

It is sometimes the custom in making up analyses of railroad reports to reduce the number of engines and cars to a mileage basis, just as the earnings are so reduced. That is to say, in addition to stating that the St. Paul owned, in 1915, 1,983 engines, we would divide that number of engines by the mileage operated and thus ascertain the number of engines *per mile* or the proportion of an engine per mile. But this method of statement is extremely technical; it involves the introduction of close fractions, and for ordinary analytical purposes is not necessary. Therefore, the plan has been followed in this book of stating for each year the actual number of engines and cars owned or controlled. As the mileage figures are stated on the same page, the relative significance of the equipment and the mileage can in all cases be readily seen, and it is believed in this form will prove more satisfactory and prac-

tical for general uses than if the equipment itself were stated on a per-mile basis. It should be explained also that the statements of equipment given in this book in all cases include, except where otherwise stated, equipment owned in fee and that embraced in equipment trusts. Many railroads follow the plan of "trusteeing" the equipment they buy from year to year, and paying off the obligations out of earnings as the equipment is being used. In this way, by the time the equipment is worn out or by the time substantial amounts have been spent on it for its maintenance, it is entirely paid for out of earnings, and is then owned in fee without having involved the creation of any capital obligations for its purchase. It is sometimes assumed that only those railroads which have poor credit follow the equipment or car trust idea. But this is not true, as most roads of very high credit, such as the Pennsylvania, purchase all their equipment in this way, and pay for it serially out of the operating results of the equipment itself. The figures in the statements in this book properly include the engines and cars held under equipment trusts for the reason that these equipment trusts are obligations of the companies; the payments on them from year to year are usually included in the fixed charges, or at least are deducted from the profit and loss accounts, and in the statements of capitalization they are included as liabilities with the bond issues. Where for special reasons exceptions have been made to this plan the fact is definitely stated in the Analyses.

The 10-year comparative statement of engines and cars shown in each table is of special value in indicating the growth of business of the company and also its increase or decrease in the possession of movable property. Practically all American railroads have shown decided increases in these items during the past ten years, and it is only here and there that a road has reported an actual decline in quantity of equipment owned. The figures are of value for comparative purposes for the different years of the decade and also for comparing one railroad system with another.

In examining the comparative statements of equipment figures in the tables, several qualifying factors should be kept in mind. For example, while the number of engines owned from year to year implies the growth of locomotive equipment, it is not an entirely accurate guide, for the reason that the capacity of locomotives has changed to a marked extent during the past ten years. For example, the average weight of the locomotive used on the Union Pacific system in 1901 was about 55 tons, while those being used to-day measure up in most cases to as much as 83 tons, thus showing an increase in capacity for locomotives equal to perhaps 50 per cent. over the conditions of fifteen years ago. The same facts apply to more or less extent in freight equipment. The introduction of the pressed steel car and the modern freight car of large capacity has resulted in displacing thousands of light-weight, small-capacity cars such as were used a decade or more ago. Thus in many cases where an increase is shown of 25 per cent. in the *quantity* of freight equipment during the decade, it may easily be that the average *capacity* of the freight equipment has increased far more than 25 per cent. For example, if we examine the coal-carrying roads, such as the New Jersey Central, the freight equipment figures should especially be considered with this fact in view. A large part of the New Jersey Central freight equipment consists of coal cars, and prior to 1904 many thousands of these cars were the old-fashioned eight-wheel box cars with a capacity of about ten tons of coal each. But these were rapidly replaced after 1903 with pressed steel cars of a capacity six to ten times as great, and, of course, the quantity of individual cars owned naturally declined. But the general business demands of the New Jersey Central grew so rapidly during this period that the actual decline in number of cars owned was very small, and in 1915 the company reported a much larger number of freight and company cars than it reported in 1904, just before the rapid replacement began.

The same facts should be borne in mind in relation to passenger equipment. The replacement which is constantly going on results each time in progressive railroad systems, in cars of better construction and larger capacity taking the place of those displaced, so that the mere quantity in itself is not a complete guide to the matter.

Proportion of Freight to All Traffic

IT is important to know, in examining a railroad report, what proportion of the business done is represented by the freight and what proportion by passengers or receipts from other kinds of transportation. As a whole, American railroads report an average of about 23 per cent. in passenger traffic, the remaining 77 per cent. being made up of freight, expressage, mail matter, etc. Eastern roads, as a rule, report a larger proportion of passenger traffic than those in the West and South, and, as a matter of fact, there is a fairly wide variation between the percentages on the various railroad systems even when located in the same territory. For example, while the percentage of freight to all traffic on the Pennsylvania Railroad averaged for the decade ending in 1915, 73 per cent., on the New York Central it averaged only 59 per cent. On the Norfolk & Western it averaged 85 per cent., while on the Baltimore & Ohio it averaged 78 per cent. The Delaware & Hudson reported an average of 83 per cent., but the Delaware, Lackawanna & Western average was but 72 per cent. Going further west we find that while the percentage on the Chicago & North Western was 67 per cent., on the Illinois Central it was also 67 per cent. The Hocking Valley business was 80 per cent. freight traffic, while that of the Pittsburg & Lake Erie was 88 per cent. In the East, the New Haven, which depends chiefly on passenger business, reported an average of only 49 per cent. for freight, while the Long Island Railroad, the traffic of which is confined to a very limited area, reported a freight percentage averaging but 29 per cent.

The value of this record showing the proportion of freight to all traffic is twofold. First, it indicates the character of traffic which is of most importance to the railroad and which is the source of most of its income, thus enabling the person examining the record to know the significance of changes in the freight or passenger rates and also when examining the operating records to judge properly the maintenance and operating costs. In addition to this, a 10-year comparative record shows at a glance any changing trend which may be going on in the character of the traffic.

Passenger and Freight Density

EVERY complete railroad report should contain statements showing the number of passengers carried during the year, the number of passengers carried one mile, the average number of passengers carried, and various other records of the same nature. Under "freight traffic statistics" figures should also be furnished of the number of tons carried during the year, with the number of tons carried one mile. As a general thing, entirely too little attention is given to these figures by the average shareholder when examining his report. The relationship of these figures to the general earning capacity of the property is not appreciated or understood and, therefore, these operating records are passed by without examination or analysis.

It would be well if traffic statistics of this kind were presented in more intelligible form and if comparative records were shown extending over a series of years. The chief value of these figures to the investor is that by means of them he can ascertain the relative volume of business being done by the railroad in both passengers and freight and, if he has the complete records at hand, can make comparisons both with the records shown in previous years and also with the records made by properties of similar type and operating in similar territory. But the average investor does not have at hand a series of reports covering a term of years, and therefore cannot readily make an intelligent use of the figures. As a matter of fact, these traffic figures are not amenable to comparison unless reduced to the mileage basis just as all other operating records must be. For example, an investor examining the Baltimore & Ohio annual report for the year ending June 30, 1911, will find it stated under the head of "passenger traffic statistics" that the number of passengers carried during the year was 21,969,166, and that this was an increase of 862,046 as compared with the previous year, a growth in number of about 4 per cent. Following this he will find that the number of passengers carried one mile is given as 795,884,886. He will then find it stated that the number of passengers carried one mile *per mile of road* was 179,506. Passing to the freight traffic statistics, he will find a record of the same kind in relation to the tons carried, the number of tons carried being 60,547,887, the number of tons carried one mile, 11,703,539,445, and the number of tons carried one mile *per mile of road*, he will find stated as 2,639,634, which is shown to be a decrease of about 3 per cent. as compared with the figures of the previous year.

It is one of the main purposes of this book to enable the investor to employ these figures simply and intelligently in the use for which they are intended. In the table of Physical Factors in each analysis it will be noted that the figures showing passenger density and freight density are presented for each year of the decade, with the complete 10-year averages and comparisons. "Passenger density" is simply an abbreviated term for the figure showing the number of passengers carried one mile *per mile of road*. Its value is relative purely and it shows concisely the volume of passenger business done and the increase or decrease from year to year, thus indicating the upward or downward trend as the case may be. When compared with other properties it indicates which roads are doing a heavier relative passenger business. Exactly the same principles apply to the figures showing "freight density."

Average Freight Train-Load

THE "train-load" indicates the *number of tons of revenue freight carried on the average on each train operated per mile*, and its great value is in its indication of the efficiency or non-efficiency of the operating methods of the property. If the train-load of a railroad is increasing it usually means that its volume of business is growing, that it is carrying less half-filled cars, and therefore generally doing its work more efficiently. The train-load is ascertained by dividing the number of tons of freight carried one mile by the freight-train mileage. Each report presents the figures of the latter, which are the aggregate number of miles run during the year by all freight trains which have been operated for revenue.

There is great variation in the train-load of railroads in the different parts of the country, and the size of the train-load has direct relation to the character of tonnage carried. The coal-carrying roads, which operate at low cost and receive very low freight rates and must, therefore, run extremely heavy and long trains, generally show a far heavier train-load than those which carry higher grade tonnage. To illustrate, the New Haven road, which does chiefly a "high-grade" freight business, reported an average train-load for the year 1915 of but 333 tons, while the Pennsylvania, with its tonnage made up to the extent of 65 per cent. in mining products reported a train-load of 727 tons. The Norfolk & Western, operating in the soft-coal fields, reported in 1915 an average train-load of 841 tons, while the Chesapeake & Ohio reported in the same year 1,035 tons. The railroad reporting the heaviest train-load of any in the country is the Virginian Railway, where in 1915 the average was over 1,469 tons. The Western grain-carrying roads, such as the St. Paul, show a much lighter average in this respect, and range usually between 350 and 450 tons. The Rock Island reported for the year 1915 an average of 321 tons and the Burlington 492. Turning to the Southern States we find that traffic is still lighter and that a road like the Central of Georgia reported 295 tons for the year, the Atlantic Coast Line 236 tons, and the Seaboard 282 tons.

There is a direct relationship between the traffic density and the train-load, and as a usual thing, with an increasing freight density there will be a growing train-load. This does not always follow, however, as is illustrated by again recurring to the figures of the Baltimore & Ohio, where, with only a moderate growth in freight density, the train-load increased from 420 tons in 1906 to 693 tons in 1915. Variations in the train-load result from a number of causes. If, as is the case with the Erie, and to some extent with the Pennsylvania, heavy grades are a feature of the line, and, therefore, in many instances two or three engines are attached for long distances to trains, the relative average train-load will naturally be heavier than where these conditions are not present. The Great Northern has always been noted for its heavy train-load, but here is a case where the *absence* of grades is a factor. As a general thing, the Great Northern operates heavier and longer trains than any of its rivals, and it is able to do this for the

reason that where they must climb mountain ranges it avoids the steepest grades. Its average in this item for the year 1915 was 650 tons as compared with 390 tons on the St. Paul and 573 tons on the Northern Pacific.

So it will be seen that, dependent on the policy of the company, and also on the topography of the territory, a train-load may be either heavy or light. With the low-grade, coal-carrying roads it is heavy because they operate large capacity trains with single engines; with the steep-grade coal carriers, it may be heavy when they operate long trains with two or more engines attached, as in the case of the Erie, and the Pennsylvania system on such lines as the Northern Central.

As arranged in the Analyses, the train-load records will prove of much value. Their worth to the holder of securities is, as already pointed out, in their comparative use and in relation to the trend, and in connection with the showing made by other properties in similar territory.

Train-Mile Earnings

THE table showing comparative figures over the decade of the train-mile earnings of the different properties is of very great value in analyzing the securities of the railroad. The averages are obtained by dividing the total gross receipts of the year (given in totals in all reports) by the "revenue train-mileage." The latter figures are always given among the traffic statistics, and are simply the number of miles run during the year by all passenger and freight revenue-producing trains. "Non-revenue mileage" (miles run by work trains, etc.), is not usually included in these figures. Any mile run by any revenue train is a "revenue train-mile," and it will be realized that these train-miles in a year run up into the millions. For instance, the Baltimore & Ohio report for 1911 shows that in the freight traffic for the year there were no less than 26,557,919 miles run; which means that freight trains on the Baltimore & Ohio railroad ran a distance in 1911 equal to over one-quarter of the distance between the earth and the sun, and about ninety times the distance between the earth and the moon. Passenger trains ran during the same year 16,369,066 miles, so that if we add the freight and passenger train-miles together, we get a total of 42,926,985 miles as the aggregate distance run by revenue trains of all kinds on the Baltimore & Ohio last year. To give another example, we find by the Pennsylvania Railroad report for the year 1910 that the mileage run by revenue freight trains that year was 31,247,374 and by revenue passenger trains 26,350,862, a total for both of 57,598,-236 miles; a distance equal to nearly two-thirds of the vast space between the earth and the sun. No more vivid idea of the essential character of railroad property—property in motion—can probably be had than by reflecting on such facts as these.

As the total gross operating revenues from transportation on the Baltimore & Ohio in 1911 were $87,264,060, we find that by dividing this figure by the number of miles run by all revenue trains (42,926,985), we will get $2.02 as the gross amount of money earned on the average on every mile run by trains during the year. This amount is the gross revenue per train-mile, or train-mile earnings. Its value in an analysis will be recognized at once. It shows the gross earning power of the property, and is, more than any other, the key to the entire question of railroad values. Considered comparatively, over a series of years, as is done in this volume, it indicates the trend of change from year to year, showing whether the road is improving or declining in its capacity for doing business, and also what its position is in this regard in relation to other properties of like general character.

It can be set down as a general principle that where a railroad is showing a high average in train-mile earnings or a healthy upward trend, there is little fault to be found with the operating side of the property, regardless of what the financial side may be. The Erie, while its capitalization features are not entirely to be commended, makes an excellent showing in earning power for the decade. The earnings per train-mile increased from $2.16 in 1906 to $2.87 in 1915, and the average for those years was considerably higher than that shown by the New York Central. If, however, a road does not improve its train-mile earnings as its traffic grows or as its mileage expands, then, like the decreasing train-load, it is to be regarded as a question for careful examination by the security holder.

The *net earnings* per train-mile can be ascertained in the same manner as the gross, by dividing the net operating revenue by the total train-mileage, thus showing the amount of *profit earned per mile.* On like principles the freight revenue per train-mile and the passenger revenue per train-mile can also be ascertained.

Passenger and Freight Rates

THE average rates received per passenger and per ton-mile are ascertained by the following method: For the average rate received per passenger per mile, divide the total passenger earnings for the year by the number of passengers carried one mile. The result will give you the average figure (in cents or mills) received per mile per person. The same principles applied to the freight traffic (dividing the total freight earnings by the tons of revenue freight carried one mile) will give the average freight rate per ton per mile.

The freight and passenger rate statistics are of great value in the analysis of the railroad report, particularly when used in a comparative way. Compared over a series of years, as is done in this volume, they show the actual tendency toward higher or lower levels, and as the rate directly affects the earnings of the property, a pronounced change in either direction may be of the utmost importance.

Variations in freight rates among different railroads are shown to be much more pronounced than in passenger rates. This fact is chiefly due to the vast difference in the types and classifications of tonnage transported on the different lines. For example, the Chesapeake & Ohio, the freight traffic of which is largely soft coal, reported the average gross rate on freight business for the year 1915 of .38 cent (three and eight-tenths mills) per ton-mile, and in the year 1900 operated on as low an average as .34 cent (three and four-tenths mills). The Norfolk & Western average was .41 cent, that of the Erie .62 cent, the Baltimore & Ohio .55 cent. On the New England properties,

however, where the freight traffic is well diversified and largely of a local nature, we find the freight rates per ton per mile double or more than double those among the class of properties we have been mentioning. On the New York, New Haven & Hartford the average rate for the year 1915 was 1.43 cents, on the Boston & Maine it was 1.12 cents, and on the Maine Central 1.10 cents. Properties of the type of the Union Pacific, operating in the far Western territory, report averages considerably higher than those shown by the coal-carrying roads, but not as high as the figures usually attained in New England. Thus the Atchison reported in 1915 an average of .97 cent, the Southern Pacific 1.10 cents, the Union Pacific .97 cent, and the Rock Island .87 cent. In the Southern States higher rates generally obtain. The Central of Georgia reported for the decade to end of 1915 an average of 1.03 cents, the Atlantic Coast Line 1.20 cents, and the Seaboard 1.07 cents. Rates on the Louisville & Nashville and the Southern Railway ranged considerably lower.

A fractional change in transportation rates, especially in freight, may make a vast difference in the operating results and gross and net income of a railroad property. If a railroad, the operating costs of which must naturally increase with increasing costs of materials and advancing wages, cannot maintain its freight rates or cannot raise those rates in some sort of ratio to the advancing costs of operation, it is apt to be in a very bad way indeed. A difference of one or two mills per ton per mile on the average freight tonnage of a railroad during the year may add or deduct millions of dollars from the aggregate gross business.

The entire problem is bound up with the question of the cost of carrying a ton of freight a given distance. In other words, it is a question of ton-mile cost. The ton-mile cost can only be reduced, on the average, by highly efficient methods of operation, and if this cost advances it simply means that the railroad property will make less money for its security holders. Ton-mile cost cannot be kept down unless the road is kept up. That is to say, a railroad company cannot afford to "skimp" on the maintenance of its property for any length of time, or to curtail its legitimate expenses, in order to make an apparently good showing of profit per ton per mile. Its only hope is to increase the density of its business and to get a larger volume of result out of a given piece of work. Railroad managers realize this, and the effort in all successful fields has been concentrated in this direction for more than a decade.

Earnings and Their Distribution

THE INCOME FACTORS

Like all other figures in the railroad statement, income accounts can only be examined satisfactorily in a comparative way, and the best method by which intelligent comparison can be made is through reduction to the mileage basis. And in considering relative results with other properties the only practical method, as in comparison of physical characteristics, is to compare roads situated in the same general territory, of the same general characteristics, and doing the same general character of business. It will be realized that these comparative results are always to be taken with proper qualifications, as there are often, even in the cases of properties of very similar type, certain cardinal differences which necessarily make great changes in results and fully account for facts which, other things being equal, might strongly affect the final judgment passed upon a property. In the Analyses in this book, therefore, all special factors of importance are referred to or pointed out wherever they exist.

A glance through the pages of the analyzing section of the volume will indicate the general plan which has been followed in comparing the results of one property with another. While in certain final results every railroad in the United States can be intelligently compared (as, for example, we can compare the margin of safety shown over fixed charges by the Pennsylvania with the margin shown by the Louisville & Nashville or the Atlantic Coast Line, or the percentage of gross business on the net capital of any of these lines, and make use of these comparisons as an intelligent guide), yet when we come to compare the relative results as shown in the gross business or receipts per mile of two railroad systems, we cannot, unless we take into consideration the type of territory and the class of tonnage and other traffic, get the best results, and if no other factors are considered, the comparisons thus made might lead to very absurd conclusions. Thus, one might say that the New York, Susquehanna & Western, which in 1915 reported an average in gross operating revenue of $14,043 per mile, made a better showing than the Great Northern, which reported for the same period gross operating revenue of $8,329 per mile; whereas, as a matter of fact, the Great Northern made a far better relative showing than the other and, in fact, a better relative showing than most other railroads in the United States. Similarly, we sometimes see it stated in the offering of securities that a certain railroad is "earning $15,000 or more per mile, while the average gross receipts of all the railroads in the country were in 1915 but $10,500 per mile," thus implying that the road on which the securities are offered is in a superior position in respect to earning capacity. Now, while this may or may not be true in a given case, such a statement as this demonstrates absolutely nothing. The Chicago Great Western in 1907 earned $11,174 per mile, considerably more than the average shown by all American railroads in 1908, but this fact was no argument at all in favor of the financial strength or value of the securities of the Chicago Great Western, which went into receivers' hands and could not meet its fixed charges.

These qualifying factors in matters of location, etc., have been borne in mind in the plan adopted for the comparative showing of results in the different properties. Thus, transcontinental lines in both the East and West are directly compared, "granger" lines are compared, soft and hard coal systems are shown comparatively, Southern properties are compared one with another, while those where local traffic predominates, such as the New England roads, are considered relatively.

As a general proposition, it will be seen that in order to make a favorable showing for these security holders, the coal-carrying roads, of both the anthracite and soft-coal type, must, entirely regardless of their capitalization and fixed charges, do a far heavier business at far lower cost per unit than those carrying grain or other agricultural

products; that Eastern roads, carrying miscellaneous traffic and operating in settled territories, must do more business per mile of line than those in the Southern or Western States, and that all roads in which "through" business predominates must normally report heavier gross earnings than those in which local traffic is the most important factor. All of which once more emphasizes the importance of considering thoroughly the relationship of the Physical Factors to the Income Factors in the railroad business.

As arranged in this volume, the Income Factors are grouped immediately after the Physical Factors, and the same principles of comparison are followed in every case. A 10-year record is furnished of every important operating railroad or system where obtainable; and averages are struck to show the position of the property in the 10-year results. The table presented is, in effect, an Income Account of the road for every year of the decade, all the vital figures being included and reduced to the average mileage basis, thus showing the actual earning power and income results, as well as the distribution of the income earned for every year embraced in the review. Comparison can thus be made on a uniform basis with all other properties of similar type and characteristics.

The General Income Account

THE income account of a railroad, which in condensed form is found in every railroad report and is usually made the most prominent feature, embraces the following items:

1. Operating revenues (gross earnings).
2. Operating expenses:
   - *a.* Maintenance of way and structures;
   - *b.* Maintenance of equipment;
   - *c.* Transportation expenses;
   - *d.* Traffic expenses;
   - *e.* General expenses.
3. Net operating revenue (or net earnings).
4. Income from investments and other sources.
5. Total net income.
6 Taxes.
7. Fixed charges:
   - *a.* Interest on funded and floating debt, etc.;
   - *b.* Equipment charges;
   - *c.* Hire of equipment, etc.;
   - *d.* Rental charges;
   - *e.* Miscellaneous items.
8. Surplus income.
9. Dividends paid.
10. Surplus beyond dividend requirements.
11. Appropriations for improvements, betterments, etc.
12. Balance carried to Profit and Loss Account.

Certain changes required by rulings of the Interstate Commerce Commission (chiefly of a minor nature, however) have affected the comparative results shown by the railroads in the last few years. Thus, where formerly the roads often followed a policy of charging such items as "hire of equipment" separately or in operating expenses, they are now required to state these items separately and may include them under the general head of "fixed charges." Formerly many roads included taxes in their operating expenses, though usually stating the actual amounts separately. The revised method is, generally speaking, a great improvement over the former, and enables the investigator to gauge the actual results with much more accuracy than was formerly the case. In the 10-year comparisons as worked out in this book, taxes have in every instance been shown separately.

The Operating Revenues (or Gross Earnings)

THE operating revenues of a railroad are the gross *operating* receipts from rail transportation; that is to say, the gross amount of money received from the actual moving of trains, and do not include any receipts from sources outside of the railroad operation itself. These sources of operating revenues are classified as follows:

a. Earnings from freight traffic;
b. Earnings from passenger traffic;
c. Earnings from express traffic;
d. Earnings from transportation of mails;
e. Earnings from miscellaneous transportation.

Freight traffic is, of course, the great income-producing source of American railroads, and it is this item which is to be watched most closely by everybody. Taking the American railroads as a whole for the year ended June 30, 1910, we find that the proportion of freight business to all traffic (in dollars, not tonnage or density) was 70 per

cent. Passenger traffic represented 22.87 per cent.; express, mails, and miscellaneous, 4.41 per cent., and "revenue from operations other than transportation" 0.86 per cent. Only a very few large railroads doing an interstate business report a freight business of less than 55 per cent. of the total business done.

On the other hand, we find numerous important railroads reporting a preponderance of freight traffic far above the average mentioned. The Pittsburg & Lake Erie (controlled by the New York Central) reports for 1915 an average of 85 per cent., the Ontario & Western 77 per cent., the Buffalo, Rochester & Pittsburg, 84 per cent., the Lehigh Valley, 83 per cent., and the Great Northern, 75 per cent.

In examining the gross earnings of any railroad the questions of freight rates, train-load and freight density will assume importance in direct ratio to the proportion of freight traffic represented in the total business of the road. One would give more consideration to these matters on the Buffalo, Rochester & Pittsburg and the Great Northern than on the Long Island or the New Haven; one would know that, if a road which formerly carried a smaller proportion of freight to the total traffic, is showing over a long period a definite trend in the other direction, the freight traffic questions are assuming relatively greater importance. The Ontario & Western in 1901 reported 81 per cent. for freight traffic, but in 1915 77 per cent. was the figure shown. Obviously, the passenger traffic is tending to become a matter of more vital importance on this line, and if this trend continues a few years more it will have to be considered more closely than has been the case in recent years. The Atchison records shows that whereas in 1900 the freight traffic represented 73 per cent. of the whole, by 1915 it had fallen to 68 per cent. The same figures, showing the trend, either upward or downward, for all the railroads in the country, can be examined in the pages of the Analyses and the proper deductions made therefrom.

Even a cursory examination of the exhibits made in this book will indicate the remarkable changes which have occurred during the past ten years in practically the entire railroad field, as far as gross earnings per mile are concerned. And unlike increases in operating costs, this vast growth in income has not come about as a result of advancing rates, for the prices charged by the railroads for freight transportation have, on the average, advanced but fractionally during the decade, while the passenger rates have as a whole advanced not at all, and in numerous instances have declined. The enormous expansion in earnings and profits shown by many manufacturing industries, and by the "industrial trusts" generally, has been in large degree the result of advancing prices as well as steady increases in population, and, therefore, in markets for goods. But while the railroads have had the full benefit of the movements in population and the advancement of industry generally, as well as the steady opening up and development of natural resources, they have all made their records in earnings during the decade without the opportunity for increase to any extent in the rates charged for handling tonnage.

The second important division in the gross operating revenue of the railroad is the passenger business. In 1910, as shown by the report of the Interstate Commerce Commission, the proportion of passenger business done by the railroads of the country was 22.87 per cent. of the whole. Like the freight traffic, passenger traffic varies on different lines, roads transporting coal and other minerals with a heavy freight density usually showing a much lighter passenger business than others. With such roads, therefore, the passenger rate is not so vital a factor as it is on lines like the New Haven and New York Central. The rates for passenger traffic on the soft-coal roads are usually higher than the average, while on the trunk lines, where a good deal of through traffic in passenger business is present, the rates tend to much lower levels. Averaged as a whole we find that passenger rates throughout the country are in the neighborhood of 2 cents per passenger per mile, but on the New York Central the rate averaged during the decade ending with 1915 only 1.76 cents, while on the Pennsylvania it was 1.96 cents. Where a road has the benefit of a good deal of local traffic the rate, of course, generally averages somewhat higher.

While the passenger traffic as a whole is a minor factor, yet it is quite as essential that fairly profitable rates should be received by the roads for this class of business as for the freight transportation. Experience shows that most of the roads cannot do a profitable passenger business unless they can average in the neighborhood of 2 cents per mile for their returns in this department. The records presented show that as a general thing during the past ten years passenger rates have tended to decline fractionally, and this means that this falling tendency must soon be arrested or many roads will be carrying on their passenger business at a positive loss.

On the New Haven and New York Central properties the return from passenger business should be closely watched. In the aggregate the gross revenue from these sources runs into many millions of dollars, and a decline of 10 per cent. in the average rate would mean a serious curtailment of their operating revenue and, therefore, a falling off in the surplus made available for charges and dividends.

The other sources of gross revenue represent but a small proportion of the total business of the average railroad. Little need be said in relation to the earnings from express business and from the transportation of United States mails. The rates for this class of traffic are stable and in the main profitable, but, as shown by the record, less than 7 per cent. of the entire operating revenues of the railroads of the country was last year represented in transportation of this type.

Earnings from miscellaneous traffic generally include those smaller items which cannot well be classed under the other heads. Sometimes this miscellaneous operating income amounts to a considerable total, as in the case of the Pennsylvania Railroad, where usually about 2 per cent. of the total operating revenues is reported under this head. But as a general thing the smaller roads report little or no "earnings from miscellaneous traffic."

Before turning to an examination of operating expenses, attention is called to the fact that most roads receive more or less income, or incur some net loss from "operations outside of transportation." Prior to June 30, 1907, such operations were generally included in the gross operating revenues (or gross earnings), but the Interstate Commerce Commission later required these operations to be reported in detail separately. Since 1914, however, they have again been merged directly into the gross revenue accounts. Further comment is made on this subject in proper order.

The Maintenance Accounts

THE most important items which require careful examination in the department of operating expenses are the Maintenance Accounts. The fact that the railroad is normally a moving property, and that its very existence depends upon never-ceasing action in all its parts, makes the question of "upkeep" a most vital factor at all times. Unless a railroad keeps its mechanism in constant repair and continuously offsets the effects of the steady depreciation which results from intense wear and tear, its operating efficiency is soon gone, and its earning power inevitably deteriorates. This latter fact is true even if all sorts of favorable circumstances, such as growth in population, development of natural resources, improved traffic connections or other matters, take place on its lines. And not only is it vital that proper amounts of money should be spent on the property regularly for its maintenance, but it is equally important to know where this money comes from—whether it is appropriated out of earnings or whether capital obligations are created to supply it.

The policy adopted by most railroads in this country in recent years has been to appropriate out of gross earnings for maintenance from 20 per cent. to 35 per cent., dependent upon the needs of the property as related to the gross business which it is doing. There is no such thing as a fixed "scientific" ratio between operating costs as a whole or gross receipts as a whole, although such a theory has been frequently asserted. The appropriations for maintenance on a railroad property must necessarily be made as a result of experience on that property and on properties of like type and doing a like character of business, but one has no more right to say that 30 per cent. of the gross income per mile should be continuously spent for maintenance on a given property, regardless of other considerations, than to say that a railroad operating on a basis of 75 per cent. of its gross business is in better condition and better managed than some other railroad which is operating on a basis of 55 per cent. And yet we see such statements made constantly, and prices of securities have often been fixed for a time by the wide exploitation of this theory. For many years the Great Northern was subject to wide criticism because it steadily operated for less than 55 per cent. of its gross business, and the prediction was freely made ten or fifteen years ago that it could never be permanently successful unless more money was spent per mile in doing the business which it was doing. But in spite of this theory the Great Northern, while continuing to operate at low relative cost, went through a phenomenally successful career, and is to-day in as good condition, both physically and in a traffic-producing sense, as any system in its section of the country.

Maintenance costs, like all other items in the railroad report, are to be judged relatively to other things—to the showing made in the same items in prior years, and to the showing made in the same matters by other railroads of like type operating in like territory. Consequently, railroads with double tracks must spend more for maintenance of way than those having single tracks; roads doing a heavy volume of business, as reflected by the freight-density figures and the train-load, will need to spend more for maintaining their equipment and also their trackage than those of lighter business. The Norfolk & Western, for example, increased its freight density nearly 70 per cent. within the decade, thus indicating a very heavy increase in its volume of business and, consequently, an increase in the wear and tear of both trackage and structures as well as of equipment. It met this increase in the wearing-out process by appropriating $6,895 per mile for all maintenance costs in 1915 as compared with $4,419 per mile in 1906. Considered relatively to the traffic density on the Norfolk & Western this expenditure for maintenance in recent years is probably fully as high, as far as requirements are concerned, as was the expenditure of $13,602 per mile on the Pennsylvania Railroad that year.

The Maintenance Expenses are grouped, as already pointed out, in two divisions—Maintenance of Way and Structures, and Maintenance of Equipment. The different items coming under these heads are, briefly stated, as follows:

Maintenance of Way and Structures includes all expenses for repairs of roadway and track, for repairs and renewals of machinery and tools, for ballasting, for repairs and renewals of switches, ties, fences, bridges, culverts, stations, shops, and other structures used in the business of transporting freight and passengers.

Maintenance of Equipment includes all expenses for repairs and renewals of all freight and passenger cars, locomotives, company cars, other railroad equipment of a movable nature, and the maintenance of shop machinery, etc.

In judging the maintenance-of-way expenditures of a given line, the physical characteristics must in all instances come in for careful consideration. If a railroad is obliged to maintain extensive sidings and terminals in addition to its ordinary trackage, it is obvious that it should spend more than a railroad of the same type in other respects which does not have these characteristics. If the road is doing a single line of business of the type of the Detroit & Mackinac, with light density, comparatively small wear and tear, and has no terminals or extra trackage to keep up, it need not spend nearly so much per mile as would otherwise be necessary. The Detroit & Mackinac spent in 1915 only $345 per mile in maintenance of way, and averaged for that decade only $500 per mile. Yet this small amount has apparently been sufficient to maintain the property at as high a standard as has been necessary for its type of business, and relatively is probably as good as the New York Central's average for the decade of $3,491 per mile. In fact, the maintenance-of-way expenditures on the railroads vary all the way from the nominally low showing of the Detroit & Mackinac to the totals shown by the Pittsburg & Lake Erie a few years ago of more than $12,500 per mile.

The same observations hold in relation to the maintenance of equipment costs. The small Detroit & Mackinac can thrive on an average expenditure for the decade in this item of only $578 per mile, while the heavily equipped Lackawanna requires an average of $5,160 per mile, or nearly nine times as much.

In the light of the 10-year records presented in this volume, the maintenance expenditures for both way and equipment can be judged very fully. It will be noted that, as a rule, very fair comparison can be made between

properties located in similar territory, and although the figures shown cannot always be accepted as accurate guides, as so many qualifying factors enter in to affect the result, yet where there has been a definite lack of proper maintenance expense, or where more has been included in this account than the conditions or requirements would seem to warrant, the fact can be readily detected. In a general way it can be stated that a normal average of $1,000 to $1,300 per mile should be spent for maintenance of way on Western or Southern lines, where practically all the mileage is single track, while the ordinary trunk lines should spend from $1,500 to $1,800 in the same department. In maintenance of equipment, the matter of mileage and type of territory do not govern to the same extent, and the relationship of the costs to the traffic density for both passengers and freight is much closer than in the other maintenance items. The figures showing changes in equipment owned, as tabulated in the Analyses, can also be profitably compared in connection with the maintenance-of-equipment items, as obviously, if the equipment owned is increasing in relation to the mileage operated, the maintenance-of-equipment costs should increase in proper ratio also.

Conducting Transportation and Other Operating Expenses

PRIOR to the adoption of the uniform accounting system in force since June 30, 1907, the railroads usually classified their expenses outside of maintenance under the general head of "Conducting Transportation and General Expenses." This general head has been subdivided by the ruling of the Commission into "Transportation Expenses, Traffic Expenses and General Expenses," while expenses of outside operations were afterwards transferred to an entirely separate account but recently have again been included in operating expenses.

As a railroad's traffic density increases the cost of conducting transportation must necessarily rise, but barring increasing costs of labor and service it should not radically change except in some relationship to changes in gross business and traffic density. If a road's density is increasing and its gross earnings are showing expansion, there is something wrong unless the transportation costs increase also, especially when considered over long periods of time. On the other hand, with traffic density standing still or declining, and gross business falling off, operating costs of this character should decline also, though not necessarily to the same extent. As in any other business, there is a level below which operating costs cannot go. Certain expenses are fixed if the railroad is to operate at all, and often we find the case of a small road which for extended periods will be operated at an actual loss, while more than one large system is burdened with controlled or leased lines which are carried along from year to year by the parent company in the face of constantly recurring deficits. This is another fact which goes to emphasize the importance of making the railroad "work for its board." It cannot stand still, for then it is of little value, while if it keeps moving it must develop sufficient traffic to earn its operating costs, in default of which it is worthless as a going concern.

Generally speaking, if a railroad is showing a record of stability in its traffic and a heavy train-load, the costs of conducting transportation will tend to consume a less percentage of its gross receipts than otherwise. The Norfolk & Western reports an average of about 32 per cent. of its gross business as consumed in operating costs, aside from maintenance, while the New Haven averages about 41 per cent. The train-load on the former for 1915 was 841 tons, while on the New Haven the average in 1915 was but 333 tons. On the Great Northern, with its train-load average of 650 tons, the percentage has been below 32 per cent., while on the Missouri, Kansas & Texas, reporting an average train-load of 310 tons, the figure on transportation expenses exceeds 42 per cent. of the gross.

In examining the relative amounts of transportation expenses on different properties and showing their relationship to the general efficiency of operation, as reflected in the density and the train-load, the strength or weakness of a property is clearly brought to the light. If a property like the Norfolk & Western, with a long record for stable traffic and a steadily growing train-load, consumes only 32 per cent. of its gross receipts in carrying on its business (operating its trains) it is clearly in a much stronger position than the Missouri, Kansas & Texas, which consumes 42 per cent. in the same way. In the event of a pronounced depression, if the gross business of the Norfolk & Western fell off 30 per cent., it could still, with a moderate curtailment of maintenance expenses, continue the full operation of its property and easily carry its charges. But when the gross business of the Missouri, Kansas & Texas falls away to like extent, even with a very drastic cutting of maintenance costs, it falls far short of earning its full charges.

Outside operations, or operations of the company other than transportation, was an account which was added after 1907 under the accounting requirements for railroads of the Interstate Commerce Commission. Prior to the foregoing date, the gross revenue from such operations was generally merged with the "miscellaneous operating revenues" of the company, and the costs of operation of these outside activities were charged in the general operating expenses as "miscellaneous costs." It was claimed that this was unsatisfactory because it tended to hide actual results in this department of the railroad's business, and there were doubtless many cases where operations of this kind were a continual loss to the company entirely unknown to the bondholders and stockholders. But in 1914 the Interstate Commerce Commission restored this account to the general group of operating expenses.

Included in the classification of "outside operations" are the following items: Boat and Ferry Lines; Harbor Terminal Transfers; Electric Railways; Express Lines; Cab and Omnibus Service; Sleeping Car and Parlor Car Service; Dining Car and Restaurant Service; Grain Elevators; Stock Yards; Telegraph and Telephone Lines; Amusement Parks and Resorts; Cold Storage Plants, etc.

All large railroad systems have more or less outside activities of these kinds; many operate their own railroad restaurants, some carry on their own sleeping-car, parlor-car, and dining-car service, a considerable number operate ferries and other water lines. Thus the results from these activities may materially change the net-income showing

for the stock- or bond-holders, and the facts regarding the profitableness of such business should of course be clearly shown in the annual reports.

Sometimes these outside operations steadily show a loss, but this may be no reason why they should be discontinued. There are usually vital reasons why these services are carried on, and indirectly they are supposed to contribute to the general earning-power of the railroad operation itself. For example, the Pennsylvania Railroad does a large business in these outside matters and in 1910 reported total revenues of $5,976,385. But the cost of carrying on these outside businesses was not directly profitable, as a net deficit was reported for the year of $1,309,388. Any one would be foolish to say, however, that the Pennsylvania Railroad should for this reason abandon its ferries, restaurants, boat lines, harbor-terminal transfers, etc. If it followed this policy, much of its passenger and freight business would soon be diverted to competing roads which continued to do these same things.

All railroads, however, do not report a net deficit in their outside operations. The New York, New Haven & Hartford in 1911 reported a net profit of $1,398,338, and the Delaware, Lackawanna & Western a net profit of $210,756. The New Jersey Central also reports a substantial profit in this department of its business.

Net Operating Revenue (or Net Earnings)

THE net earnings or net operating revenue of the railroad is the amount left over from gross receipts after all expenses of operation, including maintenance, have been deducted. It is, in other words, the amount of profit actually earned by the railroad as a result of its operations. It does not include any important profit or net income from sources outside of the actual results brought about by the moving of trains, although before the present accounting system required by the Interstate Commerce Commission was in force, certain items from outside operations were not separately classified. The policy followed in the 10-year averages in the Analyses in this book has been to include such outside operations, as explained above, with both the gross and net receipts.

While the net earnings of the railroad show its net profit-producing power as a railroad, there are very few cases where the net earnings represent the entire income of the property which is made available from year to year for the payment of fixed charges and dividends. Practically all American railroads have outside income in the shape of interests or dividends on investments in controlled and separately operated lines, which adds to the general income of the property and gives the road an increased amount each year with which to pay its obligations, distribute dividends, or make improvements.

The net operating revenue of a railroad can only be properly examined and analyzed after due consideration has been given to the costs of operation and the maintenance. If a railroad is not spending enough for the maintenance of its property or is economizing in too drastic a way in its methods of conducting transportation, its net earnings may appear to be very much heavier than the true circumstances warrant. Investors often examine the net earnings of a property before looking at anything else, and if a road has shown an increase of 10 per cent. in its net earnings over the figures of the previous year, the assumption is at once made that the showing is better than was the case the former year and, therefore, that its securities are stronger. But this does not necessarily follow at all, as the road may very easily have so handled its accounts and so cut down its operating costs that the net results shown will not reflect the true condition of the property. This method has been followed many times in past years by railroad companies, the controlling interests of which were desirous of paying large dividends for a period or enhancing the market prices of the stocks or bonds. The only way in which a railroad can show a proper increase in net revenue for a given period is to increase its gross business or density and currently spend a sufficient amount of this gross revenue in maintaining the property at a certain standard of efficiency and on a certain basis of operation. Temporarily a road may curtail its operating costs to face a period of declining earnings, if it has previously spent sufficiently liberal amounts to enable it to do this with safety. But where a railroad has over a period of years put less into its maintenance or its transportation costs than has really been necessary, it is then in no position, in the event of a depression, to radically reduce these costs in greater ratio than the fall in gross receipts in order to make a good showing in net operating profit.

"Other Income" and Total Net Income

NEARLY all American railroads have important sources of income aside from that of the direct operation of their properties. In many cases this income is a factor of great importance, and represents a very substantial proportion of the total amount of money made available each year for interest and dividend uses.

The "other income" of the railroad is made up of various items, some representing interest on bonds and stocks held for investment, some representing rental of tracks, rental of equipment, some representing receipts from controlled lines on division of earnings, etc. The Pennsylvania Railroad reported its "other income" for the year 1910 as consisting of the following amounts and items:

Interest and dividends on securities owned	$14,999,876
Interest and dividends on securities of United New Jersey R.R. and Canal Co.	174,456
Hire of equipment	362,510
Interest, General Account	1,226,947
Profit from sundry accounts	94,326
Rents	600,732
Total	$17,458,847

It will be seen that the most important item in the above statement is "Interest and dividends on securities owned," and this will be found to be the case with the majority of "other income" accounts of the railroads. Obviously, the question to be determined, then, is what are these investments on which the road is receiving income? Are they securities of other railroads or are they outside properties of some kind?

The answer to this question leads the investigator in many directions. But the question of the sources of the "other income" is, on many roads, fully as vital as that of the operating income itself. Examination of railroad reports will divulge the fact that many of the railroads depend, in large degree, on their "other income" for the payment of their dividends; and, in numerous cases, even a portion of the surplus used for meeting interest and sinking-fund payments comes from the "other income." To cite an instance, we find that the New York Central in 1910 earned (in net), from all operations, the sum of $25,710,613; but its "total net income" (from which sum its interest and dividends were paid) was $41,156,946, showing that its "other income" for this one year aggregated no less a sum than $15,446,333. Reference to that company's statement will show that the amount paid out in dividends by the New York Central in 1910 was $13,363,758, and that this amount practically consumed all the surplus remaining after fixed charges, taxes, etc. (amounting to $26,868,374), had been taken care of. In other words, the New York Central depended entirely in 1910 on its "other income" to pay its dividends, and without this "other income" could have paid no dividend whatever.

Now, where did this "other income" come from? From dividends and interest on securities owned; from interest on money loaned, and from sundry miscellaneous profits. The Lake Shore & Michigan Southern (since directly merged), 90 per cent. of the stock of which was owned by the New York Central, paid 18 per cent. in 1910, and this made up a large part of the New York Central's "other income." The Michigan Central, which was controlled in the same way, paid 8 per cent. on its stock, and this made up a substantial part of the "other income," much of the balance being accounted for by payments made to the New York Central by a large number of smaller lines and companies, in which it had either a minor or important interest, and from many other small and less important items.

The "other income," then, is a source of revenue entirely distinct from that received from the operation of the property, and yet, as is shown in many cases, it is a factor of vital importance in the general result for the period. Consideration of the "other income" figures leads, in the first place, to a direct examination of the balance sheet of the company, where the "investment" account is carried. As "other income" consists chiefly of returns on securities owned, it is at once important to know what these securities consist of and at what valuations they are carried in the balance sheet of the company; in other words, is the return on them sufficient to justify the company to carry them at a certain value? Again examining the New York Central analysis, we find that the "securities owned" were carried on the balance sheet of that company in 1910 at a valuation of $131,557,710. The "other income" for that year was, as already shown, $15,446,330. But a large part of this sum was made up of special items, such as interest on loans, sundry profits, etc., and the actual amount of money received by the company in direct return from its securities owned was about $12,000,000, which was something more than 9 per cent. on the valuation shown, as measured on the mileage basis. This showing indicates that the investments held by the New York Central were not overvalued as related to income for the year 1910.

But this does not finish the analysis. It may be that while the investments held yielded a return of over 9 per cent. in actual dividend or interest payments for the year, they may be undervalued for other reasons, or overvalued, as the case may be. For example, while the Lake Shore paid in to the New York Central but 18 per cent. on its stock in 1910, it actually showed a surplus equal to over 25 per cent. on its stock, a large portion of which went back into the property in the shape of betterment and improvement expenditures. And if we run back a few years in the record of the Lake Shore, we will find that for a long period it had been steadily earning each year a heavy surplus above the amounts disbursed in dividends to the parent company. The logical conclusion from this exhibit is that the equity owned by the New York Central in the Lake Shore property was heavily in excess of the value placed upon that equity in the balance sheet. And further, to follow the showing made by the Lake Shore in its available surplus for dividends, we are led immediately to examine the Lake Shore's sources of income. "Total net income" of the Lake Shore, in 1910, was $14,986 per mile, of which $8,688 was derived from "net earnings" and the balance from "other income." Now, what did the "other income" on the Lake Shore consist of? Like that of the New York Central, it is represented chiefly by dividends and interest on investments. So we are led to examine the balance sheet of the Lake Shore, note the approximate return on these investments, and examine in turn the properties there represented.

Thus it will be seen that the "other income" question tends to lead us far afield, especially where a large railroad system is being examined, and where many controlled lines are represented. The Lake Shore's "other income" was derived from returns on investments in the C., C., C. & St. Louis, the Pittsburg & Lake Erie, the New York, Chicago & St. Louis, and other properties, all of which have their own income accounts, their own liabilities, and their own investments. In fact, under the ordinary methods of analyzing security values, a thorough following-out of facts like these has been extremely difficult; but the plan followed in this book for analyzing the different systems is so arranged that it can be accomplished in practically all cases with great simplicity.

One other important point connected with the "other income" and investment valuations of the various systems should not be overlooked. While, as shown in the case of the New York Central, the return on all investments in 1910 was only about 9 per cent., the fact must be remembered that this was the *average* return on the aggregate investment holdings. These investment holdings were made up of a large number of items, some of which were yielding the company (as in the case of the Lake Shore stock) far more than the average rate of 9 per cent., while a considerable number were yielding nothing at all. The latter may have been of the value given because of other reasons—strategical or potential. The holding of Rutland stock was of no income value, but it may have been re-

garded as of great strategical value. And in many cases, it will be found that the control of a branch line operates as a traffic feeder to a very important extent.

Fixed Charges and "the Margin of Safety"

BRIEFLY stated, the fixed charges of a railroad consist of the following important items:

(*a*) Interest on funded debt.
(*b*) Interest on floating debt.
(*c*) Rentals.
(*d*) Sinking funds.
(*e*) Interest and principal of car trusts.

Other items of a miscellaneous and usually minor nature are often included under the head of fixed charges in addition to the above. Prior to the adoption of the uniform accounting system, taxes were sometimes embraced in operating expenses, sometimes in fixed charges, and sometimes stated separately. The present requirement is, however, that all taxes be stated separately from both operating expenses and fixed charges and in the Analyses the uniform plan is now followed of deducting them before showing the "balance for charges."

The uniform accounting requirements have also provided that the roads separately state such items as "hire of equipment," etc., and in some instances these are items of material importance. In the Analyses the policy has been followed of including such items in the sum total of the fixed charges after the year 1907, and where the item is important and materially changes the average the fact is so stated in the comment. Prior to 1908, such items as hire of equipment were spread over the operating expenses of the different roads in a number of ways.

The item "hire of equipment" refers to the charges made by one road against another in the exchange of their equipment in the course of business. Sometimes this results in a net loss to a line and sometimes a profit; but whether a loss or a profit, the balance as shown in the income account is designated the same.

Taken as a whole, the fixed charges of a property represent the sum it must currently earn and pay to be in a healthy financial condition. The reports usually state the items of fixed charges in satisfactory detail, and the investor can, therefore, easily judge of their nature. It is frequently the case that a railroad has car or equipment trusts outstanding, which mature serially, a portion of the principal as well as interest being payable each six months or each year. Items of this nature must naturally be included in the charges, just as sinking-fund payments are; and often they are of such amount as considerably to increase the sum total of the charges in a given year.

The relationship of the fixed charges to the property can best be judged comparatively, and when they are examined over a series of years the figures are of vast use. There is a direct relationship betwen the gross business and general traffic density of a property and the percentage of this business required for meeting the charges. As has been well brought out by Mr. Mundy in his excellent book, the "Earning Power of Railroads," those roads the fixed charges of which have averaged not more than 30 per cent. of the gross income have usually been able to withstand financial setbacks with much greater case than roads with fixed charges greatly exceeding this figure. Therefore, properties like the Baltimore & Ohio and the Great Northern, which have spent liberal sums for the maintenance of their properties and for the development of an intensive traffic, thus keeping down the ratio of operating costs aside from maintenance, have been in better position to carry their charges than some other roads which, while showing advances in earnings from year to year, have been obliged to consume a larger proportion of the gross receipts in operating their trains.

But the vital question with the holder of bond issues on railroads is to know what amount of money remains available after payment of all operating and other current expenses for meeting the interest on the bond issues in which he may be interested. Assuming that he has examined the operating and income records in his report in thorough manner and has ascertained the relationship of the traffic density to the gross business, maintenance and other costs, and has also properly examined the sources of outside income, he is on solid ground for ascertaining the position of the bond issues in the results shown by the road. But while it is a matter of interest to know what amount of available surplus a road has shown over its charges this year or last year, the more important thing is for him to know what the road has done in this regard for a series of years. This thought has been carried to fuller development in the Analyses than has ever been attempted before. The available surplus above the charges of the different roads is not merely shown for two or three years, but is shown for an entire decade. In this way the investor is able to ascertain the trend of improvement or retrogression for a long series of years. In order to reach a fair basis of judgment the records for each year are averaged and the average showing made is the basis on which the entire property is analyzed. Comparisons are made as usual with the average results shown by other properties.

The Margin of Safety is the *proportion* of Net Surplus remaining over after payment of all current fixed obligations, including car trust principal and interest payments, miscellaneous items, etc. For example, if the total net income of a given road was last year equal to $10,000 per mile, and the fixed charges were $6,000 per mile, then the remainder of $4,000 per mile (or 40%) is the margin of safety.

Nothing reflects the inherent stability of the great majority of American railroads at the present time so well as the Margin of Safety records given in this volume. They are a graphic display of the remarkable trend toward improvement in earning power and financial stability which has characterized at least 80 per cent. of the great railroad systems of this country since the depression of the '90s. The record is the more remarkable for the fact that this has

all been achieved in the face of either falling or stationary passenger and freight rates and in the midst of almost steadily advancing costs for labor and materials. Of course, the fact is not for a moment to be overlooked that the growth of the country in wealth and population during the decade, thereby developing new traffic to enormous extent, is at the base of this record as far as growth of the transportation business is concerned. But the almost steady improvement from year to year, in operating efficiency, in forcing from the same effort greater results, is a testimonial of the highest kind to modern American railroad management as a whole. Operating management of superior type is at the base of the Margin of Safety record shown over the decade by such properties as the Lehigh Valley, the Southern Pacific, the Pennsylvania, the Atchison, and the Louisville & Nashville.

Disposal of Surplus

THEORETICALLY, at least, the surplus shown by a railroad above its fixed charges is supposed to be available for dividends, and we often see it heralded far and wide that such and such a road is showing a surplus of, or "earning," 10 to 15 per cent. upon its stock. But like many another statement on which stocks are sold and market prices are manipulated, such a report often proves to be a delusion and a snare. Because a railroad has shown a surplus in its income account of 10 per cent. upon its stock, it does not necessarily mean that it has that amount available for dividend purposes or, in fact, that it has anything for such uses. In the past, especially, many railroads followed the policy of keeping down their current operating costs, including maintenance, but at the same time spending the necessary money on their properties, and then, at the close of the year, deducting from the surplus shown above charges the amounts currently spent but not currently charged up. So that in the final result they would really have no surplus at all, and the item "surplus above charges" or "surplus above dividends" would simply be a bookkeeping entry.

This practice may or may not be reprehensible. The real situation can only be judged in connection with the actual operating and maintenance expenses shown. If a railroad is not charging a proper amount to maintenance, but is holding up items which properly belong there and deducting them from surplus at the end of the year as "betterments and improvements," then the method is certainly misleading. It is one of the strong arguments in favor of the uniform accounting requirements that railroads coming under the jurisdiction of the Commission cannot do this any longer. They are now required to charge to maintenance the items which properly belong there and can only put in improvement or betterment accounts the actual expenditures of such nature. On the other hand, if, as in the case of properties like the Lake Shore, Pennsylvania and a host of others, full charges have been regularly made to maintenance, then the charging up of additional amounts after payment of all current obligations and dividends reflects great credit on the management, and adds to that extent to the efficiency and value of the property.

But even if no sums are being currently charged up to improvement accounts from surplus, this is no reason why a road should uniformly follow a policy of paying out all its surplus in dividends. As with any other business, a railroad should, to be conservative, accumulate a surplus and lay aside for a rainy day. The roads which did this in the highly prosperous years of 1900 to 1907 were in much stronger position to face the panic and the depression which followed than those which, like the Erie and the Southern, made dividend payments which largely consumed their current surplus every year. The New Jersey Central, the Lackawanna, the Reading, the Atchison, the Northern Pacific, and the St. Paul did not have to go into a tight money market in the winter of 1907-08 and borrow millions on short-time notes at high rates of interest to keep themselves afloat. They had conserved their resources simply by refraining from the policy of paying out the great sums they were making in dividends. The Pennsylvania has almost uniformly followed a policy for more than forty years of paying out only about half of its surplus from year to year in dividends, and most of its affiliated lines are doing the same. So that as a matter of fact it makes a very substantial difference to the bondholders of a road as well as the stockholders what is done with the surplus remaining after their demands have been satisfied. A bondholder will be better off if the surplus is not disbursed entirely; a preferred holder will be in a stronger position if the surplus remaining after his dividend has been paid is not all paid out in common stock dividends. Thus the bondholder and the preferred stockholder have a vital interest in where the balance of surplus goes to. Six years ago the Erie first preferred holders may have said they need not concern themselves about the way the second preferred holders were being handled, but, as a matter of fact, it was of vital importance to them to know just what was being done with these junior holders. When the panic came Erie was in trouble at once, and the first preferred holders found themselves in the same boat with the junior class—no dividends for anybody.

Stockholders in railroads are too apt to assume, if a given percentage of surplus is shown, as for example 6 per cent., that they are justly entitled to receive all or nearly all this amount in dividends. This is a mistaken idea. Too many roads have come to grief in the past by following a policy of over-liberal dividend disbursements. A careful distinction should be made between the amounts of surplus shown which are really necessary to retain as working capital commensurate with the normal growth in the needs of the company and the amounts which may fairly be disbursed in dividends. Because a railroad twenty years ago, with a very light business, required a reserve of only a nominal amount, this is no reason why to-day, with ten times the business, and ten times the uses for working capital, it should continually cripple itself by paying out nearly all its surplus earnings in dividends. The merchant, as his volume of business grows, steadily increases his bank balance and general reserve, and a railroad should do the same.

The items listed in railroad reports under improvements usually represent many charges. Many roads have special improvement and betterment accounts; others have simply charged the amounts spent directly, that is, for so much extending, building, so much new equipment, etc. There has been no fixed rule in the matter. The Pennsylvania, New York Central and some others have frequently charged their improvement costs up before deducting

dividends, thus showing, technically, but a narrow margin of surplus above dividend payments. In the interest of uniformity, however, the policy has been followed in this book of first showing the amounts of surplus appropriated for dividends, and then the amounts actually paid in dividends. The disposal of any surplus after dividend payments is shown in the full income statements and the Profit and Loss Accounts which are appended.

Especial value should attach to these 10-year comparative income tables, considered as a whole. Nowhere else, in such compact form, will the banker or investor be able to find so complete a comparative record.

The Balance Sheet

THE CAPITALIZATION FACTORS

Taken as a whole, probably the most important individual statement in the railroad report is the balance sheet. No definite idea can be gained of the property from its financial standpoint without the balance sheet, and if no other figures were given to the shareholders this, at least, would be of some assistance to them. A balance sheet is a statement of the company's assets and liabilities, and as presented publicly it is usually in very condensed form. That is to say, while it contains a large number of distinct items, these items can usually be classified under a few heads and in the statements as submitted to stockholders only the total amounts belonging under each head are given. It is therefore sometimes difficult properly to analyze a balance sheet thoroughly, but in the case of the capital assets and liabilities this can usually be done with a fair amount of accuracy, as these are almost always large items and are quite clearly stated.

Under the uniform accounting requirements of the Interstate Commerce Commission, a railroad's balance sheet contains the following definite heads:

Assets

Property investment.

1. Road and equipment (investment in the property with additions each year, including reserve for accrued depreciation, etc.);
2. Securities held (including securities of proprietary, affiliated, and controlled companies, pledged and unpledged; securities issued or assumed, and pledged);
3. Other investments (including advances to proprietary, affiliated and controlled companies for construction, equipment and betterments; also miscellaneous investments, including physical property, securities pledged and unpledged, which are not included in minutes).

Working Assets.

1. Cash;
2. Securities issued or assumed, held in treasury;
3. Marketable securities (issues held unpledged, or as pure investments and available for sale);
4. Loans and bills receivable;
5. Traffic and car service balances due from other companies;
6. Net balances due from agents and conductors;
7. Miscellaneous account receivable;
8. Materials and supplies;
9. Miscellaneous items.

Accrued Income Not Due.

1. Unmatured interest, dividends and rents receivable.

Deferred debit items.

1. Advances to proprietary, affiliated and controlled companies, working fund, and miscellaneous advances;
2. Rents and insurance paid in advance;
3. Taxes paid in advance;
4. Unextinguished discount on securities:
5. Property abandoned, chargeable to operating expenses;
6. Special deposits;
7. Cash and securities in sinking and redemption funds;
8. Cash and securities in insurance and reserve funds;
9. Cash and securities in provident funds;
10. Miscellaneous deferred debit items.

Liabilities

Stock.

1. Common, preferred or debenture stock;
2. Receipts outstanding for installments paid;
3. Stock liability for conversion purposes, etc.;
4. Premiums realized on capital stock.

Mortgage, Bonded and Secured Debt.

1. Funded debt;
2. Receiver's certificates (if any);
3. Obligations for advances received for construction, equipment or betterments.

Working Liabilities.

1. Loans and bills payable.
2. Traffic and car service balances due to other companies;
3. Audited vouchers and wages unpaid;
4. Miscellaneous accounts payable;
5. Matured dividends, interest and rents unpaid;
6. Matured mortgage, bonded and secured debt unpaid;
7. Working advances due to other companies:
8. Miscellaneous working liabilities.

Accrued Liabilities Not Due.

1. Unmatured interest dividends and rents payable;
2. Taxes accrued.

Deferred Credit Items.

1. Unextinguished premiums on outstanding funded debt;
2. Operating reserves;
3. Liability on account of provident funds;
4. Miscellaneous deferred debit items.

Appropriated Surplus.

1. Additions to property (since June 30, 1907, as required by the Interstate Commerce Commission);
2. Reserves from income or surplus.

The balance remaining, after the offsetting amounts shown on both sides in the above items, is known as "profit and loss," and may be either on the assets or liabilities side, as the case may be. If on the liability side, the profit and loss item is known as surplus; if on the asset side it is a deficit.

Theoretically, at least, the current assets and liabilities are supposed approximately to offset each other. In very few cases do they actually do this, but unless the amount of such items as cash on hand and on deposit, account receivable, etc., does not approximately equal the accounts payable and amounts due for interest and dividends and to other companies, it then means that the road is cramped for working capital. Another disturbing situation in current liabilities is to see the loans and bills payable mount up on one side of the balance sheet, and such items as advances to other companies increase in amount on the other side. This simply means that the company is going into debt for the purpose of helping out one or more of its branch lines or subsidiaries, which may or may not be a good thing. Also, if the accounts payable are increasing in greater ratio than the accounts receivable, or if the items such as "traffic balances due to other companies" are growing more rapidly than the amounts due from other companies, the situation also may be becoming complicated. And if, at any time, it is found that cash on hand is declining below the figures formerly shown over a reasonable period, it may mean that the road is getting tied up with a shortage of actual working capital.

The Capital Assets

THE largest item usually shown in the capital assets is the property investment account, formerly called "cost of road and equipment." This account is supposed to represent the actual capital invested in the road and its equipment. But, as a matter of fact, it does not in many cases represent anything of the kind. It has been customary in years past to charge to this account various items, such as discount on securities sold, special financing expenses, expenses for reorganizing the property, etc. As has been pointed out by Mr. Woodlock, in his "Anatomy of a Railroad Report," a pronounced example of the peculiar construction of this account is represented by the record of the old Atchison, Topeka & Santa Fe road before the reorganization. The "cost of road and equipment" stood at $95,755,207, but the expert audit of the books at the time of reorganization divulged the fact that over $40,000,000 stood for nominal items, such as discount on bonds, etc., and that less than half of this great total really represented money spent on the property. The same facts could be demonstrated to more or less degree in connection with most of the railroad systems in this country.

It will be realized, therefore, that the chief value attaching to the construction account figures is in the relative comparison of them from year to year. Most railroad reports present their balance sheet in comparison with the figures of the previous year, and with a series of reports the relative changes can be easily examined, showing the growth of this construction account and ascertaining just what the increase may represent. Most reports now furnish an itemized record each year of all expenditures which are charged to the property investment account, and, of course, it is an easy matter to see where this new money comes from, whether borrowed through the sale of bonds or notes, whether charged to profit and loss, or whether secured by the sale of stock.

The item of "investments in securities and other properties" is in many cases of relatively great importance. Roads which, like the New York Central, the Pennsylvania, or the Illinois Central, control a large number of subsidiary lines, depend, as we have already seen, to considerable extent on the income from these subsidiary lines. This income comes to them chiefly in the shape of dividends and interest on the securities owned, and there is a close relationship between the amount of other income of a railroad and the valuation of the securities owned as carried in the balance sheet of the company. Therefore, the importance of this particular item varies with the amount of outside interest the road under examination may happen to have. The item of sinking funds is sometimes of great and sometimes of minor importance. Whatever entries of this kind a road may have should be clearly stated so that they may be readily understood, and so that it can be ascertained just what condition the fund may be in.

The Capital Liabilities

THE capital liabilities consist chiefly of the stock and bond issues of the company. Of the former, there are not only issues of common and preferred stock outstanding, but very often we find such items as debenture stock, special equipment stock, special guaranteed stock, or betterment stock, and it has not unfrequently been the case that a large railroad will assume the stock issue of a smaller company and carry it as a liability of its own, just as is done in the case of many bond issues. Bonds themselves are of many classes, and, as has already been stated in these pages, they carry numerous qualifying terms and are of many distinct types. In the case of practically all the larger systems we find that numerous bond issues, originally created by prior companies, or by companies which have been consolidated into the main corporation, are treated as direct obligations and carried along as part of the liabilities of the company.

If all railroad companies consisted of single corporations with no controlled lines, or if all the miles of railroad they owned were directly operated, the consideration of the balance sheet and other financial statements would be comparatively simple. In order to get a comparative showing over a series of years, and form judgment of the relative position of the property with that of other railroad properties, we should simply need to reduce the figures to the ordinary mileage basis, as has been done in the examination of the other characteristics which go to make up the general report of the railroad. But in the great majority of cases, the investor immediately meets with a baffling problem as soon as he attempts to examine a railroad balance sheet intelligently. In addition to the records given, he finds that most railroads control, by stock ownership, contract, lease or otherwise, important lines of road which they may or may not operate directly, and in connection with which they have certain obligations independent of the ordinary charges involved in their regular stock and bond issues. In other words, a large portion of the operated mileage of many a railroad system is made up of leased lines. Some of these lines are leased on a basis of a fixed rental per annum; some are leased on a basis of a proportion of net or gross receipts, and some are leased on a guaranty basis which may or may not change. An example is shown in the case of the Pennsylvania Railroad. The Pennsylvania Railroad Company reported in 1914, for its directly operated lines, 4,512 miles. Of this mileage, 2,650 miles are owned by the Pennsylvania Railroad actually, the remaining 1,862 miles being operated under lease or contract or used under trackage rights. Obviously the latter mileage should be included in the income account records, as it has been directly operated by the Pennsylvania Railroad. But the lines controlled by lease are all separate corporations, with their own bonds and stocks outstanding, large portions of which are in the hands of the public and held as investments. These bond and stock issues, however, are not direct obligations of the Pennsylvania Railroad in the sense that its own bond and stock issues are obligations, and they, therefore, are not shown in the capital liabilities reported by the company in its balance sheet. Nevertheless, they cannot be ignored in an analysis of the railroad's position or results. The Pennsylvania Railroad has leased these properties on certain bases, in consideration of which it operates them, receiving into its own income account whatever profit it may be able to secure as a result of these operations. In consideration of having this right it pays out to the bond- and stock-holders of these leased properties certain fixed sums previously agreed upon, which take the nature of guaranties on stocks and bonds. These guaranties, or rental items, are on all kinds of bases, most of them having been arranged at different periods and as results of different circumstances. Thus we find that many leased lines are controlled through the guaranty by the parent company of the interest and principal of the bond issues alone; others are controlled through the guaranty of certain dividends on stocks as well as the interest on the bonds, while still others are controlled through guaranty of specific amounts which are used by the rented property for meeting current obligations of interest and dividends. In the case of the Pennsylvania Railroad the rental charges against its general income amounted in 1915 to over one-third of the total fixed charges, so that it will be seen that in this instance the item of rentals is practically as important a part of the charges against income as is the interest on its own bonded debt.

As this item of rentals in the operating results of railroads is such an important factor, it will be realized that unless it is in some way taken into consideration in the examination of the balance sheet of the company, it would not be possible to make any analysis of the balance sheet in an intelligent way. In other words, were we to examine the totals shown in the capital items of the balance sheet alone, and then examine the net income results to see what percentage of net income, or, in fact, of gross income, or any other income, were shown on the capital of the road, we should get very grotesque results if we did not in some way consider the fact that the rented properties themselves have stocks and bonds on which interest and dividends must be paid.

If we examine the income and capitalization record of the Lackawanna, the relative importance of considering the rental items in connection with the balance sheet will be seen. The Lackawanna itself now has only a nominal bonded debt. Its fixed charges, however, have averaged during the past ten years more than $8,800 per mile, and far more than 80 per cent. of these charges having been made up of rental items on leased-line securities. These items have been of various kinds; some guaranties on bond issues, many on stock issues. The outstanding capital of the Lackawanna in 1915, as reduced to the mileage basis of the operated system, was about $44,000 per mile. The amount of investments ownd by the company, as shown in its balance sheet, was about $27,460 per mile. Now, if we considered no other capital items and disregarded the securities of leased lines, not shown in the balance sheet, we should have a net capital per mile for the Lackawanna system of only $16,540. As the road earned in gross in 1915 $44,885 per mile, this would mean that it was each year earning several times its net capital, and as its total net income was $20,292 per mile, it would imply that the net income of the system at the present time was equivalent to 125 per cent. on the capital outstanding. The absurdity of this conclusion is apparent, but nevertheless it would be a logical deduction from the figures given in the balance sheet and income account, with the securities of the rented properties disregarded.

Capitalization of Rentals

THE problem of handling the capital items of leased lines in a manner for admitting of ready comparison has been a difficult one. As the terms of leases, both in length of time and in amount of rental, are so varied and as the figures given in different reports regarding these terms and payments are so incomplete, some arbitrary method must necessarily be adopted for reducing them to a comparative basis. In the case of some companies all the different rental items are separately stated, and it is a very simple matter to ascertain their amount and treat them accordingly. But this is not the case in most instances, and therefore, in presenting the comparative records of the capital factors in this volume, the uniform policy has been adopted of capitalizing the rental obligations of the operating companies at 5 per cent. An approximate estimate of a large number of rental obligations indicates that 5 per cent. is a fair and conservative basis for a purpose of this kind, and it is believed that it will approach the actual condition more closely than a lower percentage would. So the plan has been followed of adopting this basis even where the actual items themselves are furnished. Examinations of instances where the items are furnished in reports will show that the 5-per-cent. basis is in no case very far out of the way.

It might be contended by some that a more accurate method for capitalizing the rentals in the comparative statement would be to simply add up the stocks and bonds of the rented properties, and reduce them to the mileage basis and include them in the table. But in many cases this would be most illogical and misleading. The different leased lines which the operating companies control have usually been acquired on a basis which has disregarded the par value of their own capitalization, and has been arrived at more or less on a basis of earning power. Thus, it is found that in many cases a leased line may have been acquired through a guaranty of its bond issues only, thus leaving the stock issue of that leased line without dividends and without hope of any return as long as the lease is in operation. Obviously, in this case, the stock of the leased line, receiving no return whatever, and not having any control of the property during the life of the lease, will be worth a nominal sum only. On the other hand, there are many cases where a line has been considered of so much value to the leasing company that the latter has guaranteed some high rate of dividend, such as 10 per cent. or 15 per cent. on the capital of the leased road for a long series of years. In such an instance the value of the stock of that property will naturally be far higher than its par value as measured by income return, which will mean that the capital obligation on that leased line, for which the parent company is responsible, may be in effect far higher than the par value of the securities of the leased line. So we find that here, as everywhere else in the railroad report, the true valuations are based on earning capacity and income results, rather than on the mere nominal amounts given in the face values of the stocks and bonds.

To return again to our illustration of the Lackawanna capital showing. The Lackawanna operated, in 1915, 959 miles of road, including the mileage of the leased lines, all of which have their own bonds and stocks outstanding, and on which in most cases the Lackawanna road has made certain guaranties. The figures of gross and net income included in the income account are the results of operation on these 959 miles of road. Therefore, we must show the obligation of the Lackawanna Company in some way in the financial statement or balance sheet, which will give a proper idea of the actual liabilties in capital items of the Lackawanna Railroad. By capitalizing on a basis of 5 per cent. all the rentals for which the Lackawanna is responsible, we find that, as reduced to the mileage basis of the operated system, the Lackawanna rentals amount to about $130,052 per mile. We have already shown that the other capital items of the Lackawanna amounted, after the deduction of the investments of the company, to $16,450 per mile, thus giving as an approximate net capitalization for the railroad system a figure of about $147,000 per mile.

This method of capitalizing the rentals at 5 per cent., adding this capitalized liability to the other capital liabilities in the balance sheet, and treating this as the gross capital of the company, has been followed in every case. To arrive at a net capital figure the investments of the company have been deducted from the gross capital, the balance remaining being approximately the amount of capital value on which the railroad must make a net income return. An examination of the Analyses in the volume will show the great differences in the classes of capital figures. It will show that in many cases the rentals are merely nominal and do not affect the general result at all, while in other instances they are by far the most important factor.

Stocks and Bonds Outstanding Per Mile

LIKE the earnings figures of the railroads, there is vast variation in the amounts of capital outstanding on the different systems. This fact is naturally brought to light more definitely by a consideration of the figures on the mileage basis. As so reduced, many remarkable facts of variation are brought definitely into view. Stock outstanding per mile varies on different roads all the way from $5,000 up to more than $100,000 per mile, but, as already pointed out, the amount per mile really has no relation to the question of "over-capitalization" *per se*. A railroad with stock outstanding at the rate of $10,000 per mile may easily be far more heavily "over-capitalized," than one with stock outstanding of $50,000 per mile—assuming, of course, that we measure value on the income-producing basis, which really is the only logical way in which we can measure it. For example, the Ann Arbor, with stock outstanding at the rate of $24,576 per mile, is far more heavily capitalized, as measured by income results, than the Pennsylvania with stock outstanding at the rate of $110,000 per mile.

The records given in this book of the stocks outstanding per mile on the different roads during the ten years are chiefly valuable in showing the changes from year to year and also in showing the relative amounts of bonds and stocks as well as the proportion of stock to the entire net capital of the road. It is interesting to note that the position of many properties has undergone pronounced change in this respect during the past ten years. The Missouri Pacific, for example, reported in 1906 a total capitalization made up to the extent of 28 per cent. capital stock. During the years following the stock issue declined, not only in relation to the mileage operated, but also in relation to

the total capital liabilities of the road, and in 1915 the stock outstanding represented but 21 per cent. of the total amount of stocks and bonds. Often we find that the decline in the stock issues is offset in direct ratio by increase in the bond issues. At other times the offsetting increase is in rental charges or in declines in the amounts of securities held in the balance sheet. Conversely, where the stock outstanding has increased in pronounced proportion, a relative change of some kind, resulting in at least a partial offset, is sometimes shown in the decline in the bond obligations, or in the rentals, or possibly in an increase in the amounts of securities owned.

It will quickly be seen that a healthy trend in this comparative capitalization showing is naturally characterized by a declining percentage in the bonds outstanding. If the bond issues are declining in amount per mile, it means that the fixed charges are also declining, unless, of course, the rental items are growing. It is much better, for the railroad's position and credit, to issue non-interest-bearing obligations if it can, and generally speaking those roads which have made their extensions and carried on their developments during recent years through the issue of capital stock are in much better position than those which have uniformly followed the policy of issuing bonds. This ruling does not always hold, but is sound as a general proposition.

There are two conditions under which a railroad may be justified at a given time in issuing bonds for improvements and extensions rather than stocks. One of these is in the case of those properties the earning power of which has not reached a point where good dividends are being earned on the stocks, and where the latter are selling at depreciated values. The only way the road can raise money is by the issue of bonds, and it must either do the latter or not spend any money at all. The other situation is where a road of high credit can, in times of easy money, put out a long-term obligation at a low rate of interest. Instances of the latter have been reflected in the policy of the Ilinois Central in years gone by, and also more recently by the Pennsylvania.

As a general proposition, however, it is much better for a railroad to issue stock if it can. In the past few years the St. Paul, the Chicago & North Western, and the Canadian Pacific have adopted this policy with most satisfactory results. The Canadian Pacific, for example, increased its stock outstanding from $12,850 per mile in 1898 to $20,192 per mile in 1908, its bonds outstanding at the same time declining per mile about 10 per cent. and its rentals changing but nominally. The net result of this policy has been that the fixed charges were in 1915 no more per mile than they were ten years before, and the road has been finding it easier to pay 10 per cent. on its common stock in recent years than it was to pay 4 per cent. on this stock in 1899. The position of the road is in every sense stronger, and, as its bonded debt now represents only about 40 per cent. of its total gross capital as compared with 55 per cent. ten years ago, it will be realized that, as a whole, the equity in the property which is owned by the stockholders has very greatly increased.

In the stock and bond columns of Table C in the Analyses, the total amounts outstanding have been included for each year. Among the bond issues have also been included in all cases such items as equipment trust obligations, loans on realty or on other property, short-time note issues, etc. During the past few years, the railroads have, in many cases, issued notes running from two to five years, which, while not mortgages, and in a sense temporary obligations, will in all cases be sooner or later replaced by permanent capital obligations of one kind or another. Therefore, they should be treated as capital, rather than current obligations, in any relative consideration of the financial condition of the company. As in the case of the other tables, comparison is made in each instance with four other properties in similar territory. But it must be remembered that all the same conditions for comparison which apply to the Physical and Income Factors do not necessarily apply to the capital factors of a railroad. In examining the "capital factors," we are especially interested in ascertaining the relationship between the net value of the capital (which means the worth of the property) to the earning power shown. It is therefore an easy matter to compare the capital figures of the Union Pacific with the Pennsylvania, or of the Louisville & Nashville with the New Haven. By ascertaining the percentage of net income shown on net capital we can see relatively whether the New Haven property is doing better or has done better on its average net capital over a period than has the Louisville & Nashville on its own average net capital. We can in this way judge as to the relative financial strength and condition and general standing of both of the companies.

Thus we can compare the capital tables one with another as a whole. But we can also compare the individual columns. A comparison of the bond-liability column on the New Haven property with the bond-liability column on the Union Pacific property will bring into prominence certain striking differences. While the column in the Union Pacific statement has shown, in the face of great growth in volume of business during the ten years, a declining tendency, the bond column in the New Haven statement shows, in the face of only a moderate growth in business, an increase of over 100 per cent. as measured on the mileage basis. This simply means that while the Union Pacific has decreased its charges per mile, and increased its margin of safety very heavily, the New Haven has increased its fixed charges enormously, and that, although its business has grown it has not held up the margin of safety on its bond issues, and the margin on its stock issue has been entirely eliminated in the past few years. An investor in the stocks of either of these companies would at once reach the conclusion even five years ago, that, on the showing here made, the Union Pacific was clearly more certain of paying its dividend of 10 per cent. per annum than was the New Haven of continuing payments whatever. All things considered, the Union Pacific common stock at $160 per share, therefore, looked far more attractive than the New Haven stock at half the price, at which it ranged prior to 1913.

The analyses of the bond issues of the different systems have been somewhat difficult to make. In many cases issues have been assumed on branch lines which have been consolidated with the main company, and on which interest may have been guaranteed. Where a bond issue has been guaranteed on a separately operated property, which is not leased, the amount has been included in the bond column and not in the rental column. This has been the case in the New Haven analysis, where, in the past few years, many acquisitions have been made in properties outside of

the leased lines and the railroad system itself. Many of these bond issues have been assumed and guaranteed, but the properties have not been leased in the ordinary sense and, therefore, the bonds have been included in the bond column rather than in the rental column. Of course, whatever policy had been followed, the showing on net capital would have been approximately the same.

Net Capitalization

AS already pointed out, the only method for getting at an approximate figure for showing the true capitalized value of the railroad is to take into consideration the investments or securities owned which are reported by the company in its balance sheet. Sometimes these securities owned consist of stocks and bonds of the system itself; sometimes they consist of issues of branches or leased lines, while in other instances they may consist of securities of roads which are entirely independent. Securities held by railroad companies represent various conditions. On the Pennsylvania Railroad we find that its securities owned run into very large sums and that the return in interest and dividends on these securities is a very important factor in the income account. It is frequently the case that a railroad company will own all, or nearly all, of the bonds or stocks of a leased or controlled line, and will receive the income produced by its own guaranty on the securities which it owns. In such case the item must of course appear on both sides of the statement, and where a lease has been capitalized at 5 per cent. in the Analyses, it may be that a portion of this capitalized item is offset by items in securities owned. This, however, does not change the net result.

While the policy of investing in securities was begun by the railroads for the purpose of acquiring or controlling branches and feeders, this policy has in recent years enlarged to a vast extent, and we now find great railroad systems owning securities of other railroad properties which seem in no way, in a traffic sense, to have any real relationship. Thus we find that the Pennsylvania has a dominating interest in the Southern Pacific system. The Baltimore & Ohio, with the New York Central interests, practically controls the Reading Company and the Central Railroad of New Jersey. The Union Pacific also has heavy interests in the New York Central property, in the St. Paul, and in the Chicago & North Western. These investments have sometimes been acquired for other purposes than that of merely producing income, and this latter fact and the relative worth to the road as a whole must be taken into consideration when we examine the securities owned in connection with the amounts of other income of the roads.

Net Income on Net Capital

THE net capital per mile of a railroad furnishes us with the approximate worth of the property, and enables us to compare this approximate worth with the earning capacity shown. Thus we have a method at hand whereby we can at a glance ascertain whether, in face value, the railroad is or is not over-capitalized. By comparing the net income per annum with the approximate net capital, as shown in the tables in this book, we get a distinct view of the financial standing and strength of the property. If its net income on this net capital is above the average return and in the record shows an improving trend, we know at once that the financial strength of the property is favorable. On the other hand, if we find a declining tendency present or find that the percentage on the net capital is abnormally low, then it simply means that the road is over-capitalized, as measured by the par value; that its resources are small, and that its earning power from the standpoint of the security-owners is relatively weak. The column in the different Analyses, showing the Percentage of Net Income on Net Capital, is therefore of the most vital importance to the holders of securities. This column, with that showing the Margin of Safety, in Table B, gives at a glance the general key to the condition of the entire property. The Margin of Safety enables the bondholder to know the position of the bond in the income-producing capacity, as far as his interest is concerned, while the Net Income on Net Capital is of vital interest to every security-holder, whether he is in the position of bondholder or stockholder.

A dividend record is presented in each analysis as a portion of Table C. While this dividend record has a relationship more direct to that of the Income Table than to the Capital Table, it has been placed here for purposes of convenience and to show the changes in rates and percentage of surplus over dividends for both common and preferred stocks for the entire series of years. The aggregate amounts paid out for dividends are shown in the Income Tables, while here the separate rates, and changes in the rates, are indicated. The margin of safety on the dividend payments is worked out in the following manner: For all preferred stock issues the margin is the percentage of the surplus remaining after payment of the preferred dividend out of the amount left after payment of all charges prior to the payment of the dividend. The common-stock margin is the percentage of income remaining over after payment of the common-stock dividend from the net amount available for common dividends after payment of the preferred dividend. It will be noted that these percentages vary largely, and in many cases the common-stock percentage appears to be higher than that of the preferred. This does not, of course, signify that the common-stock dividend is more secure than the preferred, as these two columns have no relationship whatever to each other. Their value is in considering their showing over a series of years, the trend, and also the average showing made in the same column by other properties.

The Principal of Averages

The fundamental idea at the base of this book is to establish a standard for measuring railroad security values. As already explained, the only sound method for ascertaining and comparing railroad results is to reduce these results to a common measure—that of the average mileage operated. But in judging the values of the securities themselves, it is necessary to do more than merely show the aggregate results of the properties in this way. In other words, we must get at the average condition of the property and its earning capacity for a considerable length of

time. What the railroad has done this year or last year has some significance, of course, but it does not furnish conclusive evidence as to the actual value of the securities. Nearly all securities are more or less permanent in their nature; they not only depend for their values on present results, but also on the probable results during future years. Therefore, it is entirely necessary that we should be able to gauge the proper earning power of a property during the years to come, as well as know its earning power at the present time.

The plan adopted in this book is to base the values of all the securities on the results of the decade, and generally to ignore the temporary showing which may have been made for one or two years. By doing this we get a safe and conservative rating for securities, and while the average showing on the 10-year basis is not in many cases as favorable as may have been the showing for the past year or two, yet the element of stability in this average showing is so strong as to offset entirely any depreciating effect which would otherwise be involved. In 70 per cent. of the cases the 10-year records of American railroads reflect a steady upward trend in business growth and general earning capacity. In those few cases where a downward trend is shown the average result is nevertheless equitable as a basis to rate securities on, as the results achieved in the earlier years of the decade affect the value of the property at the present time, just as the results of early years in the roads which have shown improving trend naturally qualify the present values to some extent. If the railroad has shown a trend of improvement in net earning capacity equivalent to 25 per cent. during the past ten years, this fact is worthy of consideration in judging the probable value and trend of the securities during the next ten years. In other words, the whole idea is based upon the principle of average results, just as the insurance actuary bases his estimates and values on the results of averages. While these averages may in given cases be entitled to some qualification, yet it is believed that, as a general proposition, they indicate more accurately than can be done in any other way the real basis of value in the various security issues.

The Bond Records and Ratings

As will be seen by examination of the statement in the book, each railroad system contains a table of bond records and ratings. In this table is included, in all cases, every bond issue for which the system under review is responsible. The underlying issues are usually listed first and given the first approximate claim on the total net income. It will at once be realized, however, that where a railroad system is responsible for a number of bond issues the question of prior claim on income is an exceedingly difficult one. For example, a system like the Atlantic Coast Line Railway reports no fewer than 26 bond issues secured more or less directly on the different parts of its mileage. Many of these issues are first mortgages on particular sections; others are second mortgages; still others third mortgages; and in addition there are issues secured by the deposit of bond or stock collateral and still other issues in the shape of notes which are not secured by mortgage or collateral at all. Each of these issues has its particular claim on the income of the property, and those which have a first lien on particular sections of mileage are, of course, technically more secure than others which do not have a first mortgage. But, while a first mortgage gives a theoretical prior claim, it does not necessarily signify that there is any real prior claim in practice. It may be that there are existing a dozen or more first mortgages on sections or divisions, each of which sections or divisions is of equal importance to the railroad as a whole. In such a case one of these mortgages is not necessarily entitled to any prior claim on the income ahead of any of the others, and as a result these liens practically have a joint claim on the income. In other words, their claims must all be satisfied to preserve the integrity of the railroad property.

The same facts apply in the relations of junior liens, and it is often exceedingly difficult to so classify the issues that the actual position of any one bond issue will be clearly shown. In the bond records in this book, however, a plan of simply showing the approximate position of the issues is followed, and where a railroad system reports a large number of mortgages the underlying liens are largely treated together and given a general joint claim on the entire income available. The secondary liens are then treated in the same way, and the junior liens follow, of course, in their proper order.

In the case of railroad systems of high grade, with wide margins of safety, the question of allotting the income to the different bond issues is not so vital. In such instances it is a foregone conclusion that the liens are secure and it is simply a question of choice between one or two as far as the actual security is concerned. The differences in such cases are generally simply differencces of interest rate, maturity, and form. But where a railroad system has both high-grade and speculative issues outstanding, such, for example, as the Erie system or the Southern Railway system, it is then far more necessary to distribute the available income intelligently and show clearly which issues would, in the case of an emergency, be entirely safe, and which issues would be injured in value or position by falling earnings or other serious changes. It will be noted, therefore, that the chief value of showing the position of the securities applies to the systems or lines of poorer standing or more or less doubtful credit. On properties like the Union Pacific and Illinois Central the rating of the bond issues is high in every case, and little attention may be paid to the matter of distributing the income, but in examining a property like the Southern Railway it is most vital to know whether a bond issue is entitled to a high rating or a poor rating.

A word of explanation is essential in connection with these bond tables. It will be noted, for example, that as a matter of record, and to show the position of the security in the physical property itself, the length of line on which a given bond is secured is cited in all cases. But this length of line does not necessarily signify very much when the true value of the security is to be ascertained. The key to the latter is to know the average available income for meeting the interest on the bond issue. As the entire table is worked out on the basis of the 10-year average, this figure of available income is in no case the actual income for any given year (unless so stated), but is simply the amount reached by averaging the "balance for charges" for each year during the whole ten years. It

will be seen that where a railroad has shown an improving trend over the decade this average will be lower than that shown by the current results, while, if there has been a downward trend, the average will be somewhat higher than that shown by current results. The tables also show in each case the amount of money required per mile for meeting the interest on the issue or on a number of issues having a general joint claim on the income. This amount of interest is the amount required *per mile of the entire system* and not per mile of the section on which the bond may happen to be a lien. As the amounts required for payment of the interest are in all cases derived from the available income of the entire system, the only way in which equitable comparisons can be made of the available amount and the amount of income required for payment of interest on the bond is to reduce both to the average mileage of the entire operated system. This principle necessarily applies not only to issues of the main company and its underlying liens, but to all guaranteed issues, and, in fact, to all issues of bonds for which the company is responsible, whether they are secured on a part of the operated system or not.

The figures showing the interest required are based on current figures and not on average figures for the decade. The idea is to show the position of the issue as it stands to-day in amount, etc., as related to the average results of the decade. It would be very misleading to take the average interest requirement for the decade to judge the value of the bond at the present time. For instance, it would be found in many cases that, during the past ten years, a bond issue has more than doubled in amount, and, therefore, the interest required on the average, if figured on the whole decade, would be far below the amount needed to meet the obligation at the present time. On the other hand, where an issue has been largely retired by a sinking fund or by conversion into stock or other security, the average requirement for the decade would be far higher than that required at the present time. Therefore, in all instances, the figures showing the interest requirement are reduced to the average mileage basis for the whole system as operated for the decade, *but are the amounts which are consumed at the present time* for the payment of fixed charges.

The plan followed for showing the relative security of each issue as judged by the results of the decade is clearly seen by examination of the tables. A percentage figure is used as a Factor of Safety which simply indicates the percentage or proportion of available income remaining after the payment of the interest on the issue (and on other issues having an equal claim) has been taken care of. These "factors" range all the way from 99 per cent. down to nominal percentages, and indicate at a glance the relative claims of the different issues, and can be regarded as general reflectors of the security of the bond. In many cases, a bond showing a factor of safety of 90 per cent. is not necessarily any more secure than some other bond issue which shows a factor of 75 per cent. As a general thing, those bond issues reporting a factor of safety of 70 per cent, or more are well secured. It will be remembered that these factors are all based on the average results of the decade and not on the results of the past year. This principle of showing the relative value of these factor figures is stated concisely in the section which gives the general key to the ratings.

After what has been said it will be understood that the basis for rating issues, as far as security is concerned, depends primarily on the earning capacity and not on the character of the lien. A glance, however, through the pages will show that many consolidated mortgages and many collateral trust bonds, as well as debentures, have better ratings than many first mortgage bonds. While the fact that an issue is a first mortgage or a second mortgage is important, yet it is plainly not the fundamental consideration.

The general basis for rating adopted in the book involves not only the question of security, but also that of salability from the point of view of the investor. An issue of equal security is always better, if there is a good market for it at all times at its approximate value. Small inactive issues, although well secured in lien and well backed up by heavy earnings, will not sell at as good prices, as a rule, as will those issues on the larger systems which have an established market and which can be sold either on exchanges or to bankers on short notice. Therefore, in determining the ratings of the different issues, these facts have been taken fully into consideration.

The ratings themselves are, of course, to be regarded in a large degree as approximations. No arbitrary judgment has been employed in any case, and the position given each security is mainly the outcome of the showing made by the railroad itself in recent years. While, as a general thing, the bases adopted for the ratings are indorsed as sound and scientific, there is always criticism from interested quarters regarding the position accorded certain of the less secure issues. But an analysis of these securities and their position in the average results as shown in the tables will, it is believed, demonstrate the general correctness and soundness of the principles adopted.

JOHN MOODY.

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SECTION ONE

Railroad Systems and their Subsidiaries in the United States

HOW TO INVEST MONEY WISELY

By JOHN MOODY

DIVERSIFIED investing is something which no investor, large or small, should ignore. The general plan of this book is based on principles for intelligently diversifying investment capital, a subject which the writer has been carefully studying for many years in connection with his work as an analyst and investigator of investments for bankers, institutions, and individual investors both at home and abroad. These methods for wisely and intelligently investing money on comprehensive and intelligent principles of diversification have within the past few years been adopted by numerous institutions and many thousand individual investors with advantage and profit.

ALABAMA & VICKSBURG RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key o Ratings, see pages 19-26.

Origin: Successor in 1889 of Vicksburg & Meridian R.R. Controlled by Alabama, New Orleans, Texas & Pacific Junction Rys. Ltd. of England, which owns 55.6% of the stock. (See below.) Forms, with the New Orleans & North Eastern, Vicksburg, Shreveport & Pacific, Alabama Great Southern and Cincinnati, New Orleans & Texas Pacific, the so-called "Queen & Crescent Route," operating between Cincinnati, New Orleans and Shreveport, La. Also owned 3,036 acres of land on June 30, 1916.

Control: The Alabama, New Orleans, Texas & Pacific Junction Railways Co. Ltd., a holding corporation, organized June 18, 1881, under English laws, holds a stock interest in the Alabama & Vicksburg Railway, and the Vicksburg, Shreveport & Pacific Railway. (See analyses of the latter property on the following pages.) On Dec. 31, 1916, this company owned $1,168,000 out of $2,100,000 stock of Alabama & Vicksburg Railway, and over 90% of both the common and preferred stocks of the Vicksburg, Shreveport & Pacific Railway. It also owned $30,000 first mortgage, $343,400 second mortgage, and $141,100 consolidated mortgage bonds of the Alabama & Vicksburg, $108,850 out of $120,000 stock of the Railroad Lands Co., and $1,613,000 general mortgage bonds of the Vicksburg, Shreveport & Pacific Railway Co. Formerly owned $5,595,000 general 4½s, $1,500,000 income 4½s and $5,336,000 common stock of the New Orleans & North Eastern R.R. which were sold in 1916 together with $448,700 stock of the Southwestern Construction Co. to J. P. Morgan & Co. in the interest of the Southern Ry.

The outstanding capital of the Alabama, New Orleans, Texas & Pacific Junction Rys. Ltd. consists of £1,500,000 preference A cumulative 6% stock and £2,500,000 deferred B stock. Par value £10 per share. Dividends in recent years have been paid as follows on the A preference stock: 1908, 3½%; 1910, 2½%; 1911, 4½%; 1912, 4½%; 1913, 3½%; 1914, 4½%. As the A preference stock is 6% "cumulative," and no dividends aside from the above have been paid since the reorganization many years ago, there have to date accumulated about 186% in unpaid back dividends. In consequence of the sale of the company's holdings in the New Orleans & North Eastern R.R., a capital readjustment was proposed in 1916 whereby the £1,500,000 of A preference stock will be reduced to £1,200,000 and the £2,500,000 deferred B stock to £50,000 making £1,250,000 to be converted into a like amount of consolidated stock all of one class.

The bond issues of this holding company consists of £748,850 5% A debentures, due Nov. 1, 1940, which are a first charge on the income of the company; £1,048,390 5% B income debentures, due Nov. 1, 1940, a second charge on the income of the company; £810,652 5% C income debentures, due Nov. 1, 1940, a third charge on the income of the company.

Location: Line extends across State of Mississippi from Vicksburg to Meridian, connecting at latter point with New Orleans & North Eastern, Alabama Great Southern, Mobile & Ohio, etc. Main line, Vicksburg to Meridian, Miss., 141.50 miles; extension to river front, 1.28 miles; total, 142.78 miles. Population of Mississippi in 1890, 1,289,600; in 1900, 1,551,665; in 1910, 1,797,114.

Management: D. D. Curran, Chairman; L. A. Jones, Pres. and Gen. Mgr.; T. F. Steele, Vice-Pres. and Tr. Mgr.; H. W. Wenham, Sec. and Treas.; Udolpho Wolfe, Asst. Sec.; Edward Ford, Asst. to Pres. DIRECTORS: G. T. Bonner, T. F. Steele, D. D. Curran, L. A. Jones, R. H. Thompson. Annual meeting, first Monday in November. OFFICES: Jackson, Miss., and New Orleans, La.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	20%	17%	21%	12.30%	25.54%	12.49%	13.24%	12.51%	13.92%
Products of Animals	.....	¼	¼	¼	.50	.46	2.89	3.49	3.24	2.50
Products of Forests	.....	36	40	42	34.33	40.68	42.28	41.65	40.66	43.60
Products of Mines	.....	17	14	17	27.65	20.73	20.14	18.88	21.23	16.87
Manufactures and Miscel.	.....	26¼	28¼	20	25.22	12.59	22.20	22.74	22.36	23.11

Total revenue tonnage in 1909, 914,291 tons; in 1910, 1,067,845 tons; in 1911, 1,151,114 tons; in 1912, 1,072,380 tons; in 1913, 1,319,926 tons; 1,251,850 in 1914; 1,061,010 in 1915; 1,195,299 in 1916.

The two chief items of freight tonnage are lumber and logs, which aggregated 527,497 tons in 1913; 503,367 in 1914; 431,432 in 1915 and 497,355 in 1916, and coal and coke, which aggregated 200,018 tons in 1913; 166,877 in 1914; 129,519 in 1915 and 127,336 in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	143	....	29	25	1,308	63%	115,561	628,953	258	$2.15	2.69c	1.11c
1908	143	....	32	29	1,306	62	126,265	595,947	247	2.00	2.56	1.10
1909	143	....	32	29	1,304	62	118,172	650,362	257	1.98	2.54	1.05
1910	143	....	32	30	1,305	64	129,196	746,104	287	2.08	2.53	1.02
1911	143	....	34	31	1,300	68	131,148	785,787	278	2.07	2.51	.99
1912	143	....	39	31	1,280	63	131,364	706,896	286	2.05	2.52	1.00
1913	143	....	36	30	1,268	64	135,418	890,072	315	2.22	2.54	.97
1914	143	....	36	30	1,242	66	138,682	869,600	294	2.19	2.52	.97
1915	143	....	36	29	1,242	64	111,914	780,216	305	1.92	2.49	.85
1916	143	1	35	28	1,231	67	116,703	859,025	373	2.27	2.47	.92
10-Year Average	143	....	34	29	1,279	64%	125,442	751,296	290	$2.09	2.54c	1.00c

Note: Yard tracks and sidings, June 30, 1916, 69.80 miles. Main line nearly all laid with 75-lb. steel rails; side tracks, etc., 60-lb. steel ralls.

Comment: The operating exhibit of the Alabama & Vicksburg Railway for the year ended June 30, 1916 reflected a very substantial increase in the volume of business. As compared with the previous year both freight and passenger density rose to high figures, while the average freight train load was better than that of any year reported during the past decade. Train mile earnings and average freight rates also underwent considerable improvement. It will be noted that as in previous years the freight tonnage was well diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ending June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$10,873	$1,760	$1,671	$3,431	$4,246	$3,196	$3,568	$327	$3,241	$790	76%	$2,451	$513
1908	10,564	1,803	1,923	3,726	4,598	2,240	2,757	284	2,473	850	66	1,623	513
1909	10,674	1,753	2,257	4,010	4,309	2,355	2,864	350	2,514	842	66	1,672	514
1910	11,695	1,704	1,866	3,570	4,413	3,712	4,302	369	3,933	842	79	3,091	514
1911	12,182	1,736	2,154	3,890	4,979	3,313	3,808	393	3,415	853	75	2,562	1,028
1912	11,239	1,682	2,235	3,917	4,784	2,538	3,143	424	2,719	910	66	1,809	1,028
1913	13,020	1,965	2,601	4,566	5,256	3,198	3,862	486	3,376	893	73	2,483	1,028
1914	12,801	1,971	2,904	4,875	5,493	2,433	3,017	694	2,323	854	63	1,469	1,028
1915	10,430	1,576	2,634	4,210	4,979	1,241	3,400	666	2,734	1,020	63	1,714	1,028
1916	11,774	1,437	2,503	3,940	4,964	2,870	4,510	786	3,724	1,037	72	2,687	734
10-Year Average	$11,525	$1,739	$2,275	$4,014	$4,802	$2,709	$3,523	$478	$3,045	$889	70%	$2,156	$793

Note: Above figures are based on average mileage operated for each year. Margin of safety is the proportion of the surplus left over after deducting the fixed charges for each year. For example, in 1916 the "balance for charges" (per mile) was $3,724; fixed charges amounted to $1,037, or 28% of $3,274, leaving a margin of safety of 72%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,683,646	$1,491,542	$1,830,544	$1,861,937	$1,605,189	$1,741,982	$1,672,350
Maintenance of way	205,433	225,405	281,855	281,033	240,607	248,229	243,645
Maintenance of equipment	357,941	376,690	415,257	371,898	319,954	308,009	266,816
All other operating expenses	709,829	712,052	785,445	751,667	690,048	712,013	631,073
Net operating revenues	$410,443	$177,395	$347,887	$457,339	$362,983	$473,731	$530,816
Operating ratio	75.6%	88.1%	81%	75.4%	77.4%	72.8%	68.3%
Other income	234,419	308,774	77,400	94,879	86,427	70,851	84,371
Total net income	$644,862	$486,169	$425,282	$552,218	$449,410	$544,582	$615,187
Taxes accrued	112,371	95,241	97,798	69,558	60,608	56,152	52,721
Balance for charges	$532,491	$390,928	$327,484	$482,660	$388,702	$488,430	$562,466
Fixed charges	148,382	145,878	128,166	127,605	130,173	122,164	120,437
Surplus	$384,109	$245,050	$199,318	$355,055	$258,629	$366,266	$442,029
Dividend reserve	*	147,000	147,000	147,000	147,000	147,000	73,500
Other deductions	13,592	8,840	.....	.....	.....	.....	.....
Balance	$370,517	$89,210	$52,318	$208,055	$111,629	$219,266	$368,529
Earned on stock	18.3%	16.43%	9.49%	16.90%	12.31%	17.44%	21.05%

* Dividend paid from profit and loss account (see below).

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of years, $1,461,831; balance from income account, $370,517; unrefundable overcharges, $449; donations, $55; miscellaneous credits, $127. Contra: Appropriations to sinking and other reserve funds, $5,000; dividends, $105,000; loss on retired road and equipment, $17,456; miscellaneous debits, $211; credit balance carried to balance sheet, $1,705,312.

Comment: Income results on the Alabama & Vicksburg Railway during the year ended June 30, 1916, were in all respects satisfactory. The gross revenues reached far better figures than those shown in 1915, while net income available for fixed charges was higher than for any year since 1910. After paying the usual fixed charges, the surplus left over exceeded 18% on the outstanding stock. Results since the close of the fiscal year have continued to be very satisfactory, and the credit of the company has been maintained at a high level.

Although the gross revenues on this property have shown no pronounced tendency to increase during the past ten years, and the operating ratio has always been high, the balance for charges has continuously been held up at a high level, and the percentage earned on the outstanding stock has ranged at figures far above all dividend requirements. In recent years, taxes have steadily advanced and there has also been a material increase in the total fixed charges. But, as indicated by the balance sheet on the following page, the management has each year appropriated a substantial amount to improvements and surplus, and has steadily added to the general credit of the property.

There is but little public interest in the company's stock issue, but substantial portions of the bond issues are outstanding in the hands of the public. As the statistics indicate, these bond issues all stand on a strong investment plane.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	$7,343	33%	$14,625	67%	.....	$21,968	.....	$21,968	16.2%	.....	.....	$513	7%	.....	79%
1908	7,343	33	14,350	67	.....	21,693	.....	21,693	12.7	.....	.....	518	7	.....	68
1909	7,343	33	14,240	67	.....	21,583	.....	21,583	13.3	.....	.....	514	7	.....	69
1910	14,685	50	14,152	50	.....	28,837	.....	28,837	15.0	.....	.....	514	7	.....	82
1911	14,685	50	14,152	50	.....	28,837	.....	28,837	13.0	.....	.....	1,028	7	.....	60
1912	14,685	50	14,132	50	.....	28,817	.....	28,817	10.9	.....	.....	1,028	7	.....	43
1913	14,685	50	14,062	50	.....	28,747	.....	28,747	13.4	.....	.....	1,028	7	.....	59
1914	14,685	51	14,041	49	.....	28,726	$272	28,454	10.6	.....	.....	1,028	7	.....	30
1915	14,685	51	14,041	49	.....	28,726	.....	28,726	11.8	.....	.....	1,028	7	.....	54
1916	14,685	51	14,041	49	.....	28,726	.....	28,726	15.7	.....	.....	734	5	.....	73
10-Year Average	$12,482	45%	$14,184	55%	.....	$26,666	$27	$26,638	13.2%	.....	.....	$793	6.8%	.....	63%

Note: Above table is based on average mileage directly operated. The "net income on net capital" is the percentage of the income from all sources, before deducting taxes, on the net capital per mile (less investments) as shown for the period. The "margin of safety" is the proportion of surplus shown above all charges prior to the dividend for the given year.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investments	$5,410,871	$5,401,324	$5,081,013	$4,950,432	$4,923,228	$4,836,993	$4,651,850
Working assets	1,061,050	733,921	940,786	1,039,254	888,725	915,642	920,183
Deferred debit items	363,829	349,916	352,050	331,906	309,448	247,572	225,849
Total	$6,835,750	$6,485,161	$6,373,849	$6,321,592	$6,121,401	$6,000,207	$5,797,882
Liabilities:							
Capital stock	$2,100,000	$2,100,000	$2,100,000	$2,100,000	$2,100,000	$2,100,000	$2,100,000
Funded debt	2,007,785	2,007,800	2,007,800	2,010,900	2,020,900	2,023,700	2,024,700
Working liabilities	214,072	169,538	159,942	173,145	164,402	161,808	192,514
Accrued liabilities not due	99,817	80,160	70,077	57,999	58,409	53,570	52,945
Deferred credit items	62,019	37,281	43,906	47,134	62,408	80,603	71,904
Appropriated surplus	646,745	628,552	607,730	576,907	538,374	509,974	393,746
Surplus (profit and loss)	1,705,312	1,461,830	1,384,394	1,355,507	1,176,908	1,070,553	962,073
Total	$6,835,750	$6,485,161	$6,373,849	$6,321,592	$6,121,401	$6,000,207	$5,797,882

Note: Of the profit and loss surplus of $1,705,312, shown at the close of 1916, $864,092 has been invested in improvements and betterments, $193,800 in stock of affiliated company, and the balance is reported as "free surplus." The increase in capital stock made in 1910 was the result of a 100% stock dividend that year. In working assets were included $893,551 in cash.

Comment: There were no capitalization changes on the Alabama & Vicksburg Railway during the fiscal year ended June 30, 1916. The net capitalization of the property continues to range at relatively low figures as compared with other properties of similar type, and the net income on net capital has been held at a very high average. For the past ten years the net income of this property, as measured by the net capital, has always been high, and although in the fiscal year 1916 the dividend rate was reduced to 5%, the surplus earned was amply sufficient to justify a considerably higher rate, and in Sept., 1916, the full 7% was paid. The several bond issues of the property all stand on a strong investment plane, and high ratings are fully justified.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Vicks. & Meridian first 6s	A&O	Ap 1921	(1st) 143	$7,000	$3,015	$420	86%	Very high	High	Aaa.
2. Ala. & Vicks. Ry. first con. 5s.	A&O	Ap 1921	(2d) 143	4,100	2,625	205	92%	" "	"	Aa.
3. Ala. & Vicks. Ry. second 5s	A&O	Ap 1921	(3d) 143	2,950	2,420	148	94%	" "	"	Aa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

See next page for Reference Notes on Bond Issues.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,000,000, and outstanding $998,000. Dated April 1, 1881; due April 1, 1921. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien, 142.78 miles, Vicksburg to Meridian, Miss. Sinking fund held on June 30, 1916, $317,128. Underlie Nos. 2 and 3. Legal for S. B. in Mich., Minn., N. H., N. J., R. I., and Wis. Interest paid without deduction for normal income tax.

2. Auth., $1,800,000; outstanding, $585,100; in treas., $211,200; reserved to retire No. 1, $1,000,000. Dated April 1, 1889; due April 1, 1921. Int. paid at Central Trust Co., New York. Coupon, $100 and $1,000. Second lien, following No. 1, on 142.78 miles, Vicksburg to Meridian, Miss. Underlie No. 3. Legal for S. B. in N. H. and R. I. Normal income tax deducted from interest.

3. Auth., $700,000; outstanding, $422,700. Dated April 1, 1889; due April 1, 1921. Int. paid at Central Trust Co., New York. Coupon, $100 and $1,000. Sinking fund is net proceeds from sale of land to purchase and retire bonds. Retired by fund, $275,500. Third lien, following Nos. 1 and 2, on 142.78 miles, Vicksburg to Meridian; also lien on all lands owned by company. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Alabama & Vicksburg Ry. stock..... Full voting power. Par $100. Outstanding, $2,100,000.	See text	$14,685	$2,156	$1,028*	52%	Very high	High	**Baa.**

*For 7% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUE

Dividends have been paid, in past years, as follows: 1890-92, 3% each; 1893-95, none; 1896, 3%; 1897-99, 5% each; 1900-02, 6% each; 1903, 9%; 1904 to 1914, 7% per annum. In Sept., 1915, 5% only was paid; Sept., 1916, 7%. Stock dividends of 50%, in 1900, and 100%, in 1910, have been paid. Transfer office, New Orleans, La. Of the total issue, $1,168,000 is owned by the Ala., N. O., Tex. & Pac. Junc. Rys. Co., Ltd.

VICKSBURG, SHREVEPORT & PACIFIC RAILWAY COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Successor in 1901 of old company of same name. Controlled by Alabama, New Orleans, Texas & Pacific Junction Rys. Ltd., of London, which owns 93½% of the capital stock of the Vicksburg, Shreveport & Pacific Ry., and $1,613,000 out of $1,922,000 of its general 5% bonds. The former company also owns $1,168,000 out of $2,100,000 stock, $30,000 first cons. mortgage, $343,300 second mortgage, and $141,100 consolidated mortgage bonds of the Alabama & Vicksburg Railway, described on the foregoing pages. It formerly owned $5,336,000 common stock, $5,595,000 general 4½s and $1,500,000 income bonds of the New Orleans & North Eastern Railroad, but the latter were sold to Southern Railway interests in 1916, together with $448,700 stock of the Southwestern Construction Co.

Location: Forms part of "Queen & Crescent Route," between New Orleans and Cincinnati. Line of road owned, Delta to Shreveport, La., 171.47 miles; Shreveport, La., to Wascom, Texas, 17 miles; total owned, 188.47 miles. The line from Shreveport to Wascom was leased Dec. 25, 1899, for a period of twenty-five years to the Missouri, Kansas & Texas Railway, therefore the operated mileage is 171.47 miles only. The company also owns river front property at Delta, Miss., and, jointly with the Alabama & Vicksburg Railway, controls the Louisiana & Mississippi R.R. Transfer at that point. Operated mileage all in Louisiana. Population of Louisiana in 1890, 1,118,587; in 1900, 1,381,625; in 1910, 1,656,388.

Management: Officers: D. D. Curran, Chairman; L. A. Jones, Pres. and Gen. Mgr.; T. F. Steele, Vice-Pres.; H. W. Wenham, Sec. and Treas.; Udolpho Wolfe, Asst. Sec.; Edward Ford, Asst. to Pres. Directors: D. D. Curran, L. A. Jones, T. F. Steele, W. P. Richardson, J. B. Ardis, J. Blanc Monroe, F. P. Stubbs, Jr. Annual meeting, first Wednesday in November. Office, New Orleans, La.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	10%	15½%	12.17%	7.72%	16.84%	18.42%	16.44%	14.08%	16.44%
Products of Animals.....	.....	½	½	.50	.69	1.11	4.91	5.59	4.85	4.17
Products of Forests.....	.....	38	40	45.00	36.88	44.47	36.22	33.20	37.62	40.45
Products of Mines.....	.....	14	20	13.98	24.88	13.31	14.08	17.57	21.57	15.36
Manufactures and Miscel..	.....	37½	24	28.35	29.83	24.27	26.37	27.20	21.88	23.58

Total revenue tonnage, 1909, 782,718 tons; 1910, 767,956 tons; 1911, 798,942 tons; 1912, 690,494 tons; 1913, 932,412 tons; 893,215 in 1914; 777,165 in 1915; 875,691 in 1916.

The chief items of freight tonnage are lumber and logs, which in 1913 aggregated 304,465 tons; in 1914, 279,423 tons; in 1915, 281,747 tons; in 1916, 354,217 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	171	....	31	30	1,158	95%	108,035	440,198	250	$2.29	2.73c	1.27c
1908	171	....	31	33	1,200	59	106,652	384,136	247	2.19	2.71	1.22
1909	171	....	31	33	1,191	59	100,933	407,052	253	2.22	2.69	1.15
1910	171	....	31	33	1,202	60	98,959	454,582	301	2.39	2.72	1.08
1911	171	....	31	33	1,208	59	103,513	506,549	305	2.31	2.73	.97
1912	171	....	32	32	1,183	59	91,637	391,100	278	2.37	2.73	1.16
1913	171	....	30	32	1,164	60	115,262	538,531	291	2.32	2.70	1.12
1914	171	....	29	33	1,115	59	126,995	516,984	263	2.27	2.65	1.18
1915	171	....	32	33	1,068	57	95,227	447,649	273	2.09	2.66	1.04
1916	171	....	35	33	985	61	103,904	503,719	319	2.49	2.61	1.16
10-Year Average	171	....	31	33	1,147	63%	105,412	459,050	278	$2.29	2.69c	1.14c

Yard tracks and sidings, June 30, 1916, 50.59 miles. Weight of rails, 75-lb. steel for 154.03 miles; balance 60-lb. steel. Total carrying capacity of freight equipment, 30,310 tons. Equipment as shown above is all owned.

Comment: The operating figures of the Vicksburg, Shreveport & Pacific for the year ended June 30, 1916, show substantial improvement as compared with the previous year, but they do not quite equal those of 1914 or 1913. However, the improvement was important enough to raise the average train mile earnings to the best figure of the decade, while freight rates reached a higher average than any reported since 1912. The freight tonnage on this property has continued to be well maintained and the percentage of high grade freight last year was very substantial.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ending June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$9,172	$1,925	$1,612	$3,537	$3,338	$2,297	$2,841	$409	$2,432	$980	59%	$1,452	$627
1908	8,349	1,899	1,560	3,459	3,466	1,424	1,911	351	1,560	1,125	28	435	627
1909	7,995	1,400	1,596	2,996	3,067	1,932	2,338	426	1,912	1,062	44	850	627
1910	8,294	1,510	1,482	2,992	3,013	2,259	2,808	458	2,350	1,056	55	1,294	627
1911	8,471	1,452	1,544	2,996	3,202	2,273	2,880	426	2,454	1,070	56	1,384	627
1912	7,904	1,493	1,456	2,949	3,242	1,713	2,389	471	1,918	1,062	45	856	627
1913	9,976	1,893	1,825	3,718	3,907	2,351	2,776	435	2,341	1,043	55	1,298	627
1914	10,390	1,708	2,059	3,767	4,265	2,358	2,692	490	2,202	1,073	51	1,129	961
1915	8,109	1,525	1,930	3,455	3,864	790	2,353	519	1,834	1,195	35	639	627
1916	9,557	1,505	1,792	3,297	3,716	2,543	3,599	615	2,984	1,329	55	1,655	...
10-Year Average	$8,822	$1,631	$1,686	$3,317	$3,511	$1,991	$2,659	$460	$2,199	$1,100	48%	$1,099	$598

Note: Above figures are based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting the fixed charges for each year. For example, in 1916 the "balance for charges" (per mile) was $2,984; fixed charges amounted to $1,329 or 45%, leaving a "margin of safety" of 55%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,634,180	$1,386,069	$1,776,777	$1,705,918	$1,353,513	$1,452,812	$1,418,312
Maintenance of way	257,419	260,758	292,025	323,627	255,471	249,253	258,284
Maintenance of equipment	306,477	333,110	352,086	312,023	249,031	264,258	253,468
All other operating expenses	635,864	657,730	729,307	668,163	542,031	549,398	520,231
Net operating revenues	$434,420	$134,471	$403,359	$402,105	$306,980	$389,903	$386,329
Operating ratio	73.4%	90.3%	77.3%	76.4%	77.3%	73.2%	72.8%
Other income	181,055	267,332	59,409	76,915	101,643	104,091	93,951
Total net income	$615,475	$401,803	$462,768	$479,020	$408,623	$493,994	$480,280
Taxes accrued	105,175	88,679	83,862	74,434	80,612	72,872	78,290
Balance for charges	$510,300	$313,124	$378,906	$404,586	$328,011	$421,122	$401,990
Fixed charges	227,324	203,935	185,976	182,665	181,502	181,682	180,675
Balance	$282,796	$109,187	$192,930	$221,921	$146,509	$239,440	$221,315
Dividends paid	*	107,140	164,270	107,140	107,140	107,140	107,140
Surplus	$282,976	$2,047	$28,660	$114,781	$39,369	$132,300	$114,175
Earned on Stock: On preferred	13.2%	5%	9%	10.4%	6.8%	11.2%	10.3%
On common	2.7%	.....	3%	4%	1.4%	4.7%	4.0%

* Paid 5% ($107,140) on preferred in Sept., 1916, out of earnings for year ended June 30, 1916.

Note: Other income in 1916 embraced $8,160 from lease to M., K. & T. Ry. of 17 miles; $10,712 from joint facility rents; $8,296 from miscellaneous rents; $81,639 special dividend income. Fixed charges included $167,303 interest on bonds, $24,318 for hire of equipment; $32,749 for joint facility rents, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $841,908; credit balance transferred from income account, $282,976; unrefundable overcharges, $978; miscellaneous credits, $516; total $1,106,378. Contra: Loss on retired road and equipment, $19,977; appropriations for investment in physical property, $1,843; miscellaneous debits, $1,660; credit balance carried to balance sheet, $1,102,378; total, $1,126,378.

Comment: The income record of the Vicksburg, Shreveport & Pacific for the year ended June 30, 1916, reflected very substantial improvement. Gross revenues were much higher than in the previous year, while net receipts were improved very substantially through a moderate curtailment in operating costs. Although the revenue from outside income was much lower than in 1915, the total income available for fixed charges reached a new high figure. While fixed charges advanced to some extent, the surplus left over was notwithstanding equal to more than 13% on the preferred stock. The result since the close of the fiscal year has continued to reflect substantial prosperity.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$29,296	62%	$18,393	38%	.....	$47,689	.....	$47,689	6%	$627	5%	$334	2%	57%	.....
1908	29,296	61	18,859	38	.....	48,155	.....	48,155	4	627	5	.....	.....	.....	.....
1909	29,235	61	19,034	39	.....	48,269	.....	48,269	4.8	627	5	.....	.....	26	.....
1910	29,236	61	19,331	39	.....	48,567	.....	48,567	5.8	627	5	.....	.....	50	.....
1911	29,236	61	19,420	39	.....	48,656	.....	48,656	5.8	627	5	.....	.....	52	.....
1912	29,236	60	19,095	39	.....	48,331	.....	48,331	4.9	627	5	.....	.....	27	.....
1913	29,236	61	18,977	40	.....	48,213	.....	48,213	5.8	627	5	.....	.....	52	.....
1914	29,236	61	18,977	39	.....	48,213	$92	48,121	5.6	627	5	334	2	44	33%
1915	29,236	61	18,977	39	.....	48,213	1,016	47,197	5.0	627	5	.....	.....	2	.....
1916	29,236	60	19,868	40	.....	49,104	1,016	48,088	7.5	.....		.....	.....	.....	.....
10-Year Average	$29,248	61%	$19,093	39%	.....	$48,341	$212	$48,129	5.5%	$564	4.5%	$67	.....	49%	.....

Note: Above table is based on average milage directly operated, and does not include mileage owned or controlled, but not operated directly. The "net income on net capital" is the percentage of total net income shown before deducting taxes or charges. "Margin of safety" on dividends is the proportion of surplus left over after providing for the dividends paid.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$8,834,017	$8,633,650	$8,434,329	$8,377,068	$8,354,638	$8,351,124	$8,313,782
Working assets	856,301	831,752	1,049.784	1,062,570	929,971	978,261	911,911
Deferred debit items	103,587	38,860	57,207	53,901	83,743	53,823	41,772
Total	$9,793,905	$9,504,262	$9,541,320	$9,493,539	$9,368,352	$9,383,208	$9,267,465
Liabilities:							
Capital stock	$4,999,300	$4,999,300	$4,999,300	$4,999,300	$4,999,300	$4,999,300	$4,999,300
Funded debt	3,397,440	3,245,000	3,245,000	3,245,000	3,265,191	3,285,382	3,305,573
Working liabilities	167,922	163,987	148,992	131,697	133,845	156,194	216,758
Accrued liabilities not due	82,897	75,283	71,874	72,829	66,753	65,487	67,529
Deferred credit items	41,604	178,784	225,540	210,731	178,598	171,763	158,701
Appropriated surplus	1,843	1,523	775	.....	.....	17,000	.....
Profit and loss surplus	1,102,899	840,385	849,839	833,982	724,665	688,082	519,604
Total	$9,793,905	$9,504,262	$9,541,320	$9,493,539	$9,368,352	$9,383,208	$9,267,465

Note: In 1916, the "working assets" included $528,295 in cash.

Comment: There were no important capitalization changes on this property during the year ended June 30, 1916. The funded debt of the company increased slightly, but the outstanding capital stock remained the same as in previous years. The net capitalization of the company is not abnormally heavy and has shown no growth whatever during the past ten years. While no dividends were paid in Sept., 1915 (but resumed in Sept., 1916), the net income on net capital was well in excess of any normal requirement which might have been made. The position of bond issues on the property has continued strong, and high investment ratings are fully justified.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile on Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Vicks. Shrevep. & Pcf. prior lien extended 5s	M&N	N 1940	(1st) 188	$7,037	$2,199	$387	83%	Very high	High	Aaa.
2. Vicksb. Shrevep. & Pcf. general 5s	M&N	My 1941	(2d) 188	10,224	1,812	562	68%	High	"	A.
3. V. S. & P. equip. 4½s	J&D	Je 1923	Equip.	.....		26	68%	"	"	A.

For Reference Notes on Bonds, see next page.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $1,323,000. Dated Nov. 25, 1885; due Nov. 1, 1915; extended at 5% to Nov. 1, 1940. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien, 188.47 miles, as follows: Delta to Shreveport, La., 171.47 miles; Shreveport to Wascom, Texas, 17 miles, the latter being leased to the M., K. & T, Ry. Underlie No. 2 with provision by latter to retire at maturity. Interest paid without deduction for normal income tax.

2. Auth., $3,500,000; outstanding, $1,922,000. Dated May 1, 1901; due May 1, 1941. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Of authorized issue, $1,323,000 are reserved to retire No. 1, and balance unissued are for improvements. The parent company owns $1,613,000 of this issue. Second lien on 188.47 miles, which are covered by No. 1 by first lien. Interest paid without deduction for normal income tax. Market: New York and London.

3. Auth. and outstanding, $100,000. Dated June 15, 1916; due semi-annually to June 15, 1923. First lien on 100 box cars. There are also outstanding $48,000 equipment 6% notes, dated Feb. 17, 1916, maturing monthly to Feb. 17, 1919. First lien on 4 locomotives.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Vicksb. Shrevep. & Pac. 5% preferred.. Non-cumulative; preference as to assets; full voting pwer.	5% Sept.	$12,531	$1,099	$627	43%	Large	.....	B.
2. Vicksb. Shrevep. & Pcf. common Full voting power. Par $100.	See text	16,705	472	None	.....	Fair	.....	Ca.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Auth., $2,200,000; outstanding, $2,142,800; balance in treasury; par $100. Has preference as to assets and 5% non-cumulative dividends. Ala., N. O., Tex. & Pac. Junc. Rys., Ltd., owns $2,080,100. Dividends of 5% per annum paid from 1908 to Sept., 1914; none in Sept., 1915; 5% in Sept., 1916.

2. Auth., $3,000,000; outstanding, $2,856,500; balance in treasury; par $100. Nearly all owned by Ala., N. O., Tex. & Pac. Junc. Rys., Ltd. Dividends paid as follows: 1903, 2½%; 1904, 3%; 1905, 2%; 1913, 2% in November; none since. Transfer agent, H. W. Wenham, Sec., New Orleans, La.

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THE ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Kansas laws, Dec. 12, 1895, as successor to the Atchison, Topeka & Santa Fe Railroad Co., which was sold under foreclosure. The original company was incorporated under Kansas laws Feb. 15, 1859, and the main line opened for traffic Feb. 20, 1873.

Controlled Companies: On Aug. 1, 1914, the Oklahoma Central R.R. was leased for five years, with privilege of renewal and option on bonds and stocks. This is operated as a part of the main system. See page 135. In 1915 acquired the Crosbyton-Southplains R.R., 38.45 miles from Lubbock to Crosbyton, Tex., the Laton & Western R.R. 17.57 miles Laton to Riverdale, Cal.

Location: The directly operated lines of the system consisted on June 30, 1916, of 11,270.70 miles, as follows: Atchison, Topeka & Santa Fe system proper, consisting of main lines from Chicago to Los Angeles and San Francisco, with numerous branches and spurs, 8,647.87 miles; Rio Grande & El Paso R.R., from New Mex.-Texas State line to El Paso, Texas, 20.22 miles; Gulf, Colorado & Santa Fe Ry., from Galveston, Texas, to Purcell, Okla., from Sommerville to Silsbee, from Temple to San Angelo, from Cleburne to Paris, and numerous other branches in Texas, total, 1,937.59 miles; Panhandle & Santa Fe Ry., Oklahoma-Texas line to Amarillo and New Mex. State line to Pecos, Texas, Farwell to Coleman, Amarillo to New Mexico State line, Slaton Junc. to Lamesa, Tex., etc.; total, 665.02 miles; and various minor branches. In addition to the above, the company owns or jointly controls the following: Beaumont Wharf & Terminal Co., Crosbyton-Southplains R.R., all securities owned; Grand Canyon Ry., of which 99% of stock is owned; Kansas Southwestern Ry., all stock owned; Leavenworth & Topeka Ry., owned jointly with Union Pacific; Northwestern Pacific R.R. and Sunset Ry., owned jointly with Southern Pacific. (See these jointly owned companies under their own heads.) The directly operated system penetrates or crosses the States of Illinois, Missouri. Kansas, Colorado, Oklahoma, Texas, New Mexico, California, and Arizona. Population of these States in 1890, 12,590,229; in 1900, 15,188,695; in 1910, 19,884,800.

Management: OFFICERS: Edward P. Ripley, Pres.; W. B. Storey, Vice-Pres.; Edward Chambers, Vice-Pres.; W. E. Hodges, Vice-Pres.; D. L. Gallup, Comp.; E. L. Copeland, Sec. and Treas. DIRECTORS: H. R. Duval, Chas. S. Gleed, Walker D. Hines, Edward J. Berwind, Henry C. Frick, Andrew C. Jobes, Benjamin P. Cheney, T. DeWitt Cuyler, Augustus D. Juilliard, Howel Jones, Edward P. Ripley, Henry S. Pritchett, Chas. Steele, H. A. Stillwell, Ogden L. Mills. Annual meeting, fourth Thursday in October. at Topeka, Kan. NEW YORK OFFICE AND TRANSFER AGENCY, 5 Nassau Street. CHICAGO OFFICE, 80 East Jackson Boulevard.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	25.34%	22.88%	23.08%	20.68%	22.33%	22.18%	20.90%	19.97%	26.57%	21.99%
Products of Animals	7.44	7.92	8.24	7.11	7.74	7.33	6.53	6.23	5.74	5.40
Products of Mines	30.87	32.05	28.29	29.28	28.36	30.95	37.25	40.92	38.65	42.30
Products of Forests	12.12	12.41	13.67	12.16	11.11	10.24	10.48	8.64	7.31	7.13
Manufactures	17.37	17.95	19.81	18 31	17.54	17.70	17.55	16.19	14.60	16.28
Miscellaneous	6.86	6.79	6.81	12.46	12.92	11.60	7.29	8.05	7.13	6.90

Total revenue tonnage in 1909, 17,220,597 tons; in 1910, 19,448.590 tons; in 1911, 20,093,219 tons; in 1912, 21,149,984 tons; in 1913, 25,061,711 tons; 25,034,240 in 1914; 26.093,880 in 1915; 31,193,939 in 1916.

The largest item in 1916 was ores, 4,648,451 tons; in 1915, 2,758,521 tons. Bituminous coal in 1916 was 3,559,028 tons, against 3,086,644 tons in 1915. (It will be noted that "Products of Mines" has represented a very substantial proportion of the total tonnage for the entire decade. In much earlier years, the Atchison property depended upon agricultural products for its prosperity to a very pronounced extent, but in recent years the tonnage has become far more diversified.)

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	9,273	381	1,791	1,135	49,991	70%	104,567	737,913	365*	$2.43	2.18c	.96c
1908	9,415	434	1,872	1,193	55,400	68	109,270	691,927	355*	2.38	2.10	.95
1909	9,795	517	1,872	1,176	54,996	68	113,119	639,119	366*	2.52	2.05	1.03
1910	9,916	552	1,923	1,375	58,276	69	124,746	707,230	389*	2.47	2.06	1.01
1911	10,350	661	1,997	1,475	64,649	68	122,616	674,538	395*	2.52	2.14	1.03
1912	10,628	827	2,081	1,515	63,885	67	110,481	655,882	400*	2.51	2.15	1.03
1913	10,750	923	2,150	1,552	68,613	67	123,245	725,818	425*	2.67	2.22	1.00
1914	10,908	1,001	2,142	1,658	71,093	66	120,100	670,725	420*	2.62	2.17	1.00
1915	11,115	1,002	2,105	1,738	71,011	68	120,709	743,452	442*	2.59	2.07	.97
1916	11,247	1,003	2,084	1,719	72,219	68	140,881	875,369	468*	2.78	1.99	.93
10-Year Average	10,340	730	2,002	1,454	63,013	68%	118,973	712,197	403*	$2.55	2.11c	.99c

* Includes "company" freight. Yard tracks and sidings, June 30, 1916, 4,072 miles.

Comment: The operating results of the Atchison, Topeka & Santa Fe Railway for the year ended June 30, 1916, underwent substantial improvement. Both freight and passenger density were much higher than in any previous year, while the train mile earnings also averaged at the best figures of the decade. Although average freight and passenger rates tended to decline, the volume of business on the property maintained a sound position. It will be noted that in the freight classification more dependence was placed during the past year on the transportation of low grade freight, such as products of mines. Agricultural products fell off to a considerable extent.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ending June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$10,103	$1,648	$1,270	$2,918	$3,430	$3,755	$3,836	$229	$3,607	$1,324	63%	$2,283	$1,117
1908	9,624	1,500	1,513	3,013	3,447	3,164	3,235	296	2,939	1,384	53	1,555	1,206
1909	9,623	1,315	1,418	2,733	3,135	3,755	3,871	267	3,604	1,520	58	2,084	1,109
1910	10,588	1,796	1,569	3,365	3,670	3,553	3,810	404	3,406	1,346	60	2,060	1,548
1911	10,393	1,552	1,612	3,164	3,673	3,556	3,769	335	3,434	1,368	60	2,066	1,511
1912	10,139	1,513	1,554	3,067	3,639	3,433	3,675	396	3,279	1,429	56	1,850	1,494
1913	10,874	1,679	1,806	3,485	3,737	3,652	3,886	434	3,452	1,391	60	2,061	1,498
1914	10,186	1,403	1,751	3,154	3,581	3,451	3,650	507	3,143	1,293	59	1,850	1,595
1915	10,586	1,486	1,778	3,264	3,582	3,740	4,008	495	3,513	1,342	62	2,171	1,579
1916	11,890	1,735	1,824	3,559	3,886	4,445	4,739	552	4,187	1,290	69	2,897	1,662
10-Year Average	$10,401	$1,563	$1,609	$3,172	$3,578	$3,651	$3,848	$392	$3,456	$1,368	60%	$2,088	$1,432

Note: Above figures are based on average miles operated for each year. Margin of safety is the proportion of surplus left over after deducting the fixed charges for each year. For example, in 1916 the "balance for charges" (per mile) was $4,187; fixed charges amounted to $1,290 or 31%, leaving $2,897 a "margin of safety" of 69%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$133,721,320	$117,640,271	$111,109,770	$116,896,252	$107,752,360	$107,565,115
Maintenance of way	19,518,635	16,514,468	15,308,780	18,054,413	16,076,834	16,059,787
Maintenance of equipment	20,514,960	19,764,535	19,100,724	19,415,225	16,521,231	16,686,145
All other operating exps.	43,697,365	39,812,551	39,059,829	40,172,897	38,675,138	38,022,318
Net operating revenue	$49,990,360	$41,548,717	$37,640,436	$39,253,717	$36,479,157	$36,796,864
Operating ratio	62.6%	64.7%	66.1%	66.4%	66.1%	66.8%
Other income	3,307,130	2,997,150	2,174,353	2,515,624	2,569,968	2,207,366
Total net income	$53,297,490	$44,545,867	$39,814,789	$41,769,341	$39,049,125	$39,004,230
Taxes accrued	6,210,366	5,497,317	5,525,585	4,662,152	4,206,454	3,474,607
Balance for charges	$47,087,124	$39,048,550	$34,289,204	$37,107,189	$34,842,671	$35,529,623
Fixed charges	14,507,388	14,917,689	14,105,239	14,953,454	15,182,430	14,158,555
Surplus over charges	$32,579,736	$24,130,861	$20,183,965	$22,153,735	$19,660,241	$21,371,068
Dividends paid	18,690,965	17,550,016	17,400,440	16,107,470	15,876,875	15,641,150
Approprted. for impvmts.	7,069,680	6,513,397	2,719,318	5,574,434	3,696,960	5,414,140
Balance	$6,819,091	$67,448	$64,207	$471,831	$86,406	$315,778
Earned on stock: Pfd.	26.24%	21.13%	17.68%	19.40%	17.22%	18.72%
Com.	12.30%	9.19%	7.34%	8.62%	8.19%	9.30%

Note: Other income includes interest and discounts, income from investments, rentals of tracks and terminals, etc. Fixed charges include rental of tracks, etc., hire of equipment, interest on bonds, etc. "Improvement Appropriation" in 1910 included "Fuel Reserve Fund," $703,218, and for "Additions and Betterments," $4,000,000; in 1911, "Fuel Reserve Fund," $414,139, and for "Additions and Betterments," $5,000,000; in 1912, "Fuel Reserve Fund," $396,960, and "Additions and Betterments," $3,300,000; in 1913 and 1914, "Additions and Betterments" only. Appropriation for "Fuel Reserve Fund" was $461,105 in 1913; $51,486 in 1914; $54,503 in 1915; $55,482 in 1916. Appropriation to sinking fund was $12,946 in 1915; $14,197 in 1916.

Profit and Loss Account, year ended June 30, 1916: Surplus to credit of profit and loss, June 30, 1915, $20,581,222; additions to profit and loss—Sundry adjustments, $202,639; surplus from income account, $6,819,091; total, $27,602,952. Contra: Discount on capital stock and bonds sold during the year, $737,164; surplus appropriated for investment in physical property, $179,480; surplus to credit of profit and loss, June 30, 1916, $26,686,308; total, $27,602,952.

Comment: The income record of the Atchison system for the year ended June 30, 1916, was a brilliant one. Both gross and net revenues advanced to a very radical extent, and there was also a substantial increase in the revenue from outside sources. The net income available for fixed charges was over 20% higher than that of the previous year. Fixed charges themselves, actually underwent a slight decline, and as a result the surplus available for dividends equalled no less than 26¼% on the preferred stock and over 12% on the common stock.

As has been the custom of this company for a great many years a large amount of the surplus income after dividend disbursements was appropriated for improvements. It will be noted by reference to the balance sheet on the next page that since 1911, the company has appropriated from surplus income nearly $50,000,000 for general improvements.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$25,415	45%	$30,645	55%	.....	$56,060	$722	$55,338	**6.9%**	$615	5%	$502	5.5%	73%	70%
1908.....	23,062	41	33,857	59	.....	56,919	658	56,261	**5.7**	606	5	600	5.5	61	37
1909.....	24,006	43	31,773	57	.....	55,779	1,605	54,174	**7.1**	582	5	527	5	72	65
1910.....	28,206	47	30,456	53	.....	58,662	.....	58,662	**6.9**	577	5	971	6	72	34
1911.....	27,304	46	31,800	54	.....	59,104	1,098	58,006	**6.9**	552	5	959	6	73	34
1912.....	26,971	46	32,506	54	.....	59,477	.....	59,477	**6.2**	537	5	957	6	70	27
1913.....	28,373	49	29,688	51	.....	58,061	.....	58,061	**6.7**	531	5	967	6	74	37
1914.....	28,418	50	28,712	50	.....	57,130	.....	57,130	**6.4**	523	5	1,072	6	72	19
1915.....	28,310	50	27,978	50	.....	56,288	.....	56,288	**7.1**	514	5	1,065	6	73	37
1916.....	30,096	53	26,812	47	.....	56,908	.....	56,908	**8.3**	552	5	1,110	6	81	53
10-Year Average ..	$27,016	47%	$30,423	53%	.....	$57,439	$408	$57,031	**6.7%**	$559	5%	$873	5.8%	73%	43%

Note: Margin of safety on dividends is the proportion of available surplus left over after providing for all dividends paid.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$686,875,093	$659,901,846	$651,428,708	$640,263,756	$621,869,989	$609,287,764
Working assets	68,335,090	43,820,661	43,660,536	53,984,395	65,982,560	59,095,990
Deferred debit items.....	3,451,799	3,293,094	1,322,454	1,122,751	1,155,728	1,358,461
Accrued income not due..	57,630	74,797	.....	.....	.....	.....
Total	$758,719,612	$707,090,398	$696,411,698	$695,370,902	$689,008,277	$669,742,215
Liabilities:						
Capital stock	$338,486,200	$314,663,230	$309,985,230	$305,010,230	$284,303,230	$282,604,230
Funded debt	301,552,353	310,975,282	313,193,649	319,146,148	342,645,015	329,101,820
Working liabilities	15,071,524	13,263,040	13,972,478	16,549,301	13,860,308	13,471,066
Accrued liabilities not due	5,710,462	5,758,476	5,731,771	5,710,800	5,780,683	5,291,413
Deferred credit items.....	4,639,623	3,591,851	3,060,650	1,218,542	368,004	426,058
Appropriated surplus	66,573,142	38,257,297	29,898,119	27,166,080	21,580,921	18,280,921
Profit and loss surplus...	26,686,308	20,581,222	20,569,801	20,569,801	20,470,116	20,566,707
Total	$758,719,612	$707,090,398	$696,411,698	$695,370,902	$689,008,277	$669,742,215

Comment: During the year 1916 the outstanding capital stock of the Atchison system underwent a further increase, but there was, as has been the case during recent years, a very substantial decline in the total funded debt. These changes were largely brought about through the conversion of convertible bonds into common stock.

The net capitalization, which includes both stocks and bonds, showed only a very slight increase, as measured on the mileage basis. As compared with similar properties of like type, the net capitalization of the Atchison system is not heavy, and as measured by average earning power, it is really very light. It will be noted that during 1916, the net income on net capital equaled 8.3%, which is higher than in any previous year.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Chic. Santa Fe & Cal. first 5s	J&J	Ja 1937	(1st) 439	$1,275	$3,456	$3	99%	High	High	**Aaa.**
2. A. T. & S. F. general 4s.....	A&O	O 1995	(gen) 8,547	17,600	3,453	540	84%	"	Very high	**Aaa.**
3. A. T. & S. F. adjustment 4s.	M&N	Jl 1995	(jun) 8,547	6,010		184	90%	"	"	**Aa.**
4. A. T. & S. F.-East Okla. 4s..	M&S	Mr 1928	(1st) 479	20,050	2,913	34	90%	"	"	**Aaa.**
5. A. T. & S. F. Trans. S. Line 4s	J&J	Jl 1958	(1st) 1,098	20,530		80	90%	"	"	**Aa.**
6. A. T. & S. F. Calif. Ariz. Lines 4½s.....	M&S	Mr 1962	(gen) 819	22,500		74	92%	"	"	**Aa.**
7. A. T. & S. F. convertible 4s.	J&D	Je 1955	Not mtg.	.....		43	92%	"	"	**Aa.**
8. A. T. & S. F. convertible 5s.	J&D	Je 1917	" "	.....	2,615	34	92%	"	"	**Aa.**
9. A. T. & S. F. convertible 4s.	J&D	Je 1960	" "	.....		51	92%	"	"	**Aa.**
10. Hutchinson & So. Ry. first 5s	J&J	Ja 1928	(1st) 141	1,350		1	97%	"	High	**Aaa.**
11. San Fran. & San Joaquin V. first 5s.....	A&O	O 1940	(1st) 372	16,160		27	97%	"	"	**Aaa.**
12. Santa Fe, Prescott & P. 1st 5s	M&S	S 1942	(1st) 195	25,360	2,413	22	97%	"	"	**Aa.**
13. Prescott & Eastern first 5s..	A&O	Ap 1928	(1st) 26	8,510		1	97%	"	"	**Aa.**
14. A. T. & S. F. Rocky Mountain Div. 4s.....	J&J	Ja 1965	(1st) 106	28,301		11	97%	"	"	**Aa.**

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $35,000 per mile; outstanding, $560,000 (closed); deposited under No. 2, $14,790,000. Dated Jan. 1, 1887; due Jan. 1, 1937. Int. paid at 5 Nassau St., New York. Coupon, $1,000; reg., $5,000. First lien, 439.31 miles. Corwith, Ill. (near Chicago), to Big Blue Junc. (near Kansas City). Underlie Nos. 2 and 3. Retirement provided by No. 2. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. J., N. Y., R. I., Vt., Wis. Normal income tax deducted from interest. Market: New York and Boston.

2. Auth., $165,490,500; outstanding, $150,634,500; in treasury, $1,928,000; unissued balance, reserved to retire No. 1 at maturity, and for extensions, improvements, etc. Dated Dec. 12, 1895; due Oct. 1, 1995. Int. paid at 5 Nassau St., New York. Coupon, $500 and $1,000; reg., $1,000 and multiples. First lien, 5,196.62 miles, as follows: North Lexington to St. Joseph, Mo., 76.22 miles; Atchison to West Line, Ks., 470.51 miles; Hawthorne to Wilder, Ks., 45.41 miles; Kansas City to Topeka, 66.01 miles; Emporia to Moline, 83.23 miles; Florence to Winfield and to Ellinwood, 170.94 miles; Newton to Arkansas City, Ks., 76.66 miles; Mulvane to Caldwell, Ks., 37.61 miles; Neva, Ks., to Nebraska State line, 151.83 miles; Manchester to Barnard, 43.38 miles; Abilene to Salina, 22.56 miles; Augusta to Englewood, 187.21 miles; Little River to Holyrood, 26.30 miles; Hutchinson to Kinsley, 84.24 miles; Great Bend to Scott City, 120.23 miles; Larned to Jetmore, Ks., 46.33 miles; Independence to Cedar Vale, 54.67 miles; Chanute to Longton, Ks., 44.18 miles; Benedict to Madison Junc., 40.57 miles; Colony to Yates Center, Ks., 24.71 miles; Holliday to Okla.-Texas State line, 443.05 miles; Attica to Medicine Lodge, 21.01 miles; Lawrence *via* New Ottawa to Emporia, 81.41 miles; Burlington Junc. to Burlington, Ks., 41.47 miles; Chanute to Chicopee, 56.93 miles; Arkansas City to Purcell, Okla., 154.46 miles; Kansas-Okla. State line to Tulsa, 67.13 miles; Wichita to Pratt, 79.72 miles; Burlington to Alma, 34.30 miles; Kan.-Col. State line to Canon Junc., Col., 150.27 miles; Canon Junc. to Rockvale, Col., 35.86 miles; La Junta, Col., to Col.-New Mex. State line, 96.09 miles; Pueblo to Denver, 116.50 miles; extension to Arkansas Valley, Col., 106.38 miles; Col.-New Mex. State line to San Marcial, N. M., 353.55 miles; San Marcial to Deming, N. M., 128.03 miles; Rincon to N. M.-Tex. State line, 56.36 miles; Socorro to Magdelina, N. M., 27.34 miles; Deming to Silver City, 46.55 miles; Isleta, N. M., to Needles, Cal., 563.22 miles; National City to Fall Brook, Cal., 66.94 miles; Temecula to Barstow, Cal., 132.51 miles; San Bernardino to Los Angeles and Los Angeles Junc., Cal., 142.99 miles; High Grove to Orange, 40.65 miles; Perris to San Jacinto, 19.44 miles; also various branches, connections and spurs, 267.41 miles; a first collateral lien on 1,388.96 miles, including line from Galveston, Tex., to Purcell, Okla., 518.67 miles; Alvin to Houston, Tex., 24.76 miles; Somerville to Silsbee, 152.57 miles; Temple to San Angelo, 228.03 miles; Cleburne to Weatherford, 39.90 miles; Lometa to Eden, 98.18 miles; branches in Texas, 32.08 miles; also from State line to El Paso, 20.21 miles; Texas-Okla. State line to Amarillo, 124.92 miles; also secured by second lien on 1,872.76 miles, following Nos. 1, 4, 10 and 12; also secured by second lien on 88.68 miles, following No. 1. Further secured by deposit with trustee of $23,827,000 bonds and $66,652,697 stocks of controlled railroad, terminal companies, etc. Underlie No. 3. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York, London and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

3. Auth., $71,728,000; outstanding, $51,346,000; in treasury, $382,000. Balance can only be issued for improvements at $15,000 per mile, after all of No. 3 have been issued. Dated Dec. 12, 1895; due July 1, 1995. Int. paid at 5 Nassau St., New York. Coupon, $500 and $1,000; reg., $1,000 and multiples. Second lien on 5,196.62 miles, following No. 2; second collateral lien on 1,388.96 miles, following No. 2; third lien on 1,872.76 miles, following No. 2; third lien on 88.68 miles, following No. 2; second collateral lien on miscellaneous securities covered by No. 2 by first lien. Legal for S. B. in N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $9,603,000. Dated Feb. 26, 1903; due March 1, 1928. Int. paid at 5 Nassau St., New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000. First lien on 478.75 miles, as follows: Newkirk to Paul's Valley, Okla., 183.67 miles; Guthrie Junc. to Cushing, Okla., 47.87 miles; Ripley to Esau, Okla., 40.42 miles; Paul's Valley to Lindsay, Okla., 24.18 miles; Guthrie to Kiowa, 113.35 miles; Kiowa to Belvidere, 49.40 miles; branches, 19.86 miles. Underlie Nos. 2 and 3. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth., $30,000,000; outstanding, $22,545,000. Dated July 1, 1908; due July 1, 1958. Int. paid at 5 Nassau St., New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000. Callable at 110 and int. on 3 months' notice. First lien, 475.42 miles, as follows: Clovis Junc. to Belen, N. M., 238.08 miles; Texas-N. M. State line north to Texas-N. M. State line south, 227.33 miles; branches, 10.01 miles; also a first collateral lien on 624.03 miles, by deposit of all stocks and bonds of Pecos & North Texas Ry., the Pecos River R.R., etc. Legal for S. B. in Cal., Conn., Mass., N. J., R. I., and Vt. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Market: New York and Boston.

6. Auth., $50,000,000; outstanding, $18,449,034. Dated Mar. 1, 1912; due Mar. 1, 1962. Int. paid at Central Trust Co., New York. Coupon, $500 and $1,000; reg., $1,000, $10,000, £100, £200, 2,500 francs and 5,000 francs. Lien on 819 miles, including 242 miles from Mojave to Needles, on which there are outstanding $4,127,000 Southern Pacific bonds due 1937. The Southern Pacific Co. has indemnified this company against any claim on this mortgage, callable at 110 and int. on 3 months' notice. Follows Nos. 12 and 13. Legal for S. B. in Conn., N. J., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

7. Outstanding June 30, 1916, $12,266,000 (two issues). Due June 1, 1955. Int. paid at 5 Nassau St., New York. Coupon, $1,000. Reg., $1,000 and multiples; interchangeable. Convertible into common stock at par at holders' option at any time until June 1, 1918. Callable at 110 and int., on five months' notice, but, when called, may be converted, provided time of conversion has not expired. Not a mortgage. Legal for S. B. in N. H. and R. I. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

8. Auth., $26,056,000; outstanding, $7,449,000; converted into common stock, $17,309,000. Dated June 1, 1907; due June 1, 1917. Int. paid at 5 Nassau St., New York. Convertible into common stock until June 1, 1913, at par at holders' option. Callable at 110 on 3 months' notice. Not a mortgage. Legal for S. B. in N. H. and R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000; reg., $1,000 and multiples. In Dec., 1916, the company offered to purchase these bonds on a 3½% basis.

9. Auth., $43,686,000; outstanding, $14,341,000. Dated June 1, 1910; due June 1, 1960. Int. paid at 5 Nassau St., New York. Coupon, $1,000; reg., $1,000 and multiples. Convertible into common stock at par at holders' option, after June 1, 1913, and before June 1, 1923. Callable at 110 and int. on three months' notice, but when called

may be converted, provided time of conversion has not expired. Not a mortgage. Legal for S. B. in N. H. and R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

10. Auth., $770,000; outstanding, $192,000; owned by At. & S. F. Ry., $527,000. Dated Jan. 1, 1898; due Jan. 1, 1928. Int. paid at 5 Nassau St., New York. Coupon, $1,000. Callable at 105 and int. First lien, 141.38 miles, Hutchinson, Ks., to Ponca City, Okla. Underlie Nos. 2 and 3. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., R. I., Vt., Wis. Normal income tax deducted from interest. Market: New York.

11. Auth. and outstanding, $6,000,000. Dated Oct. 1, 1896; due Oct. 1, 1940. Int. paid at 5 Nassau St., New York. Coupon, $1,000. Sinking fund begins Jan. 1, 1916, to retire bonds at 110 and int., or better. First lien, 372.48 miles, as follows: Bakersfield to Ferry Point (opp. San Fran.), Cal., 304.41 miles; Corcoran Junc. to Calwa Junc., Cal., 68.07 miles. Underlie Nos. 2 and 3. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Vt. and Wis. Listed on San Francisco Stock Exchange. Normal income tax deducted from interest.

12. Auth., $5,000,000; outstanding, $4,940,000. Dated Sept. 1, 1892; due Sept. 1, 1942. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. First lien, 195.35 miles, Ash Fork to Phoenix, Ariz. Underlie No. 6, which provides for retirement. Normal income tax deducted from interest. Listed on New York Stock Exchange.

13. Auth., $500,000; outstanding, $224,000. Dated April 1, 1898; due April 1, 1928. Int. paid at Central Trust Co., New York. Coupon, $1,000. Guar. by Santa Fe, Prescott & Phoenix Ry., all stock of which is owned by Atchison, Topeka & Santa Fe Ry. First lien on 26.4 miles. Underlie No. 6, which provides for retirement. Normal income tax deducted from interest. Market: New York.

14. Auth., $20,000,000; outstanding, $3,000,000. Dated Jan. 1, 1915; due Jan. 1, 1965. Int. paid at office of company, New York. Coupon and reg., $1,000. Callable at 105 and int. on 3 months' notice. Unissued bonds reserved for improvements. First lien on 106.04 miles, from Des Moines to Ute Park, New Mex., with branches to Raton and Koehler Junc. Listed on New York Stock Exchange. Legal for S. B. in Cal., Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Atch. Top., & S. F. 5% preferred. Non-cumulative; preference as to assets; full voting power. Par $100.	5% F&A	$11,040	$2,088	$552	74%	Very high	Very high	Aa.
2. Atch., Top. & S. F. common. Full voting power. Par $100.	6% Qu Mar	19,056	1,536	1,141*	26%	High	"	A.*

* For 6% dividends.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Preferred stock authorized, $131,486,000; outstanding June 30, 1916, $124,173,730; par $100. Has preference as to assets and 5% non-cumulative dividends. Full rate has been regularly paid since 1900. No new mortgage and no increase in amount of preferred stocks beyond that already authorized can be made without consent of majority of all preferred stock outstanding and a majority of common stock represented at a meeting.

2. Common stock authorized, June 30, 1916, $250,000,000; outstanding, $214,312,500; par $100. Dividends have been paid on common as follows: 1901, 3½%; 1902 to 1905, 4%; 1906, 4½%; 1907, 6%; 1908, 5%; 1909, 5½%; 1910, 1911, 1912, 1913, 1914, 1915 and 1916, 6% each. Both issues listed on New York and Boston Stock Exchanges. Transfer office, 5 Nassau Street, New York.

BEAUMONT WHARF & TERMINAL COMPANY

History: Incorporated under laws of Texas, March 26, 1897. Operations began in 1898. Owns terminal property and 4.12 miles belt railroad at Beaumont, Tex. Controlled through stock ownership by Atchison, Topeka & Santa Fe Railway Co.

Management: Officers: E. P. Ripley, Pres., Chicago; John H. Kirby, First Vice-Pres., Houston, Tex.; J. A. Glen, Second Vice-Pres. & Supt.; J. M. Landis, Sec., Treas. & Aud., Beaumont, Tex. Directors: E. P. Ripley, Chicago; John H. Kirby, Houston, Tex.; J. A. Glen, W. S. Davidson, T. S. Reed, J. F. Keith, Beaumont, Tex.; F. G. Pettibone, W. E. Maxson, J. W. Terry, A. C. Torbert, Galveston, Tex. Annual meeting, first Wednesday after first Monday in March. General Office, Beaumont, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenue	$40,204	$38,983	$40,208	$46,332	$39,075
Operating expenses	31,288	29,279	30,415	36,716	30,221
Net revenue	$8,916	$9,704	$9,793	$9,616	$8,854
Other income	771	.....	.....	.....	.....
Total net income	$9,687	$9,704	$9,793	$9,616	$8,854
Taxes	3,521	3,653	3,568	3,204	2,574
Fixed charges	6,166	6,051	6,225	6,412	6,280
Surplus	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$119,019	$118,208	$118,056	$118,219	$118,133
Working assets	40,196	46,064	44,146	45,537	44,332
Profit and loss	5,120	5,120	5,120	5,120	5,120
	$164,335	$169,392	$167,322	$168,876	$167,585
LIABILITIES:					
Capital stock	$60,000	$60,000	$60,000	$60,000	$60,000
Funded debt	100,000	100,000	100,000	100,000	100,000
Working liabilities	2,579	7,665	5,714	7,470	6,515
Accrued liabilities not due	1,756	1,727	1,608	1,406	1,070
	$164,335	$169,392	$167,322	$168,876	$167,585

Bonded Debt: $100,000 Beaumont Wharf & Terminal Co. 1st 5s. Dated July 1, 1900; due July 1, 1930; interest paid J. and J. 1, at 5 Nassau Street, New York. Coupon, $1,000. Authorized, $100,000. First lien on property. Atchison, Topeka & Santa Fe owns entire issue.

Capital Stock: Authorized and issued, $60,000. Par, $100. All owned by Atchison, Topeka & Santa Fe Ry. Co., except directors' qualifying shares.

CROSBYTON-SOUTHPLAINS RAILROAD

History: Incorporated under laws of Texas April 6, 1910. The Eastern Ry. Co. of New Mexico was the legal owner of the majority of the capital stock until June 30, 1916, as of which date such stock was acquired by the A., T. & S. F. Ry. Co.; however, such ownership, under decision of the Supreme Court of the U. S., does not constitute control.

Location: Road extends from Crosbyton to Lubbock, Tex., 38.45 miles; sidings, 5.30 miles. Operated under contract, .08 mile. Equipment, locomotives, 2; passenger cars, 2; box cars, 2; caboose, 1.

Management: OFFICERS: E. P. Ripley, Pres., Chicago; F. C. Fox, Vice-Pres., Amarillo, Tex.; C. Doud, Vice-Pres. & Aud.; R. M. Bassett, Sec. & Treas., Crosbyton, Tex. DIRECTORS: The foregoing and J. N. Freeman, S. H. Madden, Amarillo, Tex.; A. B. Spencer, J. M. Bassett, Crosbyton, Tex. Annual meeting, first Wednesday in June. GENERAL OFFICE, Crosbyton, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$83,350	$75,106	$46,091	$39,905	$31,402
Operating expenses	42,123	40,973	34,661	33,746	25,493
Net revenue	$41,127	$34,133	$11,430	$6,159	$5,909
Other income	1,258	112	.....	.....	15,663
Total net income	$42,385	$34,245	$11,430	$6,159	$21,572
Taxes	2,789	2,474	3,287	2,089	1,263
Fixed charges	32,219	30,425	28,147	24,446	13,683
Surplus	$7,477	$1,346	(def.) $20,004	(def.) $22,376	$6,626

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $7,477; profit on road and equipment sold, $1,345; unrefundable overcharges, $21; donations, $1,641; debit balance carried to balance sheet, $4,268; total, $14,752. Contra: debit balance at beginning of year, $11,623; surplus for investment in physical property, $1,541; delayed income debits, $1,588; total, $14,752.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$553,066	$557,477	$568,622	$566,701	$551,875
Working assets	48,739	50,537	2,680	4,864	4,773
Deferred debit items	188	262	943	.....	81
Profit and loss	4,268	11,623	24,037	4,034	.....
	$606,261	$619,899	$596,282	$575,599	$556,729
LIABILITIES:					
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000
Funded debt	359,873	359,873	359,873	368,173	355,032
Working liabilities	83,469	102,384	78,704	57,426	26,255
Accrued liabilities not due	11,314	7,642	7,705	.....	7,055
Deferred credit items	65	.....	.....	.....	46
Appropriated surplus	1,540	.....	.....	.....	.....
Profit and loss	.....	.....	.....	.....	18,341
	$606,261	$619,899	$596,282	$575,599	$556,729

Bonded Debt: On June 30, 1916, there were outstanding, $359,873 notes given to stockholders for funds advanced for construction work, which do not mature until Nov. 12, 1919.

Capital Stock: Authorized and outstanding, $150,000. Par $100. All, except directors' shares, owned by Atchison, Topeka & Santa Fe Railway Co.

GRAND CANYON RAILWAY

History: Incorporated under the laws of Arizona, Aug. 10, 1901. Company is a reorganization of the Santa Fe & Grand Canyon R.R., which was sold under foreclosure in July, 1901. The Atchison, Topeka & Santa Fe Ry. Co. is the legal owner of the majority of the capital stock; however, such ownership under decision of the Supreme Court of the United States does not constitute control.

Location: Road extends from Williams to Grand Canyon, Ariz., 63.58 miles; sidings and spurs, 11.01 miles. Trackage over A., T. & S. F. Ry. Co., 0.53 mile. Equipment leased from A., T. & S. F. Ry. Co.

Management: OFFICERS: E. P. Ripley, Pres., Chicago; A. G. Wells, Vice-Pres. & Gen. Mgr.; G. Holterhoff, Jr., Sec. & Treas.; L. B. Jones, Aud., Los Angeles, Cal.; L. C. Deming, Asst. Sec., New York. DIRECTORS: E. P. Ripley, W. B. Storey, Edward Chambers, E. J. Engel, F. T. A. Junkin, Robt. Dunlap, W. E. Bailey, Chicago; A. G. Wells, G. Holterhoff, Jr., Los Angeles, Cal.; R. H. Tuttle, Winslow, Ariz.; W. A. Drake, Prescott, Ariz. Annual meeting, second Thursday in November. GENERAL OFFICE, Los Angeles, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenue	$1,002,963	$412,166	$264,304	$293,582	$302,867
Operating expenses	348,821	247,178	244,488	271,402	328,569
Net operating revenue	$654,142	$164,988	$19,816	$22,180	(def.) $25,702
Other income	1,526	109	.....	.....	.....
Total net income	$655,668	$165,097	$19,816	$22,180	(def.) $25,702
Taxes	23,016	13,200	16,339	15,366	14,242
Fixed charges	79,241	86,959	77,543	78,106	67,969
Surplus	$553,411	$64,938	(def.) $74,066	(def.) $71,292	(def.) $107,913

Note: Earnings were abnormally large during the fiscal year 1916 because of the San Francisco Exposition.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$2,049,163	$1,997,677	$1,979,271	$1,964,637	$1,927,830
Working assets	69,142	166,312	47,741	47,925	54,361
Deferred debit items	1,460	3,497	1,604	1,128	1,119
Profit and loss	.....	550,934	615,873	541,807	470,514
	$2,119,765	$2,718,420	$2,644,489	$2,555,497	$2,453,824
LIABILITIES:					
Capital stock	$1,406,300	$1,406,300	$1,406,300	$1,406,300	$1,406,300
Funded debt	.....	.....	.....	1,086,090	1,022,046
Working liabilities	708,577	1,310,649	1,238,189	63,107	25,478
Deferred credit items	2,412	1,471	.....	.....	.....
Profit and loss	2,476	.....	.....	.....	.....
	$2,119,765	$2,718,420	$2,644,489	$2,555,497	$2,453,824

No bonded debt, but as of June 30, 1916, there were outstanding notes payable amounting to $572,970.89.

Capital Stock: Auth., $250,000 preferred and $1,205,000 common; outstanding, $201,300 preferred and all the common; par $100. The Atchison, Topeka & Sante Fe Railway owns nearly all the outstanding stock.

THE KANSAS SOUTHWESTERN RAILWAY COMPANY

Origin: Incorporated under Kansas laws, Oct. 24, 1901, reorganization of the Kansas Southwestern R.R. Co., which succeeded to the property of the St. Louis, Kansas & Southwestern R.R. Co., which on Oct. 22, 1898, was sold under foreclosure. Controlled by Atchison, Topeka & Santa Fe Ry., but the St. Louis & San Francisco holds option to reacquire before April, 1919.

Location: Arkansas City to Anthony, Kan., 59.30 miles; trackage over St. Louis & San Francisco R.R. Co. bridge across Arkansas River and track into Arkansas City, 0.35 mile; over road of A., T. & S. Fe Ry., A., T. & S. Fe junction to Caldwell, Kan., 0.9 mile; total, 60.55 miles. Sidings, etc., 6.60 miles. Equipment: 1 locomotive, 3 cars.

Management: OFFICERS: W. K. Etter, Pres., Newton, Kan.; E. L. Copeland, Sec. and Treas.; E. H. Bunnell, Aud., Topeka, Kan. DIRECTORS: W. K. Etter, A. H. Denton, Arkansas City, Kan.; H. B. Lautz, E. L. Copeland, W. R. Smith, Topeka, Kan. Annual meeting, first Thursday in November, at Topeka, Kan. OFFICE: Topeka, Kan.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$54,198	$79,523	$45,651	$52,127	$52,229	$47,434
Maintenance of way	70,260	94,061	39,933	24,608	18,491	16,610
Maintenance of equipment	6,229	3,672	7,043	6,291	4,680	4,988
All other oper. expenses	25,067	35,274	24,425	25,492	26,027	24,507
Net oper. revenues	(def.) $47,358	(def.) $53,484	(def.) $25,750	(def.) $4,264	$3,031	$1,329
Other income	6,564	6,289	5,771	5,698	5,720	6,376
Total net income	(def.) $40,794	(def.) $47,195	(def.) $19,979	$1,434	$8,751	$7,705
Taxes	3,062	2,423	3,909	5,966	6,744	5,104
Fixed charges	21,000	24,304	12,188	11,423	10,952	9,567
Surplus	(def.) $64,856	(def.) $73,922	(def.) $36,076	(def.) $15,955	(def.) $8,945	(def.) $6,966

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$363,046	$364,710	$362,860	$363,818	$361,694	$363,454
Working assets	26,784	14,886	14,414	6,491	6,955	14,237
Deferred debit items.....	161	379	88	63	103	29
Profit and loss deficit....	326,249	261,667	187,745	151,669	135,715	126,770
Total	$716,240	$641,642	$565,107	$522,041	$504,467	$504,490
LIABILITIES:						
Capital stock	$362,000	$362,000	$362,000	$362,000	$362,000	$362,000
Funded debt	299,105	234,342	.....	140,000	130,000	130,000
Working liabilities	51,495	41,558	193,623	18,121	8,174	8,706
Accrued liabilities not due	2,249	2,916	.....	1,167	4,293	3,784
Deferred credit items....	1,391	826	9,484	.....	.....	.....
Appropriated surplus ...	.....	.....	.....	753	.....	.....
Total	$716,240	$641,642	$565,107	$522,041	$504,467	$504,490

Capital Stock: Authorized and outstanding, $362,000; par $100. During the year ended June 30, 1914, the Atchison, Topeka & Santa Fe Ry. acquired the interest of the St. Louis & San Francisco R.R. Co. in stock and notes of the company, previously jointly owned by the A. T. & S. Fe Ry. and the St. L. & S. Fe R.R. Under the terms of the transfer, however, the St. Louis & San Francisco R.R. Co. and its successors have the option of reacquiring such securities within five years from April 17, 1914, upon payment to the A. T. & S. Fe one-half of the amount expended by it for maintenance, operation, and improvements. No bonded debt.

OKLAHOMA CENTRAL RAILROAD

Origin: Incorporated under laws of Oklahoma, July 31, 1914, as successor to the Oklahoma Central Railway; latter having been incorporated under the laws of Oklahoma, Sept., 1904, as the Canadian Valley & Western Ry., name being changed to above in March, 1906. Line of road in operation: Lehigh to Chickasha, Okla., with branches, 133.02 miles. Equipment owned: Locomotives, 8; passenger and freight cars, 111. Sidings 18.63 miles.

Lease: The company has leased the road to the Atchison, Topeka & Santa Fe Ry. Co. for five years, from Aug. 1, 1914, with privilege of renewal for another five years, and latter company has taken on an option on the stock and income bonds. Rental: $60,000 per annum for first 3 years; $77,500 for fourth and fifth years. If renewed, $100,000 per annum for five years additional. Under the option, the Atchison, Topeka & Santa Fe Railway Co. may purchase stock and income bonds during first 3 years, for $800,000; during fourth and fifth years, for $875,000; during five year renewal, for $950,000.

Management: (new company) OFFICERS: H. L. Cohen, Pres., New York; Graham Adams, Vice-Pres. and Treas., New York; N. A. Gibson, Sec., Muskogee, Okla. DIRECTORS: F. J. Lisman, H. L. Cohen, Graham Adams, N. A. Gibson, G. H. Lesley. Annual meeting, first Monday in January, at Purcell, Okla. OFFICE, Muskogee, Okla.

Comparative Income Account, Years Ended June 30

	1914	1913	1912	1911	1910
Gross revenue	$252,807	$292,429	$259,545	$261,562	$219,556
Maintenance of way.....	79,005	94,277	95,895	82,923	
Maintenance of equipment.....	62,210	45,094	37,116	43,431	192,239
All other operating expenses.....	108,733	110,944	105,430	111,341	
Net operating income.....	(def.)$2,859	$42,114	$21,104	$23,867	$27,317
Other income	.....	.....	705	.....	.....
Total net income.....	(def.)$2,859	$42,114	$21,809	$23,867	$27,530
Fixed charges, including taxes.....	82,604	74,751	60,342	56,038	57,185
Deficit	$85,463	$32,637	$38,533	$32,171	$29,655

Note: Earnings as above are those of the old company. Road is now directly operated by lessees on terms as stated above. Present operating earnings are not separately reported.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,200,000	$4,200,000	$6,475,511	$6,466,970	$6,440,988	$6,410,952
Working assets	1,095	275	294,697	316,608	357,184	270,152
Deferred debit items.....	25,000	25,000	197,241	196,376	196,416	196,517
Profit and loss deficit....	.....	.....	230,576	147,841	108,306	45,921
Total	$4,226,095	$4,225,275	$7,198,025	$7,127,795	$7,101,894	$6,923,542
LIABILITIES:						
Capital stock	$1,500,000	$1,500,000	$3,193,500	$3,193,500	$3,193,500	$3,193,500
Funded debt	2,700,000	2,700,000	3,780,000	3,780,000	3,780,000	3,606,348
Working liabilities	1,095	275	124,972	96,634	73,874	80,152
Accrued liabilities not due	.....	.....	99,523	56,918	53,504	42,370
Deferred credit items...	25,000	25,000	30	743	1,016	1,172
Total	$4,226,095	$4,225,275	$7,198,025	$7,127,795	$7,101,894	$6,923,542

Note: The balance sheets for all years prior to 1915 are those of the predecessor company, Oklahoma Central Railway.

Bonded Debt: (1) $1,200,000 Oklahoma Central R.R. first 5s; dated Aug. 1, 1914; due Aug. 1, 1934. Int. paid F. and A. at Columbia Trust Co., New York. Callable at par and int. on any int. date. Coupon, $200 and $1,000. First lien on entire property. Not guaranteed, but rental guarantee equals interest requirements. Net Rating **B.**

(2) $1,500,000 Oklahoma Central R.R. income 6s; dated Aug. 1, 1914; due Aug. 1, 1934. Coupon $500 and $1,000. Issue deposited with trustee under option to Atchison, Topeka & Santa Fe Railway Co.

Capital Stock: Auth. and issued, $1,500,000; par $100. All deposited with Columbia Trust Co., New York, under option to Atchison, Topeka & Santa Fe Railway Co.

ATLANTA, BIRMINGHAM & ATLANTIC RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in January, 1916, as successor to Atlanta, Birmingham & Atlantic R.R., Georgia Terminal Co. and Alabama Terminal R.R. Co., sold at foreclosure. Foreclosed company was incorporated in August, 1914, to succeed to the orginal company of the same name, which was incorporated in 1905 to construct an extension of the Atlanta & Birmingham Ry., from Montezuma, Ga., to Birmingham, Ala. In 1906 the company consolidated with the Atlanta & Birmingham Ry., and the Eastern Ry. of Alabama was acquired. The company also acquired control of the Georgia Terminal Co. and the Alabama Terminal Ry., and leased their properties for 99 years, guaranteeing their bond issues, etc. In January, 1909, receivers were appointed, and the road underwent reorganization. The Georgia Terminal Co., Alabama Terminal Co., Birmingham Coal & Iron Co., and Brunswick Steamship Co., all went into receivers' hands in February, 1909. A plan of reorganization was adopted in June, 1914, but in December the road was again placed in the hands of receivers. Final plan, resulting in formation of present company, became operative at close of 1915 and new company took possession Jan. 1, 1916.

Location: Main line extends from Brunswick to Atlanta, Ga., with branches to Birmingham, Ala., and Thomasville, Ga., including terminal properties controlled 637.6 miles. Mileage mainly in State of Georgia. Population of Georgia in 1900, 2,216,331; in 1910, 2,609,121.

Management: E. T. Lamb, Pres.; Brooks Morgan, Vice. Pres.; F. K. Mays, Sec. and Treas.; J. L. Edwards, Traffic Manager. DIRECTORS: C. F. Ayer, G. C. Clark, Jr., Howard Bayne, E. K. Farmer, E. T. Lamb, E. B. Lewis, F. K. Mays, Brooks Morgan, J. K. Ottley, P. R. Pyne, F. D. M. Strachan, G. L. Stone, W. C. Vireen, M. R. Wilkinson, A. H. Woodward. Annual meeting, first Tuesday in October. MAIN OFFICE, Atlanta, Ga.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	17.18%	13.8%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	.90	1.3
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	30.31	31.1
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	18.56	19.0
Manufactures	.....	.....	.....	.....	.....	.....	.....	.....	20.22	22.8
Miscellaneous	.....	.....	.....	.....	.....	.....	.....	.....	12.83	12.0

Total tonnage carried in 1908, 907,591 tons; in 1909, 1,155,777 tons; in 1910, 1,506,534 tons; in 1911, 1,488,440 tons; in 1912, 1,823,745 tons; 1,972,569 tons in 1913; 1,994,387 tons in 1914; 1,451,969 tons in 1915; 1,749,487 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	393	....	58	64	2,613	70%	33,453	220,099	211	$1.70	2.70c	1.25c
1908	491	....	69	64	4,559	71	29,087	198,050	183	1.34	2.63	1.16
1909	630	3	70	63	4,360	72	30,641	276,390	207	1.20	2.34	.86
1910	654	3	82	64	4,169	74	34,544	386,253	236	1.29	2.31	.75
1911	662	3	82	64	4,081	72	40,548	354,180	200	1.30	2.29	.86
1912	662	3	81	62	3,946	71	44,906	484,396	246	1.41	2.21	.75
1913	654	3	87	63	3,892	73	43,695	488,872	262	1.46	2.33	.74
1914	646	3	92	67	3,778	71	47,129	565,111	307	1.51	2.24	.66
1915	642	4	92	68	3,726	72	35,284	464,508	316	1.41	2.22	.64
1916	639	4	86	60	3,269	75	38,140	594,689	398	1.57	2.16	.60
10-Year Average	607	3	80	64	3,839	72%	37,743	403,325	257	$1.42	2.34c	.83c

Yard tracks and sidings, 183 miles. Rails, 60 to 80 lbs.

Comment: The operating results on this property underwent substantial improvement during the first year under the new management. It will be noted that the freight density and average freight train load both rose to the highest figures ever reached, and although freight rates tended to decline still further, the train mile earnings were maintained at a substantial level. The freight tonnage of the road is very well diversified, and high-grade freight now represents a larger proportion of total business than was formerly the case.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$4,041	$594	$541	$1,138	$1,837	$1,066	$1,106	$88	$1,018	$893	12%	$125	.....
1908	3,226	515	519	1,034	1,323	869	1,147	92	1,055	964	9	91	.....
1909	3,284	440	582	1,022	1,696	567	735	138	597	1,877	....	1,280*	.....
1910	3,944	483	630	1,113	1,945	886	1,054	188	866	1,856	....	990*	.....
1911	4,246	537	671	1,208	2,036	1,001	1,201	198	1,003	1,983	....	980*	.....
1912	4,904	549	853	1,402	2,479	1,023	1,079	262	817	1,994	....	1,177*	.....
1913	4,959	810	799	1,609	2,484	866	944	251	693	1,978	....	1,285*	.....
1914	5,262	835	840	1,675	2,607	980	1,054	266	788	1,992	....	1,204*	.....
1915	4,138	657	806	1,463	2,235	440	527	229	298	2,179	....	1,881*	.....
1916	4,776	741	870	1,611	2,230	935	1,039	248	791	541	32	250	.....
10-Year Average	$4,278	$616	$711	$1,327	$2,088	$863	$989	$196	$793	$1,626	....	$833*	.....

* Deficit.

Note: Above figures are based on average miles operated for each year. Margin of safety is the proportion of surplus left over after deducting the fixed charges for each year. For example, in 1916 the "balance for charges" (per mile) was $791; fixed charges amounted to $541 or 68%, leaving a "margin of safety" of 32%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$3,051,696	$2,654,596	$3,399,360	$3,243,046	$3,246,301	$2,810,410
Maintenane of way	473,442	421,847	539,650	529,744	363,134	355,538
Maintenance of equipment	555,689	517,585	542,909	522,252	574,432	444.452
All other oper. expenses	1,425,220	1,434,679	1,684,395	1,624,749	1,631,910	1,347,827
Net operating rev.	$597,345	$280,485	$632,406	$566,301	$676,825	$662,593
Operating ratio	80.4%	89.4%	81.4%	82.5%	79.1%	76.4%
Other income	66,598	57,715	48,703	51,219	36,654	132,326
Total net income	$663,943	$338,200	$681,109	$617,520	$713,479	$794,919
Taxes accrued	158,253	146,847	172,042	164,236	173,500	131,146
Balance for charges.	$505,690	$181,353	$509,067	$453,284	$539,979	$663,773
Fixed charges	345,984	1,398,834	1,286,838	1,293,438	1,320,356	1,312,862
Surplus over charges.	$159,706	def.$1,207,481	def.$777,771	def.$840,154	def.$780,377	def.$649,089

Note: The income figures for 1916, as shown above, are a consolidation of the account of the old company for the six months ended Dec. 31, 1915, with that of the new company for the six months ended June 30th. Fixed charges for 1916 are the charges of the new company.

Profit and Loss Account six months ended June 30, 1916: Credit balance transferred from income, $9,723; miscellaneous credits, $564; total, $10,287. Contra: Loss on retired road and equipment, $50; miscellaneous debits, $510; credit balance carried to balance sheet, $9,727; total, $10,287.

Comment: Both gross and net revenues of this property were very satisfactory during the year ended June 30, 1916, while total net income was practically doubled as compared with 1915. The fixed charges for the year, which included various miscellaneous items, were relatively light, and the position of the property as a whole was greatly improved.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$89,058	72%	$34,913	28%	.....	$124,001	$214	$123,787	.9%	.....	.....	.....	.....	.....	.....
1908	71,283	62	43,717	38	.....	115,000	9,181	105,819	1.1	.....	.....	.....	.....	.....	.....
1909	55,555	62	33,871	38	$5,873	95,299	7,315	87,984	.8	.....	.....	.....	.....	.....	.....
1910	53,517	63	31,345	37	5,725	90,587	6,892	83,695	1.2	.....	.....	.....	.....	.....	.....
1911	52,870	63	30,856	37	8,138	91,864	6,810	85,054	1.4	.....	.....	.....	.....	.....	.....
1912	52,870	63	30,355	37	8,138	91,363	6,830	84,533	1.3	.....	.....	.....	.....	.....	.....
1913	53,517	59	37,497	41	8,878	99,892	6,881	93,011	1.0	.....	.....	.....	.....	.....	.....
1914	54,180	59	38,019	41	8,429	100,628	6,966	93,662	1.1	.....	.....	.....	.....	.....	.....
1915	54,517	59	38,419	41	8,481	101,417	7,009	94,408	.6	.....	.....	.....	.....	.....	.....
1916	46,948	76	14,538	24	4,261	65,747	.....	65,747	1.8	.....	.....	.....	.....	.....	.....
10-Year Average	$58,432	64%	$33,356	36%	$5,792	$97,580	$5,810	$91,770	1.1%	.....	.....	.....	.....	.....	.....

Note: The above table is based on the average mileage operated each year. The capitalization figures prior to 1916 are those of the old company.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$38,028,913	$56,395,212	$56,260,856	$56,137,687	$56,358,397	$56,261,252
Working assets	1,948,718	6,306,495	6,555,221	6,504,939	1,118,288	1,316,883
Deferred debit items.....	302,538		127,538	72,450	49,902	53,090
Profit and loss deficit....	.....	5,690,059	4,446,695	3,644,685	2,794,037	1,979,874
Total	$40,280,169	$68,391,766	$67,390,310	$66,359,761	$60,320,624	$59,611,099
LIABILITIES:						
Capital stock	$30,000,000	$35,000,000	$35,000,000	$35,000,000	$35,000,000	$35,000,000
Funded debt	9,290,000	24,664,407	24,560,500	24,523,000	20,095,000	20,427,000
Working liabilities	795,430	8,225,185	7,420,173	6,739,607	5,117,132	4,148,979
Accrued liabilities not due	.....	76,406	89,250	78,508	.....	.....
Deferred credit items....	185,012	425,768	326,387	18,646	48,492	35,120
Profit and loss surplus...	9,727	.....	.....	.....	.....	.....
Total	$40,280,169	$68,391,766	$67,390,310	$66,359,761	$60,320,624	$59,611,099

Comment: The Atlanta, Birmingham & Atlantic Railway as reorganized carries a far lower capitalization than formerly. The funded debt, it will be noted, was cut to a very low figure, although the amount of outstanding stock still remains relatively high. However, the readjustment of capitalization puts the property in a much more secure position than ever before.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Atl. & Birm. Ry. first 5s.....	J&J	Ja 1934	(1st) 300	$13,633	$793	$320	60%	Good	Good	Baa.
2. Atl. Birm. & Atl. income 5s..	See text	N 1930	See text	.....	473	404	15%	Fair	Fair	B.

Note: In addition to above bonds, the new company has authorized a new first and refunding mortgage, which is to cover the entire properties, subject to No. 1. Sufficient of this issue are to be reserved to retire No. 1 at or before maturity. None of these bonds have been issued as yet. For Key to Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Outstanding, $4,090,000 (closed). Dated Jan. 1, 1904; due Jan. 1, 1934. Int. paid at Old Colony Trust Co., Boston. Coupon, $1,000. First lien on line of original road, Brunswick to Montezuma, Ga., with various branches, 300.02 miles in all. Callable at 110 on any int. day, on 30 days' notice. Underlie No. 2. Interest paid without deduction for normal income tax.

2. Authorized, $5,200,000; outstanding, $5,165,787; in treasury, $34,213. Dated Nov. 1, 1915; due Nov. 1, 1930. Int. payable annually or semi-annully at rate not to exceed 5% as declared by directors; not cumulative. The mortgage provides that net income, as defined by the I.-S. C. Commission, as available for that purpose, shall be so declared by the board. The board may, however, reserve in any year from such "net income" not in excess of 20% thereof (but not to exceed $100,000 in any year), until the total amount so reserved, exclusive of interest, shall reach $300,000. This "Income Bond Reserve Fund," carrying interest at 6%, may be distributed to the income bonds at any time and in any amount, and any balance at the maturity of the bonds shall be paid over to the trustee for the benefit of the bondholders. The first installment of interest at the full rate of 5% per annum, from Nov. 1, 1915, to June 30, 1916 ($33.33 per $1,000 bond), was paid Sept. 1, 1916. The full rate now being paid.

Capital Stock: Authorized and issued, $30,000,000; par $100. Underwritten by a syndicate and offered to former first mortgage bondholders at $12 per share. Listed on New York Stock Exchange. Transfer agents, Guaranty Trust Co., New York; American Trust Co., Boston.

ATLANTA & WEST POINT RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in 1847, as the Atlanta & La Grange Railroad. Name changed as above in 1860. Purchased the Atlanta Belt Line in 1907-8 and has now directly merged this property. Also owns one-third interest in the Atlanta Terminal Co., and one-half interest in the La Grange Belt Line.

Control: An interest in the Atlanta & West Point R.R. is owned by the lessees of Georgia Railroad & Banking Co. (which see). The latter also owns a one-half interest in the Western Railway of Alabama. The Georgia Railroad & Banking Co., whose properties are operated by the Georgia Railroad, was leased in 1881, for ninety-nine years, to W. M. Wadley at a rental of $600,000 per year, and this lease has been jointly assumed by the Atlantic Coast Line Railroad and the Louisville & Nashville R.R. The Central of Georgia Railway (Illinois Central system) also holds a minority stock interest in the company.

Location: Lines extend from Atlanta to West Point, Ga., 93.19 miles, of which 90.86 miles are owned. At West Point connection is made with the Western Railway of Alabama, the latter extending from West Point to Selma, Ala. (See Western Railway of Alabama under its own heading.) These lines form a connecting link of a through route from Washington, D. C., over the lines of the Southern Railway, to Jackson, Miss., over the Queen & Crescent route, and to New Orleans over the lines of the Louisville & Nashville. Mileage of Atlanta & West Point is all in Georgia. Population of Georgia, in 1900, 2,216,331; in 1910, 2,609,121.

Management: OFFICERS: C. A. Wickersham, Pres. and Gen. Mgr.; W. H. Bruce, Sec. and Treas.; W. H. Smith, Aud. DIRECTORS: M. H. Smith, A. R. Lawton, H. C. Fisher, W. A. Winburn, H. Walters, J. W. English, C. A. Wickersham. Annual meeting, third Tuesday in October. OFFICE, Atlanta, Ga.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	20.80%	19.88%	22.84%	19.15%	17.56%	18.43%	18.63%	19.52%	24.48%	21.84%
Products of Animals.....	1.31	1.13	1.06	.98	.84	1.31	8.73*	10.62	6.58	5.78
Products of Mines.....	23.46	29.50	25.75	22.79	20.11	20.00	20.61	20.46	21.75	20.86
Products of Forests.....	9.39	11.76	8.95	8.61	7.35	8.89	9.72	9.58	8.32	9.26
Manufactures and Miscel..	54.96	37.73	41.40	51.53	54.14	51.37	42.31*	39.82	38.87	42.26

* Item of "Products of Animals" is increased and item of "Manufactures," etc., decreased by the transfer of "fertilizers" from the latter to the former.

Total revenue tonnage in 1909, 545,264 tons; 1910, 664,232 tons; 1911, 806,212 tons; 1912, 827,230 tons; 1913, 772,674 tons; 776,822 in 1914; 734,076 in 1915; 887,754 in 1916.

The freight business on this road is unusually well diversified. The company does not depend upon any single item of tonnage for the bulk of its business. Through traffic constitutes nearly 75% of the total business.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	86	2	18	29	776	55%	210,955	513,164	301	$2.54	2.29c	1.46c
1908.....	86	2	18	29	834	54	229,333	489,384	280	2.25	2.15	1.48
1909.....	86	2	18	29	839	51	204,358	392,637	382	1.88	2.03	1.42
1910.....	92	2	18	28	829	55	231,043	419,096	428	2.07	2.02	1.46
1911.....	93	2	18	26	864	53	270,246	503,473	413	2.20	2.02	1.39
1912.....	93	2	20	30	851	55	273,711	516,098	374	2.18	2.03	1.44
1913.....	93	2	20	30	819	52	276,913	488,902	357	2.13	2.05	1.43
1914.....	93	2	22	30	851	50	279,106	501,029	334	2.24	2.06	1.42
1915.....	93	2	22	35	802	50	222,208	451,191	227	2.12	2.08	1.40
1916.....	93	2	20	35	799	53	239,612	582,465	267	2.36	2.07	1.33
10-Year Average } ..	91	2	19	30	826	53%	243,748	485,744	336	$2.20	2.08c	1.42c

Yard tracks and sidings, June 30, 1916, 22.29 miles. All equipment is fully owned; there are no equipment trusts.

Comment: The operating exhibit of this company for the year 1916 was a very gratifying one. Both passenger and freight density were higher than for some years past, while the freight train load and train mile earnings also reached better figures. Although there was a decline in average freight rates, yet the operations were undoubtedly conducted on a very profitable basis. It will be noted by the exhibit of freight tonnage that the company continues to depend very largely on the transportation of high-grade freight for its business. The passenger business of the company is unusually large for a Southern property, and averages about 47% of the total amount of business done. Passenger rates have remained very stable in recent years.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$13,497	$2,116	$1,648	$3,764	$4,748	$1,987	$5,082	$433	$4,649	$1,046	75%	$3,603	$860
1908.....	13,393	2,413	2,636	5,049	5,607	2,737	3,256	612	2,644	1,256	52	1,388	860
1909.....	11,219	1,348	2,449	3,797	4,097	2,425	2,807	535	2,272	1,364	40	908	860
1910.....	11,849	1,516	2,166	3,682	4,785	3,382	3,862	607	3,255	1,339	59	1,916	860
1911.....	13,000	1,611	2,276	3,887	5,057	4,056	4,600	638	3,962	465	88	3,497	1,192
1912.....	13,584	1,575	2,648	4,223	5,622	3,739	4,189	778	3,411	582	83	2,819	1,588
1913.....	13,322	1,603	2,461	4,064	5,818	3,440	4,131	874	3,257	571	83	2,686	1,588
1914.....	13,738	1,894	2,879	4,773	5,579	3,386	4,205	892	3,313	567	83	2,746	1,589
1915.....	12,746	1,809	2,734	4,543	5,505	2,698	4,275	807	3,468	1,660	52	1,808	2,384
1916.....	14,632	1,733	2,756	4,489	6,208	3,935	5,856	835	5,021	1,907	62	3,114	1,589
10-Year Average }	$13,098	$1,762	$2,465	$4,227	$5,393	$3,478	$4,226	$701	$3,525	$1,076	68%	$2,449	$1,337

Note: Above figures are based on average miles operated each year. Margin of safety is the proportion of surplus left over after deducting the fixed charges for each year. For example, in 1916 the "balance for charges" (per mile) was $5,021; fixed charges amounted to $1,907 or 38%, leaving $3,114, a "margin of safety" of 62%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,360,742	$1,184,911	$1,277,604	$1,240,789	$1,263,363	$1,208,212	$1,090,141
Maintenance of way	161,210	168,218	176,163	149,038	146,479	149,866	139,437
Maintenance of equipment	256,268	254,234	267,804	228,858	245,920	211,680	199,291
All other operating expenses	577,355	511,927	518,838	541,043	423,287	469,384	440,244
Net operating revenues	$365,909	$250,532	$314,799	$321,850	$347,677	$377,282	$311,169
Operating ratio	72.8%	78.9%	75.4%	74.2%	72.6%	69.0%	71.5%
Other income	178,704	147,048	76,293	62,343	41,750	50,583	44,160
Total net income	$544.613	$397,580	$391,092	$384,193	$389,427	$427,865	$355,329
Taxes accrued	77,639	75,078	82,911	81,275	72,336	59,338	55,809
Balance for charges	$466,974	$322,502	$308,181	$302,918	$317,091	$368,527	$299,520
Fixed charges	177,339	154,300	52,730	53,147	55,159	43,243	114,048
Surplus	$289,635	$168,202	$255,451	$249,771	$261,932	$325,284	$185,472
Dividends paid	*	221,724	147,756	147,756	147,756	110,844	73,932
Balance	$289,635	(df.) $53,522	$107,695	$102,015	$114,176	$214,440	$111,540
Earned on stock	11.75%	6.83%	10.37%	10.13%	10.6%	14.3%	14.7%

*Dividend charged in Profit and Loss Account in 1916. See below.

Note: "Other income" in 1916 included hire of equipment, $122,668; joint facilities, $18,256; interest and dividends, $37,700. There is no bonded debt, and the fixed charge items represented in 1916 $93,103 paid for joint facilities; $84,236 for hire of equipment.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $742,557; credit balance transferred from income account, $289,635; sundry credits, $5,409; total, $1,035,596. Contra: Dividend appropriations out of surplus, $147,816; sundry debits, $10,229; credit balance carried to balance sheet, $879,552; total, $1,037,596.

Comment: The income account of the Atlanta & West Point R.R., for the fiscal year 1916 was better than that reported in any previous year. Both gross and net earnings reached new high figures, while an increase in the outside income brought the total net revenues up to very high figures. Fixed charges increased slightly, but notwithstanding this increase the balance carried forward was equal to no less than 11¾% on the outstanding stock, and fully justified the dividend rate of 6%. A substantially larger dividend could have been paid without difficulty.

Although the net operating income of this property has not shown much growth in recent years, income from investment and other sources has tended to expand. In 1916, this "other income" amounted to $178,174, being over four times as great as in 1910.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	$14,328	50%	$14,328	50%	.....	$28,656	$783	$27,873	18.2%	.....	.....	$860	6%	.....	76%
1908	14,328	50	14,328	50	.....	28,656	5,434	23,222	14	.....	.....	860	6	.....	39
1909	14,328	50	14,328	50	.....	28,656	5,434	23,222	12.1	.....	.....	860	6	.....	4
1910	13,746	50	13,392	50	.....	27,138	5,080	22,058	17.5	.....	.....	860	6	.....	58
1911	26,479	100	.....	...	.....	26,479	5,001	21,478	21.4	.....	.....	1,192	6	.....	66
1912	26,479	100	.....	...	.....	26,479	5,025	21,454	19.5	.....	.....	1,588	6	.....	44
1913	26,479	100	.....	...	.....	26,479	5,025	21,454	19.3	.....	.....	1,588	6	.....	41
1914	26,490	98	665	2	.....	27,155	5,124	22,031	19.1	.....	.....	1,589	6	.....	42
1915	26,490	98	665	2	.....	27,155	5,110	22,045	19.2	.....	.....	2,384	9	.....	.....
1916	26,490	100	.....	...	.....	26,490	1,087	25,403	23.1	.....	.....	1,589	6	.....	49
10-Year Average	$21,564	80%	$5,770	20%	.....	$27,334	$4,311	$23,023	18.4%	.....	.....	$1,337	6.3%	.....	50%

Note: Above table is based on an average mileage directly operated each year. "Net income on net capital" is the percentage of total income shown before deducting taxes and charges.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$3,037,971	$3,057,402	$2,978,785	$2,901,215	$2,970,583	$2,944,644	$2,948,396
Working assets	904,874	819,964	910,852	862,755	624,996	609,775	420,461
Deferred debit items	55,073	42,687	51,360	115,501	69,082	55,564	53,976
Accrued income not due	1,049	1,181	.....	.....	.....	.....	.....
Total	$3,998,967	$3,921,234	$3,940,997	$3,879,471	$3,664,661	$3,609,983	$3,422,833

LIABILITIES:	1916	1915	1914	1913	1912	1911	1910
Capital stock	$2,464,400	$2,464,400	$2,463,600	$2,462,600	$2,462,600	$2,462,600	$1,264,600
Funded debt	.....	.....	*61,818	.....	.....	.....	1,232,200
Working liabilities	83,776	170,228	87,802	112,869	17,196	93,529	80,076
Accrued liabilities not due	42,662	40,822	39,898	39,401	35,908	31,668	27,117
Deferred credit items	85,724	60,378	45,768	69,701	42,236	27,808	40,200
Appropriated surplus	442,853	442,853	442,853	442,853	442,853	442,853	442,136
Profit and loss surplus	879,552	742,553	779,258	752,047	663,868	551,525	336,504
Total	$3,998,967	$3,921,234	$3,940,997	$3,879,471	$3,664,661	$3,609,983	$3,422,833

* This represents "temporary obligations for advances."

Note: The entire funded debt of this company was retired in 1911 by an issue of a like amount of stock. Working assets in 1916 included $677,478 in cash.

Comment: There were no capitalization changes on this property during the year 1916. The company has no bonded debt and practically all its revenues accrue to the benefit of the outstanding capital stock. The net capitalization of the property as measured on the mileage basis is considerably lower than that of a few years ago, while net income on net capital is now ranging at higher figures than ever. The capital stock of the company, a large majority of which is owned by other roads, stands on a strong investment basis.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME AND DETAILS OF ISSUE.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	BASIS FOR RATING.		Net Rating.
						Equity.	Salability.	
Atlanta & West Point R.R. stock. Outstanding, $2,463,600. Par $100.	See text	$26,490	$2,449	$1,589*	35%	High	High	A.*

* To pay 6%.

REFERENCE NOTE ON STOCK ISSUE

Authorized, $2,500,000; outstanding, $2,463,600; par $100. Of the total issue outstanding $188,500 was owned by the Central of Georgia Railway on June 30, 1916, and $936,100 by the Georgia R.R. and Banking Co. on March 31, 1916. Dividends: From 1884 to 1914, inclusive, 6% per annum has been paid. In 1915, 9% was paid from surplus account; in 1916, 6%. In 1899, 25% extra was paid. TRANSFER AGENT, secretary of the company.

Investment Position: The stock ratings are based largely on the average earning power of the company and its exhibits in net surplus available from year to year for dividends on the stock issue. For Key to Stock Ratings, see pages 21-23.

ATLANTIC COAST LINE COMPANY OF CONNECTICUT

Origin: Chartered May 29, 1889, under the laws of Connecticut. This company formerly controlled and still owns an interest in the Atlantic Coast Line System of railroads, extending from Richmond and Norfolk, Va. to Atlanta, Ga., Montgomery, Ala., and Punta Gorda, Fla., reaching Wilmington, N. C., Charleston, Port Royal, and Columbia, S. C., Augusta, Macon, Savannah and Brunswick, Ga., Jacksonville, Port Tampa and Fort Myers, Fla., and numerous other points in the South Atlantic States. The railroad companies in which the company was interested, directly or indirectly, on June 30, 1916, were as follows:

Atlantic Coast Line Railroad System (total, 5,209.89 miles).

	Miles
Atlantic Coast Line R.R.	4,743.93
Charleston and Western Carolina Ry.	342.50
Northwestern R.R. of South Carolina	80.5
Washington and Vandemere R.R.	42.96

Louisville and Nashville Railroad System (total, 6,890.75 miles).

		Miles.
Louisville and Nashville R.R. System		5,071.29
Louisville, Henderson and St. Louis Ry.	Controlled by Louisville and Nashville R.R. Co.	181.70
Nashville, Chattanooga and St. Louis Ry.		1,230.76
Georgia Railroad System (A. C. L. R.R., lessees)		307.00
Total mileage		12,100.64

Note: As the following exhibit of security holdings indicates, the company still controls the Charleston & Western Carolina Ry., but now holds only $18,590,600 of Atlantic Coast Line R.R. stock out of a total outstanding of $68,754,700. This compares with $36,230,600 owned on June 30, 1913. The large remaining holding (representing over 25%) still gives a dominant interest in the system, however.

Management: OFFICERS: Henry Walters, Chairman and Pres.; Waldo Newcomer, Vice-Pres.; J. J. Nelligan, Treas. and Asst. Sec.; R. D. Cronly, Sec. DIRECTORS: Henry Walters, Geo. C. Jenkins, Waldo Newcomer, Norman James, Geo. B. Elliott, Warren Delano, Jr., W. J. Brennan. Annual meeting, second Wednesday in October. CORPORATE OFFICE, Bridgeport, Conn.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Securities owned:			Capital stock	$8,820,000	$8,820,000
Deposited with trustee	$5,136,960	$5,136,960	Ctfs. of indebtedness	8,061,800	8,061,800
Bonds (book value)	2,872,470	3,333,470	Dividends and interest	67,433	63,894
Stocks (book value)	21,130,346	21,109,346	Income tax account	425	470
Other securities	1,563	22,563	Reserve*	192,500	192,500
Bills receivable and advances	209,705	209,706	Profit and loss	13,176,825	13,232,325
Deposited for int. and div.	67,433	63,893			
Hemp property	20,000				
Dividends accrued	464,765	464,765			
Income tax account	425	470			
Cash	415,316	29,816			
Total	$30,318,983	$30,370,389	Total	$30,318,983	$30,370,389

*Reserve against stockholders' liability for claim to certain lands of Prairie Pebble Phosphate Company (represented by $275,000 International Agricultural Corporation 5% bonds, held in escrow by the Bankers Trust Company, New York, which are carried among the assets of this company at 70%).

Note: Full details of the securities owned, as included in the balance sheet above, are shown in the following exhibit.

Securities Owned: Securities owned on June 30, 1916, amounting in book value to $29,141,339.24, were as follows:

BONDS DEPOSITED WITH TRUSTEE, TO SECURE $5,061,800 5 P. C. AND CLASS "B" 4 P. C. CERTIFICATES OF INDEBTEDNESS:

$1,550,000 4 p. c. bonds, Atlantic Coast Line R.R. of S. C	$1,395,000.00
1,250,000 4 p. c. 1st consol. mtgs. bonds, Atlantic Coast Line RR. Co.	1,125,000.00
3,008,000 4 p. c. unified mtge. bonds, Atlantic Coast Line RR. Co.	2,616,960.00
Total	$5,136,960.00

BONDS ON HAND

$318,000 3 p. c. bonds, Columbia, Newberry and Laurens RR. Co.	$190,800.00
285,000 4 p. c. bonds, Northwestern RR. of S. C	228,000.00
4,000 4 p. c. consol. mtge. bonds, Atlantic Coast Line RR. Co.	3,600.00
418,000 5 p. c. bonds, Dutton Phosphate Co. ($323,000 1st series and $95,000 2d series)	106,000.00
1,567,500 5 p. c. bonds, International Agricul. Corp	1,097,250.00
766,000 5 p. c. 1st mtge. bonds, Amalgamated Phosphate Co.	704,720.00
75,000 5 p. c. bonds, Northwestern RR. of S. C	67,500.00
791,000 2-5 p. c. bonds, Charleston and West. Carolina Ry. Co.	474,600.00
Total	$2,872,470.00

STOCKS ON HAND

700 shares stock, Westinghouse Air Brake Co	$35,063.00
500 shares stock, Northwestern RR.	50,000.00
1,776 shares Class "A" stock, Atlantic Coast Line RR. Co.	177,600.00
184,000 shares common stock, Atlantic Coast Line RR. Co	19,753,227.07
480 shares stock, Nashville, Chattanooga and St. Louis Ry. Co	43,605.60
11 shares stock, Atlantic and North Carolina RR	1,100.00
12,000 shares stock, Charleston & West. Carolina Ry. Co	960,000.00
1,046 shares stock, South Carolina Pacific Ry., pfd	88,750.76
160 shares common stock Woodside Cotton Mills Co	15,000.00
50 shares preferred stock Woodside Cotton Mills Co	5,000.00
10,000 shares stock, Dutton Phosphate Co	1,000.00
Total	$21,130,346.43

OTHER SECURITIES

$127,200 5 p. c. certificates, Columbia, Newberry and Laurens RR.	$1,272.00
294 4 p. c. certificates, Atlantic Coast Line RR.	290.81
Total	$1,562.81
Total Securities Owned (at book value)	$29,141,339.24

Bonded Debt: (1) $5,061,800 Certificates of Indebtedness. Of this amount, $61,800 carry 4% and the balance 5%. The 4% certificates are redeemable by the company at 105 after Nov. 1, 1920; the 5% certificates are irredeemable, and were issued in 1897 to retire an equal amount of capital stock of the company. They are not a mortgage, but if any mortgage is created, the holders of these certificates will have the option of exchanging them, par for par, for such mortgage bonds. They are in denominations of $100, and int. on 5s is paid June and December; on 4s, January and July. Listed on Baltimore Stock Exchange. Normal income tax deducted from interest. Rating Aa.

(2) $3,000.000 4% Debenture Certificates of Indebtedness. Dated Jan. 1, 1905; due Jan. 1, 1925; redeemable at any time at par and int. Int. paid January and July, being a first fixed-charge on the income of the company. Not a mortgage, but if a mortgage is created, the holders of these certificates will have the option to exchange same, par for par, for such mortgage bonds. Listed on Baltimore Stock Exchange. Normal income tax deducted from interest. Rating, Aa.

Capital Stock: Auth., $30,000,000; outstanding, $8,820,000; par $50. Dividends paid as follows: 1895, 1½%; 1896, 3%; 1897, 3½%; 1898, 4% cash and 100% stock; 1899, 4½%; 1900 5% cash and 100% paid in certificates of indebtedness; 1901, 4½%; 1902, 6½%; 1903 and 1904, 8% each; 1905, 9%; 1906 and 1907, 10% each; 1908, 8%; 1909, 9%; 1910 and 1911, 10% each; 1912, 1913, 1914, 1915 and 1916, 12% each. Stock transferred at Safe Deposit & Trust Co., Baltimore. Outstanding stock was reduced on March 10, 1914, from $17.640,000 by change in par value of shares from $100 to $50, and at same time a distribution was made of $17,640,000 Atlantic Coast Line R.R. Co. stock. Listed on Baltimore Stock Exchange. Rating, A.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 23.

Latest Facts and Figures: By means of our regular Investors Service, all investors and dealers in securities can be kept currently up to date regarding all developments affecting the above company. Events of importance frequently occur during the year which should not be ignored. Send for full details, which will show you just how you can secure the benefit of this special service.

ATLANTIC COAST LINE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key o Ratings, see pages 19-26.

Origin: Incorporated under Virginia laws, March 14, 1836, as the Richmond & Petersburg R.R.; the latter was succeeded Jan. 12, 1900, through change of name and by amendment of charter, by the Atlantic Coast Line R.R. of Virginia. On April 23, 1900, the Norfolk & Carolina R.R., the South Eastern R.R., the Wilmington & Weldon R.R. and the Atlantic Coast Line R.R. of South Carolina were consolidated with the Atlantic Coast Line R.R. of Virginia under the name of the Atlantic Coast Line Railroad Company. On July 1, 1902, the Savannah, Florida & Western Ry. Co. was consolidated with the system; June 12, 1902, the St. John's & Lake Eustis R.R. and the Sanford & Lake Eustis R.R. were merged; April 1, 1903, the Florida Southern R.R. and the Sanford & St. Petersburg R.R. were merged; July 28, 1904, the Jacksonville & Southwestern R.R. was acquired; in October, 1905, control of tho Conway Coast & Western R.R. was acquired, and in 1913 was directly merged. In 1915, the Florida Central R.R. was merged.

Control: The Atlantic Coast Line R.R. Co. was formerly controlled through ownership of a majority of stock by the Atlantic Coast Line Company of Connecticut. In March, 1914, however, $17,640,000 of the stock was distributed as a dividend to the individual stockholders of that company, and the present interest of the Atlantic Coast Line Co. amounts to $18,590,600 out of $68,754,700 outstanding.

Interests in Other Railroads: The Atlantic Coast Line Railroad owns 51% of the capital stock of the Louisville & Nashville R.R.; jointly with the Louisville & Nashville is a lessee of the railroad properties of the Georgia R.R.; jointly with the Norfolk & Western Ry. It controls the Winston-Salem Southbound R.R., and jointly guarantees the bonds of the latter; it owns a one-third interest in the Chesapeake Steamship Co., operating between Baltimore & Norfolk; a half interest in the Wilmington Railway Bridge Co., the other half being owned by the Seaboard Air Line Ry., and the bonds of which are jointly guaranteed; a half interest in the Charleston Union Station Co., the other half being owned by the Southern Railway Co., and the bonds of which are jointly guaranteed; a joint interest with the Seaboard Air Line and the Florida East Coast Ry. In the Jacksonville Terminal Co., this company guaranteeing one-third of the principal, and together with the Southern Railway interests, guaranteeing one-fourth of the interest; a one-sixth interest in the Richmond-Washington Co., with a joint guarantee of the bond issue of the latter; a full interest in the Washington & Vandemere R.R., the bonds of the latter being guaranteed. Also leases on "user basis," jointly with others, Albany Passenger Terminal Co., Augusta Union Station, Columbia Union Station, Goldsboro Union Station, Savannah Union Station, and Tampa Union Station. The Central R.R. of South Carolina, extending from Lowes to Sumter, is leased for 99 years from Dec. 1, 1881, at an annual rental of $31,000. The South Carolina Pacific Ry. is leased at an annual rental of $9,276 per annum to January 1, 1918; $10,276 per annum thereafter to Jan. 1, 1922; and $11,276 thereafter. The Tidewater Power Co.'s dummy line is operated under a forty-year lease from Jan. 1, 1895, at an annual rental of $3,000. The use of the Augusta Union Station Co. involves the payment of interest to cover the latter's 4% bonds (outstanding, $225,000), and other small liabilities. This payment is provided jointly by the Atlantic Coast Line R.R., Southern Ry., Charleston & Western Carolina Ry., Central of Georgia Ry. and Augusta Southern R.R. The use of the Savannah Union station involves the payment of interest and sinking fund on $600,000 4% bonds; this payment being supplied jointly by the Atlantic Coast Line R.R., Southern Ry. and Seaboard Air Line.

Location: The directly operated lines of the company on June 30, 1916, comprised 4,743.93 miles, of which 4,654.80 miles were owned and the balance operated under lease or otherwise. The system extends from Richmond, Va., south to Tampa and Fort Myers, Fla., forming a through line with a network of branches and spurs radiating throughout the States of Virginia, North Carolina, South Carolina, Georgia, Alabama, and Florida. Population of these States in 1890, 8,166,488; in 1900, 9,661,880; in 1910, 11,283,132.

Management: OFFICERS: H. Walters, Chairman; J. R. Kenly, Pres.; Lyman Delano, 1st Vice-Pres.; R. A. Brand, 2nd Vice-Pres.; James F. Post, Treas.; H. L. Borden, Sec.; P. R. Albright, Gen. Mgr. DIRECTORS: H. Walters, Geo. C. Jenkins, Waldo Newcomer, Warren Delano, M. F. Plant, F. W. Scott, Geo. B. Elliott, E. B. Borden, Donald MacRae, F. B. Adams, W. W. Mackall, H. L. Borden. MAIN OFFICE: Richmond, Va.; office of President and Treasurer, Wilmington, N. C.; NEW YORK OFFICE: 71 Broadway, New York. TRANSFER AGENTS, J. P. Morgan & Co.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	14.37%	13.85%	16.01%	14.29%	15.29%	17.84%	13.81%
Products of Animals	.....	.....	.....	.89	.86	.89	1.01	1.07	.78	.69
Products of Forests	.....	.....	.....	32.96	29.92	28.18	31.79	28.48	18.88	17.13
Products of Mines	.....	.....	.....	22.40	23.61	23.22	21.24	22.68	29.81	35.85
Manufactures and Miscel.	.....	.....	.....	29.38	31.76	31.70	31.67	32.48	32.69	32.52

Total freight tonnage in 1910, 11,297,846 tons; in 1911, 11,688,577 tons; in 1912, 11,855,030 tons; in 1913, 13,032,586 tons; 11,885,030 tons in 1914; 10,507,751 tons in 1915; 12,291,713 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	4,327	61	641	562	23,604	70%	54,641	343,683	182	$1.84	2.56c	1.23c
1908	4,365	86	672	606	25,268	69	60,000	329,034	195	1.83	2.40	1.23
1909	4,434	86	669	602	25,165	70	58,701	328,211	194	1.86	2.24	1.26
1910	4,482	94	663	605	25,354	70	67,948	365,889	201	1.94	2.22	1.27
1911	4,494	138	686	603	26,329	69	78,107	396,378	208	1.94	2.20	1.21
1912	4,525	138	719	646	28,456	70	83,164	403,473	210	1.99	2.23	1.23
1913	4,611	194	777	671	30,185	68	86,472	441,647	224	2.08	2.24	1.20
1914	4,646	270	814	679	30,903	67	89,836	439,168	225	2.09	2.21	1.21
1915	4,689	332	811	674	30,096	67	76,430	373,409	236	2.00	2.19	1.20
1916	4,703	332	820	678	29,787	68	80,237	456,487	274	2.12	2.19	1.09
10-Year Average	4,528	173	727	643	27,515	69%	73,554	387,738	215	$1.97	2.27c	1.21c

Yard tracks and sidings, 1,166 miles.

Comment: The Atlantic Coast Line Railroad for the fiscal year ended June 30, 1916, reported great improvement in its operating exhibit, and the freight density rose to the highest figures ever recorded. It will be noted also that the freight train load underwent a substantial improvement, while train mile earnings now range at a very high level. The freight tonnage, as has been the case for many years, is made up largely of manufactures and miscellaneous articles, although the product of mines are tending to become a more important factor than formerly.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$6,158	$899	$907	$1,806	$2,699	$1,653	$2,268	$198	$2,070	$1,353	**35%**	$717	$692
1908	5,964	875	938	1,813	2,533	1,618	2,339	246	2,083	1,266	**39**	817	632
1909	5,896	804	830	1,634	2,187	2,075	2,729	252	2,477	1,433	**42**	1,044	620
1910	6,651	839	954	1,793	2,360	2,498	3,155	270	2,885	1,325	**54**	1,560	723
1911	7,036	877	1,021	1,898	2,650	2,488	3,191	285	2,906	1,227	**58**	1,679	775
1912	7,395	944	1,113	2,057	2,935	2,403	3,098	309	2,789	1,264	**55**	1,525	957
1913	7,834	1,012	1,211	2,223	3,120	2,491	3,299	315	2,984	1,273	**57**	1,711	995
1914	7,926	1,101	1,312	2,413	3,229	2,284	3,157	336	2,821	1,241	**56**	1,580	1,035
1915	6,726	975	1,160	2,135	2,750	1,841	2,571	342	2,229	1,309	**41**	920	733
1916	7,321	917	1,187	2,104	2,744	2,473	3,353	381	2,972	1,323	**55**	1,649	731
10-Year Average	$6,891	$924	$1,063	$1,987	$2,726	$2,183	$2,916	$294	$2,622	$1,301	**49%**	$1,321	$789

Note: Above figures are based on average miles operated for each year. Margin of safety is the proportion of surplus left over after deducting the fixed charges for each year. For example, in 1916 the "balance for charges" (per mile) was $2,972; fixed charges amounted to $1,323 or 45%, leaving $1,649, a "margin of safety" of 55%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$34,429,644	$31,522,432	$36,823,139	$36,123,072	$33,463,558	$31,622,449	$29,810,268
Maintenance of way	4,311,802	4,572,651	5,116,944	4,667,357	4,273,545	3,926,568	3,760,197
Maintenance of equipment	5,580,775	5,438,461	6,094,706	5,581,307	5,038,547	4,583,890	4,275,966
All other operating expenses	12,904,431	12,893,049	15,000,438	14,386,868	13,229,491	11,936,081	10,577,994
Net operating revenues	$11,632,636	$8,618,271	$10,611,052	$11,487,540	$10,921,975	$11,174,910	$11,196,111
Operating Ratio	62.2%	72.7%	71.2%	68.2%	67.4%	64.8%	62.4%
Other income	4,137,150	3,438,670	4,056,042	3,721,908	3,205,304	3,244,068	2,947,156
Total net income	$15,769,786	$12,056,941	$14,667,093	$15,209,448	$14,127,279	$14,418,978	$14,143,267
Taxes accrued	1,793,831	1,605,202	1,561,159	1,451,477	1,399,395	1,280,247	1,208,960
Balance for charges	$13,975,955	$10,451,739	$13,105,934	$13,757,971	$12,727,884	$13,138,731	$12,934,307
Fixed charges	6,220,419	6,138,458	5,767,088	5,868,768	5,717,002	5,631,736	5,941,053
Surplus	$7,755,536	$4,313,281	$7,338,846	$7,889,203	$7,010,882	$7,506,995	$6,993,254
Dividends paid	*	3,437,735	4,808,957	4,590,161	4,098,586	3,487,789	3,239,937
Other deductions	156,644	12,344	9,839	.....	.....	.....	.....
Balance	$7,598,892	$863,202	$2,520,050	$3,299,042	$2,912,296	$4,019,206	$3,753,317
Earned on stock	11.00%	6.26%	10.83%	11.64%	12.12%	13.04%	12.20%

* Dividend paid from profit and loss in 1916 (see next page).

Note: "Other Income" includes income on investments, rents, hire of equipment balance, interest on deposits, income from Georgia R.R. lease, etc. Fixed charges include interest and rentals; also miscellaneous deductions. Other income was made up largely from dividends on stocks owned, this item amounting to $2,020,131 in 1915 and $2,386,447 in 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $29,843,289; credit balance transferred from income acct., $7,598,893; unrefundable overcharges, $4,645; donations, $23,609; miscellaneous credits, $58,016; total, $37,528,452. Contra: Dividend appropriations of surplus, $3,437,735; surplus invested for investment in physical property, $23,609; debt discount extinguished through surplus, $280,279; loss on retired road and equipment, $61,672; miscellaneous debits, $141,532; credit halance carried to balance sheet, $33,583,625; total, $37,528,452.

Comment: The income statement of the Atlantic Coast Line for the year ended June 30, 1916 was very satisfactory. While gross revenues did not reach the high totals of 1913, yet the net operating revenues were considerably higher than in that year. As outside income also improved, the total surplus available for charges materially increased the margin of safety on the property. The company had no difficulty in restoring the old dividend rate, as the surplus reported was equivalent to 11% on the outstanding stock. Conditions since the close of the fiscal year have continued to improve, and the outlook for the property at the present time is most favorable.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$11,586	23%	$33,719	77%	$180	$45,485	$13,539	$31,916	7%	$19	5%	$673	6%	97%	4%
1908	11,485	23	33,310	77	180	44,975	12,882	32,093	7	18	5	614	5.5	98	23
1909	11,308	24	32,484	76	92	43,884	12,550	31,334	8.7	18	5	602	5.5	98	40
1910	12,989	32	28,444	68	180	41,613	15,322	26,291	11.4	10	5	713	6	99	53
1911	12,941	30	32,170	70	180	45,291	14,062	31,229	10.1	2	5	773	6	100	54
1912	13,028	29	32,109	71	177	45,314	16,592	28,722	10.9	2	5	955	7	100	37
1913	14,911	31	32,527	69	175	47,613	16,692	30,921	10.6	2	5	993	7	100	42
1914	14,799	31	33,345	69	173	48,317	17,404	30,913	10.2	2	5	1,033	7	100	34
1915	15,691	32	33,372	68	178	49,241	17,334	31,907	8.1	2	5	731	5	100	20
1916	15,644	32	33,978	68	185	49,807	17,587	32,220	10.4	2	5	729	5	100	56
10-Year Average	$13,438	29%	$32,546	71%	$170	$46,154	$15,396	$30,758	9.5%	$8	5%	$784	6%	99%	40%

Note: Above table is based on the average mileage directly operated for each year. Rentals represent the current payments for leases of other roads, as capitalized at 5%. Investments include stocks, bonds, and other marketable securities.

Comparative Condensed Balance Sheet as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$230,320,749	$229,583,139	$222,149,102	$217,284,947	$205,319,089	$201,239,806	$196,632,217
Working assets	41,749,296	35,161,054	39,345,761	37,963,571	31,875,685	31,857,387	31,799,255
Deferred debit items	2,219,709	2,356,894	5,247,884	4,122,834	3,098,415	2,488,117	3,148,507
Accrued income not due	1,443,938	1,104,189	1,407,211	1,408,751	1,181,392	1,161,018	94,989
Total	$275,733,692	$268,205,276	$268,179,958	$260,780,103	$241,474,581	$236,746,328	$231,674,968
Liabilities:							
Capital stock	$73,574,273	$73,574,273	$73,224,298	$73,225,493	$62,166,860	$61,112,780	$61,112,780
Funded debt	159,797,293	156,481,915	154,921,369	149,982,349	145,294,790	144,423,870	144,882,970
Working liabilities	3,208,360	3,126,438	4,207,172	3,969,919	3,554,930	3,355,865	3,133,022
Accr'd liabilities not due	3,778,537	3,671,558	4,334,694	4,257,707	3,915,570	3,403,143	3,383,064
Deferred credit items	1,553,633	1,433,983	1,083,164	1,159,482	1,090,547	2,136,146	1,659,213
Appropr'ed surplus	237,970	73,820	334,059	289,166	223,820	150,000	.....
Profit and loss surplus	33,583,626	29,843,289	30,075,202	27,895,987	25,228,064	22,164,524	17,503,919
Total	$275,733,692	$268,205,276	$268,179,958	$260,780,103	$241,474,581	$236,746,328	$231,674,968

Note: Capital stock, as shown above, includes a nominal amount of unretired preferred stock, $1,000,000 Class "A" Richmond & Petersburg stock, as well as the common stock of the company, and premiums. Bonded debt includes all direct obligations of the company, including col'ateral bonds issued against L. & N. stock. Working assets included $11,380,318 in cash in 1915 and $15,763,640 in 1916.

Comment: There were no important capitalization changes on the Atlantic Coast Line property for the year ended June 30, 1916. There was a slight increase in the outstanding bonded debt, but the capital stock remained the same as in the previous year. It will be noted that the net income on net capital rose to a substantially higher figure than that reported for 1915. After the close of the fiscal year, the dividend rate on the common stock was restored to the former figure of 7%, which had been maintained up to the end of the fiscal year 1914.

During the past ten years the Atlantic Coast Line Railroad has continuously added to its surplus accounts, and in 1916 the profit and loss credit was substantially double that of 1910. It is unnecessary to state that the company's bond issues all stand on a high investment plane.

Stocks and Bonds Owned: The following securities (with book values) were owned June 30, 1916:

Unpledged Stocks of Proprietary Companies, etc.	Book Value.
South Carolina Pacific Ry. Co	$2,371.25
Augusta Union Station Co	9,375.00
Charleston Union Station Co	25,000.00
Columbia Union Station Co	50,000.00
Jacksonville Terminal Co	1.00
Savannah Union Station Co	5,071.56
Wilmington Railway Bridge Co	20,000.00
Augusta & Summerville R.R. Co	9,527.50
Goldsboro Union Station Co	5,000.00
Atlantic & East Coast Terminal Co	12,500.00
Tampa Union Station Co	10,000.00
Albany Passenger Terminal Co	3,000.00
Other Stocks Pledged:	$151,846.31
367,200 shares of Louisville & Nashville R.R. Co. stock, and 3,060 shares of Louisville Property Co. stock, deposited with The New York Trust Co. Trustee	$51,674,220.58
Other Stocks Unpledged.	
Richmond Washington Co	$445,000.00
The Belt Line Ry. Co	10,050.00
Columbia, Newberry & Laurens R.R. Co.	12,100.00
The Atlantic Land & Improvement Co.	3,000,000.00
Washington & Vandemere R.R. Co	1,000.00
Winston-Salem Southbound Ry. Co	62,100.00
Chesapeake Steamship Co	74,200.00
Peninsular & Occidental SS. Co	1,000.00
Augusta Belt Ry. Co	32,275.66
East Carolina Ry	11,832.00
Lexington Terminal Ry. Co	3,323.47
Milledgeville Ry. Co	23,219.08
Monroe Railroad Co	6,246.47
Norfolk & Portsmouth Belt Line RR. Co.	7,708.00
Atlanta & West Point R.R. C	$213,043.51
Rockingham R.R. Co	17,000.00
Virginia & Carolina Southern R.R. Co.	88,583.28
Old Dominion SS. Co	120,000.00
Charleston Terminal Co	62,549.79
Atlantic Compress Co	52,100.00
Parker Cotton Mills, Com	1,360.00
Parker Cotton Mills, Pfd	13,000.00
Central R.R. of South Carolina	61,600.00
Live Oak, Perry & Gulf R.R	1,000.00
North Charleston Terminal Co	5,000.00
Bonds Unpledged:	$4,325,291.35
East Carolina Ry	$277,311.11
Live Oak, Perry & Gulf R.R. Co	766,000.00
Monroe R.R. Co	35,000.00
Charleston Terminal Co	225,000.00
Goldsboro Union Station Co	26,014.80
The Atlantic Land & Imp. Co	599,400.00
Laurenburg & Southern R.R. Co	98,000.00
Rockingham R.R. Co	237,500.00
Belt L. Ry., Montgomery, Ala	230,706.17
Virginia & Carol. South. R.R. Co	485,389.72
Company's Own Securities Unpledged.	
General Unified 4½% bonds	19,855,907.81
First Consolidated 4% bonds	438,750.00
Bonds Pledged.	$23,274,979.61
Atlantic Coast Line of S. C. 1st 4s	$500,000.00
Atlantic Coast Line R.R. Cons. 4s	75,000.00
State of South Carolina 4s	15,225.00
	$590,225.00
Total securities (book value)	$80,016,562.85

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Silver Spgs. O. & G. first 4s	J&J	Jl 1918	(1st) 64	$7,700		4	88%	Very high	High	Aaa.
2. Sanford & S. P'burg first 4s.	J&J	Ja 1924	(1st) 145	1,900		3	88%	" "	"	Aaa.
3. Petersburg R.R. Class A 5s.	J&J	Jl 1926	(1st) 69	12,600		9	88%	" "	"	Aaa.
4. Petersburg R.R. Class B 6s.	A&O	O 1926	(2d) 69	11,600		10	88%	" "	"	Aaa.
5. Alabama Midland first 5s	M&N	N 1928	(1st) 174	16,100		30	88%	" "	"	Aaa.
6. Northeastern R.R. of S. C. con. 6s	J&J	Ja 1933	(1st) 102	6,450		9	88%	" "	"	Aaa.
7. Savannah, Fla. & West. con. (now first) 5s.	A&O	Ap 1934	(1st) 544	12,000		78	88%	" "	"	Aaa.
8. Savannah, Fla. & West. con. (now first) 6s.										
9. Wilm. & Weldon gen. 4s.	J&J	Jl 1935	(1st) 479	8,350	$2,622	39	88%	" "	"	Aaa.
10. Wilm. & Weldon gen. 5s.										
11. Charleston & Sav. gen. 7s	J&J	Ja 1936	(1st) 111	13,510		22	88%	" "	"	Aaa.
12. Brunswick & West. first 4s.	J&J	Ja 1938	(1st) 162	8,700		12	88%	" "	"	Aaa.
13. Norfolk & Carol. first 5s	A&O	Ap 1939	(1st) 110	12,000		14	88%	" "	"	Aaa.
14. Norfolk & Carol. second 5s.	J&J	Ja 1946	(2d) 110	3,636		5	88%	" "	"	Aaa.
15. Richmond & P. cons. 4½s	A&O	Ap 1940	(1st) 27	11,112		3	88%	" "	"	Aaa.
16. Wilm. & Newbern first 4s	F&A	Ag 1947	(1st) 90	1,177		1	88%	High	"	Aaa.
17. Florida So. R.R. first 4s	J&J	Ja 1945	(1st) 244	10,000		21	88%	"	"	Aaa.
18. Atl. C. L. of S. C. gen. first 4s	J&J	Jl 1948	(1st) 595 (2d) 102	8,000		47	88%	"	"	Aaa.
19. Wash. & Vandermere 4½s.	F&A	F 1947	(1st) 40	18,000		7	88%	"	"	Aa.
20. Cent. R.R. of S. C. first 6s.	J&J	Jl 1921	(1st) 40	7,500		4	88%	"	"	Aa.
21. Atl. Coast Line R.R. con. 4s.	M&S	Jl 1952	(1st) 1024 (2d) 2639 (3d) 280	12,880	2,304	432	81%	"	"	Aaa.
22. Atl. Coast Line unified 4s	J&D	D 1959	gen. 4,302	.....		1	75%	"	"	Aa.
23. Atl. C. L. gen. unif. 4s & 4½s series A and B	J&D	Je 1964	gen. 4,348	.....	1,872	169	75%	"	"	Aa.
24. Atl. C. Line—L. & N. coll. 4s	M&N	O 1952	(stk. coll.)	.....		300	75%	"	"	Aa.
25. Atl. C. L. conv. deb. 4s	M&N	N 1939	.....	.....		38	89%	"	"	Aa.
26. Atl. C. L. equip. trust 4s and 4½s	See Text	1917–21	Equip.	.....	1,402	114	89%	"	"	Aaa.

"Int. required" for No. 26 includes serial payments on principal.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes for the ten years ended June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general condition of the property, character of its business, relative position of the issue, etc. For full explantion, see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,000,000; outstanding, $492,000 (closed). Dated July 1, 1888; due July 1, 1918. Int. at U. S. Trust Co., New York. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 41.95 miles, Ocala to Inverness, Fla., 21.88 miles, Gulf Junc. to Homosassa, Fla.; total, 63.83 miles; also on land grant of 4,000 acres per mile of road, equipment and future acquisitions. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $1,000,000; outstanding, $275,000 (closed); also, $500,000 deposited under No. 22. Dated Jan. 15, 1894; due Jan. 1, 1924. Int. at U. S. Trust Co., New York. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 144.64 miles, Paola Junc. (near Sanford), Fla., to St. Petersburg Wharf, Fla., equipment and future acquisitions. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Interest paid without deduction for normal income tax.

3. Auth., $1,000,000; outstanding, $868,000 (closed). Dated July 1, 1881; due July 1, 1926. Int. at Merchants' Nat. Bank, Richmond, Va. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 59.87 miles, Petersburg to Weldon, Va., 6.51 miles, Collier to Dunlop, Va.; 3.15 miles Western branch; total, 68.77 miles, and equipment. Underlie Nos. 4, 21, 22 and 23, with provisions by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Listed on Baltimore and Richmond Stock Exchanges. Normal income tax deducted from interest.

4. Auth., $1,000,000; outstanding, $800,000 (closed). Dated July 1, 1881; due Oct. 1, 1926. Int. at Merchants' Nat. Bank, Richmond, Va. Coupon, $1,000. Assumed by A. C. L. R.R. Follow No. 3 on same property as second lien. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., N. H., N. Y., and R. I. Listed on Baltimore and Richmond Stock Exchanges. Normal income tax deducted from interest.

5. Auth. and outstanding, $2,800,000. Dated Nov. 1, 1888; due Nov. 1, 1928. Int. at Met. Trust Co., New York. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 173.81 miles, Montgomery, Ala., to Bainbridge, Ga., including equipment, terminal property, future acquisitions. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

6. Auth., $1,836,000; outstanding, $657,000 (closed). Dated Jan. 1, 1883; due Jan. 1, 1933. Int. at U. S. Trust Co., New York. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 101.70 miles, Florence to Charleston, S. C., including equipment and future acquisitions. Underlie Nos. 18, 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Interest paid without deduction for normal income tax.

7 and 8. Auth., $6,500,000; outstanding, $2,444,000 5s and $4,056,000 6s. Dated April 1, 1884; due April 1, 1934. Int. at U. S. Trust Co., New York. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 544.06 miles, as follows: Central Junc. to Southover Junc., 4.11 miles; Savannah to Savannah Junc., 3.85 miles; Branch to Savannah River wharf, 2.04 miles; Savannah Union Station track to Jesup Junc., Ga., 55.44 miles; Folkston, Ga., to St. John's River, Jacksonville, Fla., 39.24 miles; Jesup to Bainbridge, Ga., 179.21 miles; Waycross to Folkston, Ga., 34 miles; Albany to Thomasville, Ga., 58.50 miles; Climax, Ga., to Chattahoochee, Fla., 30.83 miles; Dupont, Ga., to High Springs, Fla., 93.64 miles; Lake City Junc. to Lake City, Fla., 18.90 miles; High Springs to Gainesville, Fla., 23.60 miles; also on equipment and future acquisitions, but property not used for railroad purposes excepted. Underlie Nos. 21, 22 and 23 with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Listed on New York and Baltimore Stock Exchanges. Interest paid without deduction for normal income tax.

9. and 10. Auth., $4,000,000; outstanding, $3,062,000 5s and $938,000 4s. Dated June 1, 1885; due July 1, 1935. Int. at First Nat. Bank, New York, and at Baltimore. C upon, $1,000. Assumed by A. C. L. R.R. First lien, 479.35 miles, as follows: Weldon, N. C., to S. C. State line, 172.60 miles; Tarboro to Rocky Mount, N. C., 14.38 miles; Pender to Kinston, N. C., 85.82 miles; Parmele Junc. to Washington, N. C., 25.39 miles; Rocky Mount to Spring Hope, N. C., 19.20 miles; Contentnea to Wilmington, N. C., 105 miles; Goldsboro Junc. to Smithfield, N. C., 21.50 miles; Warsaw to Clinton, N. C., 13.43 miles. Elrod to Boardman, N. C., 21.38 miles; Weldon to Weldon Jct., 65 miles; also on equipment. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Listed on Baltimore Stock Exchange. Normal income tax deducted from interest.

11. Auth. and outstanding, $1,500,000. Dated Jan. 1, 1886; due Jan. 1, 1936. Int. J. & J. at U. S. Trust Co., New York. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 111 miles, as follows: Ashley River, S. C., to Central Junc., Savannah, Ga., 96.60 miles; John's Island Station to Ashley River (opp. Charleston), 8.70 miles; Ravenel to Yonges Island, S. C., 5.70 miles; also on equipment. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest.

12. Auth., $3,000,000; outstanding, $1,407,000 (closed). Dated Jan. 1, 1888; due Jan. 1, 1938. Int. at U. S. Trust Co., New York. Coupon, $500 and $1,000. Assumed by A. C. L. R. R. First lien, 162.25 miles, Southern Junc. to Albany Junc. Ga., and 4.56 miles, Brunswick to Four Mile Crossing, Ga.; total, 166.81 miles; also on equipment. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Fla., Minn., Mich., N. J., N. Y., N. H., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest.

13. Auth., $1,500,000; outstanding, $1,314,000 (closed). Dated April 1, 1889; due April 1, 1939. Int. at Central Trust Co., New York. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 109.70 miles, Norfolk, Va., to Tarboro, N. C., and small branches; also equipment. Underlie Nos. 14, 21, 22, and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I., Wis. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

14. Auth., $500,000; outstanding, $400,000 (closed). Dated Jan. 1, 1896; due Jan. 1, 1946. Int. at Safe Deposit & Trust Co., Baltimore. Coupon, $1,000. Assumed by A. C. L. R.R. Follow No. 13 on same property as second lien. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Conn., Cal., Minn., N. H., N. Y., R. I. Normal income tax deducted from interest.

15. Auth., $1,000,000; outstanding, $300,000 (closed). Dated April 1, 1890; due April 1, 1940. Int. at Brown Bros. & Co., New York. Coupon, $1,000. Assumed by A.C. L. R.R. First lien, 4.55 miles, Clopton to James River, Va.; 22.33 miles, Richmond to Petersburg; total, 26.88 miles. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Conn., Cal., Mich., Minn., N. H., N. J., N. Y., R. I. and Wis. Interest paid without deduction for normal income tax.

16. Auth., $500,000; outstanding, $106,000 (closed). Dated Aug. 2, 1897; due Aug. 1, 1947. Int. at Safe Deposit & Trust Co., Baltimore. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 86.21 miles, Wilmington Junc. to Newbern Wharf, N. C.; 4.11 miles, Wilmington to Fernside, N. C.; total, 90.32 miles; also on equipment. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Normal income tax deducted from interest.

17. Auth., $5,000,000; outstanding, $2,418,000 (closed). Dated Jan. 1, 1895; due Jan. 1, 1945. Int. at U. S. Trust Co., New York. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 243.61 miles, as follows: Palatka to Brooksville, Fla., 145 miles; Bartow to Punta Gorda, Fla., 73.15 miles; branches, 25.46 miles; also on equipment. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. H., N. Y., R. I. Listed on Baltimore and Richmond Stock Exchanges. Normal income tax deducted from interest.

18. Auth., $8,000,000; outstanding, $5,547,000 (closed). Dated Aug. 1, 1898; due July 1, 1948. Int. at Safe Deposit & Trust Co., Baltimore. Coupon, $1,000. Assumed by A. C. L. R.R. First lien, 595 miles, as follows: N. C. State line to Pee Dee, S. C., 24.63 miles; Latter to Clio, S. C., 19.78 miles; Florence to Wadesboro, N. C., 64.52 miles; Floyds to Hartsville, S. C., 10 miles; Darlington to Gibson, N. C., 36.13 miles; Darlington to Sumter, S. C., 37.64 miles; Sumter to Robbins, S. C., 98.50 miles; Creston to Pregnalls, S. C., 40.81 miles; Eutawville to Ferguson, S. C., 6.16 miles; Elliot to Lucknow, S. C., 16.48 miles; Wilmington to Wilmington Railway Bridge, 1.83 miles; Pee Dee to Florence, S. C., 12.82 miles; Florence to Columbia, S. C., 81.70 miles; Conway to Boardman, 50 miles; also, by second lien, on 101.70 miles covered by No. 6, but subject thereto; also on equipment. Underlie Nos. 21, 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Minn., Mich., N. J., N. Y., N. H., R. I. Normal income tax deducted from interest.

19. Auth., $1,500,000; outstanding, $720,000; balance reserved for construction and equipment of additional branches at not over $18,000 per mile. Dated Feb. 1, 1907; due Feb. 1, 1947. Int. at U .S. Trust Co., New York., and Safe Deposit & Trust Co., Baltimore. Coupon, $1,000. Guar. prin. and int. by A. C. L. R.R., which owns all capital stock of Washington & Vandemere R.R. First lien, 40 miles, Washington, N. C., to Vandemere, N. C.; also on equipment. Legal for S. B. in Mich., Minn., N. J., N. H., R. I. Listed on Baltimore Stock Exchange. Interest paid without deduction for normal income tax.

20. Auth. and outstanding, $300,000. Dated July 1,1881; due July 1, 1921. Int. at Bankers' Trust Co., New York. Coupon, $1,000. Road leased to A. C. L. R.R. until 1980 at annual rental of $31,000 and taxes. First lien, 40.20 miles, Lanes to Sumter, S. C., and on equipment. Legal for S. B. in Mich., Minn., N. J., Wis. Interest paid without deduction for normal income tax.

21. Auth., $80,000,000; outstanding, $50,813,000; in treasury $438,750; pledged $75,000 (closed). Dated July 1, 1902; due July 1, 1952. Int. at U. S. Trust Co., New York. Coupon and reg., $1,000. First lien on 1,023.61 miles, as follows: Tarboro to Plymouth, N. C., 53.78 miles; Yadkin Junc., near Wilmington, to Sanford, N. C., 116.40 miles; Parkton, N. C., to S. C. State line, 34.57 miles; Greenpond to Ehrhardt, S. C., 37.67 miles; Jesup to Folkston, Ga., 53.57 miles; Thomasville, Ga., to Monticello, Fla., 23.97 miles; Grimes to Abbeville, Ala., 26.90 miles; Waterford to Elba, Ala., 37.22 miles; Sprague to Luverne, Ala., 32.92 miles; Jacksonville to Port Tampa, Fla., 248.12 miles; Punta Gorda to Fort Myers, Fla., 28.31 miles; Sanford to Lake Eustis, Fla., 28.62 miles; Sanford to Lake Charm, Fla., 17.31 miles; Kissimmee to Narcoossee, Fla., 14.40 miles; Kissimmee to East Apopka, Fla., 33.68 miles; High Springs to Archer, Fla., 23.15 miles; Morriston to Juliet, Fla., 12.09 miles; Leesburg to Aster, Fla., 37.94 miles; Inverness to Bartow, 76.03 miles; Chubb to Bartow, 16.20 miles; Thonotosassa Junc. to Thonotosassa, Fla., 13.33 miles; Winston to Tiger Bay, Fla., 25.30 miles; and branches aggregating 31.65 miles; also second lien on 2,638.78 miles, and third lien on 279.74 miles, covered by Nos. 1 to 19, inclusive, described above and amounting in all to $29,390,000; further secured on the leasehold interests of the company in the South Carolina Pacific Ry. and the Central R.R. of S. C. Underlie Nos. 22 and 23, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., N. H., N. J., N. Y., Mich., Minn., R. I., Wis. Listed on New York, Baltimore and Richmond Stock Exchanges. Interest paid without deduction for normal income tax.

22. Auth., $200,000,000; outstanding June 30. 1916, $98,000 (closed). $30,749,884 were exchanged for No. 23 to June 30, 1916, par for par. Dated Dec. 1, 1909; due Dec. 1, 1959. Int. at U. S. Trust Co., New York. Coupon, $1,500; reg., $1,000, $5,000, etc. First lien on 361.15 miles, as follows: Milldale to Perry, Fla., 163.23 miles; Yonges Island branches aggregating 15.32 miles; other branches aggregating 182.60 miles; also, by second lien, subject to No. 21 on 1,023.61 miles; by third lien, subject to No. 21 on 2,638.78 miles; by fourth lien, subject to No. 21 on 279.74 miles; by second lien, subject to No. 21 on the leasehold interests in the South Carolina Pacific Ry. and the Central R.R. of S. C. Legal for S. B. in N. H., N. J., Mich., Minn., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

23. Auth., $200.000;000; outstanding, June 30, 1916, Series "A," 4½s $17,569,000; in treasury, $19,855,908; Series "B" 4s, $100,000. Of balance, $98,000 reserved for exchange of equal amount of No. 22; $89,302,710 reserved for all prior liens. and balance for improvements, etc. Dated June 1, 1914; due June 1, 1964. Int. paid at U. S. Trust Co., New York. Coupon and reg., $1,000; interchangeable. First lien on 46 miles as follows: Milldale to Eastport, Fla.. 4.13 miles; Fincher to Farlew, Fla., 32.47 miles; branch, 9.41 miles; also follows No. 22 on 4,347.52 miles. All of No. 22 were exchangeable for this issue. Int. may not exceed 6%. Legal for S. B. in Maine, N. J., N. H., Mo., Mich., Minn., R. I., Wis. Normal income tax deducted from interest.

24. Auth. and outstanding, $35,000,000. Dated Nov. 1. 1902; due Oct. 1, 1952. Int. at J. P. Morgan & Co., New York. Coupon and reg. $1,000 interchangeable. Callable on any interest date at 105 and int. Secured by deposit of 51% of the capital stock of the Louisville & Nashville R.R. Formerly this amounted to $30,600,000, but was increased in 1912 to $36.720,000. Also on 3,060 shares of Louisville Property Co. stock. Listed on New York Stock Exchange. Legal for S. B. in N. H. and R. I. Interest paid without deduction for normal income tax.

25. Auth., $23,562,500; outstanding, $4,482,935. Dated Nov. 16, 1909; due Nov. 1, 1939. Int. at office of company. Reg., $100 and multiples. Convertible Into common stock at 135, at any time until Jan. 15, 1920. Callable at 105 and int. on ninety days' notice after May 1, 1916. Not a mortgage, but provision made by No. 23 to retire at maturity, unless converted. Legal for S. B. in N. H., R. I. Interest paid without deduction for normal income tax.

26. In two series: "A" Auth., $4,500,000 4s; dated Mar. 1, 1907; due $225,000 semi-annually Mar. and Sept. 1 to Mar. 1, 1917; now unredeemed, $223,000. Secured on equipment costing $5,000,000. Legal for S. B. in N. H., R. I., "B" Auth., $2,500,000 4½s; dated Dec. 1, 1911; due $125,000 semi-annually June and Dec. 1 to June 1, 1921; now unredeemed, $1,250,000. Secured on equipment costing $2,777,778. Legal for S. B. in N. H., R. I. Interest paid without deduction for normal income tax. Both issues provided for by No. 23.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Atlantic Coast Line R.R. common..... Full voting power. Par $100. Outstanding, $67,558,000.	7% J&J	$14,365	$1,321	$1,006*	24%	High	Very high	A.*

For Key to Stock Ratings, see page 21. * For 7% dividend.

Also outstanding June 30, 1916, $1,000,000 "Class A" Richmond & Petersburg stock, tax exempt, and $196,700 5% preferred.

Note: Auth., $76,000,000; outstanding, $67,558,000; par $100. Dividends have been paid as follows: 1901, 2½%; 1902, 3½%; 1903 to 1905, 5%; 1906 and 1907, 6%; 1908, 2½%; 1909, 5½%; 1910 and 1911, 6%; 1912, 1913 and 1914, 7% each; 1915, 5%; 1916, 5%; 3½% in Jan., 1917. On Jan. 2, 1905, an extra dividend of 25% was paid, 20% being in stock and 5% in 4% certificates of indebtedness of Atlantic Coast Line Co. Transfer Agents, J. P. Morgan & Co., New York. Listed on New York and Philadelphia Stock Exchanges.

CHARLESTON AND WESTERN CAROLINA RAILWAY COMPANY

Origin: Incorporated under laws of South Carolina and Georgia, Sept. 16, 1896, as a consolidation of the Port Royal & Augusta and the Port Royal and Western Carolina Railway companies, which were sold under foreclosure. The Augusta Terminal Company was merged March 20, 1906. The company is controlled by the Atlantic Coast Line Company of Connecticut, the latter owning all the capital stock.

Location: Operated lines consist of 342.50 miles, as follows: Port Royal to Augusta, 112.12 miles; Augusta to Spartanburg, 134.21 miles; McCormick to Anderson, S. C., 58.22 miles; Laurens to Greenville, S. C., 36.34 miles; trackage rights, 1.04 miles.

Management: Officers: Henry Walters, Chairman; F. B. Grier, Pres.; J. R. Kenly, Vice-Pres.; James F. Post, Treas.; R. D. Cronly, Sec. Directors: Henry Walters, J. R. Kenly, Avery Patton, J. B. Cleveland, A. F. McKissick, Lyman Delano, N. D. Dial, J. A. Brock. Offices: Charleston, S. C., and Wilmington, N. C.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture.	21.25%	20.37%	21.43%	20.17%	13.73%	14.92%	13.83%	13.59%	16.30%	14.10%
Products of Animals	91	1.06	1.19	1.25	.90	.78	.70	.64	.45	.39
Products of Mines	23.07	33.64	27.73	29.08	47.22	51.98	43.86	49.52	47.20	49.32
Products of Forests	17.85	14.18	16.23	15.85	10.59	7.88	11.79	9.11	10.11	11.97
Manufactures . .	28.21	23.72	25.88	26.39	22.39	19.80	24.85	22.41	20.13	17.98
Merchandise and Miscel	8.71	7.03	7.54	7.26	5.17	4.64	4.97	4.73	5.81	6.24

Total revenue tonnage, year ended June 30, 1907, 1,051,142 tons; 1908, 995,162 tons; 1909, 961,134 tons; 1910, 1,070,876 tons; 1911, 1,542,079 tons; 1912, 1,549,082 tons; 1913, 1,478,531 tons; 1914, 1,736,852 tons; 1915, 1,448,971 tons; 1916, 1,535,677 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907....	340	....	39	31	1,167	76%	25,881	237,301	142	$1.56	2.66c	1.41c
1908	340	....	43	33	1,334	75	31,358	217,635	136	1.52	2.53	1.42
1909.....	341	....	43	33	1,318	75	33,434	193,512	130	1.58	2.35	1.60
1910.. . .	341	....	43	33	1,290	75	39,523	218,297	152	1.72	2.33	1.58
1911.....	341	....	49	40	1,273	77	45,304	462,538	216	1.66	2.30	.95
1912.....	341	....	54	39	1,273	76	45,389	433,568	211	1.69	2.33	1.00
1913	341	....	60	35	1,273	76	43,876	385,671	208	1.74	2.38	1.10
1914..	341	....	59	42	1,247	77	47,869	502,078	251	1.70	2.40	.94
1915.. ..	342	....	60	43	1,223	78	38,180	423,731	263	1.74	2.37	.94
1916	342	....	60	40	1,200	77	40,963	460,058	268	1.82	2.38	.92
10-Year Average	341	...	51	37	1,260	76%	39,178	353,439	192	$1.67	2.40c	1.19c

Yard track and sidings, June 30, 1916, 96.76 miles.

Comment: The freight density on the Charleston & Western Carolina for the fiscal year ended June 30, 1916, underwent substantial improvement as compared with the previous year, and the freight train load was considerably higher. While average freight rates have tended to decline in recent years, yet train mile earnings have held up well and during the year just closed reached the best average of the decade. The company's freight tonnage is quite well diversified, a very substantial proportion being high grade freight.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$4,340	$874	$506	$1,380	$2,128	$832	$1,023	$135	$888	$1,209	...	$321*	.....
1908	4,141	850	655	1,505	1,926	710	786	146	640	629	2%	11	.....
1909	4,135	879	515	1,394	1,748	993	1,066	157	909	576	37	333	.....
1910	4,605	895	629	1,524	1,747	1,334	1,431	166	1,265	569	55	696	.....
1911	5,672	959	669	1,628	2,197	1,847	1,941	176	1,765	1,048	41	717	.....
1912	5,671	1,059	878	1,937	2,485	1,249	1,326	193	1,133	800	29	333	.....
1913	5,560	944	920	1,864	2,454	1,242	1,331	186	1,145	624	45	521	.....
1914	6,146	1,026	1,018	2,044	2,649	1,453	1,541	195	1,346	748	44	598	.....
1915	5,163	962	872	1,834	2,147	1,182	1,302	188	1,114	904	19	210	.....
1916	5,513	836	711	1,547	2,061	1,905	2,070	221	1,849	856	54	993	.....
10-Year Average	$5,095	$928	$738	$1,666	$2,154	$1,275	$1,382	$176	$1,206	$796	33%	$410	.....

* Deficit.

Note: Above figures are based on average miles operated for each year. Margin of safety is the proportion of surplus left over after deducting the fixed charges for each year. For example, in 1916 the "balance for charges" (per mile) was $1,849; fixed charges amounted to $856, or 46%, leaving $993, a "margin of safety" of 54%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,885,624	$1,765,579	$2,095,812	$1,895,999	$1,933,896	$1,934,200	$1,570,432
Maintenance of way	286,017	329,144	349,878	321,938	361,057	327,022	305,314
Maintenance of equipment	243,024	298,045	347,283	313,928	299,334	227,971	214,568
All other operating expenses	705,225	734,155	903,306	836,728	847,514	749,323	595,626
Net operating revenue	$651,358	$404,235	$495,345	$423,405	$425,991	$629,884	$454,924
Operating ratio	65.4%	77.1%	76.4%	77.7%	78.0%	67.4%	71.0%
Other income	56,522	41,174	30,133	30,358	26,312	32,209	32,935
Total net income	$707,880	$445,409	$525,478	$453,763	$452,303	$662,093	$487,859
Taxes	75,485	64,484	66,651	63,270	65,916	60,090	56,722
Balance for charges	$632,395	$380,925	$458,827	$390,493	$386,387	$602,003	$431,137
Fixed charges	292,821	309,053	254,967	212,688	272,920	357,507	193,923
Surplus over charges	$339,574	$71,872	$203,860	$177,805	$113,467	$244,496	$237,214
Dividends paid	.....	.....	.....	.....	.....	.....	.....
*Other deductions	2,573	.....	203,860	177,805	113,467	106,505	.....
Balance	$337,001	$71,872	.....	.....	.....	$137,991	$237,214
Earned on stock	28.30%	5.99%	16.99%	14.82%	9.46%	20.38%	19.77%

*Appropriations for Additions and Betterments.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $487,395; credit balance transferred from income, $337,001; unrefundable overcharges, $594; donations, $1,240; miscellaneous credits, $3,750; total, $829,980. Contra: Surplus appropriated for investment in miscellaneous physical property, $1,240; miscellaneous debits, $9,758; credit balance carried to balance sheet, $818,982; total, $829,980.

Comment: While the increase in gross revenues on the Charleston & Western Carolina property in 1916 was small, the company curtailed its maintenance and operating costs and was thus able to report the best net operating revenue figures of the decade. Fixed charges tended to decline during the year and therefore the final surplus was far above any recent figures, equalling 28.3% on the outstanding capital stock. Since the close of the fiscal year operating results have continued to show substantial improvement.

Diversified Investing

Price of the Book, $2.00 per copy net

This subject is fully covered in a small volume entitled "*How to Invest Money Wisely*," by John Moody, which we have recently published. For many years Mr. Moody has made a careful study of this subject in connection with his work as an analyst and adviser for bankers, financial institutions and investors, both at home and abroad. These principles for wisely and intelligently diversifying investment capital have been adopted within the past few years by numerous institutions and several thousand individual investors with satisfaction and profit.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$3,529	17%	$16,765	83%	.....	$20,294	$73	$20,221	5.0%	.....	.....	.....	.....	.....	.....
1908.....	3,529	17	16,765	83	.....	20,294	73	20,221	3.9	.....	.....	.....	.....	.....	.....
1909.....	3,519	17	16,716	83	.....	20,235	72	20,163	5.3	.....	.....	.....	.....	.....	.....
1910.....	3,519	17	16,716	83	.....	20,235	72	20,163	7.1	.....	.....	.....	.....	.....	.....
1911.....	3,519	17	16,716	83	.....	20,235	72	20,163	9.6	.....	.....	.....	.....	.....	.....
1912.....	3,519	17	16,716	83	.....	20,235	72	20,163	6.6	.....	.....	.....	.....	.....	.....
1913.....	3,519	17	16,716	83	.....	20,235	72	20,163	6.6	.....	.....	.....	.....	.....	.....
1914.....	3,519	17	16,716	83	.....	20,235	72	20,163	7.6	.....	.....	.....	.....	.....	.....
1915.....	3,509	17	16,667	83	.....	20,176	72	20,104	6.5	.....	.....	.....	.....	.....	.....
1916.....	3,509	17	16,667	83	.....	20,176	97	20,079	10.3	.....	.....	.....	.....	.....	.....
10-Year Average..	$3,519	17%	$16,716	83%	.....	$20,235	$75	$20,160	6.9 %	.....	.....	.....	.....	.....	.....

Note: The above table is based on average mileage directly operated.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$7,730,566	$7,802,114	$7,777,049	$7,517,508	$7,395,427	$7,398,419	$7,159,169
Working assets	1,386,849	962,851	938,706	1,023,181	917,258	1,039,587	1,040,334
Deferred debit items not due..	68,803	57,110	47,615	48,630	99,288	87,982	24,569
Accrued income	214	.....	.....	.....	.....	.....	1,809
Total	$9,186,432	$8,822,075	$8,763,370	$8,589,319	$8,411,973	$8,525,988	$8,225,881
Liabilities:							
Capital stock	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000
Funded debt	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
Working liabilities	241,914	215,009	234,080	262,349	258,031	259,421	184,173
Accrued liabilities not due.....	80,560	76,326	76,325	74,635	69,711	69,711	69,710
Deferred credit items.....	31,223	33,384	241,239	239,127	245,242	349,304	367,975
Appropriated surplus	1,113,752	1,109,961	1,128,931	925,346	747,541	634,074	468,455
Profit and loss—surplus.....	818,983	487,395	182,795	187,862	191,448	313,478	235,568
Total	$9,186,432	$8,822,075	$8,763,370	$8,589,319	$8,411,973	$8,525,988	$8,225,881

Comment: The Charleston & Western Carolina property reported practically no changes in its capitalization figures during the fiscal year ended June 30, 1916. As measured on the mileage basis the company is lightly capitalized, its total bonded debt averaging only $16,716 per mile during the past decade. While the road is not an exceptionally heavy earner it will be noted that for 1916 the net income on net capital equalled 10.3%. No attempt has been made by the management to pay dividends in recent years, the entire surplus above charges being conserved among the resources of the company.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Char. & W. Car. 1st 5s.....	A&O	O 1946	(1st) 340	$8,000	$1,206	$100	67%	High	Fair	A.
2. Augusta Term. 1st 6s.....	A&O	Ap 1947	Term	.....	806	106	87%	"	"	A.
3. Char. & W. Car. 1st cons....	J&J	Ja 1961	See text	7,000	700	210*	70%	Fair	.....	Ba.

*For 3%.

Note: "Average income available" is the annual average balance of net income available for charges, after deducting taxes, for the ten years ended June 30, 1916. Interest requirement is the current requirement. For Key to Bond Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. at $8,000 per mile; outstanding, $2,720,000. Dated Oct. 1, 1896; due Oct. 1, 1946; int. paid at Central Trust Co., New York. Coupon and reg., $1,000. First lien, 339.58 miles, as follows: Port Royal, S. C., to Augusta, Ga., 112.2 miles; Augusta to Spartanburg, 133.30 miles; Augusta to Greenville, 136.41 miles; Augusta to Anderson, 57.75 miles; also follow No. 2 on 1.70 miles and terminals at Augusta. Listed on Richmond Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $600,000. Dated April 1, 1897; due April 1, 1947; int. paid at Central Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by Char. & Western Carolina Ry., and now assumed. First lien on 1.70 miles and terminals at Augusta. Interest paid without deduction for normal income tax. Underlies No. 1 on this property.

3. Auth., $10,000,000; outstanding, $2,380,000. Dated Feb. 12, 1914; due Jan. 1, 1964; int. paid at Safe Deposit & Trust Co., Baltimore and New York. Coupon, $1,000. In two series, as follows: Series A, $2,380,000 (now issued) to retire an equal amount of income 5s of 1946, and to carry 2% interest for first 2 years, 3% for next 3 years, 4% for next 5 years, and 5% thereafter. Series B, $7,620,000, to be reserved for retirement of Nos. 1 and 2, at or before maturity and to provide for future extensions, betterments or equipments. Second lien on properties covered by No. 1 and third lien on property covered by No. 2. Normal income tax deducted from interest. Market: Baltimore.

Capital Stock: Auth. and issued, $1,200,000; par $100. No dividends. All owned by Atlantic Coast Line Company of Connecticut.

GEORGIA RAILROAD & BANKING COMPANY

Origin: Incorporated in Georgia March 10, 1834; name changed to present title in 1835. Owns line from Augusta to Atlanta, Ga., with various branches, 307 miles in all. The property is operated by the Georgia Railroad, which also operates 39 miles additional for smaller controlled companies. The property was leased in 1881 for 99 years to William M. Wadley, at a rental of $600,000 a year; this lease has since been jointly assumed by Louisville & Nashville R.R. and Atlantic Coast Line R.R. The lease is fully secured by deposit of collateral, consisting of $500,000 North & South Alabama 5s, $500,000 Atlantic Coast Line of S. C. 5s, and $75,000 Atlantic Coast Line cons. 4s. The company owns a half interest in the Western Ry. of Alabama and also an interest in the Atlanta & West Point R.R.

Note: The banking business of the Georgia R.R. & Banking Co. was many years ago turned over to the Georgia R.R. Bank, a separate corporation, with a capital stock of $600,000, of which this company owns all but $5,100.

Management: OFFICERS: Jacob Phinizy, Pres.; Rufus H. Brown, Cashier. DIRECTORS: H. D. McDaniel, Ernst Woodruff, J. P. Mulherin, Leonard Phinizy, Porter Fleming, Wm. A. Latimer, H. C. Boardman, W. B. White, H. B. King, Fielding Wallace, W. J. Hollingsworth, Billups Phinizy, J. T. Neal, L. D. Faver, Jno. R. White. Annual meeting, second Wednesday in May. OFFICE, Augusta, Ga.

Comparative Income Account, Years Ended March 31

	1916	1915	1914	1913	1912	1911	1910
Lease rental	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Other income	23,796	26,240	23,796	47,592	.....	452,005	.....
Total net income	$623,796	$626,240	$623,796	$647,592	$600,000	$1,052,005	$600,000
Fixed charges, including taxes...	118,000	118,000	118,013	118,011	118,010	118,280	162,613
Surplus	$505,796	$508,240	$505,783	$529,581	$481,990	$933,725	$437,387
Dividends paid	504,000	504,000	504,000	504,000	504,000	462,000	462,000
Balance	$1,796	$4,240	$1,783	$25,581	(df) $12,010	$471,725	(df) $24,613

Note: The special receipts in 1911 were received through sale of part of the company's holdings of Atlanta & West Point stock, and dividend from Georgia R.R. Bank, which is controlled.

Comparative Condensed Balance Sheet, as of March 31

ASSETS:	1916	1915
Property account	$4,200,000	$4,200,000
Macon & Augusta R.R.	1,230,000	1,230,000
Georgia Railroad Bank (5,949 shs.)	594,900	594,900
15,000 shs. Western Ry. of Alabama	900,000	900,000
9,361 shs. Atlanta & W. P. Ry.	950,740	950,740
$31,000 Monroe R.R. bonds	31,000	31,000
$84,000 bonds and 200 shares stock of Union Point & White Plains R.R.	25,000	25,000
Cash (on deposit in bank)	350,941	347,818
Totals	$8,282,581	$8,279,458
LIABILITIES:		
Capital stock	$4,200,000	$4,200,000
Bonded debt	2,500,000	2,500,000
Accrued int. on bonds	2,515	2,310
Unclaimed dividends	12,605	11,483
Surplus	1,567,461	1,565,665
Totals	$8,282,581	$8,279,458

Note: The above securities (aside from those of the Georgia Railroad Bank) have been transferred and delivered to the Lessees under the terms of the lease in trust to hold them for themselves during the continuance of the lease and to return them unimpaired when the lease is terminated.

Bonded Debt: (1) $300,000 Georgia R.R. & Banking Co. debenture 6s. Dated Jan. 1, 1882; due Jan. 1, 1922. Int. paid at American Exchange National Bank, New York, and at company's office, Augusta, Ga. Coupon, $1,000. Registered, $1,000. Direct obligation of the company, but not a mortgage. Net Rating, Aaa.

(2) $200,000 Georgia R.R. & Banking Co. currency 5s. Dated Jan. 1, 1887; due Jan. 1, 1922. Int. paid at American Exchange National Bank, New York, and at company's office, Augusta, Ga. Coupon, $1,000. Registered, $1,000. Direct obligation of the company, but not a mortgage. Net Rating, Aaa.

(3) $1,000,000 Georgia R.R. & Banking Co. ref. cur. 5s; dated July 1, 1897; due Jan. 1, 1922. Int. paid at American Exchange National Bank, New York, and at company's office, Augusta, Ga. Coupon, $1,000. Direct obligation of the company, but not a mortgage. Net Rating, Aaa.

(4) $1,000,000 Georgia R.R. & Banking Co. ref. deben. 4s; dated Jan. 1, 1907; due January 1, 1947. Int. paid at American Exchange National Bank, New York. Coupon, $1,000. Direct obligation of the company, but not a mortgage. Net Rating, Aaa.

Capital Stock: Auth. and outstanding, $4,200,000; par $100. Dividends have been continuously paid since Nov. 15, 1836, the rate having been 11% per annum from 1888 to 1911 and 12% per annum since. In Dec., 1916, paid 1% extra. In all, the company has paid 661% in dividends. Stock is transferred at company's office in Augusta, Ga. Net Rating, Aa.

GEORGIA RAILROAD

History: Operated in the interest of the Atlantic Coast Line R.R. and Louisville & Nashville R.R. under lease from the Georgia R.R. and Banking Co. for term of 99 years from April 1, 1881, at annual rental of $600,000. Under the terms of the lease the lessees hold interest in the following mileage: Atlanta & West Point R.R. (9,361 shares), 87 miles; Western Ry. of Alabama (15,000 shares), 138 miles.

Location: Total operated mileage on June 30, 1916, comprised 307 miles as follows: Main line, Augusta to Atlanta, 171 miles; Macon division, 74 miles; Athens division, 40 miles; Washington branch, 18 miles; trackage rights, 4 miles. In addition, the following companies are separately operated: Union Point & White Plains R.R., 12 miles; Monroe R.R., 10 miles; Augusta Belt Ry., 7 miles; Lexington Terminal R.R., 4 miles; Milledgeville Ry., 6 miles. (See separate statements of these companies.)

Management: Chas. A. Wickersham, Gen. Mgr.; W. S. Morris, Treas.; W. H. Vincent, Aud.; J. A. Best, Pas. Agt. GENERAL OFFICES, Augusta, Ga.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	26.07%	26.59%	27.96%	25.28%	23.83%	23.23%	21.94%	19.75%	22.21%	21.45%
Products of Animals	2.89	3.40	3.55	3.74	3.33	3.01	2.69	2.71	6.05	5.38
Products of Mines	33.77	33.79	30.85	31.01	30.56	30.84	35.21	38.60	38.14	34.85
Products of Forests	5.34	4.68	5.23	4.76	4.61	4.69	5.21	4.89	3.46	5.19
Manufactures	23.34	22.95	25.88	29.30	30.10	31.23	30.10	28.48	15.67	17.05
Merchandise and Miscel.	8.59	8.59	6.53	5.91	7.57	7.00	4.85	5.57	14.47	16.08

Total tonnage in 1907, 1,927,023 tons; in 1908, 1,665,821 tons; in 1909, 1,561,624 tons; in 1910, 1,711,011 tons; in 1911, 1,843,222 tons; in 1912, 1,861,408 tons; in 1913, 1,814,166 tons; in 1914, 1,861,592 tons; in 1915, 1,678,830 tons; in 1916, 1,845,187 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	307	....	65	67	1,792	67%	96,950	727,801	168	$1.49	2.51c	.94c
1908	307	....	71	67	1,884	66	127,086	624,317	155	1.43	1.96	1.00
1909	307	....	69	67	1,892	65	116,058	586,132	165	1.50	2.01	1.04
1910	307	....	68	70	1,913	65	129,835	631,838	170	1.55	2.06	1.04
1911	307	....	67	73	1,949	66	134,098	677,341	182	1.62	2.14	1.02
1912	307	...	73	73	2,262	66	141,777	712,468	181	1.65	2.12	1.02
1913	307	....	81	74	2,247	67	135,253	638,280	179	1.61	2.13	1.03
1914	307	8	77	76	2,177	68	128,866	688,146	211	1.76	2.33	1.03
1915	307	7	85	71	2,033	67	105,456	607,151	254	1.71	2.24	.99
1916	307	7	80	69	1,979	72	113,409	675,456	274	1.93	2.22	1.01
10-Year Average	307	2	74	71	2,013	67%	122,879	656,893	194	$1.63	2.17c	1.01c

Yard tracks and sidings on June 30, 1916, 107.28 miles.

Comment: For a long series of years the Georgia Railroad has displayed great stability of earning power. Its freight tonnage is unusually well diversified and in recent years, although the freight density has not risen very rapidly, it will be noted that the average freight train load has steadily increased. Train mile earnings are also now much better than formerly.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$9,785	$1,345	$1,570	$2,915	$4,841	$2,029	$2,094	$49	$2,015	$2,495	...	$450*	.....
1908	9,312	1,393	1,494	2,887	4,820	1,605	1,665	53	1,612	2,200	...	588*	.....
1909	8,961	1,402	1,403	2,805	4,454	1,702	2,048	56	1,992	2,358	...	366*	.....
1910	9,807	766	1,518	2,284	4,609	2,914	3,304	87	3,217	2,291	29%	926	.....
1911	10,457	1,213	1,612	2,825	5,031	2,601	2,952	81	2,871	2,291	20	580	.....
1912	11,006	1,015	1,724	2,739	5,673	2,594	2,960	92	2,868	2,660	8	208	.....
1913	10,156	1,161	1,950	3,111	5,879	1,166	2,736	116	2,620	2,621	...	1*	.....
1914	10,839	1,122	1,868	2,990	5,583	2,266	2,823	121	2,702	2,293	15	409	.....
1915	9,088	1,016	1,855	2,871	4,726	1,491	2,822	178	2,644	2,393	9	251	.....
1916	10,086	887	1,576	2,463	4,842	2,781	3,489	438	3,051	2,838	7	213	.....
10-Year Average	$9,950	$1,132	$1,657	$2,789	$5,046	$2,115	$2,689	$127	$2,562	$2,444	9%	$118	.....

* Deficit.

The above table is based on the average mileage directly operated whether owned or leased. "Margin of safety" is the proportion of the surplus left over after providing for all fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,096,575	$2,790,231	$3,327,444	$3,117,766	$3,378,749	$3,210,292	$3,010,957
Maintenance of way	272,377	311.921	344,462	356,275	311,525	372,361	235,210
Maintenance of equipment	483,953	569,560	573,517	598,668	529,429	495,042	466,025
All other operating expenses	1,486,600	1,450,918	1,714,094	1,804,961	1,741,455	1,544,438	1,415,039
Net operating revenues	$853,645	$457,832	$695,371	$357,862	$796,340	$798,451	$894,683
Operating Ratio	72.43%	83.55%	79.10%	88.52%	76.43%	75.13%	70.29%
Other income	217,498	408,473	171,285	482,246	112,321	107,722	119,501
Total net income	$1,071,143	$866,305	$866,656	$840,108	$908,661	$906,173	$1,014,184
Taxes	134,562	54,749	37,261	35,728	28,089	24,713	26,669
Balance for charges	$936,581	$811,556	$829,395	$804,380	$880,572	$881,460	$987,515
Fixed charges	871,213	734,626	704,050	804,503	816,501	703,324	703,356
Surplus over charges	$65,368	$76,930	$125,345	(def.) $123	$64,071	$178,136	$284,159
Other deductions	78,175	41,977	72,292	.....	.....	79,299	56,073
Balance	(def.) $12,807	$34,953	$53,053	(def.) $123	$64,071	$98,837	$228,086

Profit and Loss Account, for year ended June 30, 1916: Unrefundable overcharges, $1,194; miscellaneous credits, $12,786; total, $13,980. Contra: Debit balance transferred from income, $12,807; loss on retired road and equipment, $363; miscellaneous debits, $810; total, $13,980.

Comment: Gross operating revenues were much better on the lines of the Georgia Railroad for the year ended June 30, 1916, than for the previous year, but they did not equal those of 1914. However, a reduction in the operating ratio resulted in the highest net operating receipts since 1910. During the year the fixed charges increased sharply and therefore the surplus was comparatively small. The fixed charges of course include the rental paid to the Georgia Railroad and Banking Company, amounting to $600,000, and in 1916 included an item amounting to $115,952, representing "income transferred to other companies."

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.*	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	$452	100%	$9,772	$10,224	†Nom.	$10,224	20.5%	.....	.....	.....	.....	.....	.....
1908	.....	...	5,099	100	9,772	14,871	"	14,871	11.2	.....	.....	.....	.....	.....	.....
1909	.....	...	4,709	100	9,772	14,481	"	14,481	14.1	.....	.....	.....	.....	.....	.....
1910	.....	...	4,477	100	9,772	14,249	.....	14,249	23.2	.....	.....	.....	.....	.....	.....
1911	.....	...	4,386	100	9,772	14,158	.....	14,158	20.9	.....	.....	.....	.....	.....	.....
1912	.....	...	5,409	100	9,772	15,181	.....	15,181	19.5	.....	.....	.....	.....	.....	.....
1913	.....	...	5,348	100	9,772	15,120	.....	15,120	18.1	.....	.....	.....	.....	.....	.....
1914	.....	...	4,796	100	9,772	14,568	.....	14,568	19.4	.....	.....	.....	.....	.....	.....
1915	.....	...	9,167	100	9,772	18,939	.....	18,939	14.9	.....	.....	.....	.....	.....	.....
1916	.....	...	9,166	100	9,772	18,938	.....	18,938	18.4	.....	.....	.....	.....	.....	.....
10-Year Average	.....	...	$5,301	100%	$9,772	$15,073	.....	$15,073	17.8%	.....	.....	.....	.....	.....	.....

* Rentals paid for lease of road capitalized at 5%. † Owned $4,500 in securities in 1907, 1908 and 1909.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$3,486,976	$3,382,434	$3,227,690	$2,073,590	$1,791,648	$1,662,850	$1,660,230
Working assets	772,487	648,582	709,892	574,730	586,722	516,831	705,499
Deferred debit items	105,806	68,673	143,703	1,114,803	1,018,164	639,911	547,656
Total	$4,365,270	$4,099,689	$4,081,285	$3,763,123	$3,396,534	$2,819,592	$2,913,385
Liabilities:							
Funded debt	$2,813,988	$2,814,371	$1,472,265	$1,641,860	$1,660,659	$1,346,617	$1,374,565
Working liabilities	652,129	476,326	2,090,175	1,506,666	1,208,409	637,190	790,849
Accrued liabilities not due	179,616	227,454	17,700	168,268	168,074	163,461	161,512
Deferred credit items	95,920	36,096	49,682	446,329	359,392	255,348	191,724
Appropriated surplus	623,617	545,442	451,463	.....	.....	.....	.....
Profit and loss—surplus	.....	.....	.....	.....	.....	416,976	394,735
Total	$4,365,270	$4,099,689	$4,081,285	$3,763,123	$3,396,534	$2,819,592	$2,913,385

Note: Funded debt in 1916 consisted of $24,054 equipment obligations, $1,763,363 notes; and indebtedness to affiliated companies as follows: Louisville & Nashville R.R., $513,286, and Atlantic Coast line, $513,286.

Capital Stock: This company, being a lessee organization has no capital stock. See Georgia R.R. and Banking Co.

BELT LINE RAILWAY, MONTGOMERY, ALABAMA

Origin: Incorporated under laws of Alabama, March 25, 1889; road opened in July, 1889. Owns two dummy engines. Company is controlled by the Atlantic Coast Line R.R. through stock ownership.

Location: In Montgomery, Ala., 1.0 mile.

Management: OFFICERS: John R. Tyson, Pres., Montgomery, Ala.; Alex. Hamilton, Vice-Pres., Petersburg, Va.; H. L. Borden, Sec., New York; James F. Post, Treas.; J. R. Kenly, Gen. Mgr.; H. C. Prince, Aud., Wilmington, N. C. DIRECTORS: H. L. Walters, Michael Jenkins, Baltimore, Md.; Alex. Hamilton, Petersburg, Va.; J. R. Tyson, Montgomery, Ala.; C. S. Gadsden, Charleston, S. C.; J. R. Kenly, T. M. Emerson, Wilmington, N. C.; H. L. Borden, New York; F. W. Scott, Richmond, Va. Annual meeting, Friday after third Tuesday in Nov. OFFICE, Montgomery, Ala.

Bonded Debt: $225,000 Belt Line Ry. 1st mortgage 5s. Dated July 1, 1911; due July 1, 1941. Interest paid J. and J. 1, at office of trustee. Coupon, $1,000. Authorized issue, $300,000. Secured by mortgage on entire track in Montgomery, Ala., on equipment and warehouse. No sinking fund and no provision for prior redemption. Trustee, Safe Deposit & Trust Co. of Baltimore, Md. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $200,000. Par, $100. The Atlantic Coast Line R.R. owns a majority of the stock. Secretary of company acts as transfer agent and registrar.

NORTHWESTERN RAILROAD OF SOUTH CAROLINA

Origin: Incorporated under laws of South Carolina, Dec. 22, 1888. Lines operated, 80.5 miles, as follows: Summerton to Wilson's Mill, S. C., 36.8 miles; Camden Junc. to Sumter, S. C., 25.7 miles; Millard to St. Paul, S. C., 3.5 miles; Marville Junc. to Rose Hill, 9.5 miles; trackage rights, 5 miles.

Equipment: Locomotives, 7; passenger, freight, and service cars, 42. Company is affiliated with the Atlantic Coast Line Company of Connecticut, which owns 50% of the outstanding stock.

Management: OFFICERS: Thomas Wilson, Pres.; J. F. Post, Treas.; R. D. Cronly, Sec. DIRECTORS: H. Walters, A. Hamilton, A. Levi, J. R. Kenly, Lyman Delano. Annual meeting, the Wednesday after third Tuesday in November. MAIN OFFICE, Charleston, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Miles operated	80.5	80	71	71	71	71	71
Gross earnings	$109,442	$127,194	$122,925	$111,605	$123,678	$129,920	$118,072
Net earnings	37,782	44,101	30,636	29,057	48,161	44,523	59,195
Total net income	39,787	45,838	32,344	31,458	50,455	46,495	60,087
Fixed charges, including taxes	28,364	27,461	26,626	21,194	21,843	27,856	21,631
Balance for dividends	$11,423	$18,377	$5,717	$10,424	$28,611	$18,639	$38,456
Dividends paid	* 6,000	5,000	4,000	6,000	6,000	6,000	5,000
Surplus for year	$5,423	$13,377	$1,717	$4,264	$22,611	$12,639	$33,456
Per mile							
Total net income	$494	$573	$455	$443	$710	$655	$848
Fixed charges	351	343	377	299	310	392	308
Surplus	$143	$230	$78	$144	$400	$263	$540
Margin of safety	18%	40%	17%	33%	56%	40%	63%

* Paid from Profit and Loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $51,037; credit balance transferred from Income, $11,423; total, $62,460. Contra: Dividend appropriations of surplus, $6,000; miscellaneous debits, $162; credit balance carried to balance sheet, $56,298; total, $62,460.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$517,908	$520,135	$483,736	$425,050	$416,996	$405,868
Working assets	61,466	62,597	34,445	62,458	100,725	80,664
Accrued income not due	.....	.....	.....	.....	.....	989
Deferred debit items	3,618	3,689	2,155	1,609	1,358	1,531
Total	$582,992	$586,421	$520,336	$489,117	$519,079	$489,052
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	375,000	380,000	307,500	285,000	285,000	285,000
Working liabilities	6,770	10,325	30,174	18,978	48,830	36,492
Accrued liabilities not due	7,896	7,959	7,652	7,071	6,771	6,771
Deferred credit items	2,003	2,007	2,779	3,457	2,883	1,986
Appropriated surplus	35,025	35,023	35,023	35,023	16,642	7,842
Profit and loss surplus	56,298	51,037	37,208	39,588	58,953	50,961
Total	$582,992	$586,421	$520,336	$489,117	$519,079	$489,052

TABLE D.—Bond Record and Ratings (Based on 8-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	Salability.	Net Rating.
1. Northw. R.R. of S.C. 1st 4s	A&O	Ap 1949	(1st) 75	$4,800	$571	$180	69%	Good	Fair	Ba.

For Reference Note, see next page.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $375,000; outstanding, $360,000. Dated April 1, 1899; due April 1, 1949; int. paid at Safe Deposit & Trust Co., Baltimore. Coupon, $1,000. First lien on entire mileage owned, consisting of 75 miles in South Carolina (see above). Also on equipment. Entire issue is owned by Atlantic Coast Line Co., of Conn.
The company also has outstanding $15,000 5% equipment bonds, due serially to April 1, 1919.

Capital Stock: Auth., $200,000; outstanding, $100,000; par $100. Dividends paid as follows: 1905 to 1909, 4% each; 1910, 5%; 1911 to 1913, inclusive, 6% each; 1914, 4%; 1915, 5%; 1916, 6%. The Atlantic Coast Line Co. owns one-half of the stock.

UNION POINT & WHITE PLAINS RAILROAD

Incorporated August 5, 1886, under Georgia Laws. Line of road, White Plains Junc., Ga., to White Plains, Ga., 12.05 miles. Yard tracks, 0.63 mile; trackage rights, 1.59 miles. Makes connection with Georgia Railroad.

Management: John C. Hart, Pres.; W. S. Morris, Treas.; H. W. Jernigan, Sec. MAIN OFFICE, Augusta, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$13,801	$12,292	$14,617	$14,310	$17,784	$15,227
Maint. of way and stock	5,378	2,766	4,366	5,242	4,902	3,837
Maint. of equipment	2,944	682	759	431	669	389
All other operating exps.	10,149	7,487	8,754	9,045	7,856	7,348
Net oper. revenues	(def.) $4,670	$1,357	$738	(def.) $408	$4,357	$3,653
Other income	35	25	25	25	25	.....
Total net income	(def.) $4,635	$1,382	$763	(def.) $383	$4,362	$430
Taxes	515	525	793	524	429	1,022
Fixed charges	4,170	2,231	1,726	1,411	1,196	2,201
Surplus	(def.) $9,320	(def.) $1,374	(def.) $1,756	(def.) $2,318	$2,757	$2,201

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$92,284	$93,850	$94,128	$91,987	$91,987	$91,987
Working assets	59	60	.....	502	2,821	64
Deferred debit items	27	46	.....	.....	.....	.....
Profit and loss (def.)	56,996	47,888	46,302	44,005	41,686	44,443
Total	$149,366	$141,844	$140,430	$136,494	$136,494	$136,494
LIABILITIES:						
Capital stock	$32,500	$32,500	$32,500	$32,500	$32,500	$32,500
Funded debt	84,000	109,090	84,000	84,000	84,000	84,000
Working liabilities	12,650	.....	23,045	.....	19,994	19,994
Accrued liabilities not due	223	254	.....	.....	.....	.....
Deferred credit items	19,993	.....	885	19,994	.....	.....
Total	$149,366	$141,844	$140,430	$136,494	$136,494	$136,494

Bonded Debt: $84,000 Union Point & White Plains R.R. first 5s; dated Jan. 1, 1890; due Jan. 1, 1920; int. paid Jan. and July 1, at Augusta, Ga. Coupon, $1,000. First lien on 12 miles at $7,000 per mile. Recently company has not earned fixed charges. Rating Caa.

Capital Stock: Auth., $36,000; outstanding, $32,500; par $100. Georgia R.R. and Banking Co. owns $20,000. No dividends.

VIRGINIA & CAROLINA SOUTHERN RAILROAD

Origin: Incorporated under North Carolina laws January 11, 1907.

Location: Line of road: Lumberton to Hope Mills, N. C., 30.86 miles; St. Pauls to Elizabethtown, 29.75 miles; total, 60.61 miles. Sidings, 5.71 miles.

Equipment: 5 Locomotives, 6 freight and passenger cars.

Management: A. W. McLean, Pres. and Gen. Mgr.; H. B. Jennings, Vice-Pres. and Sec.; A. T. McLean, Treas. DIRECTORS: Above and F. P. Gray, R. D. Caldwell, L. H. Caldwell, A. E. White. Annual meeting, third Wednesday in December. MAIN OFFICE, Lumberton, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross earnings	* $135,382	* $103,266	$110,580	$124,126	$94,858	$76,527
Operat'g expnss. and taxes	77,400	64,009	69,157	85,278	74,340	48,447
Net earnings	$57,982	$39,257	$41,462	$38,848	$20,518	$28,080
Fixed charges	39,974	37,708	41,232	25,323	19,861	18,031
Surplus	$18,008	$1,549	$230	$13,524	$657	$10,049

* Includes $379 non-operating income.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$677,672	$680,944	$661,964	$627,793	$626,865	$611,446
Working assets	51,963	22,460	21,268	30,588	30,706	53,216
Deferred debit items.....	23,804	22,247	23,053	13,520	13,871	3,022
Total	$753,439	$725,651	$710,275	$671,901	$671,442	$667,684
LIABILITIES:						
Capital stock	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000
Funded debt	* 534,000	* 534,000	524,000	417,000	417,000	213,305
Working liabilities	15,790	18,551	14,853	95,346	107,867	309,769
Accrued liabilities not due	12,687	143	.....	.....	.....	.....
Deferred credit items.....	130	133	147	510	1,054	.....
Profit and loss surplus...	49,832	31,824	30,275	18,045	4,521	3,610
Total	$753,439	$725,651	$710,275	$671,901	$671,442	$667,684

* Includes $10,000 Governmental Grants.

Bonded Debt: $524,000, Virginia & Carolina Southern R.R. first 5s; dated July 1, 1913; due July 1, 1948; int. paid Jan. and July 1 at Central Trust Co., New York. Coupon, $1,000. First lien on entire property. Practically all owned by Atlantic Coast Line R.R. Interest paid without deduction for normal income tax. Rating B.

Capital Stock: Auth. and outstanding, $141,000; par $100. A large majority owned by Atlantic Coast Line R.R. Co.

WASHINGTON & VANDEMERE RAILROAD

Origin: Inorporated under laws of North Carolina, March 4, 1903, in the interest of the Atlantic Coast Line R.R. and to form a connection with that company's lines.

Location: Line of road: Washington to Vandemere, N. C., with branches, 42.96 miles.

Equipment: 2 locomotives and 97 cars.

Management: A. D. McLean, Pres.; James F. Post, Treas.; John H. Small, Sec. DIRECTORS: A. D. McLean, John H. Small, Geo. T. Leach, R. D. Cronly. Annual meeting in August. MAIN OFFICE, Washington, D. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$39,793	$38,471	$37,402	$32,777	$35,833	$41,653	$32,533
Operating expenses	46,518	48,138	52,903	40,956	43,290	38,428	30,525
Net earnings	* $6,725	* $9,667	* $15,501	* $8,318	* $7,458	$3,225	$2,008
Other income	10,397	9,673	10,545	12,526	9,318	8,842	7,078
Total net income.....	$3,672	$6	* $4,956	$4,208	$1,860	$12,067	$9,086
Fixed charges	46,277	35,284	42,086	39,732	38,134	37,125	35,910
Deficit	$42,605	$35,278	$47,042	$35,385	$36,273	$25,058	$26,824

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $299,850. Contra: Debit balance at beginning of year, $248,486; debit balance transferred from income, $42,605; loss on retired road and equipment, $35; miscellaneous debits, $8,724; total, $299,850.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$826,089	$829,098	$844,225	$844,735	$835,882	$838,890
Working assets	10,546	9,679	6,687	11,803	5,547	7,207
Deferred debit items.....	10	536	70	44	.....	.....
Profit and loss (def.)....	299,850	248,486	213,208	166,166	130,781	94,545
Total	$1,136,495	$1,087,799	$1,064,190	$1,022,748	$972,210	$940,642
LIABILITIES:						
Capital stock	$125,000	$125,000	$125,000	$125,000	$125,000	$125,000
Funded debt	934,024	901,624	720,000	720,225	720,000	720,000
Working liabilities	20,845	23,305	205,196	4,642	102,841	81,611
Accrued liabilities not due	56,382	37,488	.....	29,637	24,136	14,030
Deferred credit items....	244	382	13,994	131,424	233	1
Appropriated surplus	.....	.....	.....	11,820	.....	.....
Total	$1,136,495	$1,087,799	$1,064,190	$1,022,748	$972,210	$940,642

Bonded Debt: $720,000 Washington & Vandemere first 4½s; dated Feb. 1, 1907; due Feb. 1, 1947; int., Feb. and Aug. 1, at Safe Deposit & Trust Co., Baltimore. Coupon, $1,000. First lien on entire property. Guar. prin. and int. by Atlantic Coast Line R.R. For Rating, see Bond Table of Atlantic Coast Line R.R., Page 146.

Capital Stock: Auth. and outstanding, $125,000; par $100. Majority owned by Atlantic Coast Line R.R.

LOUISVILLE & NASHVILLE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definition and Key to Ratings, see pages 19-26.

Origin: Incorporated in Kentucky, March 5, 1850. Main line opened in 1859. Controls, through stock ownership, the Nashville, Chatt. & St. Louis and the Louisville, Henderson & St. Louis, and, jointly with the Southern Railway, controls the Chicago, Indianapolis & Louisville Ry. Is also joint lessee with the Atlantic Coast Line R.R. of the Georgia R.R. system. These properties are separately operated. Also formerly owned one-half of a majority of the common and preferred stocks of the New Orleans, Mobile & Chicago Ry. (the St. L. & San Fran. R.R. formerly owning the other half), the latter extending from New Orleans & Mobile northward, with connection with this system under construction.

Location: Owns or operates an extensive system of lines from Covington and Newport, Ky. (opposite Cincinnati), to Louisville, St. Louis, Nashville, Memphis, Atlanta, Birmingham, Montgomery, Pensacola, Mobile, and New Orleans. Of the mileage operated, 4,226.51 are owned; 133.46 miles are leased; 450.12 miles are controlled by stock ownership; 38.92 miles operated "under contract"; trackage rights, 222.28 miles; total operated, 5,071.29 miles. In addition, 269.60 miles are owned but operated by other companies and 2,301.49 miles are separately operated, including lines either controlled by majority of stock ownership or of which the company is joint owner or lessee. In October, 1915, the Lexington & Eastern Railway, which had been controlled by stock ownership for many years, was directly merged. The operated lines penetrate or cross mainly the States of Kentucky, Tennessee, Alabama, Florida and Mississippi. Population of these States in 1890, 6,839,092; in 1900, 8,095,293; in 1910, 9,162,520.

Control: The Louisville & Nashville Railroad is controlled by the Atlantic Coast Line Railroad, which owns 51% of the capital stock, the latter being deposited under its 4% collateral mortgage of 1952. (See under Bond Notes of Atl. Coast Line R.R. Co.)

Acquisition of South & North Alabama R.R.: Oct. 1, 1913, the Louisville & Nashville R.R., formally absorbed the South & North Alabama R.R., which it had formerly operated and controlled. Under this arrangement, the entire debt of the latter has been assumed. See Bonds notes, Nos. 25 and 26.

Management: OFFICERS: H. Walters, Chairman; Milton M. Smith, Pres.; W. L. Mapother, 1st Vice-Pres.; E. L. Smithers, 2d Vice-Pres.; Addison R. Smith, 3d Vice-Pres.; George E. Evans, 4th Vice-Pres.; Wm. W. Thompson, Treas.; J. H. Ellis, Sec. DIRECTORS: August Belmont, L. W. Botts, Warren Delano, Geo. B. Elliott, Geo. C. Jenkins, W. L. Mapother, F. B. Adams, W. G. Oakman, Lyman De'ano, Edward W. Sheldon, Milton H. Smith, H. Walters, John I. Waterbury. Annual meeting, first Wednesday in October. NEW YORK OFFICE, 71 Broadway; MAIN OFFICE, Louisville, Ky. New York Transfer Office, 71 Broadway.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	.....	.....	.....	.....	.....	8.2%	6.2%
Products of Animals.....	.....	.....	.....	.....	.....	.....	.....	.....	1.6	1.6
Products of Mines.....	.....	.....	.....	.....	.....	.....	.....	.....	63.5	66.4
Products of Forests.....	.....	.....	.....	.....	.....	.....	.....	.....	8.5	8.8
Manufactures.....	.....	.....	.....	.....	.....	.....	.....	.....	11.7	11.7
Merchandise and Miscel...	.....	.....	.....	.....	.....	.....	.....	.....	6.5	5.3

Total revenue tonnage, 1916, 35,488,688; 1915, 27,731,561; in 1914, 32,215,106; in 1913, 32,241,734; in 1912, 30,425,132; in 1911, 29,619,932. (Classification not furnished prior to 1915.)

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	4,306	74	865	559	40,980	73%	100,509	1,020,735	231	$1.74	2.35c	.80c
1908.....	4,348	82	896	572	42,092	70	102,385	924,686	234	1.73	2.38	.78
1909.....	4,393	112	899	573	43,141	72	98,719	968,785	263	1.82	2.32	.76
1910.....	4,554	117	928	590	44,448	73	104,747	1,124,001	278	1.90	2.26	.75
1911.....	4,598	...	971	611	45,612	72	111,270	1,108,008	275	1.88	2.27	.77
1912.....	4,710	...	998	620	46,611	72	113,052	1,098,169	285	2.00	2.30	.79
1913.....	4,820	...	1,035	655	47,764	72	113,833	1,143,866	295	2.09	2.34	.78
1914.....	4,937	335	1,037	653	49,436	72	116,964	1,116,491	297	2.04	2.27	.78
1915.....	5,037	375	1,059	659	49,541	72	99,241	1,021,330	347	2.05	2.17	.72
1916.....	5,042	173	1,042	653	48,688	74	105,011	1,291,642	415	2.33	2.17	.69
10-Year Average } ..	4,675	...	973	615	45,831	72%	106,573	1,081,771	292	$1.96	2.28c	.76c

Note: Yard tracks and sidings not furnished in annual reports.

Comment: During the year ended June 30, 1916, the Louisville & Nashville Railroad reported a very substantial increase in its freight density, while there was a fair recovery in its passenger business. The train load reached a far higher figure than ever before, and although average freight rates tended to decline, the train mile earnings also underwent a substantial increase. This property has in recent years been depending more and more on the transportation of mining products for its volume of business, and therefore the downward tendency in average freight rates has not seriously affected its earning power.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$11,208	$1,873	$2,023	$3,896	$4,413	$2,899	$3,262	$264	$2,998	$1,500	50%	$1,498	$836
1908	10,263	1,447	2,072	3,519	4,205	2,536	2,839	296	2,543	1,529	40	1,014	759
1909	10,323	1,197	1,783	2,980	3,764	3,579	3,897	327	3,570	1,614	55	1,956	751
1910	11,514	1,795	1,879	3,674	4,008	3,832	4,239	352	3,887	1,644	57	2,243	922
1911	11,742	1,996	2,108	4,104	4,234	3,404	3,814	422	3,392	1,531	55	1,861	913
1912	11,935	1,875	2,138	4,013	4,400	3,522	4,038	394	3,644	1,613	56	2,031	898
1913	12,337	2,289	2,327	4,616	4,681	3,040	3,675	365	3,310	1,519	51	1,791	958
1914	12,089	1,888	2,479	4,367	4,703	3,019	3,623	527	3,096	1,631	47	1,465	1,021
1915	10,245	1,785	2,047	3,832	3,996	2,417	3,097	429	2,668	1,685	37	983	715
1916	11,958	1,649	2,164	3,813	4,080	4,065	4,950	444	4,506	1,722	62	2,784	857
10-Year Average	$11,361	$1,779	$2,102	$3,881	$4,248	$3,232	$3,743	$382	$3,361	$1,598	51%	$1,763	$863

Note: Above figures are based on average mileage operated for each year. "Margin of safety" is the proportion of surplus left over after deducting the fixed charges for each year. For example, in 1916, the "balance for charges" (per mile) was $4,506; fixed charges amounted to $1,722, or 38%, leaving $2,784, a "margin of safety" of 62%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$60,293,970	$51,599,950	$59,682,778	$59,465,699	$56,211,788	$53,993,741	$52,433,382
Maintenance of way	8,314,204	8,993,389	9,323,206	11,033,134	8,828,755	9,178,192	8,172,166
Maintenance of equipment	10,910,744	10,310,563	12,239,795	11,216,889	10,071,303	9,490,759	8,559,105
All other operating expenses	20,565,533	20,127,837	23,219,707	22,560,857	20,726,269	19,810,871	18,254,308
Net operating revenues	$20,503,489	$12,168,161	$14,900,070	$14,654,819	$16,585,461	$15,513,919	$17,447,803
Operating ratio	66%	76.4%	75%	75.4%	70%	71.3%	66.7%
Outside operations (see note)	*	*	25,118	20,428	(def.) 8,179	40,403	121,232
Other income	4,456,169	3,429,596	2,812,977	3,037,104	2,436,953	1,979,679	1,933,363
Total net income	$24,959,658	$15,597,757	$17,738,165	$17,712,351	$19,014,235	$17,534,001	$19,502,398
Taxes accrued	2,237,583	2,159,549	2,600,288	1,761,626	1,854,684	1,938,089	1,602,632
Balance for charges	$22,722,075	$13,438,208	$15,137,877	$15,950,725	$17,159,551	$15,595,912	$17,899,666
Fixed charges	8,682,945	8,486,444	8,053,715	7,319,781	7,598,779	7,040,579	7,486,510
Surplus	$14,039,130	$4,951,764	$7,084,162	$8,630,944	$9,560,772	$8,555,333	$10,413,256
Dividends paid	4,320,000†	3,600,000†	5,040,000	4,618,733	4,200,000	4,200,000	4,200,000
Other deductions	85,281	91,622	405,275	250,646	.....	.....	.....
Balance	$9,633,849	$1,260,142	$1,638,887	$3,761,565	$5,360,772	$4,355,333	$6,213,256
Earned on stock	19.5%	6.9%	9.84%	11.99%	15.93%	14.26%	17.36%

* Outside operations are not shown separately in the 1915 and 1916 reports made to the Interstate Commerce Commission, but are included in gross and net revenues.

† Appropriated from profit and loss account. See below.

Note: Other Income In 1916 included $2,161,116 from Interest and dividends; $219,732 from leases, and the balance from outside operations, hire of equipment, joint facilities, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $40,998,117; credit balance from income account, $13,953,849; profit on road and equipment sold, $1,295; donations, $25,045; miscellaneous credits, $50,888; total, $55,029,194. Contra: Dividend appropriations out of surplus, $4,320,000; appropriations for investment in physical property, $25,153; debt discount extinguished through surplus, $3,075; loss on retired road and equipment, $29,517; miscellaneous debits, $478,697; credit balance transferred to balance sheet, $50,172,752; total, $55,029,194.

Comment: The income report of the Louisville & Nashville system for the year ended June 30, 1916, was in all respects favorable. Not only did gross revenues undergo an increase of nearly $9,000,000, but a large part of this increase was retained in the net revenues. This was accomplished by holding down maintenance costs and also in preventing any important increase in other operating expenditures. As the revenue from outside sources again increased substantially, the balance available for fixed charges, after deducting taxes, was far higher than in any previous year. The surplus carried forward above charges was not only sufficient to justify the disbursement of the larger dividend, but equaled more than 19% on the outstanding stock. Results since the close of the fiscal year have continued to be unusually favorable, and the credit of the property has thus been maintained at a high level.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907.....	$13,934	31%	$31,363	69%	$549	$45,846	$6,904	$38,942	8.3%	.....	.....	$836	6	.....	45%
1908.....	13,796	30	31,433	70	734	45,963	7,474	38,489	7.4	.....	.....	759	5.5	.....	24
1909.....	13,659	31	30,889	69	698	45,246	3,307	41,939	9.3	.....	.....	751	5.5	.....	63
1910.....	13,175	31	28,026	69	690	41,891	3,062	38,829	10.9	.....	.....	922	7	.....	60
1911.....	13,052	28	33,198	72	702	46,952	3,723	43,229	8.8	.....	.....	913	7	.....	51
1912.....	12,740	27	34,529	73	712	47,981	3,648	44,333	9.1	.....	.....	898	7	.....	56
1913.....	14,930	28	37,583	72	655	53,168	4,053	49,115	7.5	.....	.....	958	7	.....	47
1914.....	14,586	28	38,376	72	662	53,624	3,280	50,344	7.2	.....	.....	1,021	7	.....	29
1915.....	14,294	27	40,636	73	627	55,557	5,745	49,812	6.2	.....	.....	715	5	.....	27
1916.....	14,282	25	41,867	75	619	56,768	6,518	50,250	9.8	.....	.....	857	6	.....	69
10-Year Average ..	$13,845	29%	$34,790	71%	$665	$49,300	$4,771	$44,529	8.4%	.....	.....	$864	6.3%	.....	51%

Note: Above table is based on average mileage directly operated. Rentals as capitalized cover guarantees on securities of separately operated properties, etc., while investments include unpledged securities held.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment ..	$280,751,958	$279,395,487	$265,988,173	$234,256,806	$217,152,776	$209,317,353	$202,116,929
Working assets	58,669,777	38,288,348	43,206,525	47,542,981	40,881,544	45,495,779	49,340,853
Deferred debit items...	9,168,150	9,396,269	4,054,709	12,799,233	9,292,662	5,064,850	9,725,033
Accrued income not due	265,762	222,002	50,873	149,993	182,001	167,757	136,774
Total	$348,855,647	$327,302,106	$313,300,280	$294,749,013	$267,508,983	$260,045,739	$261,319,589
Liabilities:							
Capital stock	$72,012,117	$72,012,117	$72,012,117	$71,963,800	$60,000,000	$60,000,000	$60,000,000
Funded debt	211,095,752	200,225,000	184,463,197	164,468,597	155,220,157	155,339,757	155,374,557
Working liabilities	6,531,982	5,926,117	8,048,160	9,154,846	7,523,411	6,017,300	6,468,279
Accrued liabil. not due.	4,729,200	3,990,666	4,687,748	4,205,538	3,826,281	3,682,286	3,504,282
Deferred credit items..	1,121,282	1,051,548	1,373,818	1,695,639	1,237,688	1,210,873	5,996,939
Appropriated surplus ..	3,192,562	3,098,541	3,117,806	2,922,012	2,606,445	2,548,642	2,512,738
Profit and loss surplus..	50,172,752	40,998,117	39,597,434	40,338,581	37,095,001	31,246,881	27,462,794
Total	$348,855,647	$327,302,106	$313,300,280	$294,749,013	$267,508,983	$260,045,739	$261,319,589

Note: The bonded debt, as shown in the Table C above, includes in 1916, besides the direct mortgages shown in the balance sheet, the guaranteed bond issues. In 1916, the contingent liabilities were $5,000,000, represented by $2,500,000 L. & N. Terminal and $2,500,000 Memphis Union Station guaranteed bonds. These are included in "Bonds Outstanding." "Working assets" in 1916 included $16,987,960 in cash.

Comment: There were practically no radical capitalization changes in the Louisville & Nashville system during 1916, except that the bonded debt was moderately increased. It will be noted, as measured on a mileage basis, that while the bonded debt of this system has grown rather rapidly during the past ten years, there has been only a moderate increase in the outstanding stock per mile. The net capitalization, while higher than ten years ago, is to-day no higher than it was in 1913, and as earnings and net income have tended to increase steadily with the moderate growth in capitalization, the credit of the property has been fully maintained. During 1916 the net income on net capital was nearly 10%, which was far higher than the average for the decade.

Public Utilities

If you are interested in any way in the securities of Gas, Electric Light, Electric Traction, Telephone and Telegraph or Power Companies, the "Public Utilities and Industrials" Edition of "MOODY'S ANALYSES OF INVESTMENTS" will prove indispensable. This whole field is covered in the same comprehensive and accurate way that Steam Railroads are covered in the Railroad Edition. In fact, the two volumes constitute a complete Service for the Banker and Investor. Separately, the editions sell at $15 each; in combination, they are supplied at $25, when ordered in advance.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Louisv. & Nash. gen. gold 6s	J&D	Je 1930	(1st) 656 (2d) 157	$2,837		$27	95%	Very high	Very high	Aaa.
2. Louisv. & Nash. 50-yr. first 5s	M&N	My 1937	(1st) 192	9,110		17	95%	" "	" "	Aaa.
3. Louisv. & Nash. coll. first 5s.	M&N	N 1931	(coll) 259	18,170	$3,361	47	95%	" "	" "	Aaa.
4. Lou. Cin. & Lex. gen. 4½s. .	M&N	N 1931	(1st) 176	18,407		29	95%	" "	" "	Aaa.
5. Mobile & Mont. div. first 4½s	M&S	S 1945	(1st) 178	22,472		33	95%	" "	High	Aaa.
6. L. & N.-E. Hend. & N. first 6s	J&D	D 1919	(1st) 157	4,750		7	95%	" "	"	Aaa.
7. N. Or. & Mobile div. first 6s.	J&J	Ja 1930	(1st) 141	35,400		59	92%	" "	"	Aaa.
8. N. Or. & Mobile div. sec. 6s.	J&J	Ja 1930	(2d) 141	7,100		12	92%	" "	"	Aa.
9. L. & N. Pensa. div. first 6s. .	M&S	Mr 1920	(1st) 45	4,000		2	92%	" "	"	Aaa.
10. L. & N. S'east & St. L. div. first 6s.	M&S	Mr 1921	(1st) 208	17,000	3,201	40	92%	" "	"	Aaa.
11. L.& N.S'east & St. L.dv.sec.3s	M&S	Mr 1980	(2d) 208	14,400		18	92%	" "	"	Aa.
12. Kentucky Cent. Ry. first 4s	J&J	Jl 1987	(1st) 214	31,300		53	92%	High	"	Aa.
13. L. & N. Pad. & M. dv. 1st 4s.	F&A	F 1946	(1st) 254	18,200		37	92%	"	"	Aa.
14. Nsh. Flor. & Sh. Ry. first 5s	F&A	Ag 1937	(1st) 104	19,100		19	92%	"	"	Aaa.
15. Pensa. & Atl. Ry. first 6s. . . .	F&A	Ag 1921	(1st) 100	9,225		17	92%	"	"	Aaa.
16. Louisv. & Nash. Unified 4s. .	J&J	Jl 1940	(1st) 596 (2d) 1130 (3d) 157	34,530	2,944	511	83%	Very high	Very high	Aaa.
17. Newport & Cin. Bg. gen. 4½s	J&J	Jl 1945	(1st) *Bge.*	. . . . .		12	76%	High	High	Aaa.
18. Atl., K. & N. Ry. first 5s. . . .	J&D	D 1946	(1st) 331	3,000		10	76%	"	"	Aaa.
19. Atl., K. & N. first con. 4s. . .	M&S	Mr 2002	(2d) 331	1,500		4	76%	"	"	Aa.
20. Atl., Knox. & Cin. div. 4s. . .	M&N	My 1955	(gen) 892	2,774		195	76%	"	"	Aa.
21. Henderson B'ge Co. first 6s.	M&S	S 1931	(1st) *Bge.*	. . . . .		10	76%	"	"	Aaa.
22. Lou. & Nash. Southern-Monon Joint 4s	J&J	Jl 1952	(coll)	. . . . .	2,433	46	76%	"	"	A.
23. Lou. & Nash. Term. gold 4s.	J&D	D 1952	(1st) *Term.*	. . . . .		20	76%	"	"	Aa.
24. So.&Nor. Ala. con. gold 5s. .	F&A	Ag 1936	(1st) 200	46,460		92	76%	"	"	Aaa.
25. So.&Nor. Ala.gen. con. 5s . .	A&O	O 1963	(2d) 200	37,000		73	76%	"	"	Aa.
26 Lexington & E. 1st 5s	A&O	Ap 1965	(1st) 211	35,545		74	76%	"	"	Aa.
27. Equipment 5s.	J&D	1917-23	Equip.	. . . . .		42	76%	"	"	Aaa.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes, etc., for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see "Introduction." For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $20,000,000; outstanding, $2,284,000. Originally issued, $12,597,000, of which $10,302,000 have been retired by sinking fund, and $11,000 are owned by company. Under terms of No. 16, mortgage is now closed. Dated June 1, 1880; due June 1, 1930. Coupon, $1,000. Int. at 71 Broadway, New York. Callable on June 1 in any year at 110 and int. Sinking fund, 1 1/10 annually of amount issued to purchase at not over 110; bonds purchased to be held alive in fund and accruing interest added to fund. First lien, 656.71 miles, as follows: Louisville to Edgeville June., Tenn., 176.12 miles; Bardston Junc. to Bardston, Ky., 17.37 miles; Lebanon Junc. to Livingston, Ky., 110.17 miles; Rowland to Richmond, Ky., 33.63 miles; Memphis June., Ky., to Memphis, Tenn., 259.13 miles; Louisville to Cecelia, Ky., 46 miles; part of line from Madisonville to Providence, Ky., 5.10 miles; Edgefield June. to Nashville, 9.80 miles (undivided half interest); second lien, following No. 6 on 157.67 miles, from Henderson, Ky., to Nashville Tenn., and branch, 147.87 miles and an undivided half interest in 9.80 miles, Edgefield Junc. to Nashville, subject thereto. Also on equipment. Total, 814.38 miles. Underlie No. 16, with provision by latter to retire at maturity. Legal for Savings Banks in Cal., Conn., Mass., Maine, Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth., $3,500,000; outstanding, $1,749,000; in treasury, $15,000 (closed). Dated April 30, 1887; due May 1, 1937. Int. at 71 Broadway, New York. Coupon, $1,000. First lien, 191.97 miles, as follows: Corbin, Ky., to Norton, Va., 117.20 miles; Clarksville, Tenn., to Princeton, Ky., 52.70 miles; Bardston to Springfield, Ky., 20.07 miles; Pennington, Va., to Black Mtn. Ry. Junc., 1.99 miles. Underlie No. 16, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Vt. Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $7,000,000; outstanding, $4,705,000; in treasury, $424,000. Dated April 1, 1888; due Nov. 1, 1931. Int. at 71 Broadway, New York. Coupon, $1,000. First collateral lien on 259.30 miles, as follows: By deposit with trustee of $3,929,000 Birmingham Mineral R.R. first 5s of 1937 covering line from Champion and Trussville to Brockwood, Ala., and branches, 171.20 miles; by deposit with trustee of $1,200,000 Owensboro & Nashville first 6s covering line from Owensboro to Adairsville, Ky., 83.46 miles, and branch from Penrod to Mud River Mines, Ky., 4.64 miles; total, 88.10 miles. Legal for S. B. in Conn., Mass., N. H. Listed in New York, London and Amsterdam Stock Exchanges. Normal income tax deducted from interest.

4. Auth., $7,000,000; outstanding, $3,258,000 (closed). Dated Nov. 1, 1881; due Nov. 1, 1931. Int. at 71 Broadway, New York. Assumed by L. & N. R.R. Coupon, $1,000. First lien, 176.20 miles, as follows: Louisville to Newport, Ky., 109.20 miles; La Grange to Lexington, Ky., 67 miles. Underlie No. 16, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

5. Auth., $5,000,000; outstanding, $4,000,000; reserved for improvements, $1,000,000. Dated Sept. 2, 1895; due Sept. 1, 1945. Int. at 71 Broadway, New York. Coupon $1,000. Joint obligation of L. & N. R.R. and Mobile & Montgomery Ry. (All stock of latter deposited under No. 16.) First lien, 177.67 miles, Montgomery to Mobile, Ala., and future extensions. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth., $2,400,000; outstanding, $600,000; retired by sinking fund, $1,800,000. Dated Dec. 6, 1879; due Dec. 1, 1919. Int. at 71 Broadway, New York. Sinking fund calls $150,000 annually at not over 110 from 1915 to 1919 inclusive. Coupon, $1,000. First lien, 157.67 miles, as follows: Henderson, Ky,. to Amqui, Tenn., 136.87 miles; Madisonville branch, 11 miles. Also on undivided half interest in 9.80 miles, Edgefield Junc. to Nashville, other half being included under No. 1. Underlie Nos. 1 and 16, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal tax.

7. Auth., $5,000,000; outstanding, $4,991,000; owned by company, $9,000. Dated May 8, 1880; due Jan. 1, 1930. Int. at 71 Broadway, New York. Coupon, $1,000. Assumed by L. & N. R.R. First lien, 141.17 miles, New Orleans, La., to Mobile, Ala.; also a first collateral lien on $711,800 out of $784,000 stock of the Pontchartrain R.R. Co. (no bonds), from Pontchartrain Junc. to Milneburg, La., 4.96 miles. Underlie No. 8. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

8. Auth. and outstanding, $1,000,000. Dated Oct. 5, 1881; due Jan. 1, 1930. Int. at 71 Broadway, New York. Assumed by L. & N. R.R. Coupon, $1,000. Follows No. 7 on 141.17 miles, New Orleans to Mobile. Legal for S. B. in N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

9. Auth., $600,000; outstanding, $177,000; retired by sinking fund, $420,000; owned by company, $3,000. Dated March 1, 1880; due March 1, 1920. Int. at 71 Broadway, New York. Coupon, $1,000. Sinking fund calls $36,000 per annum to 1920 at 105. First lien, 44.64 miles, Pensacola to Flomaton, Ala. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

10. Auth. and outstanding, $3,500,000. Dated Jan. 27, 1881; due March 1, 1921. Int. at 71 Broadway, New York. Coupon, $1,000. First lien, 207.70 miles, as follows: East St. Louis to Evansville, Ill., 160.96 miles; McLeansboro to Shawneetown, Ill., 40.70 miles; branch to O'Fallon, 6.04 miles. Nearly all the stock of this company is deposited under No. 16. L. & N. leases property for 49 years from 1881. Underlie No. 11. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Vt., Wis. Listed on New York and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

11. Auth., $3,000,000; outstanding, $2,997,000. Dated Jan. 27, 1881; due March 1, 1980. Int. at 71 Broadway, New York. Coupon, $1,000. Follows No. 10 on same property as second lien. Legal for S. B. in N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

12. Auth., $7,000,000; outstanding, $6,703,000; in treas., $39,000 (closed). Dated July 1, 1887; due July 1, 1987. Int. at L. & N. office, 71 Broadway, New York. Coupon and reg., $1,000. Assumed by L. & N. R.R. First lien, 213.88 miles, as follows: Covington to Richmond, Ky., and Fort Estill to Sinks, Ky., 146.68 miles; Paris to Lexington, 17.86 miles; Paris to Maysville. 49.48 miles. Underlie No. 20, with provision by latter to retire at maturity. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York and Cincinnati Stock Exchanges. Normal income tax deducted from interest.

13. Auth., $5,000.000; outstanding, $4,619,000; owned by company, $217,000. Dated Feb. 1, 1896; due Feb. 1, 1946. Int. at 71 Broadway, New York. Coupon, $1,000. First lien, 254.20 miles, Paducah, Ky., to Lexington. Tenn., and Memphis to Perryville, Tenn. This mileage is leased to the Nashville, Chattanooga & St. Louis Ry. for 99 years from 1896 at a rental equaling 5% of the purchase price of the property, and 5% on cost of all additions, etc. Legal for S. B. in Conn.. Maine, Mich., Minn., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

14. Auth., $2,500,000; outstanding, $1,996,000; owned by company, $100,000. Dated Aug. 1, 1887; due Aug. 1, 1937. Int. at L. & N. office, New York. Coupon, $1,000. Assumed by L. & N. R.R. First lien, 103.75 miles, as follows: Columbia, Tenn., to Sheffield, Ala., 81.14 miles; Iron City to Pinkney, Tenn., 11.69 miles; Summerton to Napier, Tenn., 10.92 miles. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

15. Auth., $3,000,000; outstanding, $1.476.000 (closed); retired by sinking fund, $1,524,000. Dated Aug. 1, 1881; due Aug. 1, 1921. Int. at L. & N. office, 71 Broadway, New York. Coupon. $1,000. Callable for sinking fund at 110 and int., at rate of 1 1/10 of issue annually. Assumed by L. & N. R.R. First lien, 160.47 miles, River Junc. to Pensacola. Fla. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

16. Auth., $75,000,000; outstanding, $64,768,000; in sinking fund, $17,000; owned by company, $2,156,000. Dated June 2, 1890; due July 1, 1940. Int. at 71 Broadway, New York. Coupon, $1,000; reg., $5,000. First lien on 595.73 miles, as follows: Livingston to Jellico, Ky., 61.20 miles; Hematite to Pond, Tenn., and branch, 37.35 miles; branches near Middlesboro, Ky., 15.04 miles; Champion to Morgane, Ala., 24.13 miles; Black Creek to Banner, Ala., and branches, 34.42 miles; Prattville Junc. to Prattville, Ala., 10.35 miles; Selma to Flomaton, Ala., 111.09 miles; Selma to Myrtlewood, 60.25 miles; Georgiana, Ala., to Graceville, Fla., 100.38 miles; Duvall, Ala., to Paxton, and Lakewood. Fla., 26.28 miles; Greensberg to Lebanon, Ky., 30.90 miles; Shelbyville to Bloomfield, Ky., 26.72 miles; Orby to Chenoa, Ky., 12.35 miles; various branches, 45.27 miles; also second lien on 1.130.29 miles, as follows: 577.56 miles covered by first lien by No. 1; 191.97 miles covered by first lien by No. 2; 176.20 miles covered by first lien by No. 4; 10.03 miles and bridge covered by first lien by No. 21 (below); on bridge covered by first lien by No. 17; on 171.20 miles covered by first lien by Birmingham Mineral first 5s, all of which are deposited under No. 3 (see above); also third lien on 147.87 miles covered by Nos. 1 and 6 (see above); also a lien on leasehold interests in 119.24 miles and a first collateral lien by deposit with trustee of the following securities: $8,802.400 out of $16,000,000 stock of Nashville, Chattanooga & St. Louis Ry.; majority of stock of Owensboro & Nashville Ry., Henderson Belt Ry., and Southeast & St. Louis Ry. Also various other stocks and bonds of companies which have been deeded to the L. & N. R.R. Underlie, as to 76.96 miles, Livingston to Jellico, Ky., No. 20 (see below). Legal for S. B. in Cal.. Conn., Mass., Mich., Minn., N. H., N. Y., R. I., Vt. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

17. Auth., $1,500,000; outstanding, $1,374,000 (closed); retired by sinking fund, $26,000. Dated July 1, 1895; due July 1, 1945. Int. at L. & N. office, 71 Broadway, New York. Coupon, $1,000. Sinking fund, 1% annually of bonds outstanding, to purchase bonds at par, but does not call. Assumed by L. & N. R.R. and guar. prin. and int. by endorsement by Pennsylvania Company. First lien on bridge across Ohio River, between Cincinnati, O., and Newport, Ky., 0.73 mile, including realty, approaches, etc. Underlie Nos. 16 and 20. Legal for S. B. in Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

18. Auth., $1,500,000; outstanding, $999,000; in treas., $1,000 (closed). Dated Dec. 1, 1896; due Dec. 1, 1946. Int. at L. & N. office, 71 Broadway, New York. Coupon, $1,000. Assumed by L. & N. R.R. First lien, 330.88 miles, including: Knoxville, Tenn., to Junta, Ga., 146.94 miles; Etowah, Tenn., to Marietta, Ga., 142.71 miles; Murphy Junc., Ga., to Murphy, N. C., 23.47 miles; Mentor to Greenback, Tenn., 17.76 miles. Underlie Nos. 19 and 20, with provision by latter to retire at maturity. Legal for S. B. in Maine, Mich., Minn., N. H., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

19. Auth., $10,000 per mile; issued, $1,280,000; retired by sinking fund, $780,000; outstanding, $500,000 (closed). Dated March 1, 1902; due March 1, 2002. Int. at L. & N. office, 71 Broadway, New York. Coupon, $1,000. Assumed by L. & N. R.R. Second lien on 330.88 miles covered by No. 18. Underlie No. 20, with provision by latter to retire at maturity. Legal for S. B. in N. H. and R. I. Interest paid without deduction for normal income tax.

20. Auth., $50,000,000; outstanding, $24,745,000; owned by company, $1,249,000. Dated May 1, 1905; due May 1, 1955. Int. at L. & N. office, 71 Broadway, New York. Coupon and reg., $1,000. First lien on 267.40 miles, as follows: Saxton, Ky., to Knoxville, Tenn., 78.61 miles; Dossert to Khotan, Tenn., 12.24 miles; Versailles to Beattyville Junc., Ky., 99.58 miles; also branches; by second lien on 286.53 miles, as follows: 69.31 miles covered by first lien by No. 16; 214.02 miles covered by first lien by No. 12; 3.20 miles covered by first lien by No. 1; also by third lien on 338.53 miles, of which 330.88 is covered by first and second lien by Nos. 18 and 19, and balance by Nos. 1, 16 and 17. Sufficient reserved to retire Nos. 18 and 19 at or before maturity. Legal for S. B. in Conn., Mich., N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

21. Auth., $2,000,000; outstanding, $874,000 (closed); owned by company, $1,124,000; retired, $2,000. Dated Sept. 1, 1881; due Sept. 1, 1931. Int. at L. & N. office, 71 Broadway, New York. Coupon, $1,000. Sinking fund, $8,400 per annum to be applied to repairs or to retirement of bonds at 105. First lien 10.03 miles of track and bridge over Ohio River from Henderson, Ky., to Evansville, Ind. Property has been conveyed to L. & N. R.R., but yearly income of $200,000 is guaranteed for 99 years from 1884, by L. & N. R.R., S. E. & St. Louis Ry., Evansville & Terra Haute R.R., Louisville, Evansville & St. Louis Ry., and Peoria, Decatur & Evansville Ry. Underlie No. 16. Legal for S. B. in Mich., Minn., N. H., N. J. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

22. Auth., $15,500,000; outstanding, $11,827,000. Dated July 1, 1902; due July 1, 1952. Int. at J. P. Morgan & Co., New York. Coupon, $1,000; reg., $1,000, $5,000, etc. Callable at 105 on two months' notice in lots of not less than $1,000,000. A joint obligation of Louisville & Nashville R.R. and Southern Railway, and a first collateral lien on $9,796,000 out of $10,500,000 common and on $3,873,400 out of $5,000,000 preferred stock of the Chicago, Indianapolis & Louisville Ry.; being issued at the rate of $90 per share of preferred and $78 per share of common stock. Further amounts are reserved to acquire the balance of the stock on the same basis, and the balance of $2,000,000 reserved for betterments, etc. Liability of Louisville & Nashville is for one-half ($5,898,000) of principal and int. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

23. Auth., $3,000,000; outstanding, $2,500,000. Dated Dec. 1, 1902; due Dec. 1, 1952. Int. at L. & N. office, New York. Coupon, $1,000. Guar. jointly and severally, as to prin. and int. by L. & N. R.R. and Nash., Chatt. & St. Louis Ry., these companies leasing the property for 99 years from 1896. First lien on terminals at Nashville, Tenn., including Union Passenger and Freight station, about 32 miles of track and 35 acres of land; also an additional land lease. Legal for S. B. in Conn., N. H., N. J., R. I. Interest paid without deduction for normal income tax.

24. Auth., $10,000,000; outstanding, $9,292,000; owned by company, $708,000. Dated April 10, 1886; due Aug. 1, 1936. Int. at L. & N. office, New York. Coupon, $1,000. Guar. prin. and int. by L. & N. R.R. by endorsement and now assumed. First lien on 200.46 miles, as follows: Decatur to Montgomery, Ala., 182.70 miles; Helena to Acton, Ala., 7.60 miles; other branches, 10.16 miles. Stockholders of Louisville & Nashville R.R. voted in Nov., 1913, formally to merge this property, and created a new mortgage. The bonds underlie No. 25, which provides for retirement. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

25. Auth., $25,000,000; issued, $10,677,000; owned by company, $3,227,000; outstanding, $7,400,000. Dated Oct. 1, 1913; due Oct. 1, 1963. Int. at L. & N. office, New York. Coupon $1,000, reg. $1,000, $5,000, etc., interchangeable. Guar. prin. and int. by L. & N. R.R. Co. and now assumed. Follow No. 24 on same property and provides for retirement. Balance reserved for improvements. Legal for S. B. in Conn., Minn., N. H., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest.

26. Auth., $20,000,000; outstanding, $7,500,000. Dated April 1, 1915; due April 1, 1965. Int. paid at L. & N. office, New York City. Coupon, $1,000. Guaranteed principal and interest by Louisville & Nashville Railroad by endorsement and now assumed. Secured by first lien on entire property of company which embraces 211.12 miles from Lexington to McRoberts, Ky. Further extensions are planned to Elkhorn, Ky. The lines serve very extensive coal fields in these sections. Listed on New York Stock Exchange. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I., Wis. Normal income tax deducted from interest.

27. **Equipment Notes:** Series A, 5s; dated June 2, 1913; maturing $325,000 each June and December 1st until June 1, 1923. Interest paid in New York and Louisville. Original issue, $6,500,000; balance unredeemed January 1, 1917, $4,225,000. First lien on equipment originally costing $7,226,420. Legal for S. B. in Conn. and N. H. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Nashville & Decatur R.R. "Original stock." Par $25. Outstanding, $1,594,900.	7½% J&J	$13,400	$1,763	$24	98%	Very high	Very high	Aaa.
2. Louisville & Nashv. R.R. stock. Full voting power. Par $100. Outstanding, $72,000,000.	7% F&A	14,282	1,739	994*	43%	High	"	Aa.*

*For 7% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Louisville & Nashville owns $1,958,850 of stock and leases road for 999 years, guaranteeing 7½% on minority stock outstanding, which is endorsed "original stock." The total authorized issue is $3,553,750. Road consists of 119 miles from Nashville, Tenn., to Decatur, Ala.

2. Atlantic Coast Line R.R. owns 51%. On Oct. 2, 1912, stockholders authorized an increase in stock from $60,000,000 to $72,000,000, each stockholder having the right to subscribe for an amount equaling one-fifth of his holdings at par, payments being made, $20 on or before Dec. 16, 1912, and $80 on or before Feb. 10, 1913. Dividends at rate of 7% per annum were paid from 1910 to 1914; 1915, 5%; 1916, 6%. In Aug., 1916, dividends resumed at the rate of 7%. Payments are made semi-annually, Feb. and Aug. 10th. For full record see below. The Atlantic Coast Line Railroad Co. owns 51 per cent of the stock, all of which is deposited under that company's 4% collateral bonds. Transfer Agent, C. E. Ambler, 71 Broadway, New York. Listed on New York, London and Amsterdam Stock Exchanges. Legal for Savings Banks in N. H.

Dividends: From the date of its organization to Aug., 1916, the company paid a total of sixty-seven cash dividends aggregating $78,816,695. The rates, dates and amounts of these dividends are shown in the following statement:

Years	Rate	Amount	Years	Rate	Amount	Years	Rate	Amount	Years	Rate	Amount
1864.....	6%	$388,496	1874–6....	...	.....	1893.....	4%	$2,112,000	1907.....	6%	$3,600,000
1865.....	8	442,325	1877.....	1½%	$135,054	1894–8....	...	.....	1908.....	5½	3,300,000
1866.....	8	439,329	1878.....	3	270,174	1899.....	3½	1,848,000	1909.....	5½	3,300,000
1867.....	8	439,368	1879.....	4	361,446	1900.....	4	2,112,000	1910.....	7	4,200,000
1868.....	7	458,651	1880.....	8	724,567	1901.....	5	2,695,000	1911.....	7	4,200,000
1869.....	7	580,375	1881.....	6	1,087,800	1902.....	5	2,875,000	1912.....	7	4,200,000
1870.....	7	607,696	1882.....	3	543,900	1903.....	5	3,000,000	1913.....	7	4,618,733
1871.....	7	615,334	1890.....	1.1	518,167	1904.....	5	3,000,000	1914.....	7	5,040,000
1872.....	7	628,541	1891.....	5	2,400,000	1905.....	6	3,600,000	1915.....	5	3,600,000
1873.....	7	628,739	1892.....	4½	2,376,000	1906.....	6	3,600,000	1916.....	6	4,320,000

Besides these cash dividends, the following stock dividends have been made: Jan. 1, 1862, ¼ of 1%, $9,250; April 1, 1864, 10%, $510,629; Feb. 10, 1868, 40%, $2,475,755; Dec. 1, 1880, 100%, $9,065,000; Mar. 12, 1888, 2%, $600,000; Sept. 3, 1888, 3%, $918,000; Feb. 11, 1889, 2%, $630,360; Aug. 18, 1889, 3%, $964,440; Feb. 6, 1890, 3%, $993,300; and Aug. 4, 1890, 1 9/10%, $893,000. An extra dividend of 1% on the capital stock of the company amounting to $600,000 was paid Feb. 10, 1908, in stock of Louisville Property Co.

COMPANIES LEASED OR OTHERWISE CONTROLLED OR OPERATED BY LOUISVILLE & NASHVILLE R.R.

ELKTON & GUTHRIE RAILROAD

Incorporated under Kentucky laws in 1884. Line of road: Elkton to Elkton Junc., 10.92 miles, making connection with Louisville & Nashville R.R., which operates the property under agreement, for net earnings. Earnings included in Louisville & Nashville income account.

Management: B. T. Perkins, Pres.; G. P. Street, Sec. and Treas. Directors: B. B. Petrie, S. W. Forgy, B. T. Perkins, Ben. S. Street, E. B. Lindsay, D. M. Butler, J. E. Goodman. Annual meeting, first Monday in June. Main Office, Elkton, Ky.

Capital Stock: Outstanding, $47,372; par, $25. Louisville and Nashville owns $17,275. No dividends. The road is bonded for $8,000, but entire issue is owned by Louisville & Nashville.

GLASGOW RAILWAY

Incorporated under Kentucky laws, Dec. 30, 1899, succeeding the Glasgow Railroad. Line of road: Glasgow to Glasgow Junc., Ky., 10.5 miles, sidings 1.26 miles, making connection with the Louisville & Nashville, which leases and operates the property for 5-year periods at int. on bonds, 6% on preferred and 4% on common stock. Earnings included in Louisville & Nashville income account.

Management: W. L. Porter, Pres.; J. W. Krueger, Vice-Pres.; T. P. Dickinson, Sec. and Treas. Directors: Above and P. D. Trigg, R. H. Porter, W. F. Richardson, C. W. McElroy, J. H. Harlin. Annual meeting, last Saturday in December. Main Office, Glasgow, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$26,543	$21,852	$36,135	$42,831	$32,116	$29,740
Taxes	4,061	2,984	3,102	.....	3,664	2,312
Fixed charges	10,026	4,887	5,160	12,836	4,000	4,858
Surplus	$12,456	$13,981	$27,873	$29,995	$24,452	$23,543
Dividend paid	11,000	13,000	15,000	18,000	20,000	20,000
Other deductions	.....	3,693	6,829	593	.....	3,595
Balance	$1,456	(def.)$2,712	$6,044	$11,402	$4,452	(def.)$52

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $44,092; credit balance transferred from income, $1,456; miscellaneous credits, $94; total, $45,642. Contra: Credit balance carried to balance sheet, $44,942; miscellaneous debits, $400; loss on retired road and equipment, $300; total, $45,642.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$316,476	$316,199	$311,214
Working assets	21,327	27,193	31,197
Total	$337.803	$343,392	$342,411
LIABILITIES:			
Capital stock	$200,000	$200,000	$200,000
Funded debt	92,500	106,555	.....
Working liabilities	.....	.....	3,562
Accrued liabilities not due	361	.....	.....
Profit and loss surplus	44,942	36,837	39,549
Total	$337,803	$343,392	$342,411

Bonded Debt: (1) $52,500 Glasgow Ry. first 4s; dated Jan. 1, 1900; due Jan. 1, 1920; int. paid Jan. and July 1, at Glasgow. Coupon, $1,000. First lien on entire road. Callable at par at any time. Rating Baa.
(2) $40,000 Glasgow Ry. second 4s; dated April 1, 1905; due April 1, 1925; int. paid April and Oct. 1, at Glasgow. Follows No. 1 on same property. Interest paid on both issues without deduction for normal income tax. Rating Ba.

Capital Stock: Auth. and issued, $100,000 6% preferred and $100,000 common; par $100. Dividends of 6% on preferred and 4% per annum on common paid at Glasgow. Extra dividends in recent years as follows: 1911 and 1912, 10% each; 1913, 8%; 1914, 5%; 1915, 3%; 1916, 1%. Preferred payments Jan. 1 and July 1, and common April and Oct. 1.

LOUISVILLE & NASHVILLE TERMINAL COMPANY

Incorporated under laws of Tennessee, March 28, 1893. Property consists of union passenger station, freight depot and terminals at Nashville, Tenn. 30.65 miles of yard track and sidings. Leased jointly by Louisville & Nashville and Nashville, Chattanooga & St. Louis at rental of 4% per annum on cost of property, proportioned on user basis.

Management: M. H. Smith, Pres.; W. L. Mapother, Vice-Pres.; W. W. Thompson, Treas.; J. H. Ellis, Sec.; Chas. Haydon, Compt. DIRECTORS: M. H. Smith, W. L. Mapother, W. A. Northcutt, Chas. Haydon, J. H. Ellis. MAIN OFFICE, Nashville, Tenn.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$2,601,241	$2,600,624	$2,598,534
Working assets	8,668	8,667	.....
Deferred debit items	100,000	100,000	114,430
Total	$2,709,909	$2,709,291	$2,712,964
LIABILITIES:			
Capital stock	$100,000	$100,000	$100,000
Funded debt	2,601,241	2,600,624	2,535,000
Working liabilities	218	8,667	63,534
Accrued liabilities not due	8,450	.....	14,430
Total	$2,709,909	$2,709,291	$2,712,964

Bonded Debt: $2,535,000 Louisville & Nashville Terminal Co. first 4s; dated Dec. 1, 1902; due Dec. 1, 1952; int. paid June & Dec. 1, at L. & N. office, New York. Coupon, $1,000. Guaranteed, prin. and int., jointly and severally, by Louisville & Nashville, and Nashville, Chattanooga & St. Louis Ry., by endorsement. First lien on entire property, L. & N. R.R. owns $35,000 of issue. For rating, see L. & N. bond table, page 161.

Capital Stock: Auth. and issued, $100,000; par $100. All owned by L. & N. R.R.

MONROE RAILROAD COMPANY

Incorporated under Georgia laws, July 23, 1904, succeeding to a portion of the old Gainesville, Jefferson & Southern R.R. Line of road: Social Circle to Monroe, Ga., 10.13 miles; sidings, 2.46 miles. Equipment: 1 locomotive and 2 cars. Makes connection with Georgia R.R.

Management: C. A. Wickersham, Pres.; W. S. Morris, Treas; W. H. Vincent, Sec.; DIRECTORS: Jacob Phinizy, C. A. Wickersham, Jos. B. Cumming, W. S. Morris, W. H. Vincent, J. A. Best, H. G. Nowell, H. D. McDaniel. Annual meeting, third Tuesday in August. MAIN OFFICE, Atlanta, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$25,973	$24,035	$28,068	$25,167	$28,381	$27,489
Maintenance of way	9,915	7,880	6,356	6,558	4,390	4,298
Maintenance of equip.	6,440	1,925	2,064	1,464	637	2,965
All other op. expenses	18,015	18,114	17,438	15,221	15.124	14,426
Net oper. revenues	(def.) $8,397	(def.) $3,884	$2,210	$1,924	$8,230	$5,800
Other income	400	366	197	225	203	195
Total net income	(def.) $7,997	(def.) $3,518	$2,407	$2,149	$8,433	$5,995
Taxes	1,626	1,562	2,378	1,610	1,101	1,068
Fixed charges	8,860	6,389	6,134	5,529	5,618	5,393
Surplus	(def.) $18,483	(def.) $11,469	(def.) $6,105	(def.) $4,990	$1,714	(def.) $466

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $39,308. Contra: Debit balance beginning of year, $20,388; debit balance transferred from income, $18,483; loss on retired road and equipment, $437; total, $39,308.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$199,524	$200,975	$204,335	$204,335	$204,335	$204,335
Working assets	94	86	.....	.....	4,756	3,041
Deferred debit items	32	80	.....	.....	.....	.....
Profit and loss (def.)	39,308	20,388	8,919	235	.....	.....
Total	$238,958	$221,529	$213,254	$204,570	$209,091	$207,376
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	137,207	119,748	100,000	100,000	104,335	104,335
Working liabilities	.....	.....	8,462	4,335	.....	.....
Accrued liab. not due	1,751	1,781	.....	.....	.....	.....
Deferred credit items	.....	.....	4,792	235	.....	.....
Profit and loss surplus	.....	.....	.....	.....	4,756	3,041
Total	$238,958	$221,529	$213,254	$204,570	$209,091	$207,376

Bonded Debt: $100,000 Monroe R.R. first 4s; dated Oct. 1, 1904; due April 1, 1980; int. paid April & Oct. 1, at United States Trust Co., New York. Coupon, $1,000. Callable at par on 60 days' notice. First lien on entire property. Rating Ca.

Capital Stock: Auth. and outstanding, $100,000; par, $100. The Louisville & Nashville R.R. and the Atlantic Coast Line R.R. each own one-half of the stock.

NASHVILLE & DECATUR RAILROAD

Incorporated under Tennessee laws, Jan. 1, 1867, being a consolidation of the Central Southern R.R., the Tennessee & Alabama R.R., and the Tennessee & Alabama Central R.R. Line of road: Nashville, Tenn., to Decatur, Ala., 119.05 miles. Branch line, 14.41 miles. Total operated, 133.46 miles. Second track, 21.89 miles. Sidings, 41.50 miles. Property is leased to Louisville & Nashville R.R. for 999 years from July 1, 1900, at rental of 7½% on capital stock in hands of public.

Management: W. R. Cole, Pres.; E. C. Lewis, Vice-Pres.; T. A. Clarkson, Sec. DIRECTORS: W. R. Cole, E. C. Lewis, R. A. Tyler, R. Montfort, G. A. Washington, V. E. Shwab, F. G. Ewing, A. G. Adams, J. H. Thompson, W. W. Berry, J. E. Harris, Wm. Nelson, P. D. Maddin, R. T. Smith, J. J. Vertrees. Annual meeting, second Tuesday in October. MAIN OFFICE, Nashville, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$119,617	$119,617	$266,531	$266,531	$277,952	$285,164
Surplus	119,617	119,617	266,531	266,531	277,952	285,164
Dividends paid	119,617	119,617	266,531	266,531	266,531	266,531
Other deductions	.....	.....	.....	.....	11,421	18,633

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,909,251	$3,909,251	$3,909,251	$3,909,251	$4,038,297	$4,026,877
Total	$3,909,251	$3,909,251	$3,909,251	$3,909,251	$4,038,297	$4,026,877
LIABILITIES:						
Capital stock	$3,567,382	$3,567,382	$3,567,382	$3,367,382	$3,567,382	$3,567,382
Working liabilities	20,147	20,147	20,147	20,147	20,147	20,147
Appropriated surplus	.....	.....	.....	.....	129,046	117,626
Profit and loss surplus	321,722	321,722	321,722	321,722	321,722	321,722
Total	$3,909,251	$3,909,251	$3,909,251	$3,909,251	$4,038,297	$4,026,877

Capital Stock: Outstanding, $3,553,750; par, $25. The Louisville & Nashville owns $1,958,850 of the stock. Of the balance of $1,594,900, which is in the hands of the public, $1,374,150 is endorsed "original stock" and is guaranteed as to 7½% dividends by L. & N. R.R. Payments are made Jan. and July 1, at Louisville, Ky. Transfer agent, T. A. Clarkson, Sec.; Nashville, Tenn. The company has no bonded debt. For Rating, see page 164.

LOUISVILLE, HENDERSON & ST. LOUIS RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in 1896 as successor through reorganization of the Louisville, St. Louis & Texas Railway.

Location: Lines owned, Strawberry (near Louisville) to Henderson, Ky. (near Evansville, Ind.), 137.90 miles; Irvington to Fordsville, Ky., 43.80 miles; total owned, 181.70 miles. Trackage, Louisville to Strawberry, 5.90 miles; Henderson to Evansville, 12.20 miles. Total miles operated, 199.80. Forms an important link of the main line of the Louisville & Nashville system from Cincinnati, *via* Louisville to St. Louis.

Control: The Louisville & Nashville R.R. acquired control of this property in 1904-5, by the acquisition of $776,-081 out of $2,000,000 preferred and $1,631,285 out of $2,000,000 common. On June 30, 1916, the Louisville & Nashville had acquired in all $1,511,405 preferred and $1,721,871 common.

Management: OFFICERS: R. N. Hudson, Pres.; W. L. Mapother, Vice-Pres.; Ridgely Cayce, Sec.; L. W. Botts, Treas. DIRECTORS: M. H. Smith, W. L. Mapother, J. H. Ellis, L. W. Botts, Osear Fenley, J. L. Helm, J. D. Stewart, R. N. Hudson, Geo. E. Evans. Annual meeting, first Tuesday in September. MAIN OFFICE, Louisville Ky.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture		30.39%	34.50%	28.86%	22.43%	19.87%	21.33%	18.20%	15.97%	14.51%
Products of Animals		4.64	4.89	3.16	3.26	3.10	3.23	2.96	2.56	2.29
Products of Mines		16.85	10.81	26.35	35.14	41.39	42.27	51.15	59.55	60.89
Products of Forests		8.48	5.64	5.47	4.67	4.41	5.35	4.78	3.26	2.62
Manufactures		8.25	9.21	9.45	9.52	8.34	13.55	10.93	8.78	9.12
Merchandise and Miscel.		31.39	34.92	26.71	24.98	22.89	14.27	11.98	9.88	10.57

Tonnage not classified prior to 1908: Total freight tonnage in 1909, 567,267 tons; in 1910, 759,823 tons; in 1911, 819,907 tons; in 1912, 928,018 tons; In 1913, 947,459 tons; in 1914, 1,124,014 tons; in 1915, 1,225,940 tons; in 1916, 1,538,110 tons.

The chief single item of freight tonnage is bituminous coal. In 1916, this aggregated 811,893 tons, or 52.79% of the total freight tonnage. Formerly agricultural products constituted a large part of the company's business, but in recent years this class of traffic has become less important.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	200	....	23	30	592	60%	90,749	346,215	190	$1.32	2.12c	.91c
1908	200	....	23	30	605	56	91,033	301,242	181	1.26	2.08	.92
1909	200	....	24	30	583	57	88,579	311,477	173	1.32	2.11	.94
1910	200	....	27	31	555	60	92,744	393,162	185	1.34	2.14	.90
1911	200	....	29	33	543	61	93,749	422,005	192	1.40	2.14	.87
1912	200	....	26	34	517	62	91,437	468,225	201	1.43	2.20	.85
1913	200	....	31	32	590	63	86,632	473,516	210	1.44	2.15	.82
1914	200	....	30	35	565	63	98,539	552,577	217	1.45	2.12	.79
1915	200	....	29	35	545	66	91,533	640,874	236	1.38	2.13	.72
1916	200	....	29	26	532	69	94,238	921,672	326	1.54	2.19	.61
10-Year Average	200	....	27	32	563	62%	91,923	483,097	211	$1.39	2.14c	.83c

Yard tracks and sidings, June 30, 1916, 45.58 miles. There were outstanding on June 30, 1916, $210,750 in equipment trust obligations, covering a portion of above equipment.

Comment: Freight density underwent a further substantial increase on this property during 1916, and the average freight train load also reached a much better figure than formerly. Although average freight rates are now ranging at relatively low figures, yet the train mile earnings have tended each year to increase, and in 1916 were very much higher than at any previous time. These changes in the exhibit of the property have largely been brought about by the revolution which has taken place in the last ten years in the character of freight tonnage. Whereas in 1908, low grade freight, such as mining products, represented only a small percentage of the business done, in 1916, they represented over 60%.

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TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$5,307	$917	$449	$1,366	$2,643	$1,298	$1,298	$157	$1,141	$624	45%	$517	.....
1908	4,963	1,099	581	1,680	2,274	1,009	1,022	151	871	1,056	...	185*	.....
1909	5,119	1,209	478	1,687	2,095	1,337	1,357	163	1,194	1,005	16	189	.....
1910	5,884	1,397	545	1,942	2,304	1,638	1,668	179	1,489	1,023	31	466	.....
1911	6,073	1,549	702	2,251	2,480	1,342	1,358	190	1,168	1,085	7	83	.....
1912	6,397	1,451	829	2,280	2,634	1,483	1,497	180	1,317	1,151	14	166	.....
1913	6,157	1,524	829	2,353	2,793	1,011	1,037	217	820	1,189	...	369*	.....
1914	6,859	1,355	880	2,235	2,850	1,774	1,796	227	1,569	1,160	26	409*	.....
1915	6,985	1,582	969	2,551	2,889	1,545	1,577	192	1,385	1,228	11	157	.....
1916	8,083	1,789	958	2,747	2,909	2,426	2,470	229	2,241	1,341	40	900	.....
10-Year Average	$6,183	$1,387	$722	$2,109	$2,587	$1,487	$1,508	$189	$1,319	$1,086	19%	$233	.....

* Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,616,697	$1,397,190	$1,373,892	$1,234,599	$1,279,469	$1,214,693	$1,176,868
Maintenance of way	357,891	316,479	271,012	304,931	290,349	309,824	279,438
Maintenance of equipment	191,711	193,846	176,053	165,858	165,817	140,596	109,027
All other operating expenses	581,910	577,826	570,012	558,625	526,712	495,767	457,189
Net operating revenues	$485,185	$309,039	$356,815	$205,185	$296,591	$268,506	$331,014
Operating ratio	69.9%	77.9%	74%	83.6%	77.1%	78.1%	72.2%
Other income	8,752	6,285	2,369	2,269	2,861	3,252	2,622
Total net income	$493,937	$315,324	$359,184	$207,454	$299,452	$271,758	$333,636
Taxes accrued	45,877	38,425	45,463	43,348	36,000	37,977	35,761
Balance for charges	$448,060	$276,899	$313,721	$164,106	$163,452	$233,781	$297,875
Fixed charges	268,239	245,654	231,946	237,726	230,143	217,016	204,575
Surplus	$179,821	$31,245	$81,775	def.$73,620	$33,309	$16,765	$93,300
Earned on stock: Preferred	8.99%	1.56%	4.09%	.....	1.66%	0.83%	4.66%

Note: Fixed charges in 1916 included $164,395 interest on bonds, $91,538 hire of equipment and joint rents.

Profit and Loss Account, Year ended June 30, 1916. Credit balance, June 30, 1915, $222,293; credit balance transferred from income account, $179,821; donations, $1,129; miscellaneous credits, $14,124; total, $417,377. Contra: Debt discount, $94,391; loss on retired road and equipment, $11,605; miscellaneous debits, $989; credit balance transferred to balance sheet, $310,392; total, $417,377.

Comment: Both gross and net revenues underwent a very important increase on the lines of the Louisville, Henderson & St. Louis Railway, during the year ended June 30, 1916. As fixed charges increased only slightly, the surplus carried forward was far in excess of that reported in any year of the past decade.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$20,000	62%	$12,500	38%	.....	$32,500	$238	$32,248	4 %	.....	.....	.....	.....	.....	.....
1908	20,000	62	12,540	38	.....	32,540	252	32,312	3.2	.....	.....	.....	.....	.....	.....
1909	20,000	61	12,820	39	.....	32,820	.....	32,820	4.2	.....	.....	.....	.....	.....	.....
1910	20,000	62	12,500	38	.....	32,500	.....	32,500	5.1	.....	.....	.....	.....	.....	.....
1911	20,000	62	12,602	38	.....	32,602	.....	32,602	4.2	.....	.....	.....	.....	.....	.....
1912	20,000	61	13,554	39	.....	33,554	.....	33,554	4.4	.....	.....	.....	.....	.....	.....
1913	20,000	57	15,121	43	.....	35,121	.....	35,121	3	.....	.....	.....	.....	.....	.....
1914	20,000	58	14,454	42	.....	34,454	.....	34,454	5.2	.....	.....	.....	.....	.....	.....
1915	20,000	58	14,273	42	.....	34,273	.....	34,273	4.6	.....	.....	.....	.....	.....	.....
1916	20,000	53	17,604	47	.....	37,604	.....	37,604	6.5	.....	.....	.....	.....	.....	.....
10-Year Average	$20,000	60%	$13,797	40%	.....	$33,797	$49	$33,748	4.5%	.....	.....	.....	.....	.....	.....

Note: Net capitalization includes both issues of stocks, the two bond issues, and equipment trust bonds.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911	1910
Property investment	$7,394,095	$7,399,086	$7,374,634	$7,342,122	$7,090,869	$6,919,244	$6,800,788
Working assets	635,492	176,266	244,411	281,572	214,485	242,309	196,119
Deferred debit items	110,348	102,682	35,458	59,995	7,131	5,404	3,897
Total	$8,139,935	$7,678,034	$7,654,503	$7,683,689	$7,312,485	$7,166,957	$7,000,804
LIABILITIES:							
Capital stock	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000
Funded debt	3,520,750	2,854,588	2,890,889	2,932,047	2,630,811	2,520,476	2,500,000
Working liabilities	218,560	530,310	483,104	541,318	382,438	370,143	266,946
Accrued liabilities not due	34,567	17,617	27,755	27,956	23,489	17,082	13,269
Deferred credit items	15,885	13,445	18,785	18,953	18,749	23,784	3,571
Appropriated surplus	39,781	39,781	39,781	39,781	39,781	39,781	39,781
Profit and loss surplus	310,392	222,293	194,189	123,634	217,217	195,691	177,237
Total	$8,139,935	$7,678,034	$7,654,503	$7,683,689	$7,312,485	$7,166,957	$7,000,804

Note: The increase in funded debt in 1916 was due to issue in 1915 of $700,000 new consolidated 5s.

Comment: There was a moderate increase in the funded debt of this property during the year 1916, this being chiefly accounted for by the creation of the new consolidated 5% mortgage. The capitalization of the property, however, is relatively low, and in recent years the tendency has been toward a substantial increase of the net income on net capital. During 1916 this net income averaged 6.5% on net capitalization.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Lou. Hen. St. L. 50-Yr. first 5s	J&J	Jl 1946	(1st) 182	$13,800	$1,319	$625	50%	Good	Fair	Aa.
2. Lou. Hen. St. L. Equip. 4½s	M&S	1917-22	Equip.	.....		40	50%	High	"	A.
3. Lou. Hen. St. L. cons. 5s	A&O	O 1965	(2d) 182	3,850	654	175	73%	Fair	"	Baa.

Note: "Average income available" is annual average surplus available for charges, after deducting taxes, for ten years ended June 30, 1916. For Key to Bond Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $2,500,000. Dated June 1, 1896; due July 1, 1946. Int. paid at Louisville and at Bank of America, New York. Coupon, $500. First lien from Strawberry to Henderson, Ky., 137.9 miles; and from Irvington to Fordsville and branches, 43.80 miles; total 181.7 miles. Underlies No. 3, which provides for retirement. Legal for Savings Banks in Me. Listed on Louisville Stock Exchange. Normal income tax deducted from interest.

2. Original issue $300,000 Series A, 4½s; dated Sept. 3, 1912; due $30,000 annually in Sept. to 1922 inclusive; now outstanding, $180,000. Int. paid at Central Trust Co., New York. Coupon, $1,000. Secured on 225 box cars, 3 parlor cars, 2 baggage cars and 6 locomotives; total cash cost, $332,452. Underlies No. 3, which provides for retirement.

3. Auth. $5,000,000; outstanding, $700,000. Dated Oct. 1, 1915; due Oct. 1, 1965. Int. paid in New York. Coupon, $1,000. Second lien on entire property following Nos. 1 and 2. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME AND DETAILS OF ISSUE.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	BASIS FOR RATING. Equity.	BASIS FOR RATING. Salability.	Net Rating.
1. Louisville, Hend. & St. Louis preferred. 5% Non-cumulative. Par $100. Outstanding, $2,000,000.	None	$10,000	$233	$500*	.....	Fair	.....	Caa.
2. Louisville, Hend. & St. Louis common. Full voting power. Par $100. Outstanding, $2,000,000.	None	10,000	.....	.....	.....	Small	.....	Ca.

For Key to Stock Ratings, see pages 21-23.

* To pay 5% dividend.

Note: Auth., $2,000,000 preferred and $2,000,000 common. Preferred is entitled to 5% non-cumulative dividends. The Louisville & Nashville R.R. owned on June 30, 1916, $1,511,405 preferred and $1,721,871 common, or over 80% of the entire capital. Transfer office, Louisville Ky. No dividends. In Jan., 1912, a protective committee was formed in the interest of the minority preferred stockholders, and in Mar., 1913, a majority of these holders had deposited their stock with this committee and accepted an offer of $38 per share for same.

NASHVILLE, CHATTANOOGA & ST. LOUIS RAILWAY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Tennessee, Georgia, Alabama, and Kentucky, Jan. 24, 1848, under name of Nashville & Chattanooga R.R. In 1873 acquired the Nashville & Northwestern R.R., when name was changed to present title.

Location: Lines owned extend from Chattanooga to Nashville, Tenn., and thence to Hickman, Ky., with branches to Columbia and Pikeville, Tenn., Huntsville and Gadsden, Ala., etc.; making 839.74 miles owned. There is also leased, from the Louisville and Nashville, the Paducah and Memphis division of that company, consisting of 254.20 miles from Paducah to Memphis, and also the Western & Atlantic R.R., 136.82 miles, from Chattanooga south to Atlanta and Rome, Ga. Total operated, 1,230.76 miles. Also leases, jointly with the Louisville & Nashville, the L. & N. Terminal Co. Crosses or penetrates the States of Tennessee, Alabama, Georgia, and Kentucky. Population of these States in 1890, 6,976,523; in 1900, 8,212,812; in 1910, 9,221,108.

Control: The company is controlled by the Louisville & Nashville, which owns $11,484,100 stock out of a total of $16,000,000. Of the amount so owned, $8,802,400 is pledged as collateral under the Louisville & Nashville unified 4 per cent. mortgage.

Management: OFFICERS: E. C. Lewis, Chairman; John H. Peyton, Pres. and Gen. Mgr.; H. F. Smith, Vice-Pres.; J. H. Ambrose, Treas.; T. A. Clarkson, Sec. DIRECTORS: E. C. Lewis, W. R. Cole, V. E. Shwab, A. H. Robinson, E. W. Thompson, J. H. Fall, W. W. Berry, M. H. Smith, Newell Sanders, John H. Peyton, C. H. Brandon, J. H. Crichlow, J. S. Robinson, P. D. Maddin, G. N. Tillman. Annual meeting, second Tuesday in October. MAIN OFFICE, Nashville, Tenn. New York Transfer Office, 71 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	28.71%	27.20%	25.96%	25.77%	24.79%	23.62%	24.08%	24.69%	22.8%	20.69%
Products of Animals.....	2.74	3.03	2.75	2.93	3.21	6.08	5.96	7.03	5.8	6.08
Products of Mines.....	32.94	35.20	35.60	34.41	34.26	35.88	36.32	33.04	33.9	33.62
Products of Forests.....	13.19	12.95	11.50	12.35	13.32	11.54	11.23	12.37	9.6	10.65
Manufactures.....	10.24	8.71	10.29	12.07	12.84	21.31	20.46	20.94	14.9	17.09
Merchandise and Miscel...	12.18	12.91	13.90	10.07	11.58	1.57	1.95	1.93	13.0	11.87

Total freight tonnage in 1909, 5,278,378 tons; in 1910, 5,715,679 tons; in 1911, 5,830,566 tons; in 1912, 5,636,188 tons; in 1913, 6,224,981 tons; 5,534,309 in 1914; 4,738,482 in 1915; 5,509,145 in 1916.

The chief single item of freight tonnage on this road is soft coal. For the year ending June 30, 1913, there were 1,355,581 tons transported, which represented 21.78% of the total freight tonnage; 1914, 1,231,588 tons, or 22.25%; 1915, 1,104,462 tons, or 23.31%; 1916, 1,130,438 tons, or 20.52%.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load per Mile.	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	1,230	....	249	226	9,582	75%	74,569	821,933	216	$1.69	2.56c	.89c
1908.....	1,230	....	255	226	9,963	71	74,126	693,665	193	1.56	2.47	.89
1909.....	1,230	....	258	227	9,990	71	84,143	668,420	192	1.62	2.39	.96
1910.....	1,230	....	251	232	10,172	72	88,446	687,991	197	1.69	2.36	.99
1911.....	1,230	....	261	238	10,609	71	97,292	705,620	214	1.77	2.36	1.01
1912.....	1,230	24	261	237	10,712	70	102,779	668,503	203	1.81	2.33	1.03
1913.....	1,231	33	262	238	10,842	70	110,099	758,451	210	1.88	2.29	1.00
1914.....	1,231	44	258	244	10,912	69	112,114	677,129	199	1.84	2.23	1.05
1915.....	1,231	54	273	247	10,672	68	98,420	595,797	199	1.69	2.08	1.02
1916.....	1,231	56	273	239	10,998	71	103,810	723,914	255	2.03	2.09	1.01
10-Year Avcrage	1,230	....	260	235	10,445	71%	94,580	700,142	208	$1.76	2.32c	.99c

Yard tracks and sidings, June 30, 1916, 510.00 miles. Weight of rails of main lines, 52 to 90 pounds.

Comment: During the fiscal year ended June 30, 1916, this property underwent substantial improvement in its operating results. While the freight density did not reach the high figures of 1913, yet it far exceeded that reported in 1915, and the passenger density was also higher than for the previous year. There was practically no change in the average passenger or freight rates, but both train mile earnings and average freight train load reflected substantial improvement. As has been the case for many years, the freight tonnage on this property was well diversified, a liberal proportion of the business being represented by manufactures and miscellaneous tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$9,950	$1,413	$1,379	$2,792	$3,877	$3,281	$3,296	$179	$3,117	$1,301	58%	$1,816	$489
1908	8,730	1,200	1,607	2,807	3,846	2,077	2,330	197	2,133	1,325	38	808	447
1909	9,042	1,432	1,577	3,009	3,780	2,253	2,479	200	2,279	1,315	42	964	406
1910	9,461	1,449	1,589	3,038	3,821	2,602	2,894	217	2,677	1,277	52	1,400	487
1911	10,019	1,515	1,838	3,353	4,191	2,475	2,830	232	2,598	1,273	51	1,325	528
1912	9,969	1,461	1,811	3,272	4,353	2,344	2,648	248	2,400	1,265	47	1,135	528
1913	10,818	1,725	1,934	3,659	4,821	2,338	2,762	247	2,515	1,256	50	1,259	568
1914	10,380	1,575	1,943	3,518	4,670	2,192	2,746	265	2,481	978	61	1,503	909
1915	8,883	1,251	1,760	3,011	4,381	1,491	1,958	271	1,687	1,017	40	670	650
1916	10,290	1,204	1,892	3,096	4,572	2,622	3,261	278	2,983	1,084	64	1,899	844
10-Year Average	$9,754	$1,422	$1,733	$3,155	$4,231	$2,368	$2,720	$233	$2,487	$1,209	50%	$1,278	$586

Note: Above table is based on average mileage operated each year whether this mileage is owned, leased or otherwise controlled. "Margin of safety" is the proportion of surplus left over after deducting all fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenue	$12,667,427	$10,934,569	$12,768,276	$13,317,162	$12,262,675	$12,323,863	$11,637,203
Maintenance of way	1,481,600	1,540,305	1,938,499	2,123,365	1,796,914	1,863,673	1,783,061
Maintenance of equipment	2,329,256	2,166,005	2,391,419	2,380,795	2,227,346	2,261,008	1,954,772
All other operating expenses	5,628,177	5,393,312	5,749,522	5,034,623	5,354,611	5,155,279	4,699,425
Net operating revenues	$3,228,394	$1,834,947	$2,688,836	$2,878,379	$2,883,804	$3,043,903	$3,199,945
Operating Ratio	74.5%	83.2%	78.9%	78.4%	76.5%	75.3%	72.5%
Other income	786,116	574,775	691,035	522,036	373,221	437,953	359,204
Total net income	$4,014,510	$2,409,722	$3,379,871	$3,400,415	$3,257,025	$3,481,856	$3,559,149
Taxes accrued	342,826	333,860	326,557	304,071	305,506	285,904	267,455
Balance for charges	$3,671,684	$2,075,862	$3,053,314	$3,096,344	$2,951,519	$3,195,952	$3,291,694
Fixed charges	1,334,166	1,251,239	1,203,684	1,546,157	1,555,339	1,565,010	1,732,990
Surplus over charges	$2,337,518	$824,623	$1,849,630	$1,550,187	$1,396,180	$1,630,942	$1,558,704
Dividends paid	1,039,532	799,236	1,118,930	698,932	649,002	599,079	599,079
Balance	$1,297,986	$25,397	$730,700	$851,225	$747,178	$1,031,863	$959,625
Earned on stock	14.61%	5.15%	11.56%	15.50%	13.96%	16.31%	15.59%

Note: Total net income in 1915 and 1916 included hire of equipment (a large credit item), rentals received, interest on investments, etc. Fixed charges included rentals of leased lines (a large item), interest on bonds, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance July 1, 1916, $9,725,837; credit balance transferred from income, $1,297,986; unrefundable overcharges, $8,412; donations, $9,169; miscellaneous credits, $77,812; total, $11,119,216. Contra: Surplus appropriated for investment in physical property, $9,170; miscellaneous appropriations of surplus, $100,000; loss on retired road and equipment, $23,118; miscellaneous debits, $54,079; credit balance carried to balance sheet, $10,932,849; total, $11,119,216.

Comment: The income account of the Nashville, Chattanooga & St. Louis Railway for the year ended June 30, 1916, was in all respects satisfactory. The gross revenues were far higher than in 1915, while the net receipts even exceeded those of the record year 1910. As there was no very important increase in fixed charges the surplus available for dividends equaled the high figure of 14.6% on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$8,130	38%	$13,012	62%	$10,186	$31,328	$720	$30,608	10.8 %	.....	.....	$489	6%	.....	73%
1908	8,130	38	12,996	62	10,189	31,315	704	30,611	7.6	.....	.....	447	5.5	.....	45
1909	8,130	39	12,752	62	10,187	31,069	515	30,554	8.2	.....	.....	406	5	.....	58
1910	8,130	38	12,936	61	10,187	31,253	525	30,728	9.6	.....	.....	487	6	.....	65
1911	8,130	38	12,931	62	10,000	31,061	616	30,445	9.4	.....	.....	528	6½	.....	60
1912	8,130	38	12,917	62	10,196	31,243	685	30,558	8.6	.....	.....	528	6½	.....	53
1913	8,123	38	13,097	62	10,179	31,399	1,205	30,194	9.1	.....	.....	568	7	.....	55
1914	12,998	61	8,223	39	10,179	31,400	1,002	30,398	9.	.....	.....	909	7	.....	40
1915	12,998	61	8,223	39	10,179	31,400	1,018	30,382	6.4	.....	.....	650	5	.....	52
1916	12,998	59	8,965	41	10,179	32,142	682	31,460	10.3	.....	.....	844	6½	.....	56
10-Year Average	$9,590	45%	$11,605	55%	$10,166	$31,361	$767	$30,594	8.9 %	.....	.....	$586	6%	.....	55%

Note: The bonded debt outstanding per mile includes all the direct obligations of the company. The rentals represent the amounts capitalized at 5% which are paid for the Paducah & Memphis division of the Louisville & Nashville (5% of cost and 5% on improvements and betterments) and for the use of the Western & Atlantic Railway, owned by the State of Georgia, which is leased for 29 years from 1890 at $35,000 per month. The investments owned are carried at cost.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911	1910
Property investments	$34,349,437	$33,091,498	$32,315,545	$31,368,739	$30,406,722	$29,843,117	$28,939,576
Working assets	5,319,597	4,534,758	5,480,255	5,729,620	6,045,962	5,845,549	5,429,754
Deferred debit items	1,297,916	973,893	564,554	403,922	25,192	25,060	
Total	$40,966,950	$38,600,149	$38,360,354	$37,502,281	$36,477,876	$35,713,726	$34,369,330
LIABILITIES:							
Capital stock	$16,000,000	$16,000,000	$16,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
Funded debt	11,035,325	10,122,000	10,122,000	16,122,000	15,885,000	15,905,000	15,924,000
Working liabilities	1,611,494	1,636,037	1,240,924	1,346,452	1,363,737	1,391,278	
Accrued liabilities not due	248.825	356,390	847,618	838,144	852,178	805,812	2,242,579
Deferred credit items	289,661	84,581	83,518	9,394	69,357	71,183	
Appropriated surplus	848,796	671,016	271,404	271,404	271,404	271,404	
Profit and loss surplus	10,932,849	9,730,125	9,794,890	8,914,887	8,036,200	7,269,040	6,202,751
Total	$40,966,950	$38,600,149	$38,360,354	$37,502,281	$36,477,876	$35,713,726	$34,369,330

Comment: There were practically no capitalization changes on the Nashville, Chattanooga & St. Louis in the year 1916. Both gross and net capitalization continued to range at low average figures as measured on the mileage basis, and the general financial exhibit of the company remained a very strong one. The net income on net capital exceeded 10% during the year, which is a higher average than that reported at any time since 1907. It is unnecessary to state that the credit of this property is of the strongest type, and the several outstanding bond issues are entitled to the best investment rating.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Nash. C. & St. L. Jasper Br. Ex. first 6s	J&J	Ja 1923	(1st) 18	$20,550	$2,487	$18	98%	Very high	High	Aaa.
2. Nash. C. & St. L. Centreville Br. first 6s	J&J	Ja 1923	(1st) 46	8,175		18	98%	"	"	Aaa.
3. Nash. C. & St. L. cons. first 5s	A&O	Ap 1928	(1st)776 (2d) 65	12,017	2,451	410	83%	"	"	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $16,000 per mile; outstanding, $370,000; in treasury, $1,000 (closed). Dated Jan. 1, 1883; due Jan. 1, 1923. Int. at Hanover National Bank, New York. Coupon, $1,000. First lien, 18.50 miles, Victoria to Dunlap, Tenn. Underlie No. 3, which provides for retirement. Legal for S. B. in Cal., Conn., Fla., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth. and outstanding, $376,000. Dated Jan 1, 1883; due Jan. 1, 1923. Int. at Hanover National Bank, New York. Coupon, $1,000. First lien; 46.46 miles, Dickson to Etna, Tenn. Underlie No. 3, which provides for retirement. Legal for S. B. in Cal., Conn., Fla., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Normal income tax deducted from interest

3. Auth., $20.000,000; outstanding, $10,106,000; in treasury, $2,000. Dated April 2, 1888; due April 1, 1928. Int. at Hanover National Bank, New York. Coupon, $1,000. First lien on 775.74 miles, as follows: Fayetteville to Columbia and to Lax, Tenn., 84.55 miles; Kingston to Rome, Ga., 18.15 miles; Etna to Allens Creek, Tenn., 24.21 miles; Huntsville to Gadsden, Ala., 53.28 miles; Jasper to Victoria and Dunlap to Pikeville, Tenn., 27.60 miles; Tracy to Coalmount, Tenn., 10.44 miles; Sparta to Clifty, 22.99 miles; Chattanooga to Hickman, 322.33 miles; Bridgeport, Ala. to Pikeville, Tenn., 49.80 miles; Wartrace to Shelbyville. 8.08 miles; Nashville to West Nashville, 6.26 miles; Decherd to Fayetteville, 38.78 miles; Tullahoma to Sparta, Tenn., 60.63 miles; Elona to Huntsville, Ala., 26.80 miles; Nashville to Lebanon, 29.21 miles; Coman to Tracy City, Tenn., 20.73 miles; also by second lien on 64.96 miles, subject to Nos. 1 and 2; also by first lien on 300 acres of land in Nashville and 17 acres in Chattanooga. Legal for S. B. in Cal., Conn., Mass., Mich, Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

Note: Company also jointly guarantees bonds of Louisville & Nashville Terminal Co., Memphis Union Station Co., and the Paducah & Illinois R.R. (see general index).

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Nash., Chatt. & St. Louis Ry. stock ..... Full voting power. Par $100.	7% F&A	$12,998	$1,278*	$910†	27%	High	High	A.†

For Key to Stock Ratings, see page 21. * After allowing for rentals. † For 7% dividend.

Note: Auth. and outstanding, $16,000,000 (having been increased from $10,000,000 in 1913 by subscription at par). The Louisville & Nashville R.R. owns $11,484,100, of which $8,802,400 is pledged under its 4% unified mortgage. Dividends at rate of 4% were paid in 1904; 5% in 1905 and 1906; 6% in 1907; 5½% in 1908; 5% in 1909; 6% in 1910; 6½% in 1911 and 1912; 7% in 1913 and 1914; 1915, 5%; 1916, 6½%. Transfer office, 71 Broadway, New York. Listed on New York Stock Exchange.

Dividend Record: From organization to Aug., 1916, inclusive, the company paid a total of cash dividends aggregating $14,510,771. The rates, dates, and amounts of these dividends are shown in the following statement:

Years	Rate	Amount	Years	Rate	Amount	Years	Rate	Amount	Years	Rate	Amount
1856	3%	$67,898	1874-5	3%	$197,258	1889-90	5%	$333,428	1905	5%	$500,000
1857-8	Nil.	.....	1875-6	3	194,574	1890-1	5	333,428	1906	5	500,000
1859	3	67,738	1876-7	3	196,033	1891-2	5	500,000	1907	6	600,000
1860	6	123,444	1877-8	2	131,382	1892-3	5	500,000	1908	5½	550,000
1861	6	123,439	1878-9	2½	164,161	1893-4	2½	250,000	1909	5	499,232
1862	5	102,869	1879-80	3½	232,020	1894-5	4	400,000	1910	6	599,079
1863-6	Nil.	.....	1881-2	4½	300,165	1895-6	4	400,000	1911	6	599,079
1867	5	94,239	1883-4	4	266,802	1896-7	4	400,000	1912	6½	649,002
1868-71	Nil.	.....	1885-6	Nil.	.....	1897-8	4	400,000	1913	7	698,932
1872	6	121,476	1886-7	4	266,741	1898-9	1	100,000	1914	7	1,118,930
1873	Nil.	.....	1887-8	4	226,741	1899-03	Nil.	.....	1915	5	799,226
1874	2	131,506	1888-9	5	333,426	1904	4	400,000	1916	6½	1,039,533

THE BALTIMORE & OHIO RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Chartered under Maryland and Virginia laws in 1827; reorganized without foreclosure in 1899. Subsequently acquired and now directly operates the Baltimore & Ohio Southwestern, the Cleveland, Lorain & Wheeling, the Cleveland Terminal & Valley, the Ohio & Little Kanawha, the Ravenswood, Spencer & Glenville, and Valley Railroad of Virginia.

Location: The directly operated lines of the system consisted, June 30, 1916, of 4,539.38 miles, of which 4,464.78 miles are owned and 74.60 miles operated under trackage rights. Lines extend from Philadelphia *via* Baltimore and Washington to Cumberland, Md., and thence, *via* Pittsburg to Chicago, and *via* Cincinnati to St. Louis; with many branches, including those to Frederick and Hagerstown, Md., Johnstown, Pa., Wheeling, W. Va., Sandusky, Ohio, Louisville, Ky., etc. Operates from Philadelphia to New York over lines of Philadelphia and Reading and New Jersey Central for passengers, and over its own terminal line to Staten Island, with the Staten Island Railway, which it controls, for freight. Enters or traverses States of Pennsylvania, Maryland, Virginia, West Virginia, Ohio, Indiana, and Illinois. Population of these States in 1890, 18,412,159; 1900, 21,798,700; in 1910, 25,349,776.

Controlled Lines: The company controls, but operates separately, the Staten Island Railway, consisting of 12.65 miles; Staten Island Rapid Transit Co., 10.89 miles, and the Baltimore & Ohio Chicago Terminal R.R. Co., 93.19 miles. Also, in August, 1909, the company acquired virtual control of the Cincinnati, Hamilton & Dayton Railway. (See C. H. & D. Ry. analysis for full details.) In October, 1912, the control of the Sandy Valley & Elkhorn Railway was acquired.

Affiliated Interests: The Baltimore & Ohio owns $6,065,000 first preferred, $14,265,000 second preferred, and $10,002,500 common stock of the Reading Company, giving it, jointly with the New York Central R.R. control of that property. The Pennsylvania Railroad and subsidiary companies owned, Jan. 1, 1913, $21,273,600 preferred and $21,373,600 common stock of the Baltimore & Ohio, while the Union Pacific Railroad owned, June 30, 1913, $7,206,400 preferred and $32,334,200 common stock of the Baltimore & Ohio Railroad. In October, 1913, the Union Pacific acquired from the Pennsylvania Railroad interests all the Baltimore & Ohio preferred and common stock held by the latter in exchange for a part of its own holdings of Southern Pacific stock. By this exchange the total holdings of Union Pacific in Baltimore & Ohio were increased to $28,480,000 preferred and $53,607,800 common.

Distribution of Union Pacific Stockholdings: The directors of the Union Pacific R.R. on Jan. 8, 1914, voted to distribute on April 1 out of accumulated surplus profits to the holder of each share of common stock 12% in Baltimore & Ohio preferred and 22% of B. & O. common held in the treasury and also $3 per share in cash; also to correspondingly reduce the regular annual dividend rate from 10% to 8%. The dividends on the $216,635,400 U. P. common, outstanding Jan. 8, 1914, called for $48,742,965 B. & O. common and $25,996,248 preferred. This stock was distributed in July, 1914. For full details regarding Union-Southern Pacific dissolution plans, see statements of those companies.

Management: Officers: Daniel Willard, Pres.; Geo. F. Randolph, 1st Vice-Pres.; Geo. M. Shriver, 2d Vice-Pres.; A. W. Thompson, 3d Vice-Pres.; F. C. Batchelder, 4th Vice-Pres.; J. M. Davis, 5th Vice-Pres.; E. M. Devereux, Treas.; C. W. Woolford, Sec.; J. T. Leary, Comptroller. Geo. H. Campbell, J. S. Murray, Assts. to Pres. Directors: Oscar G. Murray, Chairman; Chas. A. Peabody, R. B. Keyser, Robert Garrett, James Speyer, John R. Morron, John G. Shedd, L. F. Loree, W. Averell Harriman, Felix Warburg, J. G. Schmidlapp, H. L. Bond, Jr. Annual meeting, third Monday in November. General Office, Terminal Building, Baltimore, Md. New York Office, 2 Wall Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	5.29%	6.12%	5.80%	5.16%	5.45%	4.95%	5.55%	5.08%	6.51%	5.90%
Products of Animals.....	1.41	1.72	1.74	1.41	1.59	1.45	1.17	1.26	1.37	1.22
Products of Mines.....	64.00	64.90	64.91	64.98	65.29	66.63	65.59	66.60	64.09	62.81
Products of Forests.....	5.28	5.25	5.16	4.92	4.57	4.06	4.23	4.21	3.87	3.87
Manufactures.....	16.98	14.75	14.33	16.93	15.94	15.71	16.81	15.88	16.92	18.34
Merchandise and Miscel...	7.04	7.26	7.06	6.62	7.16	7.20	6.65	6.97	7.24	7.86

Total tonnage carried in 1909, 51,210,161 tons; in 1910, 62,797,745 tons; in 1911, 60,547,887 tons; in 1912, 64,704,070 tons; in 1913, 72,461,064 tons; 69,382,145 in 1914; 64,375,595 in 1915; 80,785,993 in 1916.

The Baltimore & Ohio is one of the leading soft-coal roads, and this character of tonnage constitutes a large part of its freight business. During the year 1913, 31,805,543 tons of soft coal were carried; in 1914, 34,105,370 tons; in 1915, 29,618,280 tons; in 1916, 34,445,414 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	4,006	1,231	1,951	1,176	83,500	79%	180,574	2,828,065	433	$2.05	1.96c	.57c
1908.....	3,992	1,266	1,929	1,170	86,785	76	181,523	2,451,747	408	1.92	1.89	.57
1909.....	4,004	1,303	1,906	1,161	84,803	76	172,286	2,315,649	425	1.95	1.88	.58
1910.....	4,434	1,318	2,055	1,177	87,633	78	172,165	2,711,666	442	2.05	1.89	.58
1911.....	4,434	1,392	2,205	1,181	92,403	77	179,506	2,639,654	441	2.05	1.91	.58
1912.....	4,455	1,449	2,208	1,248	91,818	78	171,977	2,803,648	554	2.39	1.93	.58
1913.....	4,456	1,488	2,217	1,212	93,153	79	180,688	3,211,865	620	2.56	1.93	.56
1914.....	4,478	1,495	2,365	1,292	91,462	78	184,598	2,997,966	619	2.51	1.92	.56
1915.....	4,535	1,499	2,386	1,261	90,260	77	157,523	2,860,175	693	2.62	1.97	.55
1916.....	4,539	1,498	2,318	1,186	88,691	79	164,763	3,479,609	761	2.99	2.00	.56
10-Year Average } ..	4,333	1,394	2,154	1,206	89,051	78%	175,560	2,830,004	540	$2.31	1.93c	.57c

Yard tracks and sidings, June 30, 1916, 3,004.48 miles.

Comment: The operating exhibit of the Baltimore & Ohio system during the fiscal year 1916, was a brilliant one. While there was no important increase in the passenger density, it will be noted that the freight density rose to new high figures, and the average freight train load also reached a very heavy total. Although there was practically no improvement during the year in average freight and passenger rates, yet the train mile earnings underwent substantial growth and the whole exhibit of the property was a strong one. As usual, nearly two-thirds of the freight tonnage carried was represented by products of mines, though there was also some improvement in high grade freight, such as miscellaneous articles.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$20,530	$2,632	$3,357	$5,989	$7,711	$6,830	$7,837	$439	$7,398	$2,763	63%	$4,635	$2,878
1908.....	18,439	2,728	3,152	5,880	7,684	4,875	5,965	507	5,458	2,847	48	2,611	2,888
1909.....	17,743	2,252	2,744	4,996	6,880	5,867	6,902	515	6,387	3,135	51	3,252	2,880
1910.....	20,050	2,630	3,693	6,323	7,509	6,218	7,169	557	6,612	2,948	55	3,664	2,587
1911.....	19,880	2,319	3,582	5,901	8,289	5,690	6,795	586	6,209	3,317	46	2,892	2,587
1912.....	20,784	2,551	3,738	6,289	8,236	6,259	7,095	670	6,425	3,305	49	3,120	2,576
1913.....	22,791	3,146	4,112	7,258	9,299	6,234	7,207	664	6,543	3,540	46	3,003	2,575
1914.....	21,753	2,726	3,726	6,452	9,639	5,662	6,809	720	6,089	4,023	34	2,066	2,562
1915.....	20,246	1,981	3,529	5,510	8,586	6,150	7,306	772	6,534	4,157	36	2,377	2,194
1916.....	24,594	3,066	5,180	8,246	9,229	7,119	8,407	860	7,547	4,530	40	3,017	2,192
10-Year Average }	$20,681	$2,603	$3,682	$6,285	$8,306	$6,090	$7,149	$629	$6,520	$3,456	47%	$3,064	$2,592

Note: Above figures are based on averages miles operated for each year. "Margin of safety" is the proportion of the surplus left over after deducting the fixed charges for each year. For example, in 1916, the "balance for charges" (per mile) was $7,547; fixed charges amounted to $4,530, or 60%, leaving $3,017, a "margin of safety" of 40%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues.....	$111,633,116	$91,796,816	$97,411,441	$101,556,131	$92,594,323	$88,145,004	$88,901,252
Maintenance of way....	13,917,815	8,985,627	12,207,191	14,019,620	11,365,454	10,279,616	11,661,410
Maintenance of equip...	23,513,811	16,002,589	16,631,986	18,323,210	16,651,535	15,881,620	16,373,776
All other oper. expenses.	41,888,178	38,937,297	43,165,715	41,436,808	36,692,549	36,604,831	33,298,615
Net operating rev...	$32,313,312	$27,871,308	$25,356,549	$27,776,493	$27,884,785	$25,378,937	$27,567,451
Operating ratio	71.03%	69.6%	74%	72.7%	70%	71.2%	69%
Outside operations	*	*	‡885,246	‡874,311	‡666,640	‡148,312	‡599,634
	$32,313,312	$27,871,308	$24,471,303	$26,902,182	$27,218,146	$25,230,625	$26,967,817
Other income	5,844,375	5,260,848	6,017,719	5,212,206	4,390,906	4,896,598	4,217,899
Total net income	$38,157,687	$33,132,156	$30,489,022	$32,114,388	$31,609,051	$30,127,223	$31,185,716
Taxes accrued	3,900,305	3,503,074	3,226,466	2,960,905	2,984,949	2,596,250	2,469,964
Balance for charges.	$34,257,382	$29,629,082	$27,262,556	$29,153,483	$28,624,102	$27,530,973	$28,715.752
Fixed charges	20,564,935	18,848,201	18,012,532	15,771,372	14,726,044	14,710,982	12,468,165
Surplus	$13,692,447	$10,780,881	$9,250,024	$13,382,111	$13,898,058	$12,819,991	$16,247,587
Dividends paid	†9,951,753	9,951,775	11,473,396	11,475,868	11,476,131	11,476,145	11,474,213
Appropriations	76,231	57,633	.....	.....	.....	.....	.....
Balance	$3,664,463	$771,473	‡$2,223,372	$1,906,243	$2,421,927	$1,343,846	$4,357,614
Earned on stock: Pref..	23.26%	18.32%	15.42%	22.65%	23.17%	21.77%	27.60%
Com..	7.46%	5.55%	4.51%	7.22%	7.58%	6.89%	9.14%

* Outside operations now included in Gross and Net Revenues. † Of which $3,798,652 paid from surplus.

‡ Deficit.

Note: Other income in 1916 included $706,663 in joint facility rents; $404,441 in miscellaneous rents; $1,901,968 in dividends on stocks owned; $1,589,100 in interest on bonds; $735,468 in other interest. Fixed charges included, besides interest on bonds, $1,378,491 for hire of equipment; $1,194,054 in joint facility rents.

Profit and Loss Account, for year ended June 30, 1916: Credit balance June 30, 1915, $32,575,514; credit balance transferred from income, $7,463,115; profit on road and equipment sold, $29,616; unrefundable overcharges, $89,077; donations, $31,800; miscellaneous credits, $1,046,423; total, $41,235,525. Contra: Dividend appropriations of surplus, $3,798,652; surplus appropriated for investment in physical property $40,929; debt discount extinguished through surplus, $1,930,741; loss on retired road and equipment, $623,527; miscellaneous debits, $14,235,090; credit balance carried to balance sheet, $20,606,586; total, $41,235,525.

Comment: During the year ended June 30, 1916, the gross revenues on the Baltimore & Ohio, far exceeded those of any previous year. Notwithstanding the fact that operating and maintenance costs increased very radically, there was also a healthy growth in net operating revenues. Investment income increased substantially, and therefore the surplus above the enlarged fixed charges averages better than for any year since 1912. After payment of the preferred dividend at the regular rate, the company reported earnings equal to nearly 7½% on the common stock. No attempt was made to increase the dividend rate on the common stock. The management evidently determined to "plough in" to the property a large part of its large earnings for the year, as is indicated by the exceptionally large maintenance charges.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$52,964	45%	$64,999	55%	Nom.	$117,963	$13,944	$104,019	7.5%	$599	4%	$2,279	6%	88%	43%
1908.....	53,150	45	66,794	55	"	119,944	14,068	105,876	5.6	601	4	2,280	6	77	....
1909.....	52,999	44	67,000	56	"	119,999	10,523	109,476	6.3	599	4	2,281	6	84	16
1910.....	47,862	40	72,465	60	"	120,327	4,956	115,371	6.2	531	4	2,056	6	86	17
1911.....	47,805	39	74,906	61	"	122,771	15,210	107,561	6.3	531	4	2,056	6	82	13
1912.....	47,659	38	77,190	62	"	124,849	15,370	109,479	6.5	529	4	2,047	6	83	20
1913	47,648	37	82,063	63	"	129,711	15,443	114,268	6.3	528	4	2,047	6	82	17
1914	47,413	35	89,892	65	"	137,305	15,419	121,886	5.6	526	4	2,036	6	75	....
1915.....	46,818	34	89,598	66	"	136,416	10,302	126,114	5.8	519	4	1,675	5	78	10
1916.....	47,140	34	92,743	66	"	139,883	7,393	132,490	6.3	519	4	1,673	5	83	33
10-Year Average	$49,152	39%	$77,764	61%	Nom.	$126,916	$12,263	$114,653	6.2%	$548	4%	$2,043	5.8%	82%	19%

Note: Increase in capital stock in 1916, due to inclusion of $1,650,000 stock of the Washington Branch, all owned by company, though not shown in balance sheet for previous years. Bonded debt includes all the company issues and assumed obligations, but not joint guarantees (see below). Investments owned include holdings of stocks and bonds of its own system and of other companies, at ledger value, other than those deposited as collateral.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911	1910
Property investment ...	$641,614,252	$632,810,447	$612,528,630	$585,948,338	$564,307,576	$548,257,159	$520,178,146
Working assets	44,801,574	42,854,319	76,171,241	54,813,626	47,446,889	54,628,407	79,945,610
Deferred debit items....	6,157,760	3,353,603	5,414,683	4,296,879	10,622,776	2,517,870	2,069,380
Total	$692,573,586	$679,018,369	$694,114,554	$645,051,843	$622,377,241	$605,403,436	$602,193,136
LIABILITIES:							
Capital stock	$213,967,468	$212,317,468	$212,317,468	$212,317,468	$212,317,668	$212,307,668	$212,219,788
Funded debt	420,961,240	406,325,610	402,333,776	365,674,326	343,882,779	332,135,076	321,309,137
Working liabilities	16,807,362	10,101,479	31,156,797	14,877,688	12,098,177	9,774,269	20,109,171
Accrued liabilities not due.	7,954,399	7,708,378	8,466,226	8,251,602	7,486,453	7,278,776	9,773,859
Deferred credit items...	5,241,697	5,968,963	4,329,266	3,789,547	3,283,011	3,055,369	2,077,401
Appropriated surplus...	7,034,834	4,020,957	2,706,833	2,731,050	2,554,722	2,399,859	13,326,680
Profit and loss surplus..	20,606,586	32,575,514	32,804,188	37,410,162	40,754,431	38,452,419	23,377,100
Total	$692,573,586	$679,018,369	$694,114,554	$645,051,843	$622,377,241	$605,403,436	$602,193,136

Comment: There was a further increase during the fiscal year 1916 in the outstanding funded debt of the Baltimore & Ohio system, but no important change was shown in the capital stock outstanding. The net capitalization of this property as measured on the mileage basis has tended to increase heavily since 1907 and now ranges at pretty high figures, but the net income of the system has continued to be well maintained, and in 1916 the net income on net capital equalled 6.3%, which was slightly higher than the average reported for the decade. The company had no difficulty in disbursing 5% on the common stock. All the bond issues of this company continue to stand on high investments bases.

While the net funded debt of the company at the close of 1916 stood approximately $100,000,000 higher than in 1910, and the fixed charges are consequently far larger than formerly, the proportion of bonded debt to capital stock is still only 66% of the total gross capital.

Securities Owned by The Baltimore & Ohio R.R. Co., June 30, 1916

Other than those deposited with trustees of mortgages securing funded debt.

Stocks	*Par Value*
Akron and Barberton Belt R.R. Co.....	$25,000.00
Akron Union Passenger Depot.....	50,000.00
B. & O. R.R. Co., Pref. (Treas.).....	1,136,818.00
B. & O. R.R. Co., Com. (Treas.).....	371,874.74
B. & O. 26th St. Stores, Inc.....	5,000.00
Bay Ridge & Annapolis R.R. Co.....	50,000.00
Berlin & Lovettsville Bridge Co.....	6,000.00
Calumet Grain & Elevator Co.....	200,000.00
Camden Warehouses	5,000.00
Central Union Depot & Ry. Co. C.....	37,500.00
Cleveland R.R. Cons. & Equip. Co.....	1,000.00
Cleve., Young. & Pitts. R.R. Co.....	1,000.00
Connellsville, Uniontown & Wheeling R.R.	750,000.00
Delaware & Western Coal Co.....	5,000.00
Fairport Warehouse & Elevator Co.....	300,000.00
Gaffney & James City R.R.....	20,000.00
Gauley Company	40,600.00
Greene County R.R. Co.....	62,500.00
Hancock Bridge Co.....	600.00
Highland Dis. Co.....	25,000.00
Kentucky & Indiana Term. R.R. Co.....	25,000.00
Long Fork Ry. Co.....	15,000.00
Loudoun County & Fred. Bridge Co.....	6,000.00
Manor Mining & Mfg. Co.....	25,000.00
Mo. & Ill. Bridge Belt R.R. Co.....	13,000.00
New York City	10,000.00
Penn. & Lake Erie Dock Co.....	50,000.00
Perry Water Co.	2,500.00
Philadelphia Bourse	1,000.00
Pitts. & Wheeling Coal Co.....	10,000.00
Pitts. Joint Stock Yards Co.....	500,000.00
Reading Co., First Preferred.....	6,065,000.00
Reading Co., Second Preferred.....	14,265,000.00
Reading Co., Common.....	10,002,500.00
Real Est. & Imp. Co. of Balt. City.....	2,500.00
Richmond-Washington Co.	445,000.00
Rockcastle R.R. Co.....	38,800.00
Sandy Valley & Elkhorn Ry. Co.....	$500,000.00
Schuylkill Imp. Land Co.....	2,000.00
Sharpsville R.R. Co.....	179,750.00
South Park & Royalton R.R.....	1,000.00
Spring Garden Wharf & Land Co.....	25,000.00
Syracuse Water Power Co.....	1,000.00
Terminal R.R. Asso. of St. Louis.....	205,800.00
Tylerdale Connecting R.R. Co.....	12,500.00
Union Stock Yards Co. pref.....	100,000.00
Union Stock Yards Co. Com.....	400,000.00
U. S. Rail Company, Com.....	13,000.00
U. S. Rail Company, Pref.....	12,500.00
Valley R.R. Company of Virginia.....	1,704,800.00
Valley Warehouse Co.	5,000.00
Miscellaneous Corporations	936,669.46
Total par value.....	$38,668,212.29
Total Ledger value.....	26,643,212.29
Bonds	*Par Value*
Akron & Barberton Belt R.R. Co., 1st Mtg.	$10,000.00
B. & O. R.R. Co., Prior Lien (Treas.)....	90,600.00
B. & O. R.R. Co., 1st Mtge. 4s (Treas)..	2,024,000.00
B. & O. S. W. Div. 3½s (Treas).....	8,020.00
B. & O., Pitts. Lake Erie & W. Va. Ref. 4s (Treasury)	50,500.00
B. & O. Pitts. Junc. & Middle Div.....	330.00
Bay Ridge & Annapolis R.R. 1st Mtg....	50,000.00
Chesapeake & Ohio Canal Co., 1844....	1,328,000.00
Del. & Western Coal Co., 1st Mtge.....	229,000.00
Pittsburgh & Baltimore Coal Co..... ..	411,000.00
San Toy Coal Co. 1st M.....	120,000.00
Sandy Valley & Elkhorn Ry. 1st M.....	2,200,000.00
Valley R.R. of Virginia, 1st Mtge.....	750,000.00
Miscellaneous	7,000.00
Total Bonds, Par Value.....	$7,278,450.00
Total Ledger Value.....	6,076,972.69

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Mon. Riv. R. R. first 5s....	F&A	F 1919	(1st) 36	$19,310		$7	97%	Very high	High	Aaa.
2. Schuylkl. Riv. E. S. first 4s.	J&D	Je 1925	(1st) term	.....		44	97%	"	"	Aaa.
3. West. Va. & Pitts. R. R. first 4s.....	A&O	Ap 1990	(1st) 177	21,900		34	97%	"	"	Aa.
4. Cent. Ohio first consol. 4½s	M&S	S 1930	(1st) 143	7,050		10	97%	"	"	Aaa.
5. Ohio River first 5s.....	J&D	Je 1936	(1st) 169	12,000		22	97%	"	"	Aaa.
6. Ohio River general 5s.....	A&O	Ap 1937	(1st) 39 (2d) 169	14,000	$6,520	32	97%	"	"	Aaa.
7. Pitts. & West Ry. first con 4s.	J&J	Jl 1917	(1st) 171 (2d) 33	3,200		6	97%	"	"	Aaa.
8. Pitts. Cleve. & Tol. first 6s.	A&O	O 1922	(1st) 61	7,200		6	97%	"	"	Aaa.
9. Pitts. Jct. R. R. first 6s....	J&J	Jl 1922	(1st) term	.....		12	97%	"	"	Aaa.
10. Ellwood Short Line first 5s.	J&J	Ja 1922	(1st) 3	100,000		3	97%	"	"	Aaa.
11. Pitts. N. C. & L. E. first 4s.	J&D	Je 1917	(1st) 30	2,700		1	97%	"	"	Aaa.
12. Pittsburg June. second 5s...	J&J	Jl 1922	(2d) term	.....		3	97%	"	"	Aaa.
13. Hunt. & Big Sandy first 6s.	J&J	Jl 1922	(1st) 11	27,000		4	97%	"	"	Aaa.
14. B. & O. prior lien 3½s.....	J&J	Jl 1925	(see text)	70,260	6,336	577	91%	High	Very high	Aaa.
15. B. & O. first 4s.....	A&O	Jl 1948	(see text)	48,236	5,759	705	89%	"	"	Aaa.
16. B. & O. Pitts. Jc. & M. D. first and col. 3½s	M&N	N 1925	(see text)	16,000		47	82%	"	High	Aa.
17. B. & O. S.-W.Div. first 3½s.	J&J	Jl 1925	(1st) 922	48,634		346	82%	"	"	Aa.
18. B.&O.P.L.E. & W. Va.ref.4s	M&N	N 1941	(see text)	26,025		377	82%	"	"	Aa.
19. Clev. Term. & Valley 1st 4s	M&N	N 1995	(1st) 83	39,800	5,054	30	82%	"	"	Aaa.
20. Clev. Lorain & W. con. 5s..	A&O	O 1933	(1st) 191	26,000		55	82%	"	"	Aaa.
21. Clev. Lorain & W. gen. 5s..	J&D	Je 1936	(2d) 191	4,600		10	82%	"	"	Aaa.
22. Clev. Lorain & W. con. 4½s	J&J	Ja 1930	(3d) 191	4,700		9	82%	"	"	Aaa.
23. Ohio & Little K. 1st 5s....	M&S	Mr 1950	(1st) 72	3,100		2	82%	"	"	Aa.
24. Raven. Spencer & G. first 6s	F&A	Ag 1920	(1st) 32	10,800		4	82%	"	"	Aa.
25. B. & O. conv. 4½s.....	M&S	Mr 1933	text	text		630	70%	"	"	Aa.
26. B. & O. ref. & gen. 5s, series A.....	J&D	D 1995	text	text	4,174	660	70%	"	"	Aa.
27. B. & O. Equip. 4½s.....	Var.	Var.	Equip.	(see text)	2,884	720	75%	"	"	Aaa.

Requirement of No. 27 includes maturing principal.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the year ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $695,000; in treasury, $5,000. Dated Feb. 1, 1889; due Feb. 1, 1919. Int. at B. & O. office, New York. Coupon, $1,000. Guar. prin. and int. by B. & O. R.R. by endorsement and now assumed. First lien, 36.50 miles, Clarksburg to Fairmount, Va. Underlie Nos. 18 and 26, with provision by latter to retire at maturity. Underlie Nos. 18, 25 and 26, which provide for retirement. Legal for Savings Banks in Cal., Conn., Mass., Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $5,000,000. Dated Dec. 1, 1903; due June 1, 1925. Int. paid at 518 Walnut St., Phila., and company's office, New York. Coupon, $1,000. Guar. prin. and int., by B. & O. R.R. by endorsement. First lien on terminal property, Schuylkill bridge, etc., in Philadelphia including 9 miles main track and about 57 miles side tracks. No. 26 provides for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., R. I. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $4,000,000; outstanding, $3,877,000; in treasury, $104,000; deposited under No. 18, $19,000. Dated April 1, 1890; due April 1, 1990. Int. paid at B. & O. office, New York. Coupon, $1,000. First lien, 177.13 miles, as follows: Clarksburg to Richwood, W. Va., 120.99 miles; Flatwoods to Sutton, W. Va., 5.63 miles; Macpelah to Pickens, W. Va., 50.51 miles; also on timber, coal and mineral lands in Pocahontas, Webster, and Nicholas counties, W. Va., aggregating about 134,842 acres. Underlie Nos. 18, 25 and 26, with provision by latter to retire. Mortgage closed. Legal for S. B. in Cal., Conn., Mass., Mich., N. H., Minn., N. J., N. Y., R. I., Vt., Wis. Listed on London Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth., $2,500,000; outstanding, $1,009,000; balance of $1,491,000 deposited under No. 16. Dated Aug. 30, 1886; due Sept. 1, 1930. Assumed by B. & O. R.R. Int. paid at B. & O. office, New York. Coupon, $1,000. First lien, 142.72 miles, Bellaire to Columbus, O., including a branch to St. Clairsville. Underlie Nos. 16, 18, 25 and 26, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Maine., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

5. Auth. and outstanding, $2,000,000. Dated June 1, 1886; due June 1, 1936. Int. paid at B. & O. office, New York. Coupon, $1,000. Assumed by B. & O. R.R. First lien, 169 miles, Benwood, O., to Point Pleasant, W. Va. Underlie Nos. 6, 18, 25 and 26, with provision by latter to retire. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth., $3,000,000; outstanding, $2,911,000; in treasury, $30,000 (closed). Dated March 10, 1887; due April 1, 1937. Int. paid at B. & O. office, New York. Coupon, $1,000. Assumed by B. & O. R.R. First lien, 38.82 miles, Point Pleasant to Huntington, W. Va., and second lien, subject to No. 5, on 169 miles, Benwood, O., to Point Pleasant, W. Va. Underlie Nos. 18, 25 and 26, with provision by latter to retire at or before maturity. Legal for S. B. in Cal., Conn., Mass., Minn., N. H., N. Y., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

7. Auth., $9,700,000; outstanding, $650,000; deposited under No. 18, $9,050,000 (closed). Dated July 1, 1887; due July 1, 1917. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien, 171.05 miles, Rock Point to Newcastle Gallery Junc. to Mt. Jewett, and other branches; second lien, 33.10 miles, subject to No. 11 on 30 miles from Etna to Zelenople, Pa., and to No. 10 on 3.10 miles. Underlie 2nd 5s of 1941, all of which are deposited under No. 18. Provision by No. 26 to retire at or before maturity. Legal for S. B. in Maine. Listed on New York and Pittsburgh Stock Exchanges. Interest paid without deduction for normal income tax.

8. Auth., $2,400,000; outstanding, $441,000; balance deposited under No. 18. Dated Oct. 2, 1882; due Oct. 1, 1922. Int. guar. by P. & W. Ry., and B. & O. R.R., jointly and severally, by endorsement and now assumed by latter company. First lien, 61.28 miles, as follows: Newcastle Junc., Pa., to Newton Falls, O., 42.59 miles; Newton Falls to Lowery, and branches, 18.69 miles. Underlie Nos. 18, 25 and 26, with provision by latter to retire at or before maturity. Legal for S. B. in Cal., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange Interest paid without deduction for normal income tax. Coupon, $1,000.

9. Auth., $1,440,000; outstanding, $934,000; balance deposited under No. 16. Dated July 5, 1882; due July 1, 1922. Int. paid at B. & O. office, New York. Coupon, $1,000. First lien on terminals at Pittsburgh. Underlie Nos. 12, 18 and 26, with provision by latter to retire at or before maturity. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

10. Auth. and outstanding, $300,000. Dated Jan. 1, 1892; due Jan. 1, 1922. Int. paid at B. & O. office, New York. Coupon, $1,000. Guar. prin. and int. by Pitts. & Western Ry. by endorsement and now assumed by that company. First lien, 3.10 miles. North Sewickley to Rock Point, Pa. Underlie Nos. 7, 18 and 26, with provision by latter to retire at maturity. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

11. Auth., $225,000; outstanding, $82,000; deposited under No. 18, $137.000 (closed). Dated June 1, 1878; due June 1, 1917. Int. paid at First National Bank, Allegheny, Pa. Coupon, $100, $500 and $1,000. Assumed by Pitts. & Western Ry. First lien, 30 miles, Etna to Zelenople, Pa. Underlie Nos. 7, 18 and 26, with provision by latter to retire at maturity. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

12. Auth., $300.000; outstanding, $243,000; balance deposited under No. 16. Dated April 2, 1894; due July 1, 1922. Int. paid at B. & O. office, New York. Coupon, $1,000. Second lien, following No. 9, on terminals at Pittsburgh. Underlie Nos. 18 and 26, with provision by latter to retire at or before maturity. Interest paid without deduction for normal income tax.

13. Auth., $400,000; outstanding, $296,000; deposited under No. 18, $97,000; owned by B. & O. R.R., $7,000. Dated July 1, 1892; due July 1, 1922. Int. paid at B. & O. office, New York. Coupon, $1,000. Assumed by Baltimore & Ohio R.R. First lien, 10.92 miles, from near Huntington to Kenova. W. Va. Underlie Nos. 18, 25 and 26, with provision by latter to retire at or before maturity. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Interest paid without deduction for normal income tax.

14. Auth., $75,000.000; outstanding, $74,895,400; in treasury, $104,600. Dated July 1, 1898; due July 1, 1925. Int. paid at B. & O. office, 2 Wall Street, New York. Coupon, $500 and $1,000; reg., $1,000 and multiples. Direct or collateral trust lien on 1,065.78 miles of road, as follows: First lien, on 690.94 miles, Metropolitan Junc. (near Balt.), Md., to Washington Junc., D. C., 41.56 miles; Baltimore to Curtis Bay, 5.46 miles; Mt. Clair to Locust Point, Md., 5.60 miles; Alexander Junc., Md., to Shepherd, D. C., 14.54 miles; Magnolia cut-off, 13.14 miles; Miller to Berkeley, W. Va., 14.52 miles; Green Spring to Romney, 16.08 miles; Grafton, W. Va., to Parkersburg, 102.06 miles; also to Bellington, W. Va., 41.47 miles; Relay, Md., to Washington, D. C., 29.40 miles; Baltimore, Md., to Wheeling, W. Va., 375.71 miles; branches. 30.95 miles; also a first collateral lien on 374.84 miles, as follows: Mt. Savage, Md., to Pittsburgh, Pa., 163.36 miles; Glenwood, Pa., to Wheeling, W. Va., 63.34 miles; branches to Kendall, Md., 19.70 miles; line to Johnstown, Pa., 49.08 miles; to Mt. Pleasant, Pa., 9.70 miles; to Elm Siding, Pa., 9.93 miles; Weaverton to Hagerstown, Md., 23.92 miles; small branches, 35.85 miles. Also first lien on entire equipment. Underlie Nos. 15, 25 and 26, with provision by No. 15 to retire at maturity. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

15. Auth., $165,000.000; outstanding, $79,976,000; in treasury, $2.024,000. Callable at 105 after June 30, 1923. Dated July 1, 1898; due July 1, 1948. Int. at B. & O. office, New York. Direct or collateral trust lien on 1,658.44 miles of road, as follows: First lien on 167.37 miles from Baltimore, Md., to Delaware State line and branches, 54.34 miles; Akron, O., to Chicago Junc., O, 76.45 miles; Lodi to Millersburg, O., 36.28 miles; Fairmont, W. Va., to Uniontown, Pa., 56.33 miles; Maryland-Delaware State line to Philadelphia, and branch to Landersburg, Pa., 56.61 miles; Chicago Junc., O., to Township, Ind., 257.12 miles; branches and terminal lines, 35.27 miles; also by collateral lien on terminal property in Baltimore, Brunswick, and Cumberland, Md., Benwood, W. Va., Pittsburgh and Philadelphia; also a direct second lien on the 690.94 miles covered by No. 14 by first lien; also a second collateral lien on the 374.84 miles covered by No. 14 by first collateral lien; also secured by first lien on one-half the stock of the Schuylkill River East Side R.R., 11.83 miles, upon which there are outstanding $5,000,000 first 4s. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. Y., R. I., Vt. Listed on New York Stock Exchange. Underlie Nos. 25 and 26, with provision by latter to retire. Interest paid without deduction for normal income tax. Coupon, $500 and $1,000; reg., $1,000 and multiples.

16. Auth., $20,000.000; outstanding, $6.055,950; pledged under No. 18, $8,711,550; in treasury, $69,330; balance if issued to be also pledged. Dated November 1, 1898; due Nov. 1, 1925. Int. paid at B. & O. office, New York. Coupon, $500 and $1.000; reg., $1.000 and multiples. First or first collateral lien on 236.38 miles of road, including lines from Midland City to Columbus, Newark to Sandusky; second lien on 142.72 miles, following No. 4. Underlie No. 18, which makes provision for retirement. Also underlie Nos. 25 and 26. Legal for S. B. in Cal., Conn., Mass., N. H., N. Y. and R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

17. Auth., $45.000.000; outstanding, $44.840.980; in treasury, $159.020. Dated Jan. 1, 1899; due July 1, 1925. Int. paid at B. & O. office, New York. Coupon, $500 and $1,000; reg., $1.000 and multiples. First collateral lien on entire issue ($45.000.000) of B. & O. Southwestern R.R. first 3½s of 1925, and entire issue ($4.000.000) capital stock of B. & O. Southwestern R.R.; thus, in effect, a first mortgage on 921.44 miles on lines extending from Marietta, O.,

to East St. Louis, Ill., with branches from Blanchester to Hillsboro, O., from Hamden to Plymouth, O.; from Mineral City to Carbondale, O.; from North Vernon to Jeffersonville and to New Albany, Ind.; from Riverdale to Bedford, Ind.; and from Shawneetown to Beardstown, Ill. Underlie Nos. 25 and 26. No. 26 provides for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

18. Auth., $75,000,000; outstanding, $42,525,000; in treasury, $916,500. Dated Nov. 1, 1901; due Nov. 1, 1941. Int. paid at B. & O. office, New York. Coupon, $1,000. Callable on and after Nov. 1, 1925 at par. Direct or collateral lien, covering in all 1,633.65 miles road and terminals. First lien on 191.98 miles, as follows: Clarksburg to Brooklyn, W. Va., 61.08 miles; Ripley to Millwood, 12.48 miles; Lore City to Cumberland, O., 16.90 miles; Haselton to Cuyahoga Falls, O., 51.66 miles; DeForest Junc. to Fairport, O., 49.86 miles; second lien on 649.68 miles, following Nos. 1, 3 6, 8, 13, 16, 19 and 24; third lien on 308.34 miles, following Nos. 6 and 16; fourth lien on 191.14 miles, following No. 22. First collateral lien on 286.04 miles as follows: Pittsburg & Western Ry., 214 miles; Ohio & Little Kanawha R.R., 72.04 miles. As second collateral lien they are secured on the securities and property covered by No. 16 (above). They are further secured by deposit with trustee of $8,711,550 of No. 16; $3,050,000 of No. 22; $3,000 of No. 21; $2,699,000 of No. 19; $97,000 of No. 13; $1,959,000 of No. 8; $15,000 of No. 24; $19,000 of No. 3. Underlie Nos. 25 and 26. No. 26 provides for retirement. Legal for S. B. in Cal., Conn., Mass., Mich., N. H., N. Y., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

19. Auth., $6,000,000; outstanding, $3,301,000; deposited under No. 18, $2,699,000. Dated Oct. 28, 1895; due Nov. 1, 1995. Int. at B. & O. office, New York. Coupon, $1 000. Guar. prin. and int., by B. & O. R.R. by endorsement and now assumed. First lien on 83.43 miles of road, as follows: Cleveland to Valley Junc., O., 75.47 miles; branches, 7.96 miles; also on terminal and realty. Underlie No. 18, 25 and 26, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Interest paid without deduction for normal income tax.

20. Auth. and outstanding, $5,000,000. Dated Nov. 24, 1893; due Oct. 1, 1933. Int. paid at B. & O. office, New York. Coupon, $1,000. Assumed by B. & O. R.R. First lien, 191.14 miles, as follows: Cleveland to Bridgeport, O., 160.17 miles; Bellaire to Martin's Ferry, 7.13 miles; Lester to Lorain, 23.84 miles. Underlie Nos. 18, 21, 22, 25 and 26, latter providing for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

21. Auth., $1,000,000; outstanding, $890,000; deposited under No. 18; $3,000 (closed). Dated June 1, 1896; due June 1, 1936. Int. at B. & O. office, New York. Assumed by B. & O. R.R. Callable at 105 on thirty days' notice. Coupon, $1,000. Second lien, following No. 20 on same property. Underlie Nos. 18, 22, 25 and 26, latter providing for retirement at or before maturity. Legal for S. B. in Cal., Conn., Mass., Minn., N. H., N. Y., R. I. Interest paid without deduction for normal income tax.

22. Auth., $10,000,000; outstanding, $894,000; deposited under No. 18, $3,050,000; in treasury, $56,000 (closed). Dated Jan. 1, 1900; due Jan. 1, 1930. Int. at B. & O. office, New York. Coupon, $1,000. Assumed by B. & O. R.R. Callable at 102½ and int. on thirty days' notice. Third lien, following Nos. 20 and 21 on same property. Underlie Nos. 18, 25 and 26, latter providing for retirement. Legal for S. B. in Cal., Conn., Mass., Minn., N. H., N. Y., R. I. Interest paid without deduction for normal income tax.

23. Auth., $250,000; outstanding, $225,000; in treasury, $3,000 (closed). Dated March 1, 1900; due March 1, 1950. Int. paid at B. & O. office, New York. Coupon, $100, $500 and $1,000. Callable at 105 on ninety days' notice. First lien, 72.04 miles, Fair Oaks to West Marietta, O. Sufficient of No. 26 reserved to retire these bonds at or before maturity. Normal income tax deducted from interest.

24. Auth., $400,000; outstanding, $344,000 (closed). Dated Aug. 1, 1890; due Aug. 1, 1920. Int. at B. & O. office, New York. Coupon, $1,000. Guar. prin. and int. by Ohio River R.R. by endorsement, and now assumed. First lien, 32.73 miles, Ravenswood to Spencer, W. Va. Underlie Nos. 18, 25 and 26. No. 26 provides for retirement at maturity. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Interest paid without deduction for normal income tax.

25. **Convertible 4½s:** Auth. and outstanding, $63,250,000. Dated March 1, 1913; due March 1, 1933. Int. paid at B. & O. office, New York. Coupon, $500 and $1,000; reg., $500, $1,000, $5,000, $10,000 and multiples; interchangeable. Callable as a whole on March 1, 1923, or on any interest date thereafter at 102½ and interest on 90 days' notice. Convertible at the option of the holder into common stock at $110 per share on or before February 28, 1923; that is, $100 par value in stock will be given for $110 par value in bonds. Adjustment of interest and dividends will be made at time of conversion. Secured by direct mortgag lien, *pari passu* with the new refunding and general mortgage, dated Dec. 1, 1915 (No. 26 below), which follows all prior liens but provides for their retirement and for retirement of this issue. Interest paid without deduction for normal income tax. Listed on New York and London Stock Exchanges. Legal for S. B. in Cal., Conn., Mass., N. H., N. Y., Vt.

26. **Refunding and General 5s, Series A:** Authorized (see below); outstanding, $60,000,000. Dated December 1, 1915; due December 1, 1995. Int. paid at B. & O. office, New York. Coupon and reg., $500 and $1,000. Callable as a whole on June 1, 1925 or on any interest date thereafter at 105 and interest. A direct obligation of the company and secured, *pari passu* with the convertible 4½s (No. 25 above) on the entire properties of the Baltimore & Ohio R. R., subject to the various direct and assumed prior liens, being a first lien on 72.73 miles; first collateral lien on 57.52 miles; second lien on 359.35 miles; second collateral lien on 1,326.89 miles; third lien on 1,340.62 miles; third collateral lien on 374.84 miles; fourth lien on 308.34 miles; fifth lien on 191.14 miles and a further collateral lien on 454.71 miles; and subject to prior liens on all terminals, equipment and other property. Authorized amount limited to a total which, together with all the prior debts of the company, after deducting therefrom the bonds reserved to retire prior debts at maturity, shall not exceed three times the then outstanding capital stock of the company, with the additional limitation that when the aggregate amount outstanding, and the bonds reserved to retire prior debts shall be $600,000,000, no additional amount of bonds shall thereafter be issued, except the bonds so reserved to retire prior debt, without the further consent of the stockholders of the company, and such additional bonds may be issued only to an amount not exceeding 80 per cent. of the cost of the work or of the property acquired. Sufficient of the issue are reserved to retire No. 25 and all the prior liens. The present issue were partly used to redeem the notes of the company, maturing in 1917 and 1918, amounting to $40,000,000, and the remainder for other uses of the company. Normal income tax deducted from interest. Legal for S. B. in Cal., Conn., Maine, Mass., N. H., N. J., N. Y., R. I., Vt., Wis.

27. Equipment Trust 4½s of 1912: Dated February 1, 1912; due $1,000,000 each February 1 to February 1, 1922. Original issue, $10,000,000; redeemed to date, $5,000,000; unredeemed, $5,000,000. Coupon, $1,000. Int. paid at B. & O. office, New York. First lien on equipment of original cost of $11,112,000, which does not become the property of the company until the entire series of certificates has been paid. Interest paid without deduction for normal income tax.

Equipment Trust 4½s of 1913: Dated April 1, 1913; due $1,000,000 each April 1 to April 1, 1923. Original issue, $10,000,000; redeemed to date, $3,000,000; unredeemed, $7,000,000. Coupon, $1,000. Interest paid at B. & O. office, New York. Secured on equipment of original cash cost of $11,120,000, which does not become the property of the company until the entire series of certificates has been paid. Interest paid without deduction for normal income tax.

Equipment Trust 4½s of 1916: Dated May 1, 1916; due $500,000 each May 1 to May 1, 1926. Original issue, $5,000,000; outstanding, $5,000,000. Coupon, $1,000. Int. paid March and November, at Girard Trust Co., Philadelphia, and company's office, New York. Callable at 102½ on 60 days' notice. First lien on equipment costing $5,707,500, which does not become property of company until entire issue of certificates has been paid. Normal income tax deducted from interest.

Investment Position: All the divisional and assumed bond issues of the Baltimore & Ohio system stand on a very strong investment plane. As the exhibit shows, their position in the income resources of the property is unusually strong. The "reorganization" issues are also in a very strong position—especially those covering the main lines. The convertible issue has good investment strength because of the general stability of earnings, and the large equities which follow the issue. It now stands in a position similar to that of the new refunding 5s. The equipment obligations are, of course, additionally protected by lien on and title to the equipment.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Balt. & Ohio 4% preferred..... Non-cumulative. Par $100.	4% M&S	$13,219	$3,064	$519	83%	Very high	Very high	A.
2. Balt. & Ohio common..... Par $100.	M & S See text	33,558	2,545	1,673*	34%	Fair	"	Baa.*

* For 5% per annum.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amounting outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Auth. and outstanding, $60,000,000, of which $1,136,818 is in treasury. Preference to 4% non-cumulative dividends but not to assets. Full div. regularly paid since 1899. Listed on New York, Baltimore, London, and Berlin Stock Exchanges.

2. Auth., $210,250,000; outstanding, $152,317,468, of which $371,874 is in treasury. Dividends 6% from 1906 to March, 1915, when only 2½% was paid, reducing rate to 5% per annum. See full record below. Transfer office, 2 Wall Street, New York. Listed on New York, Baltimore, London, and Berlin Stock Exchanges.

Dividends on Common Stock: From the date of organization to the readjustment of the company's finances (July 1, 1899), the company paid on its common stock a total of seventy-four cash dividends aggregating $35,980,871. From July 1, 1899, to September 1, 1916, there have been paid a total of thirty-three cash dividends amounting to $116,-170,608. The annual rates and amounts of these dividends are shown in the following statement:

Years	Rate	Amount	Years	Rate	Amount	Years	Rate	Amount	Years	Rate	Amount
1831..	1-3%	$15,000	1857...	3	$303,315	1875..	10	$1,314,385	1900..	2	$773,560
1832..	.....	54,000	1858..	.....	.....	1876..	10	1,314,410	1901..	4	1,800,000
1833..	0¾	30,000	1859..	6	606,696	1877..	8	1,051,536	1902..	4	3,039,848
1834..	.....	.....	1860..	6	606,768	1878..	.....	.....	1903..	4	4,970,482
1835..	1 1-3	45,000	1861..	3	308,396	1879..	4	591,144	1904..	4	4,970,482
1836-39		.....	1862..	6	694,530	1880..	9	1,330,440	1905..	4½	5,592,042
1840..	2	80,000	1863..	9	1,180,396	1881..	10	1,478,340	1906..	5½	6,851,478
1841..	2	80,000	1864..	8	1,049,880	1882..	10	1,478,365	1907..	6	9,130,190
1842..	.....	Nil	1865..	8	1,050,308	1883..	10	1,478,380	1908..	6	9,130,550
1843..	2	140,000	1866..	8	1,050,688	1884..	10	1,478,405	1909..	6	9,130,550
1844..	2½	175,000	1867..	8	1,050,928	1885..	10	1,478,435	1910..	6	9,118,538
1845..	3	210.000	1868..	8	1,051,160	1886..	8	1,182,752	1911..	6	9,120,600
1846..	3	210.000	1869..	8	1,051,424	1887..	4	591,384	1912..	6	9,121,073
1847..	3	210,000	1870..	8	1,051,444	1888-91		.....	1913..	6	9,120,975
1848-52		.....	1871..	8	1,051,448	1892..	3¾	937,344	1914..	6	9,118,762
1853..	.....	.....	1872..	10	1,314,320	1893..	5	1,249,854	1915..	5	7,597,253
1854-55		.....	1873..	10	1,314,335	1894..	4½	1,124,889	1916..	5	7,597,225
1856..	6%	606,432	1874..	10	1,314,340	1895-99		.....			

Besides these cash dividends, the following distributions of stock have been made: Nov., 1848, 3½%; Nov., 1849, 5%; Nov., 1850, 7%; Nov., 1851, 7%; Nov., 1852, 7%; May, 1853, 3%; Jan., 1857, May, 1878, 4%; Nov., 1878, 4%; May, 1879, 4%; Dec., 1891, 20%.

BALTIMORE & OHIO CHICAGO TERMINAL RAILROAD

Incorporated under Illinois laws, Jan. 7, 1910, as successor to the Chicago Terminal Transfer R.R. Co., sold at foreclosure. Lines operated consist of 79.42 miles of terminal tracks in and about the city of Chicago, of which 8.41 miles are operated under trackage rights. Second track, 56.79 miles; spurs, 12.08 miles; sidings, 141.20 miles. Owns 45 locomotives, 740 freight cars, 4 passenger cars and 37 service cars.

The Baltimore & Ohio Chicago Terminal Railroad derives its income not only from the use of its property by the Baltimore & Ohio Railroad, but also from other tenants, who make use of the properties on rental bases. These other tenants include the Chicago Great Western Railway, the Chicago, Hammond and Western R.R. (Indiana Harbor Belt R.R.), Suburban Railroad (Chicago & West Towns), the Pere Marquette Railroad, the Chicago, Terre Haute & Southeastern Railway and the Minneapolis, St. Paul and Sault Ste. Marie Ry. (Canadian Pacific system). Income from these outside sources, it will be noted, nets far more than the regular operating income of the company itself.

Management: F. C. Batchelder, Pres.; H. L. Bond, Jr. Vice-Pres.; C. W. Woolford, Sec.; E. M. Devereux, Treas.; J. T. Leary, Compt.; F. B. Huntington, Aud.; J. L. Nichols, Supt. DIRECTORS: F. C. Batchelder, H. L. Bond, Jr., C. W. Woolford, Daniel Willard, C. D. Clark, L. G. Curtis. O. A. Constans. Annual meeting, Wednesday after second Monday in October. GENERAL OFFICE, Grand Central Station, Chicago, Ill.

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross receipts	$1,796,502	$1,554,830	$1,594,454	$1,794,351	$1,557,470	$1,451,102
Maintenance of way	199,073	143,093	180,793	229,264	264,693	202,270
Maintenance of equipment	237,436	212,220	276,804	276,256	211,150	221,003
All other operating exps.	923,707	729,225	813,836	897,924	787,651	792,913
Net earnings	$436,286	$470,292	$323,021	$390,907	$293,976	$234,916
Operating ratio	75.7%	69.8%	79.7%	78.2%	81.1%	83.8%
Other income	1,463,965	1,343,908	1,200,348	803,548	820,236	831,218
Total net income	$1,900,251	$1,814,200	$1,523,369	$1,194,455	$1,114,212	$1,066,134
Fixed chges, Inc. taxes, etc.	1,768,164	1,682,417	1,685,200	1,551,926	1,481,409	1,553,633
Surplus	$132,087	$131,783	def.$161,831	def.$357,471	def.$367,197	def.$487,499

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $132,807; donations, $2,267; miscellaneous credits, $19,089; debit balance carried to balance sheet, $1,108,768; total, $1,262,211. Contra: Debit balance at beginning of year, $1,122,566; loss on retired road and equipment, $99,863; delayed income debits, $17,755; miscellaneous debits, $22,027; total, $1,262,211.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$42,945,302	$39,450,136	$39,150,108	$39,007,882	$38,601,473	$37,388,366
Working assets	1,336,264	1,291,313	1,541,354	1,375,328	1,245,231	1,402,678
Deferred debit items	2,765,603	1,977,252	2,244,977	202,948	1,927	25,093
Profit and loss deficit	1,108,768	1,122,566	1,297,359	1,231,164	871,980	501,886
Total	$48,155,937	$43,841,267	$44,233,797	$41,817,322	$40,720,611	$39,318,023
LIABILITIES:						
Capital stock	$8,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000
Funded debt	33,044,000	33,044,000	33,044,000	31,044,000	29,044,000	29,044,000
Working liabilities	1,971,682	1,699,518	2,168,370	1,994,278	2,897,117	1,902,841
Accrued liabilities	499,195	483,173	460,825	411,754	422,850	100,324
Deferred credit items	4,641,548	608,851	560,602	367,290	351,644	270,858
Appropriated surplus	6,712	5,725	.....	.....	.....	.....
Total	$48,155,937	$43,841,267	$44,233,797	$41,817,322	$40,720,611	$39,318,023

Bonded Debt: (1) $394,000 Chicago & Great Western R.R. first 5s; dated June 1, 1886; due June 1, 1936. Int. June and December, at Bankers' Trust Co., New York. A first lien on the terminal property of the old Chicago & Great Western R.R. Assumed by the Chic. Term. Transfer Co., now the B. & O. Chicago Terminal R.R.
Net Rating, Aaa.

(2) $650,000 Chicago School Board Purchase Money 5s; dated May 1, 1888; due May 1, 1938. Interest May and November. First lien on land on which the Grand Central Station at Chicago stands. Assumed by Chicago Terminal Transfer R.R., now the B. & O. Chic. Term. R.R.
Net Rating, Aaa.

(3) $32,000,000 B. & O. Chicago Terminal first 4s, Series A; dated April 1, 1910; due April 1, 1960. Auth. issue, $50,000,000. The bonds outstanding are all owned by the Baltimore & Ohio R.R.; sufficient are reserved to retire the two prior liens named above, and the balance will be available for extensions and improvements. Secured by direct lien on entire properties, subject to underlying mortgages.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

Capital Stock: Auth. and issued, $8,000,000. Par $100. All owned by Baltimore & Ohio Railroad Co.

OHIO & LITTLE KANAWHA RAILROAD

Incorporated under laws of West Virginia, Feb. 10, 1900, as a reorganization of the Zanesville & Ohio River Ry. Line of road: Fair Oaks to West Marietta, O., 72.04 miles; trackage, Zanesville to Fair Oaks, 1.6 miles; total operated, 73.64 miles. Company is controlled by Baltimore & Ohio R.R., which owns nearly all the capital stock.

Management: Daniel Willard, Pres.; F. F. Frazier, Vice-Pres.; H. L. Bond, Jr., Vice-Pres.; C. W. Woolford, Sec.; E. M. Devereux, Treas. DIRECTORS: F. F. Frazier, T. J. Frazier, John Tordella, T. J. Daly, J. F. Irwin, Edward Kibler, D. F. Stevens, Daniel Willard, C. W. Woolford. Annual meeting, first Wednesday after first Monday in Nov. MAIN OFFICE, Newark, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross earnings	$294,360	$298,108	$297,658	$299,732	$303,193	$292,178
Maintenance of way	72,803	53,732	110,788	79,845		
Maintenance of equipment	66,361	55,606	55,744	53,441	294,560	270,775
All other operating exps.	147,720	150,291	163,858	168,924		
Net earnings	$7,476	$38,479	(def.) $32,732	(def.) $2,478	$8,633	$21,403
Other income	775	857	662	1,258	1,202	862
Total net income	$8,251	$39,336	(def.) $32,070	(def.) $1,220	$9,835	$22,265
Fixed charges	44,418	39,220	40,875	19,070	21,216	21,975
Balance	(def.) $36,167	$116	(def.) $73,945	(def.) $20,290	(def.) $11,381	$290

The road is directly operated by the Baltimore & Ohio R.R. and these figures are included in the income account of that company.

Bonded Debt: $228,000 Ohio & Little Kanawha R.R. first 5s; dated Mar. 1, 1900; due Mar. 1, 1950; int. paid Mar. and Sept. 1, at B & O. office, New York. Coupon, $100, $500 and $1,000. First lien on entire property. B. & O. R.R. has provided for retirement of these bonds in the Pitts., L. E. & W. Va. ref. mtg., and they are now also provided for in the new 5% refunding mortgage. Income tax is deducted. For rating, see B. & O. bond table page 177.

Capital Stock: Auth., $1,250,000 5% non-cum. pfd. and $1,000,000 common; outstanding, $1,167,500 pfd. (of which B. & O. owns $1,126,900) and $918,000 common (of which B. & O. owns $880,400); par, $100.

SANDY VALLEY AND ELKHORN RAILWAY

History: Incorporated under the laws of Kentucky, Aug. 4, 1902.

Location: Road extends from Shelby Junction to a point 2.5 miles beyond Jenkins, Ky., trackage rights, 1.19 miles, a total of 31.76 miles. Equipment: 3,000 coal cars. This property taps a very rich soft coal region in the Cumberland mountains, which is now undergoing rapid development. It does not connect with the main Baltimore & Ohio system, but the tracks of the Chesapeake & Ohio system are used to make connection at Kenova on the Ohio River.

Management: OFFICERS: Daniel Willard, Pres.; Geo. F. Randolph, 1st Vice-Pres.; Geo. M. Shriver, 2nd Vice-Pres.; A. W. Thompson, 3rd Vice-Pres.; J. V. McNeal, Treas.; C. W. Woolford, Sec.; W. D. Owens, Aud., Baltimore; J. M. Davis, Gen Mgr., Cincinnati, O.; H. R. Laughlin, Supt., Jenkins, Ky.; E. H. Bankard, Pur. Agt., Baltimore. DIRECTORS: G. F. Randolph, Geo. M. Shriver, Daniel Willard, C. W. Woolford, Baltimore; J. W. M. Stewart, Ashland, Ky. Annual meeting, first Monday in October. GENERAL OFFICE, Ashland, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Passenger earnings	$29,164	$22,987	$30,933
Freight earnings	281,343	177,285	168,509
Gross earnings	$310,507	$206,603	$210,033
Operating expenses and taxes	236,071	170,685	174,863
Net earnings	$74,436	$35,918	$35,170
Total income	$372,939	$297,305	$285,010
Fixed charges	236,195	219,615	246,598
Surplus	$136,744	$77,690	$38,412

Bonded Debt: $2,700,000 Sandy Valley & Elkhorn Ry. first 5s, dated Nov. 1, 1914; due Nov. 1, 1964. Interest paid May and Nov. 1 at the office of the Baltimore & Ohio R.R. Co., New York. Coupon and registered $1,000. Authorized $5,000,000. First lien on all property. Of this issue, $2,200,000 are owned by Baltimore & Ohio R.R.

Rating, Baa.

Capital Stock: Authorized and outstanding, $500,000. Par $100. All owned by Baltimore & Ohio R.R. Co.

STATEN ISLAND RAILWAY

Incorporated under New York laws, March 20,1873, as successor to old Staten Island R.R. Line of road: Tottenville to Clifton, Staten Island, 12.65 miles.

Management: Daniel Willard, Pres.; C. C. F. Bent, Vice-Pres.; C. W. Woolford, Sec.; J. V. McNeal, Treas. DIRECTORS: Above and G. F. Randolph, Oscar G. Murray, C. W. Woolford, G. M. Shriver, H. K. S. Williams, C. A. DeGersdorff. Annual meeting, last Tuesday in March. OFFICE, 17 State St., New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$400,361	$367,455	$293,343	$285,785	$262,273	$249,702	$243,357
Maintenance of way	33,007	40,012	39,185	44,068	23,636	67,347	
Maintenance of equipment	59,350	47,578	33,448	43,595	38,239	35,692	221,484
All other operating expenses	225,560	220,812	175,268	176,616	161,795	152,712	
Net operating revenue	$82,444	$59,053	$45,442	$21,506	$38,603	(def.) $6,049	$21,873
Operating ratio	79.4%	83.9%	84.5%	92.5%	85.3%	102.3%	91%
Outside operations	*	*	28,332	32,836	24,031	23,754	13,176
Net income	$84,113	†$60,250	$73,774	$54,342	$62,634	$17,705	$35,049
Charges and taxes	59,609	57,070	53,215	51,673	48,520	52,733	43,505
Surplus	$24,504	$3,180	$20,559	$2,669	$14,114	(def) $35,028	(def) $8,456

* Included in "gross receipts."

† Includes $1,197 "non-operating income" in 1915 and $1,669 in 1916.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $275,978; loss on retired road and equipment, $206; total, $276,184. Contra: Credit balance transferred from income, $24,504; debit balance carried to balance sheet, $251,681; total, $276,184.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,422,179	$1,426,249	$1,433,434	$1,423,446	$1,319,730	$1,321,439
Working assets	5,391	1,716	35,716	18,175	.....	.....
Deferred debit items	.....	.....	5,593	2,967	73,441	.....
Profit and loss deficit	251,680	275,978	279,158	299,257	301,702	338,570
Total	$1,679,250	$1,703,943	$1,753,901	$1,743,845	$1,694,873	$1,660,009
LIABILITIES:						
Capital stock	$1,050,000	$1,050,000	$1,050,000	$1,050,000	$1,050,000	$1,050,000
Funded debt	637,472	660,467	511,000	511,000	511,000	511,000
Working liabilities	.....	.....	190,524	180,928	131,956	84,736
Accrued liabil. not due	*8,683	*6,984	1,917	1,917	1,917	14,273
Appropriated surplus	460	460	460	.....	.....	.....
Total	$1,679,250	$1,703,943	$1,753,901	$1,743,845	$1,694,873	$1,660,009

* Represents a reverse entry.

Bonded Debt: $511,000 Staten Island Ry. first 4½s; dated June 1, 1893; due June 1, 1943. Int. June and December at Coal & Iron National Bank, New York. Coupon, $1,000. First lien on entire property. Listed on New York Stock Exchange. Legal for Savings Banks in Maine. Normal income tax deducted from interest.

Net Rating, Ba.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

Capital Stock: Authorized and outstanding, $1,050,000. Par, $75. The Baltimore & Ohio Railroad Co. owns $1,049,250 of the issue.

STATEN ISLAND RAPID TRANSIT RAILWAY

Incorporated under New York laws July 31, 1899, as successor to the old Staten Island Rapid Transit R.R. Line of road: Arthur Kill to South Beach, N. Y., 10.89 miles. The road forms a connection with the branch of the Baltimore & Ohio, extending from Cranford, N. J., at junction with the Central R.R. of N. J., across the Arthur Kill to Staten Island.

Management: Daniel Willard, Pres.; C. C. F. Bent, Vice-Pres.; C. W. Woolford, Sec.; J. V. McNeal, Treas. DIRECTORS: Above and G. F. Randolph, G. M. Shriver, Oscar G. Murray, W. H. Force, K. P. Emmons, C. A. De Gersdorff. Annual meeting, last Monday in March. OFFICE, 17 State St., New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,243,739	$1,197,446	$818,683	$807,243	$781,731	$797,212	$729,955
Maintenance of way	128,620	90,270	80,101	95,543	82,973	105,751	136,010
Maintenance of equipment	79,907	62,491	57,187	67,121	87,416	70,297	71,116
All other operating expenses	537,540	491,028	384,653	387,234	373,903	345,724	327,725
Net operating revenues	$497,672	$553,657	$296,742	$257,345	$237,439	$275,440	$195,104
Operating ratio	60%	53.8%	63.7%	68.1%	69.6%	65.5%	73.3%
Outside operations	.....	.....	223,395	210,662	224,485	148,620	173,428
	$497,672	$553,657	$520,137	$468,007	$461,924	$424,060	$368,532
Other income	28,531	28,740	6,025	10,654	9,343	12,527	15,517
Total net income	$526,203	$582,397	$526,162	$478,661	$471,267	$436,587	$384,049
Taxes accrued	62,507	67,750	60,000	54,500	49,200	44,000	40,500
Fixed charges	253,517	226,603	203,965	201,685	193,654	187,383	192,502
Surplus	$210,179	$288,044	$262,197	$222,476	$228,413	$205,204	$151,047

Note: Outside operations included in gross in 1915 and 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,991,396; balance transferred from income, $210,179; miscellaneous credits, $49; total, $2,201,625. Contra: Dividend appropriations of surplus, $100,000; miscellaneous debits, $255; credit balance carried to balance sheet, $2,101,370; total, $2,066,465.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$5,869,487	$5,775,103	$5,136,690	$5,337,108	$5,021,968	$4,771,309
Working assets	859,425	819,448	2,255,790	2,096,778	2,159,877	2,169,219
Accrued income not due	172	31	31	31	17	10
Deferred debit items...	40,411	5,034	152,683	132,733	114,969	58,950
Total	$6,769,495	$6,599,616	$7,545,194	$7,566,650	$7,296,831	$6,999,488
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	3,850,000	3,850,000	5,000,000	5,000,000	5,000,000	5,000,000
Working liabilities	270,380	206,182	195,388	412,853	247,316	189,701
Accrued liabil. not due.	†10,542	†810	21,210	19,417	13,389	33,653
Deferred credit items..	.....	2,646	36	.....	73,912	2,087
Appropriated surplus...	58,287	50,202	50,202	50,202	.....	50,202
Profit and loss surplus..	2,101,370	1,991,396	1,778,358	1,584,178	1,462,214	1,223,845
Total	$6,769,495	$6,599,616	$7,545,194	$7,566,650	$7,296,831	$6,999,488

† Reverse item.

Bonded Debt: $3,850,000 Staten Island Rapid Transit Ry. refunding 4s; dated June 1, 1905; due June 1, 1948. First lien on entire property from Arthur Kill to South Beach, N. Y., 10.89 miles. Entire issue is owned by the B. & O. R.R., and deposited under the Refunding and General mortgage.

Note: It will be seen that the margin of safety above the entire fixed charges is very substantial, and these bonds are therefore to be regarded as well secured.

Capital Stock: Outstanding, $500,000. Par $100. All owned by the Baltimore & Ohio and deposited under the latter's Refunding and General mortgage.

CINCINNATI, HAMILTON & DAYTON RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in July, 1895, as a consolidation of the Cincinnati, Hamilton & Dayton R.R., the Cincinnati, Dayton & Ironton R.R., and the Cincinnati, Dayton & Chicago R.R. In 1903 a general consolidation was formed under the name of the Great Central Railway system, embracing this property, the Pere Marquette R.R., the Chicago, Cincinnati & Louisville R.R., and the property of the Toledo Railway & Terminal Co. This consolidation did not prove a success, and in December, 1905, receivers were appointed for the Cincinnati, Hamilton & Dayton, the Pere Marquette, and the Toledo Railway & Terminal Co. In the meanwhile, the Erie Railroad had controlled the property from 1904, but in 1906 this control was rescinded. Also, on December 20, 1905, the lease of the Pere Marquette R.R. was rescinded by the C. H. & D. directors, and all agreements relating to the Chicago, Cincinnati & Louisville were cancelled. The ownership of $11,000,000 of Pere Marquette stock was, however, retained by the company until 1911, when it was sold. On August 19, 1909, the receivers of the C. H. & D. were discharged and the company resumed possession without foreclosure. In the meanwhile, the Pere Marquette property was reorganized independently, while the Chicago, Cincinnati & Louisville has been acquired by the Chesapeake & Ohio, and is now known as the "Chesapeake & Ohio Railway Co. of Indiana."

Location: The directly operated lines of the company consisted on June 30, 1916, of 621.53 miles, embracing the lines from Cincinnati to Dayton, O., 60.06 miles; Dayton to Delphos, 94.62 miles; Dayton to West Junc. and Byers Junc. to Dean, O., with branches, 160.12 miles; making a total directly owned of 314.80 miles. Proprietary lines, Cincinnati, Findlay & Fort Wayne Ry., 91.39 miles; other controlled lines, 59.52 miles. Leased lines, Dayton and Michigan R.R. and Home Avenue R.R., 143.98 miles; trackage rights, 11.84 miles.

In addition to the above, the company held a joint interest with the C. C. C. & St. Louis Railway in the Dayton & Union R.R., and jointly with the Southern Railway controlled the Cincinnati, New Orleans & Texas Pacific Railway ("Queen and Crescent Route").

Reorganization: On July 2, 1914, the company was again placed in the hands of receivers. In 1915, the lines of the Cincinnati, Indianapolis & Western Railway were divorced from the main system and separately reorganized. (See statement of this company under its own heading). On Feb. 15, 1916, a plan of reorganization was proposed for the main lines, omitting the Cincinnati, Findlay & Fort Wayne. The plan, which has now been declared operative, embraced the following features:

(1) It is proposed that the Baltimore & Ohio Railroad Co. acquire all the securities to be issued by the new company which is to succeed the old Cincinnati, Hamilton & Dayton Railway, and is to retain the interest in the main line between Cincinnati and Toledo and such branches as are indicated below. In exchange for these securities, the Baltimore & Ohio Railroad will issue its own Toledo-Cincinnati Division bonds; thus making the reorganized property an integral part of the Baltimore & Ohio system.

(2) Securities to remain undisturbed embrace the following issues: $2,728,000 Dayton & Michigan Railway consolidated 4½s due Jan. 1, 1931; $1,211,250 Dayton & Michigan 8% guaranteed preferred stock; $2,396,950 Dayton & Michigan 3½% guaranteed common stock; $2,000,000 Cincinnati, Hamilton & Dayton 2nd (now 1st) 4½s, due Jan. 1, 1937; $3,000,000 Cincinnati, Hamilton & Dayton gen. 5s, due June 1, 1942.

(3) Securities disturbed and disposition of same as follows: $7,500,000 Cincinnati, Hamilton & Dayton 1st and ref. 4s (guaranteed by Baltimore & Ohio Railroad) will receive 100% in new Baltimore & Ohio-Toledo & Cincinnati Division 4% bonds and $10 per bond in cash; $1,677,000 Cincinnati, Hamilton & Dayton 1st and ref. 4s (not guaranteed), will receive 85% in new Baltimore & Ohio-Toledo & Cincinnati Division 4% bonds; $3,500,000 Cincinnati, Dayton & Ironton 1st 5s will receive 60% in new Baltimore & Ohio-Toledo & Cincinnati Division 4% bonds; $225,000 Piqua & Troy Branch 1st 4s will receive 100% in new Baltimore & Ohio-Toledo & Cincinnati Division 4% bonds; $17,529,000 Cincinnati, Hamilton & Dayton gen. mortgage bonds of 1939 to receive $700.86 per bond in cash.

Provision is also made in plan for $1,160,000 of equipment obligations and $22,695,143 purchase money and other obligations held by the Baltimore & Ohio Railroad Company. The new Baltimore & Ohio-Toledo & Cincinnati mortgage provides for retirement at or before maturity of all undisturbed underlying liens.

(For later developments consult our regular Investors Service.)

Management: OFFICERS: Judson Harmon and Rufus B. Smith, Recs.; Daniel Willard, Chairman of Board and Pres.; Geo. F. Randolph, Vice-Pres.; G. M. Shriver, 2nd Vice-Pres.; A. W. Thompson, 3rd Vice-Pres.; C. W. Woolford, Sec.; F. M. Carter, Asst. Sec. and Treas. DIRECTORS: G. W. Perkins, C. C. F. Bent, G. H. Campbell, F. D. Underwood, Oscar G. Murray, L. F. Loree, G. F. Randolph, Harry Bronner, Geo. M. Shriver, Daniel Willard, C. W. Woolford. Annual meeting, second Tuesday in October. MAIN OFFICE, Carew Bldg., Cincinnati, Ohio.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	10.14%	11.55%	10.92%	9.88%	8.96%	10.03%	7.70%
Products of Animals	.....	.....	.....	1.79	2.03	2.12	1.85	1.82	1.82	1.38
Products of Mines	.....	.....	.....	54.39	53.51	56.83	57.25	59.90	62.37	65.13
Products of Forests	.....	.....	.....	9.84	9.78	8.91	8.63	7.81	6.97	6.69
Manufactures	.....	.....	.....	10.05	10.12	9.72	10.68	9.70	8.25	9.13
Merchandise and Miscel.	.....	.....	.....	13.79	13.01	11.46	11.71	11.81	10.56	9.97

Total revenue tonnage 1910, 9,988,050 tons; 1911, 10,247,087 tons; 1912, 10,973,591 tons; 1913, 11,510,773 tons; 11,986,794 in 1914; 11,684,201 in 1915; 13,560,349 in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1905	1,032	33	265	229	14,159	71%	105,176	815,297	306	$1.40	1.76c	.68c
1906	1,038	33	240	214	13,881	72	101,438	905,257	383	1.61	1.72	.64
1907	1,038	33	234	213	13,565	71	107,087	993,365	404	1.73	1.69	.62
1910*	1,036	..	260	212	11,981	72	107,845	1,233,326	439	1.78	1.51	.53
1911	1,015	46	260	211	12,309	72	106,692	1,288,495	446	1.87	1.53	.53
1912	1,015	52	246	203	11,376	73	99,012	1,325,777	521	2.11	1.60	.53
1913	1,015	52	232	200	9,701	69	95,239	1,375,763	615	2.37	1.67	.53
1914	1,015	52	232	194	9,538	74	95,412	1,454,035	623	2.26	1.65	.50
1915	1,011	52	195	171	8,678	78	85,844	1,448,099	639	2.25	1.71	.49
1916†	622	52	169	134	6,164	78	98,998	2,616,420	888	3.13	1.78	.46
10-Year Average	984	..	233	198	11,135	73%	100,274	1,345,583	526	$2.05	1.66c	.55c

*Owing to the fact that this road was in receiver's hands during 1908 and 1909, no annual reports were published, and the averages are based on a ten-year record with these years omitted. Yard tracks and sidings, 344 miles June 30, 1916.

† 1916 figures exclude the C. I. & W. Ry. which was sold at foreclosure sale September 9, 1915, and turned over to the new company December 1, 1915.

Comment: The Cincinnati, Hamilton & Dayton property as reorganized reported only a portion of the former mileage and there is not much advantage in a comparison in operating results of the previous years. The mileage retained by the new company is a most profitable portion, and as shown by the above exhibit shows a heavy freight density. It simply remains to be seen during the coming years whether a heavy volume of traffic can be maintained at profitable figures. Up to the present time the average freight rates do not reflect a very large margin of profit.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1905	$7,761	$869	$1,164	$2,033	$3,785	$1,943	$2,036	$306	$1,730	$1,944	.....	$214*	.....
1906	8,091	1,101	1,353	2,454	3,730	1,907	2,023	474	1,549	2,655	.....	1,106*	.....
1907	8,620	1,039	1,514	2,553	3,981	2,086	2,184	269	1,915	2,745	.....	830*	.....
1910	9,118	1,414	1,608	3,022	4,302	1,794	1,887	298	1,589	2,285	.....	696*	.....
1911	9,381	822	1,677	2,499	4,753	2,129	2,242	373	1,869	2,531	.....	662*	.....
1912	9,684	986	1,677	2,663	4,549	2,472	2,661	392	2,269	2,875	.....	606*	.....
1913	9,922	1,223	1,849	3,072	4,871	1,979	2,184	424	1,760	3,379	.....	1,619*	.....
1914	9,935	2,330	1,849	4,179	5,416	340	551	458	93	3,851	.....	3,758*	.....
1915	9,620	1,595	2,110	3,705	4,773	1,142	1,365	425	940	3,999	.....	3,059*	.....
1916	15,460	2,550	3,116	5,667	6,055	3,738	4,111	542	3,569	5,490	.....	1,921*	.....
10-Year Average	$9,759	$1,393	$1,792	$3,185	$4,621	$1,953	$2,124	$396	$1,728	$3,175	.....	$1,447*	.....

* Deficit.

Comparative Income Account, Years Ended June 30

	*1916	1915	1914	1913	1912	1911	1910
Gross revenues	$9,616,023	$9,723,563	10,084,217	$10,071,297	$9,825,321	$9,570,282	$9,446,524
Maintenance of way	1,586,407	1,623,524	2,364,445	1,241,461	1,000,947	834,462	1,465,361
Maintenance of equipment	1,938,398	2,123,246	1,876,602	1,876,585	1,703,448	1,702,727	1,666,091
All other operating expenses	3,766,008	4,824,942	5,496,794	4,943,944	4,612,858	4,861,400	4,455,844
Net operating revenues	$2,325,210	$1,151,851	$346,376	$2,009,307	$2,508,068	$2,171,693	$1,859,228
Operating ratio	75.8%	88.2%	96.6%	80%	74.5%	77.3%	80.3%
Other income	231,953	227,999	212,492	207,437	191,728	114,772	96,690
Total net income	$2,557,163	$1,379,850	$558,868	$2,216,744	$2,699,796	$2,286,465	$1,955,918
Taxes accrued	337,020	430,141	464,609	430,419	397,675	378,977	308,762
Balance for charges	$2,220,143	$949,709	$94,259	$1,786,325	$2,302,121	$1,907,488	$1,647,156
Fixed charges	3,414,539	4,042,895	3,908,751	3,429,391	2,920,008	2,568,534	2,367,419
Deficit	$1,194,396	$3,093,186	$3,814,492	$1,643,066	$617,887	$661,046	$720,263

* Excludes C. I. & W. Ry.

Profit and Loss Account, Year ended June 30, 1916: Donations, $15,000; miscellaneous credits, $11,103; debit balance carried to general balance sheet, $34,106,057; total, $34,132,160. Contra: balance brought forward from June 30, 1915, $32,426,307; debit balance from income account, $1,103,661; depreciation on tracks, buildings and structures destroyed, etc., $94,883; depreciation prior to July 1, 1907, on equipment taken out of service during the year, $507,309; total, $34,132,160.

Comment: The operating results of the Cincinnati, Hamilton & Dayton lines which have been retained in the general system, were relatively favorable during 1916, but of course do not equal the old fixed charges. The receivers' report, therefore, indicated a further heavy deficit, although this deficit was far lower than that shown in the previous year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1905	$7,752	14%	$48,964	86%	$9,143	$65,859	$17,952	$47,907	4.3%	.....	.....	.....	.....	.....	.....
1906	7,707	13	52,995	87	7,469	68,171	17,992	50,189	4	.....	.....	.....	.....	.....	.....
1907	7,707	13	53,180	87	7,064	67,951	17,943	50,008	4.3	.....	.....	.....	.....	.....	.....
1910	7,933	11	61,944	89	3,662	73,539	6,867	66,672	2.9	.....	.....	.....	.....	.....	.....
1911	8,127	11	65,000	89	3,676	76,803	4,109	72,694	3.1	.....	.....	.....	.....	.....	.....
1912	8,127	11	66,907	89	3,901	78,935	3,546	75,389	3.5	.....	.....	.....	.....	.....	.....
1913	8,127	11	68,638	89	3,704	80,469	2,674	77,795	2.8	.....	.....	.....	.....	.....	.....
1914	8,127	10	70,819	90	6,123	85,069	2,599	82,470	.7	.....	.....	.....	.....	.....	.....
1915	8,159	10	70,881	90	6,147	85,187	2,842	82,345	1.7	.....	.....	.....	.....	.....	.....
1916*	13,261	10	114,663	90	9,991	137,915	4,620	133,295	3.1	.....	.....	.....	.....	.....	.....
10-Year Average	$8,503	11%	$67,399	89%	$6,088	$81,990	$8,114	$75,876	2.8%	.....	.....	.....	.....	.....	.....

*Based on mileage excluding C. I. & W. Ry.

Note: The rental column covers the lease rentals of leased lines only, capitalized at 5%.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$60,871,196	$60,964,009	$60,807,222	$75,439,860	$75,290,181	$74,669,460	$78,629,992
Working assets	5,547,578	4,910,365	4,850,608	5,992,852	6,628,484	7,030,577	10,406,619
Deferred debit items	435,665	476,660	743,520	1,389,332	878,980	959,728	2,359,378
Accrued income not due	41,859	31,906	18,363	11,116	9,378	14,252	15,998
Profit and loss deficit	34,106,057	32,426,307	29,878,659	25,994,818	23,754,115	22,711,185	10,582,325
Total	$101,002,355	$98,809,247	$96,298,372	$108,827,978	$106,561,138	$105,385,202	$101,994,312
Liabilities:							
Capital stock	$8,248,575	$8,248,575	$8,248,575	$11,961,775	$11,961,775	$11,961,775	$11,961,775
Funded debt	71,320,122	71,661,137	71,881,093	92,588,905	90,865,425	89,534,680	85,599,353
Working liabilities	20,896,309	18,330,724	15,200,644	3,631,177	3,146,229	3,350,318	3,830,399
Accd. liabilities not due	346,683	336,067	882,348	408,583	415,286	393,321	365,609
Deferred credit items	190,666	232,744	85,712	237,538	172,423	145,108	237,176
Total	$101,002,355	$98,809,247	$96,298,372	$108,827,978	$106,561,138	$105,385,202	$101,994,312

Comment: The above balance sheet for 1916 has no future significance as the property is now undergoing reorganization and the main lines are being merged into the Baltimore & Ohio system. The underlying securities remaining undisturbed will amount in par value to only $11,336,200.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Cin. H. & D. second (now first) 4½s	J&J	Ja 1937	(1st) 59	$34,000	$1,728	$145	73%	High	Fair	A.
2. Cin. H. & D. general 5s	J&D	Je 1942	(2d) 59	50,000		241	73%	"	"	Baa.
3. Cin. Day. & Chic. first 4s	A&O	Ap 1942	(1st) 95	12,630		80	73%	"	"	text
4. Cin. Day. & Ironton first 5s	M&N	My 1941	(1st) 160	21,000		281	13%	Fair	"	text
5. Dayton & Mich. first 4½s	J&J	Ja 1931	(1st) 142	19,210	1,262	200	13%	"	"	A
6. Piqua & Troy Br. first 4s	M&N	N 1939	(1st) 9	25,000		15	13%	"	"	text
7. Cin. H. & D. first & ref. 4s	J&J	Jl 1959	(see text)	.....		600	13%	"	"	text
8. Cin. H. & D. gen. gold bonds	J&J	Jl 1939	(see text)	.....	.....	.....	text	Small	Poor	text
9. Equipment 5s	J&D	1917-20	Equip.	.....	166	65	.....	Good	Fair	A

For Key to Bond Ratings, see page 19.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $2,000,000. Dated Jan. 1, 1887; due Jan. 1, 1937. Int. at J. P. Morgan & Co., New York. Assumed by new company and retirement provided for by Balt. & Ohio-Toledo & Cinn. div. mortgage. First lien, 59.85 miles, Cincinnati to Dayton, and on leaseholds. Underlie Nos. 2, 7 and 8, with provision by No. 7 to retire at or before maturity. Legal for S. B. in Me. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000.

2. Auth., $7,800,000; outstanding, $3,000,000. Dated June 1, 1892; due June 1, 1942. Int. paid at J. P. Morgan & Co., New York. Assumed by new company and retirement provided for by Balt. & Ohio-Toledo & Cinn. div. mortgage. Second lien, 59.85 miles, Cincinnati to Dayton and on leaseholds; following No. 1. Underlie Nos. 7 and 8, with provision by No. 7 to retire at maturity. Listed on Cincinnati Stock Exchange. Coupon, $1,000.

3. Auth. and outstanding, $1,200,000. Dated April 1, 1892; due April 1, 1942. Int. paid at J. P. Morgan & Co., New York. First lien, 94.62 miles, Delphos to Dayton, O. Underlie Nos. 7 and 8, with provision by No. 7 to retire at maturity. Coupon, $1,000.
Default: Interest defaulted Oct. 1, 1914. Not assumed by new company.

4. Auth. and outstanding, $3,500,000. Dated May 1, 1891; due May 1, 1941. Int. paid at J. P. Morgan & Co., New York. First lien, 160.12 miles, Dayton to West June., Byers Junc. to Dean and branches. Underlie Nos. 7 and 8, with provision by No. 7 to retire at or before maturity. Listed on New York and Boston Stock Exchanges. Coupon, $1,000.
Default: Interest defaulted Nov. 1, 1914. To receive 60% in new Baltimore & Ohio-Toledo & Cinn. div. 4s.

5. Auth. and outstanding, $2,728,000. Dated Jan. 1, 1881; due Jan. 1, 1931. Int. paid at J. P. Morgan & Co., New York. Assumed by new company and retirement provided for by Balt. & Ohio-Toledo & Cinn. div. mortgage. Callable at 102½ on any interest date beginning Jan. 1, 1917, upon 60 days' notice. First lien on 141.82 miles from Dayton to Toledo, Ohio, all the first mortgage bonds on this mileage having been retired or cancelled. Listed on New York and Cincinnati Stock Exchanges. Coupon, $1,000.

6. Auth., $250,000; outstanding, $225,000; in treasury, $25,000. Dated Nov. 1, 1889; due Nov. 1, 1939. Int. paid at Union Savings Bank & Trust Co., Cincinnati. Under the reorganization plan these bonds will receive 100% in new Balt. & Ohio-Toledo & Cinn. div. 4s. First lien. 8.81 miles, Troy to Piqua, O. Legal for S. B. in Maine. Coupon. $1,000. Interest paid without deduction for normal income tax.

7. Auth., $75,000,000; outstanding, $9,177,000; in treasury pledged for advances, $20,013,000. Dated July 1, 1909; due July 1, 1959. Of total outstanding, $7,500,000 guar. prin. and int. by Baltimore & Ohio R.R. by endorsement. Those guaranteed receive 100% and those not guaranteed 85% in new Baltimore & Ohio-Toledo & Cinn. div. 4s. Secured by second lien on 254.74 miles, which are covered by first lien by Nos. 3 and 4; by third lien on 59.85 miles, which are covered by No. 1; also by first collateral lien on the capital stocks of five companies owning 268.22 miles; also a lien upon the leasehold interest in the Home Avenue R.R., 3.15 miles, and the Dayton & Michigan R.R., owning 141.82 miles. Listed on New York Stock Exchange. Coupon $1,000, reg. $1,000, $5,000, $10,000.

8. Auth., $20,000,000; outstanding, $17,529,000; in treasury, $2,471,000. Dated July 1, 1909; due July 1, 1939. Int. at J. P. Morgan & Co., New York. Callable at par and interest on any interest date on thirty days' notice. Interest rate: "To June 30, 1911, 4½% to the extent warranted by net income in discretion of directors; from July 1, 1911, to June 30, 1914, 1% fixed and 3½% non-cumulative; from July 1, 1914, to June 30, 1916, 3% fixed and 1½% non-cumulative; after July 1, 1916. 4½% fixed interest. In July, 1916, or in case at any time prior thereto the B. & O. R.R. shall have acquired the controlling stock of the C. H. & D. Ry., then during the next following July the B. & O. shall either purchase these bonds at 85 and int., or exchange them for a new 4% issue secured by the same mortgage and guaranteed prin. and int. by B. & O. R.R.; such bonds to be callable at 103 and int." Secured on same property as No. 7, but subject thereto. In January, 1915, the fixed interest on above bonds was defaulted. In December, 1915, an offer was made by Kuhn, Loeb & Co., to purchase in the interest of the Baltimore & Ohio Railroad, the above bonds at 70 with interest at 4% on such price from Jan. 1, 1916, to date of payment.

9. Series A 5s; dated June 1, 1910; due $116,000 each J. & D. to June 1, 1920. Original amount, $2,320,000; now outstanding, $812,000. Coupon, $1,000. Int. paid at J. P. Morgan & Co., New York. First lien on 25 locomotives and 2,500 freight cars costing $2,887,005. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Dayton & Mich. preferred..... 8% div. gtd. by C. H. & D. Ry.	8% Qu Ja	.....		$156	.....	Fair	Poor	Ba.
Dayton & Mich. common..... 3½% div. gtd. by C. H. & D. Ry.	3½%A&O	.....	Sec note	135	.....	"	"	Ba.
Cinn. Ham. & Dayton Ry..... Full voting power. Par $100. Outstanding, $8,000,000. See below.	.....	$13,261	.....	.....	.....	Low	In trust	text

REFERENCE NOTES ON STOCK ISSUES

Dayton & Michigan Railroad Co.: The Dayton & Michigan Railroad Co. was leased to the old Cincinnati, Hamilton & Dayton Railway at a rental equalling interest on its bonds, 8% per annum on its preferred stock and 3½% per annum on its common stock. There is outstanding, $1,211,250 preferred and $2,401,950 common stock. Par, $50 per share. Under the plan of reorganization, whereby the main lines of the Cincinnati, Hamilton & Dayton will be retained as a part of the Baltimore & Ohio system, these issues are left undisturbed and the guarantees are assumed by the new company. A detailed statement of the Dayton & Michigan Railroad will be found below.

Cincinnati, Hamilton & Dayton common stock: The above is the stock of the old company, all of which was owned by the Baltimore & Ohio Railroad. The stock of the new company, as well as all other securities disturbed and not cancelled will also be owned by the Baltimore & Ohio and deposited under its new Toledo & Cincinnati division mortgage.

CINCINNATI, FINDLAY AND FORT WAYNE RAILWAY COMPANY

Owns about 80 miles of line, operating from Findlay, Ohio, to Fort Wayne, Indiana, with line connecting with Cincinnati, Hamilton & Dayton from Delphos to Mandale, Ohio. Total operated, about 91 miles. Leased to C., H. & D. for 99 years from 1903, latter owning all the stock and guaranteeing the bonds, principal and interest. Bonds defaulted in November, 1914.

Reorganization: Under the plan of reorganization of the Cincinnati, Hamilton & Dayton Railway, no provision has been made for the Cincinnati, Findlay & Fort Wayne property. It is understood that in recent years its earning power had declined radically, and the main company was not justified in including the lines in the newly formed system. Plans are now under way for effecting compromise with the bondholders. For later developments, consult our Investors Service.

Bonded Debt: $1,150,000 Cincinnati, Findlay & Fort Wayne first 4s; dated Nov. 1, 1903; due Nov. 1, 1923. Int. payable M. and N. Callable at 102½ and interest. Guaranteed principal and interest by Cincinnati, Hamilton & Dayton Ry., and secured by first lien on entire property. Guaranty has not been assumed by new company. Interest in default since Nov. 1, 1914. Protective Committee: F. N. B. Close, Chairman; D. P. Bogue, Sec. Depository: Bankers' Trust Co., New York. Rating, Caa.

Capital Stock: Authorized and outstanding, $1,250,000; par, $100. All owned by old Cincinnati, Hamilton & Dayton Ry. Co.

DAYTON & MICHIGAN RAILROAD COMPANY

Incorporated under laws of Ohio, March 5, 1851; road first opened in 1862. Line of road: Dayton to Toledo Junc., O., 141.15 miles, with 15.83 miles of second track. Company was leased in perpetuity from May 1, 1863, to the Cincinnati, Hamilton & Dayton R.R., at rental of 8% on preferred and 3½% on common stock, with guaranty of prin. and int. on bonds of company. The guarantor operates the road, its earnings being included in the income account of that company.

Management: Officers: Frank J. Jones, Pres.; Chas J. Livingood, Vice-Pres.; Robert Mecke, Sec. and Treas. Annual meeting, third Tuesday in May. Main Office, Cincinnati, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$304,222	$304,342	$303,728	$303,728	$305,728	$312,548
Taxes, etc.	.....	.....	.....	.....	2,000	2,000
Fixed charges	122,760	122,760	122,760	122,760	122,760	129.580
Surplus	$181,462	$181,582	$180,968	$180,968	$180,968	$180,968
Dividends paid	180,968	180,968	180,968	180,968	180,968	180,968
Balance	$494	$614	.....	.....	.....	.....

Note: The income of the company consists of the rental payments of the Cincinnati, Hamilton & Dayton Railway, under the lease. This income must always cover interest on bonds, 8% dividends on outstanding preferred stock and 3½% on outstanding common stock.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$6,319,840	$6,319,515	$6,319,515	$6,319,515	$7,980,065	$7,980,065
Working assets	3,882	3,388	.....	.....	566	566
Profit and loss (def.)...	19,137	19,956	23,344	23,344	22,778	22,778
Total.	$6,342,859	$6,342,859	$6,342,859	$6,342,859	$8,003,409	$8,003,409
LIABILITIES:						
Capital stock	$3,614,559	$3,614,559	$3,614,559	$3,614,559	$3,614,559	$3,614,559
Funded debt	2,728,300	2,728,300	2,728,300	2,728,300	2,728,300	2,728,300
Working liabilities	.....	.....	.....	.....	1,660,550	1,660,550
Total.	$6,342,859	$6,342,859	$6,342,859	$6,342,859	$8,003,409	$8,003,409

Bonded Debt: $2,728,000 Dayton & Michigan R R. first 4½s; dated Jan. 1, 1881; due Jan. 1, 1931; int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Guar. prin. and int. by C. H. & D. Ry. by endorsement. Guaranty assumed by new company and final payment provided for by the new Baltimore & Ohio-Toledo & Cinn. div. bonds. Callable at 102½ and interest after Jan. 1, 1917. First lien on entire property. Rating, A.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

Capital Stock: Auth., $3,700,000 8% preferred and $3,000,000 common; outstanding, $1,211,250 preferred and $2,403,309 common; par $50. Dividends of 8% on preferred and 3½% on common guaranteed under the lease by C. H. & D. Ry. Payments quar. Jan. on preferred and semi-an. Apr. and Oct. on common. TRANSFER OFFICE, Cincinnati, Ohio.

HOME AVENUE RAILROAD COMPANY

Incorporated under Ohio laws Feb. 2, 1872. Line of road, Dayton to Soldiers' Home, Ohio, 2.83 miles. Property has been leased in perpetuity to Cincinnati, Hamilton & Dayton Railway, from July 1, 1897, rental being guaranty of 3% per annum on stock and one-half of gross earnings—above $6,000—up to $10,000, which has produced 5% regularly in recent years. Latter company operates the road.

Management: OFFICERS: E. J. Barney, Pres.; George G. Shaw, Vice-Pres.; Oscar J. Baird, Sec. and Treas. Annual meeting, second Monday in January. OFFICE, Dayton, Ohio.

Capital Stock: Auth. and issued, $100,000; par $50. Dividends in recent years as follows: 1903, 3¼%; 1904, 4%; 1905 to 1916, 5% per annum. These dividends are guaranteed up to 3% by C. H. & D. Ry. The company has no bonded debt.

BANGOR & AROOSTOOK RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Maine laws, Feb. 13, 1891. Main lines first opened for traffic in 1895. Owns the entire stock, and leases for 999 years the Northern Maine Seaport R.R., which, however, is operated as part of the system.

Location: Lines cover the northeastern section of the State of Maine, consisting of 568.02 miles of owned lines and 57.82 miles of leased lines. Total mileage operated, 625.84 miles. The system radiates largely throughout eastern and northern Maine, and penetrates the extensive lumber regions of that State. Transportation of lumber and logs has always represented a large part of its freight business. In recent years, however, miscellaneous freight has assumed considerable importance. The road is controlled by the Aroostook Construction Co. Population of Maine in 1890, 661,086; in 1900, 694,466; in 1910, 742,371.

Controlled Properties: In addition to the Northern Maine Seaport Railroad, which is leased and directly operated, the company now controls the Van Buren Bridge Company, the stock of which was purchased in November, 1914. See statement of latter company on page 193.

Management: OFFICERS: Percy R. Todd, Pres.; James Brown, Chairman Executive Committee; Walter A. Danforth, Treas.; J. B. Stewart, Gen. Mgr.; J. W. Crowell, Gen. Auditor; Wingate F. Cram, Clerk. DIRECTORS: Percy R. Todd, T. U. Coe, John Watson, A. W. Spaulding, Chas. E. Oak, Walter A. Danforth, James Brown, Henry P. Binney, C. A. Milliken. Annual meeting, third Thursday in October. GENERAL OFFICE, Bangor, Me.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	27.69%	17.31%	29.75%	22.60%	25.18%	26.00%	26.92%	31.09%	28.3%	23.5%
Products of Animals.....	1.47	1.08	1.19	1.03	.82	.63	.81	.48	.6	.5
Products of Mines.....	7.91	11.98	9.51	11.53	11.11	12.35	12.05	12.05	11.3	10.8
Products of Forests.....	33.07	39.57	37.73	41.13	40.00	40.11	36.65	34.55	38.2	41.5
Manufactures.....	11.65	14.56	15.14	23.71	22.92	20.91	23.57	21.83	16.7	18.8
Merchandise and Miscel...	18.21	15.50	6.78						4.9	4.9

Total tonnage in 1909, 1,463,619 tons; in 1910, 1,612,667 tons; in 1911, 1,667,906 tons; in 1912, 1,794,413 tons; in 1913, 1,620,065 tons; 1,902,745 tons in 1914; 1,907,412 tons in 1915; 1,899,931 in 1916.

The chief item of freight tonnage is lumber, logs, etc., which in 1913 amounted to 593,740 tons; 657,328 tons in 1914; 728,275 in 1915; 789,077 in 1916. Agricultural products aggregated 436,143 tons in 1913; 591,471 in 1914; 479,925 in 1915; 446,062 in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	482	..	85	78	4,463	78%	53,260	408,165	234	$2.01	2.40c	1.19c
1908.....	501	31	94	78	5,450	73	50,091	319,363	234	1.95	2.39	1.17
1909.....	515	31	93	78	5,498	72	46,149	352,384	237	2.21	2.36	1.17
1910.....	530	31	93	78	5,498	73	50,712	360,825	259	2.18	2.37	1.15
1911.....	618	31	93	87	5,495	75	43,263	331,377	255	2.03	2.34	1.16
1912.....	631	30	98	89	5,480	75	44,206	357,187	255	2.01	2.26	1.12
1913.....	631	30	97	88	5,418	75	43,049	339,306	276	2.08	2.31	1.15
1914.....	631	30	92	87	5,328	78	44,752	383,055	255	2.21	2.35	1.23
1915.....	631	30	97	88	5,441	78	41,364	376,407	264	2.32	2.42	1.23
1916.....	631	30	96	88	5,461	77	40,776	378,700	287	2.41	2.50	1.22
10-Year Average	580	27	94	84	5,353	75%	45,762	360,677	256	$2.14	2.37c.	1.18c

Yard tracks and sidings, June 30, 1916, 207.56 miles. Weight of rails, 85 lb. steel for 240 miles; 70 lb. steel for 400 miles; 56 lb. steel for balance. The equipment is nearly all owned and fully paid for, there being only about $229,000 equipment trusts outstanding on June 30, 1916.

Comment: The operating exhibit of the Bangor & Aroostook for the fiscal year 1916 was moderately good. The company about maintained its passenger and freight density and reported a slight improvement in the average train load and train mile earnings. As usual a large part of the company's business was represented by forest products.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$6,684	$1,145	$714	$1,859	$2,567	$2,258	$2,263	$31	$2,232	$1,617	27%	$615	$149
1908.....	5,677	856	543	1,399	2,193	2,084	2,084	30	2,054	1,841	10	213	194
1909.....	5,664	937	630	1,567	1,907	2,190	2,190	35	2,155	1,876	13	279	195
1910.....	5,642	844	633	1,477	1,891	2,274	2,600	39	2,561	1,898	26	663	197
1911.....	5,134	814	597	1,411	1,831	1,892	2,182	74	2,108	1,836	13	272	202
1912.....	5,301	876	584	1,460	1,942	1,899	2,168	189	1,979	1,845	7	134	203
1913.....	5,154	782	656	1,438	2,079	1,637	1,972	175	1,797	1,931	....	134*	152
1914.....	6,015	815	807	1,622	2,201	2,192	2,462	178	2,284	1,959	14	325	177
1915.....	5,964	827	924	1,751	1,990	2,223	2,551	206	2,345	1,985	15	360	164
1916.....	5,983	886	937	1,823	1,958	2,202	2,613	247	2,366	1,986	16	380	273
10-Year Average	$5,723	$878	$703	$1,581	$2,057	$2,085	$2,308	$120	$2,188	$1,877	14%	$311	$191

* Deficit.

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after payment of fixed charges. For example, in 1916, "balance for charges" (per mile) was $2,366; fixed charges consumed $1,986, or 84%, leaving $380, or a "margin of safety" of 16%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,775,104	$3,762,385	$3,794,095	$3,251,099	$3,345,241	$3,173,112	$2,990,528
Maintenance of way	559,130	521,796	513,970	493,449	551,687	503,360	447,229
Maintenance of equipment	591,042	583,258	509,006	413,676	346,996	368,689	335,726
All other operating expenses	1,235,785	1,255,996	1,388,913	1,311,971	1,249,990	1,131,723	1,002,334
Net operating revenues	$1,389,147	$1,401,335	$1,382,206	$1,032,003	$1,196,568	$1,169,340	$1,205,239
Operating ratio	63.1%	62.7%	63.6%	68.2%	64.2%	63.2%	59.7%
Other income	259,407	208,191	171,569	212,362	150,581	178,629	172,742
Total net income	$1,648,554	$1,609,526	$1,553,775	$1,244,365	$1,347,149	$1,347,969	$1,377,981
Taxes accrued	155,964	129,917	112,606	110,587	119,403	45,841	20,912
Balance for charges	$1,492,590	$1,479,609	$1,441,169	$1,133,778	$1,227,746	$1,302,128	$1,357,079
Fixed charges	1,253,023	1,252,427	1,235,900	1,218,085	1,164,189	1,139,492	1,005,891
Surplus	$239,567	$227,182	$205,269	† $84,307	$63,557	$162,636	$351,178
Dividends paid	*	68,972	111,951	95,958	127,944	124,584	104,212
Appropriations for imp., etc.	.....	.....	.....	.....	.....	.....	161,949
Balance	$239,567	$158,210	$93,318	† $180,265	† $64,387	$38,052	$85,018
Earned on stock	6.9%	4.8%	6.4%	.....	2%	5%	11.7%

* Dividends in 1916 charged to surplus. See below.

† Deficit.

Profit and Loss Account, year ended June 30, 1916. Credit balance July 1, 1915, $286,047; credit balance transferred from income $239,567; donations, $2,058; miscellaneous credits, $1,085; total, $528,757. Contra: Dividend appropriations of surplus, $103,458 *; loss on retired road and equipment, $22,508; miscellaneous debits, $2,049; credit balance carried to balance sheet, $400,742; total, $528,757.

* $68,992 additional dividend paid from appropriated surplus of previous years.

Comment: During the fiscal year 1916, the income results of the Bangor & Aroostook property were only slightly changed from those of 1915. The company, however, increased its outside income, and therefore the surplus available for dividends was moderately better than that shown during the previous year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$3,222	9%	$36,602	91%	.....	$39,824	.....	$39,824	5.7%	.....	.....	$149	4%	.....	76%
1908	5,010	13	40,008	87	.....	45,018	.....	45,018	4.7	.....	.....	194	4	.....	8
1909	4,874	11	38,835	89	.....	43,709	.....	43,709	5	.....	.....	195	4	.....	46
1910	5,668	12	42,444	88	.....	48,112	.....	48,112	5.8	.....	.....	197	4	.....	70
1911	5,176	11	39,440	89	.....	44,616	.....	44,616	4.9	.....	.....	202	4	.....	25
1912	5,068	11	40,642	89	.....	45,710	.....	45,710	4.7	.....	.....	203	4	.....	....
1913	5,068	11	40,873	89	.....	45,941	.....	45,941	4.3	.....	.....	152	3	.....	....
1914	5,069	11	40,287	89	.....	45,356	.....	45,356	5.4	.....	.....	177	3½	.....	46
1915	7,442	16	39,827	84	.....	47,269	.....	47,269	5.4	.....	.....	164	3	.....	54
1916	7,442	15	42,323	85	.....	49,765	.....	49,765	5.3	.....	.....	273	5	.....	28
10-Year Average	$5,404	12%	$40,128	88%	.....	$45,532	.....	$45,532	5.1%	.....	.....	$191	3.8%	.....	39%

Note: Above table is based on average miles operated each year. Net income on net capital is the percentage of net income shown before deducting taxes or fixed charges, on the net capitalization as indicated in the table.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$30,907,795	$30,840,591	$27,928,042	$27,977,830	$28,003,956	$27,800,093	$26,105,426
Working assets	1,052,990	992,048	1,097,465	1,257,712	1,471,781	1,223,618	1,249,615
Deferred debit items	796,570	826,487	546,400	793,260	715,539	237,640	135,720
Accrued income not due	1,421	57	244	.....	.....	.....	.....
Total	$32,758,776	$32,659,183	$29,572,152	$30,028,802	$30,191,276	$29,261,351	$27,490,761
Liabilities:							
Capital stock	$4,696,000	$4,696,000	$3,198,600	$3,198,600	$3,198,600	$3,198,600	$3,004,200
Funded debt	26,706,000	25,131,000	24,070,000	24,263,000	24,461,000	23,292,000	22,495.000
Working liabilities	516,986	2,102,420	1,693,958	2,045,942	1,818,572	2,093,993	1,287,266
Accrued liabilities not due	195,795	189,103	246,106	214,268	314,750	182,721	218,112
Deferred credit items	81,304	92,664	75,256	33,213	.....	.....	.....
Appropriated surplus	161,949	161,949	161,949	161,949	161,949	161,949	161,949
Profit and loss surplus	400,742	286,047	126,283	111,830	236,405	332,088	324,234
Total	$32,758,776	$32,659,183	$29,572,152	$30,028,802	$30,191,276	$29,261,351	$27,490,761

Note: $4,720,000 bonds of Northern Maine Seaport Co. (guaranteed) are included in bond column, Table C; also in "Property Investment" and "Funded Debt" in the balance sheet.

Comment: During the year 1916, the Bangor & Aroostook reported a further increase in its bonded debt. This bonded debt now represents about 80% of its total capitalization which is a relatively heavy one in view of the general character of its business. However, earnings were sufficient to show a net income on net capital of 5.3%, which was slightly higher than the average figure for the decade.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Bangor & Aroostook first 5s	J&J	Ja 1943	(1st) 212	$16,000	$2,188	$268	88%	High	Good	Aa.
2. Bangor & Aroostook sec. 5s.	J&J	Jl 1945	(2d) 212	500		8	62%	"	"	Aa.
3. Bang. & Aroos. Pisca, div. 5s.	A&O	Ja 1943	(1st) 76	19,738		120	62%	"	"	A.
4. Bang.& Aroos.Van B. ext. 5s	A&O	Ja 1943	(1st) 33	15,151	1,920	40	62%	"	"	Baa.
5. Aroostook Nor. first 5s.....	A&O	O 1947	(1st) 16	14,060		18	62%	"	"	Baa.
6. Bangor & Aroostook Ref. 4s	J&J	Jl 1951	(gen) 424	20,000		540	62%	Good	"	Ba.
7. Northern Me. Seaport & Ter. first 5s.....	A&O	Ap 1935	(1st) 57	82,800		377	39%	"	"	Ba.
8. Bangor & Ar. Medford ext. first 5s.....	M&N	My 1937	(1st) 28	35,715		79	39%	Fair	Fair	Baa.
9. Ban. & Ar. Wash. ext. first 5s	F&A	Ag 1939	(1st) 55	30,000	1,194	132	39%	"	"	Ba.
10. Ban. & Ar. St. John River ext. first 5s.....	F&A	Ag 1939	(1st) 60	30,000		144	39%	"	"	Ba.
11. B. & A. Car trust series "D" 5%.....	A&O	Ap 1917	.....	(see text)			High	High	Good	A.
12. B. & A. Car trust series "E" 5%.....	A&O	1917–21	.....	"	462	173.	"	"	"	A.
13. B. & A. Car trust series "F" 5%.....	M&N	My'17–25	.....	"			"	"	"	A.
14. B. & A. 2-year 5% notes...	A&O	Ap 1918	.....	.....			"	"	"	Ba.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not ony on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $3,360,000. Dated Jan. 1, 1893; due Jan. 1, 1943. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien, 212.30 miles, as follows: Brownsville to Caribou, 155.13 miles; Ashland Junc. to Ashland, 43.87 miles; Fort Fairfield Junc. to Fort Fairfield, 13.30 miles. Underlie Nos. 2 and 6, with provision by latter to retire at maturity. Legal for Savings Banks in Cal., Mass., Maine. Interest paid without deduction for normal income tax. Market: New York, Boston and Bangor.

2. Auth., $1,050,000; outstanding, $106,000 (closed). Dated Feb. 27, 1895; due July 1, 1945. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. Second lien, following No. 1, on same property, 212.30 miles. Underlie No. 6 with provision by latter to retire at maturity or before. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $1,500,000. Dated April 1, 1899; due Jan. 1, 1943. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien, 76.13 miles, Old Town to Greenville, Me. Underlie No. 6, with provision by latter to retire or refund. Legal for S. B. in Cal., Mass., Maine. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $500,000. Dated April 1, 1899; due Jan. 1, 1943. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien, 33.40 miles, Caribou to Van Buren, Me. Underlie No. 6, with provision by latter to retire or refund. Legal for S. B. in Cal., Mass., Maine. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $225,000. Dated Oct. 1, 1897; due Oct. 1, 1947. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. Assumed by B. & A. R.R. First lien, 15.67 miles, Caribou to Limestone, Me. Underlie No. 6, which provides for retirement. Legal for S. B. in Cal., Mass., Maine. Interest paid without deduction for normal income tax. Market: Boston.

6. Auth., $20,000,000; outstanding, $8,431,000. Dated July 1, 1901; due July 1, 1951. Int. paid at Brown Bros. & Co., New York, and Lee Higginson & Co., Boston. Coupon, $1,000. First lien, 86.95 miles, as follows: Milo Junc. to Milo and to Katahdin Iron Works, 19.03 miles; Ashland to Fort Kent, 51 miles; Patten Junc. to Patten, 5.87 miles; Schoodic Stream Junc. to Medway, 9.46 miles; also minor branches; also a second lien on 125.20 miles covered by Nos. 3, 4 and 5, by first lien; also a third lien on 212.30 miles covered by Nos. 1 and 2 as first and second lien. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

7. Auth., $5,000,000; outstanding, $4,720,000. Dated April 1, 1905; due April 1, 1935. Int. paid at Brown Bros. & Co., New York and Boston. Coupon, $1,000. Guar. prin. and int. by B. & A. R.R. by endorsement. First lien, 57.05 miles, as follows: Searsport to South Lagrange, 54.13 miles; branches and terminals, 2.92 miles. Legal for S. B. in Cal., Mass., Maine. Interest paid without deduction for normal income tax.

8. Auth. and outstanding, $1,000,000. Dated May 1, 1907; due May 1, 1937. Int. paid at Brown Bros. & Co., New York and Boston. Coupon, $1,000. First lien, 27.96 miles, South Lagrange to Packards, Me. Legal for S. B. in Cal., Mass., Maine. Interest paid without deduction for normal income tax.

9. Auth. and outstanding, $1,650,000. Dated Aug. 1, 1909; due Aug. 1, 1939. Int. paid at Central Trust Co., New York, and Brown Bros., Boston. Coupon, $1,000. First lien, 55.10 miles, Squapan to Stockholm, 47.97 miles; Mapleton to Presque Isle, 7.13 miles. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

10. Auth. and outstanding, $1,800,000. Dated Aug. 1, 1909; due Aug. 1, 1939. Int. paid at Brown Bros. & Co., New York and Boston. Coupon, $1,000. First lien, 60 miles, Van Buren *via* Ft. Kent, to St. Francis, Me. Legal for S. B. in Maine. Interest paid without deduction for normal income tax..

11. Auth., $900,000; retired, $765,000; outstanding, $45,000; maturing $45,000 semi-annually to Apr. 1, 1917; int. paid at Brown Bros. & Co., New York. Coupon, $1,000. Secured on 700 box cars, 300 flat cars, 40 stock cars and 6 caboose, total costing $1,000,000. Interest paid without deduction for normal income tax.

12. Auth., $125,000; retired, $62,000; outstanding, $63,000; maturing $12,000 and $13,000 alternately each Oct. 1, to Oct. 1, 1921. Int. paid at Brown Bros. & Co., New York. Coupon, $1,000. Secured on locomotives costing $140,000. Interest paid without deduction for normal income tax.

13. Auth., $71,000; outstanding, $64,000; maturing, $7,000 each May 1 to May 1, 1924, and $8,000 on May 1, 1925. Int. paid at Brown Bros. & Co., New York. Coupon, $1,000. Secured on 5 superheater locomotives. Interest paid without deduction for normal income tax.

14. Auth., $2,500,000; outstanding, $2,000,000; dated April 1, 1916; due Apr. 1, 1918; int. paid in New York. Coupon, $1,000. Not a mortgage. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Bangor & Aroostook stock..... Full voting power. Par $100.	See text	$5,509	$311	$165*	47%	Fair	Fair	B.

* For 3% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUE

Auth., $5,000,000; outstanding, June 30, 1916, $3,448,600. Dividends have been paid as follows: 1904, 3%; 1905, 3½%; 1906, to Jan., 1913, 4% per annum; July, 1913, 1%; 1914, 3½%; 1915 and 1916, 3% each, payable 1% in Jan. and 2% in July.

Transfer agent, W. A. Danforth, Bangor, Maine.

AROOSTOOK CONSTRUCTION COMPANY

Incorporated under Maine laws, Feb. 28, 1891, to construct and equip the Bangor & Aroostook R.R. Co. Owns practically all the stock of the latter and $1,825,000 of its refunding 4s.

Management: Officers: I. K. Stetson, Pres.; Samuel H. Wolcott, Treas.; P. A. Hubbard, Clerk. Office, Bangor Maine.

Bonded Debt: $1,915,000 Aroostook Construction Co., 5-year collateral 5s; dated May 1, 1912; due May 1, 1917; int. Mar. and Nov. 1. at Old Colony Trust Co., Boston. Coupon, $1,000. Callable at par on 3 weeks' notice. Secured by pledge of $1,350,000 Bangor & Aroostook cons. ref. 4s, $2,156,500 Bangor & Aroostook stock, and $191,800 Northern Telegraph Co. stock. Interest paid without deduction for normal income tax. Market: Boston. Rating, Baa.

Capital Stock: Outstanding, $500,000; par, $100. Held in voting trust consisting of F. W. Cram, J. R. McAllister, James Brown.

VAN BUREN BRIDGE COMPANY

CONTROLLED BY BANGOR & AROOSTOOK R.R. CO.

History: Incorporated under laws of Maine 1913, to build a railroad bridge between Van Buren, Me., and St. Leonard's, N. B., and one mile of railroad in Canada. Opened for traffic May 1, 1915. This new line connects the Bangor & Aroostook R.R. with the Canadian Pacific Ry., International Ry. of N. B., and National Transcontinental Ry.

Management: Officers: Percy R. Todd, Pres.; W. A. Danforth, Vice-Pres. and Treas.; J. W. Crowell, Gen. Aud.; W. F. Cram, Clerk, Bangor, Me. Directors: James Brown, New York; H. P. Binney, Boston; T. U. Coe, Percy R. Todd, W. F. Cram, Bangor, Me. Annual meeting, third Tuesday in October. Office, Bangor, Me.

Bonded Debt: $250,000 Van Buren Bridge Co. 1st sinking fund 6s. Dated Sept. 1, 1914; due Sept. 1, 1934; interest paid Mar. and Sept. 1, at United States Mortgage & Trust Co., New York. Coupon, $1,000. Authorized, $250,000. Callable at 110 and interest, Sept. 1, 1916, and thereafter. Sinking fund of $4,400 per annum becomes operative June 1, 1916. Guaranteed principal and interest by the Bangor & Aroostook R.R. Co. First lien on the property. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Auth. and outstanding, $250,000. Par $100. All owned by the Bangor & Aroostook R.R. Co.

BESSEMER & LAKE ERIE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Pennsylvania laws, Jan. 1, 1901, and road completed in 1902. On April 1, 1901, the company leased the Pittsburgh, Bessemer & Lake Erie R.R. for 999 years, at rental equaling interest on bonds. and dividends of 6% on preferred and 3% on common stock of the latter, the lessee assuming the lease of the Meadville, Conneaut Lake & Linesville R.R. The Pittsburgh, Bessemer & Lake Erie R.R. was incorporated in Pennsylvania and Ohio, December 22, 1896, succeeding the Pittsburgh, Shenango & Lake Erie, and the Butler & Pittsburgh R.R.

Location: The operated lines of the Bessemer & Lake Erie R.R. consist of 221.50 miles as follows: Line owned, Kremis to Osgood, Pa., 8.87 miles; leased (Pitts., Bessemer & Lake Erie), North Bessemer to Conneaut Harbor and branches, 191.42 miles; trackage rights, 13.17 miles; leased to Union R.R., North Bessemer to Bessemer, 8.04 miles.

Control: The company is controlled by the Carnegie Company (U. S. Steel Corporation, subsidiary), which owns all the stock and guarantees the lease of the Pittsburgh, Bessemer & Lake Erie R.R.

Management: OFFICERS: J. H. Reed, Pres.; E. H. Utley, Vice-Pres. and Gen. Mgr.; D. G. Kerr, second Vice-Pres.; G. W. Kepler, Sec. and Treas. DIRECTORS: E. H. Gary, R. A. Franks, W. W. Blackburn, L. C. Bihler, D. M. Clemson, G. W. Kepler, E. H. Utley, D. G. Kerr, J. H. Reed. Annual meeting, second Monday in January. MAIN OFFICE, Pittsburgh, Pa.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	.28%	.18%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	.04	.08
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	88.35	89.40
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	.40	.48
Manufactures	.....	.....	.....	.....	.....	.....	.....	.....	9.58	8.49
Miscellaneous	.....	.....	.....	.....	.....	.....	.....	.....	1.31	1.41

Total Revenue Tonnage: Year ended June 30, 1916, 20,164,802 tons, as compared with 14,317,009 tons for the fiscal year 1915, 14,872,593 tons for the calendar year 1914, and 16,584,103 tons for the calendar year 1913.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	210	95	111	53	9,513	....	.....	.....	.....	.....	.....	.....
1908	210	90	113	51	9,417	94%	84,610	5,330,995	903	$3.20	1.65c	.44c
1909	210	114	137	51	9,764	95	84,960	6,224,804	933	3.22	1.66	.44
1910	210	114	137	65	9,867	95	98,400	7,936.740	1,028	3.75	1.84	.45
1911	218	114	154	66	9,530	93	112,280	7,154,628	970	3.58	1.41	.46
1912	218	114	169	65	9,182	94	101,300	8,222,102	1,012	3.72	1.53	.45
1913	218	114	169	65	9,994	94	97,659	8,641,415	1,112	4.11	1.73	.45
1914	204	132	178	63	9,954	94	114,670	8,564,706	1,060	3.95	1.74	.45
1915	204	132	175	63	13,112	94	104,268	8,075,819	1,079	4.23	1.74	.49
1916	205	134	174	66	13,059	95	98,625	11,320,183	1,174	4.41	1.84	.45
10-Year Average	211	115	152	61	10,339	*94%	99,641*	7,941,266*	1,032*	$3.80*	1.68c*	.45c*

* Nine-year average.

Comment: For the year ended June 30, 1916, the volume of business on the Bessemer & Lake Erie underwent a very heavy increase, and the freight density reached the highest figures in its record. The average freight train load and train mile earnings were better than ever before, notwithstanding the fact that average freight rates fell to a much lower figure than those reported in 1915.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$30,480	.....	.....	.....	.....	$14,616	$14,616	$105	$14,511	$12,125	16%	$2,386	.....
1908	25,446	$2,673	$5,007	$7,680	$7,673	10,093	10,422	200	10,222	8,298	18	1,924	.....
1909	28,860	2,846	5,460	8,306	8,557	11,997	12,408	433	11,975	8,266	31	3,709	$3,571
1910	37,562	3,538	6,189	9,727	10,081	17,754	18,556	501	18,055	10,090	44	7,965	2,381
1911	34,489	4,016	7,580	11,596	10,604	12,289	12,783	451	12,332	10,042	19	2,290	3,440
1912	38,796	3,592	7,114	10,706	10,711	17,379	18,001	557	17,444	8,567	51	8,877	5,732
1913	41,341	4,505	7,838	12,343	11,094	17,904	18,687	1,344	17,343	9,085	48	8,258	4,587
1914	41,608	4,354	11,824	16,178	12,235	13,195	13,897	1,647	12,250	7,208	41	5,042	4,902
1915	42,478	3,233	9,315	12,548	10,780	19,149	20,976	1,057	19,919	7,666	62	12,253	5,514
1916	53,727	4,778	10,035	14,813	13,053	25,861	28,301	1,135	27,166	7,778	72	19,388	3,658
10-Year Average	$37,479	$3,725 *	$7,818 *	$11,544 *	$10,532 *	$16,324	$16,865	$743	$16,122	$8,913	40%	$7,209	$3,376

* Nine-year average.

Note: Above table is based on average mileage directly operated, including both owned and leased lines. Although nearly 95% of the mileage is owned by the Pittsburgh, Bessemer & Lake Erie, it is all leased to and operated by the Bessemer & Lake Erie R.R. "Margin of Safety" is the proportion of surplus left over after providing for interest, rentals and all other charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$11,014,122	$8,665,476	$8,488,074	$9,012,362	$8,457,266	$7,518,628	$7,888,021
Maintenance of way	979,531	659,485	888,155	982,051	•783,658	875,379	742,885
Maintenance of equipment	2,057,297	1,900,330	2,412,139	1,708,771	1,550,993	1,652,368	1,299,262
All other operating expenses	2,675,771	2,199,307	2,495,893	2,418,566	2,334,102	2,311,574	2,117,516
Net operating revenues	$5,301,523	$3,906,354	$2,691,887	$3,902,974	$3,788,513	$2,679,307	$3,728,358
Other income	500,238	372,797	143,198	170,821	137,288	107,727	168,340
Total net income	$5,801,761	$4,279,151	$2,835,085	$4,073,795	$3,925,801	$2,787,034	$3,896,698
Taxes accrued	232,670	215,585	336,000	292,950	121,474	98,209	105,210
Balance for charges	$5,569,091	$4,063,566	$2,499,085	$3,780,845	$3,804,327	$2,688,825	$3,791,488
Fixed charges	1,594,571	1,563,859	1,470,520	1,980,492	1,867,522	2,189,235	2,118,957
Surplus	$3,974,520	$2,499,707	$1,028,565	$1,800,353	$1,936,805	$499,590	$1,672,531
Dividends paid	*	1,125,000	1,000,000	1,000,000	1,250,000	750,000	500,000
Other deductions	.....	.....	457,500	.....	.....	.....	.....
Balance	$3,974,520	$1,374,707	† $428,935	$800.353	$686,805	† $250,410	$1,172,531
Earned on stock	795%	500%	205%	360%	387%	100%	354%

* Dividend paid from Profit and Loss Account.

†Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $3,531,026; credit balance transferred from income account, $3,974,520; unrefundable overcharges, $38; miscellaneous credits, $855; total, $7,506,439. Contra: Dividend appropriations, $750,000; surplus appropriated for investment in physical property, $1,600,000; loss on retired road and equipment, $839; miscellaneous debits, $1; credit balance transferred to balance sheet, $5,155,599; total, $7,506,439.

Comment: The income account of the Bessemer & Lake Erie for the fiscal year 1916, was in every way a remarkable one. The net earnings were practically double those of 1914 and as the outside income also substantially increased, the balance available for charges and dividends was far higher than ever before. The surplus above fixed charge requirements equalled no less than 795% on the outstanding capital stock. During the year the company made dividend disbursements of 150%, but could easily have paid a very much larger rate.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$2,381	13%	$16,810	87%	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	2,381	13	16,810	87	115,475	$134,666	.....	$134,666	7.9%	.....	.....	.....	.....	.....	.....
1909	2,381	11	19,381	89	147,241	168,903	$157	168,746	7.3	.....	.....	$3,571	150%	.....	4%
1910	2,381	11	19,191	89	180,355	201,927	157	201,770	9.2	.....	.....	2,381	100	.....	70
1911	2,300	9	20,826	91	182,300	205,426	1,520	203,906	6.3	.....	.....	3,440	150	.....	.....
1912	2,300	9	20,040	91	150,539	173,485	151	173,334	10.5	.....	.....	5,732	250	.....	35
1913	2,300	9	24,128	91	151,701	178,129	129	178,000	10.5	.....	.....	4,587	200	.....	44
1914	2,451	9	25,588	91	118,417	146,456	113	146,343	9.5	.....	.....	4,902	200	.....	3
1915	2,451	6	37,647	94	117,097	157,195	88	157,107	13.4	.....	.....	5,514	225	.....	55
1916	2,451	6	37,647	94	114,607	154,705	.....	154,705	16.2	.....	.....	3,658	150	.....	81
10-Year Average	$2,378	10%	$23,867	90%	153,092	$168,988*	$257*	$168,731*	10%	.....	.....	$3,379	143%	.....	29%

Complete data not available prior to 1908.

* Nine-year average.

Note: Above table is based on the average mileage operated for each year. Bonded debt covers the equipment obligations of the company, as it has no other permanent debt of its own; rentals cover the lease guarantees on the Pittsburgh, Bessemer & Lake Erie.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$17,143,143	$16,151,194	$11,320,402	$10,365,547	$4,908,547	$4,769,143	$9,652,187
Working assets	6,460,376	3,971,495	3,532,718	4,369,129	5,855,320	5,204,773	
Deferred debit items	380,739	210,511	1,239,979	1,416,938	214,783	198,483	
Total	$23,984,258	$20,333,200	$16,093,099	$16,151,614	$10,978,649	$10,172,399	$9,652,187

LIABILITIES:	1916	1915	1914	1913	1912	1911	1910
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	7,680,000	7,680,000	5,220,000	5,260,000	4,500,000	4,500,000	4,030,000
Working liabilities	1,372,179	1,119,118	867,087	1,303,323	1,220,309	1,306,349	
Accrued liabilities not due	493,458	501,211	510,827	231,612	357,620	320,769	2,662,782
Deferred credit items	2,739,321	2,558,143	2,394,127	2,283,252	1,542,285	1,295,040	
Appropriated surplus	6,043,701	4,443,702	4,238,702	3,304,540	444,833	444,833	411,671
Profit and loss surplus	5,155,599	3,531,026	2,362,356	3,268,887	2,413,602	1,765,408	2,048,111
Total	$23,984,258	$20,333,200	$16,093,099	$16,151,614	$10,978,649	$10,172,399	$9,652,187

Note: Funded debt for 1916, as shown above, covered equipment obligations. The bonds and stocks of the Pittsburgh, Bessemer & Lake Erie are not shown in the above balance sheet. See Tables D and E.

Comment: The capitalization of the Bessemer & Lake Erie, all the stock of which is owned by the United States Steel Corporation interests, underwent no changes whatever during the fiscal year 1916. It will be noted that the outstanding capital stock is very low as figured on a mileage basis, while the rental charges are relatively very high. While the total gross and net capitalization appear high, yet the earning power of the property is so heavy that this high capitalization is easily carried.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Pitts., Shenango & L. E. first 5s	A&O	O 1940	(1st) 122	$24,500	$16,122	$730	95%	High	High	Aaa.
2. Pitts., Shenango & L. E. con. first 5s	J&J	Jl 1943	(1st) 18	4,140	15,392	141	89%	"	"	Aaa.
3. Pitts., Bessemer & L. E. first 5s	J&J	Ja 1947	(2d) 122 (1st) 61	31,650		1,570	89%	"	"	Aaa.
4. Pitts., Bessemer & L. E. deben. 5s	J&D	Je 1919	(2d) 140 Not mtg.	.....	13,681	490	78%	"	"	Aa.
5. Meadville, Conn. Lake & Linesv. first 5s	J&J	Jl 1921	(1st) 20	10,000		49	78%	"	"	Aa.
6. Equipment trust 5s	Var.	Var.	(see text)	.....		2,471	78%	"	"	Aaa.

Note: "Average income available" is the average net income available for interest charges, for the ten years ending Dec. 31, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see "Introduction." For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,000,000; outstanding, $2,989,000. Dated Oct. 1, 1890; due Oct. 1, 1940. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien on 122.23 miles from Butler to Wallace Junc., Pa., and branches. Assumed by Pittsburgh, Bessemer & Lake Erie R.R., which is leased to Bessemer & Lake Erie, latter being controlled by the Carnegie Company. Underlie Nos. 2 and 3, with provision by latter to retire. Listed on New York and Pittsburgh Stock Exchanges. Legal for S. B. in Maine, Mo. Interest paid without deduction for normal income tax.

2. Auth., $4,800,000; outstanding, $579,000 (closed). Dated July 1, 1893; due July 1, 1943. Int. paid at Central Trust Co., New York. Coupon, $1,000. Follows No. 1 on 122.23 miles, a first lien on 18.06 miles additional. Underlie No. 3, which provides for retirement. Listed on New York and Pittsburgh Stock Exchanges. Interest paid without deduction for normal income tax.

3. Auth., $10,000,000; outstanding, $6,432,000. Dated Jan. 1, 1897; due Jan. 1, 1947. Int. paid at United States Trust Co., New York. Coupon, $1,000. Direct lien on all the lines of the company, consisting of 201.60 miles, North Bessemer to Conneaut Harbor and branches, subject to Nos. 1 and 2 as to 140.29 miles. Of the authorized issue, sufficient are reserved to retire Nos. 1 and 2. Int. guar. by Bessemer & Lake Erie R.R. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $2,000,000. Dated June 1, 1899; due June 1, 1919. Int. paid at Union Trust Co., Pittsburgh. Coupon, $1,000. Callable at par and int. with ½% added for each year after July 1, 1909. Not a mortgage. Listed on Pittsburgh Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $200,000. Dated July 1, 1891; due July 1, 1921. Int. paid at Merchants' National Bank, Meadville, Pa. Coupon, $1,000. First lien on 20.54 miles, Meadville to Linesville, Pa. Road leased to Bessemer & Lake Erie for 99 years at 25% of gross earnings. Normal income tax deducted from interest.

6. In several series, as follows: $1,220,000 Erie equip. 5s, dated Feb. 28, 1902; due Mar. 1, 1922; int. Mar. and Sept. at Home Trust Co., Hoboken, N. J. $1,060,000 Standard equip. 5s, dated April 1, 1905, due April 1, 1925; int. April and Oct. at Home Trust Co., Hoboken, N. J. $1,100,000 Bessemer equip. 5s, dated Mar. 1, 1907; due $110,000 annually 1918-27; int. paid Mar. and Sept. at Home Trust Co., Hoboken, N. J. $400,000 Greenville equip. trust 5s, dated May 1, 1900; due $100,000 annually to May 1, 1920; int. May and Nov. at Union Trust Co., Pittsburgh. $2,050,000 Butler equip. 5s, dated April 1, 1901; due April 1, 1921; int. paid at Union Trust Co., Pittsburgh. $300,000 Conneaut Equipment trust 5s; dated April 1, 1909; due April 1, 1919; int. April and Oct. 1, at Home Trust Co., Hoboken, N. J. $550,000 Meadville Equipment 5s; dated March 1, 1911; due $55,000 annually from 1922-1931; int. Mar. and Sept. at Home Trust Co., Hoboken, N. J. $950,000 Albion Equipment 5s; dated June 1, 1912; due $75,000 anually from June 1, 1923 to 1932, and $100,000 in 1933 and in 1934; int. June and Dec. 1, at Home Trust Co., Hoboken, N. J. $2,500,000 Euclid Equipment 5s; dated July 1, 1914; due $250,000 annually July 1, 1925-1934; int. Jan. and July at Home Trust Co., Hoboken, N. J. All coupons, $1,000. Total now outstanding, $10,130,000. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Pitts., Bessemer & Lake Erie pfd. gtd. (6% cum.). Par $50	6% J&D	.....	9,264*	$585	78%	High	High	Aaa.
2. Pitts., Bessemer & Lake Erie (3%) com. gtd. Par $50	3% A&O	.....	9,264*	1,470	78%	"	"	Aa.
3. Bessemer & Lake Erie stock. Par $50	See text	.....	7,209	3,658†	49%	"	"	Aa.†

* After deducting rental charges, but not dividend guarantees.

† To pay 150% per annum, which is average disbursement of past ten years.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Auth. and outstanding, $2,000,000; par $50. Dividends of 6% are cumulative and guaranteed under the lease by the Bessemer & Lake Erie R.R. Transfer agent, Fidelity Title & Trust Co., Pittsburgh.

2. Auth. and outstanding, $10,000,000; par $50. Dividends of 3% are guaranteed under the lease by the Bessemer & Lake Erie R.R. Transfer agent, Fidelity Title & Trust Co., Pittsburgh.

3. Auth. and outstanding, $500,000; par $50. All owned by the Carnegie Company. Dividends have been paid as follows: 1904, 100%; 1905, 50%; 1906, 40%; 1909, 150%; 1910, 100%; 1911, 150%; 1912, 250%; 1913, 200%; 1914, 275%; 1915, 225%; 1916, 150%.

COMPANIES LEASED TO BUT DIRECTLY OPERATED BY BESSEMER & LAKE ERIE RAILROAD COMPANY

MEADVILLE, CONNEAUT LAKE & LINESVILLE RAILROAD

Incorporated under Penn. laws, June 27, 1901, succeeding the Meadville & Linesville R.R. Line of road, Meadville to Linesville, with branch, 21.46 miles. Second track, 2.14 miles. Sidings, 10.38 miles. Leased for 99 years from July, 1901, to Pittsburgh, Bessemer & Lake Erie R.R., and lease assumed by Bessemer & Lake Erie R.R. Rental, 25% of gross earnings.

Management: Officers: Geo. W. Kepler, Pres.; J. E. Reynolds, Sec. and Treas. Annual meeting, first Monday in May. Office, Meadville, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$28,091	$19,512	$21,964	$21,673	$21,502	$20,444
Taxes, etc.	969	980	117	1125	500	49
Fixed charges	10,326	10,185	10,028	10,000	10,000	10,000
Surplus	$16,796	$8,347	$11,819	$10,548	$11,002	$10,395
Dividends paid	.....	8,000	8,000	3,997	.....	.....
Balance	$16,796	$347	$3,819	$6,551	$11,002	$10,395

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $15,822; credit balance transferred from income, $16,796; total, $32.618. Contra: Dividend appropriation of surplus, $8,000; credit balance carried to balance sheet, $24,618; total, $32,618.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$445,761	$445,761	$442,952	$441,742	$436,726	$436,726
Working assets	15,583	6,937	.....	.....	.....	.....
Deferred debit items	.....	.....	9,249	6,713	5,177	.....
Total	$461,344	$452,698	$452,201	$448,455	$441,903	$436,726
Liabilities:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	200,000	200,000	200,000	200,000	200,000	200,000
Working liabilities	.....	150	.....	.....	.....	5,825
Appropriated surplus	36,726	36,726	.....	.....	.....	.....
Profit and loss surplus	24,618	15,822	52,201	48,455	41,903	30,901
Total	$461,344	$452,698	$452,201	$448,455	$441,903	$436,726

Bonded Debt: $200,000, Meadville, Conneaut Lake & Linesville R.R. first 5s; dated July 1, 1891; due July 1, 1921. For full details and rating, see Bessemer & Lake Erie R.R. bond table, page 196 (No. 5).

Capital Stock: Auth. and Issued, $200,000; par $50. Dividends of 2% paid in April and Oct. of each year. Transfer Office, Meadville, Pa.

PITTSBURGH, BESSEMER & LAKE ERIE RAILROAD

Incorporated under laws of Pennsylvania and Ohio, Dec. 22, 1896. Is a consolidation of the Pittsburgh, Shenango & Lake Erie and the Butler & Pittsburgh Railroads. Line of road, East Pittsburgh to Conneaut Harbor, with various branches and spurs, 177.93 miles. Second track, 139.50 miles. Sidings, 259.20 miles. Leased to Bessemer & Lake Erie for 999 years from April 1, 1901, rental being interest on all bonds and other obligations, 6% on preferred stock, 3% on common stock, the assumption of lease of Meadville, Conneaut Lake & Linesville R.R., and all traffic contracts, etc. Lease is guaranteed by the Carnegie Steel Co. Property is operated by lessee.

Management: J. H. Reed, Pres.; J. T. Odell, Vice-Pres.; E. H. Utley, Vice-Pres.; G. W. Kepler, Sec. and Treas. DIRECTORS: J. H. Reed, D. M. Clemson, E. H. Utley, W. W. Blackburn, L. C. Bihler, D. G. Kerr, T. H. Given, G. W. Kepler, H. D. Williams, Thos. Morrison, R. T. Rossell, E. H. Gary, J. T. Odell, R. A. Franks. Annual meeting, first Tuesday in April. OFFICE, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$1,146,631	$1,151,631	$1,156,628	$1,164,404	$1,173,015	$1,181,665
Fixed charges	726,667	731,667	736,667	744,404	753,054	761,704
Surplus	419,964	419,964	419,961	420,000	419,961	419,961
Dividends paid	419,964	419,964	419,961	420,000	419,961	419,961

Note: The above income account represents simply the annual rental income under the lease to the Bessemer & Lake Erie Railroad, the latter operating the company directly. This rental revenue provides sufficient money to pay all fixed charges, dividends of 6% on $2,000,000 preferred and 3% on $10,000,000 common.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$27,329,800	$27,360,629	$27,389,438	$27,468,914	$27,522,254	$27,681,398
Working assets	182,255	.....	.....	.....	.....	.....
Accrued income not due	159,654	.....	.....	.....	.....	.....
Profit and loss (def.)	483,241	483,241	483,241	483,241	483,241	483,241
Total	$28,154,950	$27,843,870	$27,872,679	$27,952,155	$28,005,495	$28,164,639
LIABILITIES:						
Capital stock	$12,000,000	$12,000,000	$12,000,000	$12,000,000	$12,000,000	$12,000,000
Funded debt	14,450,000	15,843,870	14,650,000	14,750,000	14,923,000	15,096,000
Working liabilities	182,255	.....	.....	.....	.....	.....
Deferred credit items	1,363,042	.....	1,222,679	1,202,155	1,082,495	1,068,639
Accrued liabilities not due	159,653	.....	.....	.....	.....	.....
Total	$28,154,950	$27,843,870	$27,872,679	$27,952,155	$28,005,495	$28,164,639

Bonded Debt: Total outstanding, June 30, 1916 (including equipment trusts), $14,450,000. For full details and ratings see under Bessemer & Lake Erie bond table, page 196 (No. 6).

Capital Stock: Auth. and issued, $2,000,000 6% guaranteed preferred and $10,000,000 3% guaranteed common. For details and ratings see Bessemer & Lake Erie R.R. guaranteed stock table.

BOSTON RAILROAD HOLDING COMPANY

Incorporated under Massachusetts laws, June 18, 1909, for the sole purpose of acquiring and holding all or any part of the capital stock, bonds, or other evidences of indebtedness of the Boston & Maine R.R. In October, 1909, the company took over from the John L. Billard Co. $10,994,800 of the Boston & Maine stock. On June 30, 1914, the company owned $21,918,900 common and $654,300 preferred stock of the Boston & Maine; this being 52.9% of the total capital. In March, 1914, it was arranged to transfer this stock to five trustees. These trustees are M. P. Knowlton and James L. Doherty, of Springfield, Mass.; Henry B. Day and Chas. P. Hall, of Boston; Frank P. Carpenter, of Manchester, N. H. These trustees are to sell the stock before Jan. 1, 1917. In March, 1914, by agreement with the Attorney-General of the United States, it was proposed that the Boston R.R. Holding Co. dispose of this stock interest so soon as the necessary authority should be secured from the Massachusetts legislature. In October, 1916, the trustees were granted an extension of one year to January 1, 1918, to dispose of this stock interest. Full details of the proposed segregation of New York, New Haven & Hartford R.R. Co. subsidiaries will be found in statement of that company. See general index.

Management: OFFICERS: M. P. Knowlton, Pres.; Geo. B. Phippen, Treas.; A. B. Nichols, Clerk. DIRECTORS: M. P. Knowlton, Frank P. Carpenter, Henry B. Day, Jas. L. Doherty, Chas. P. Hall. OFFICE, North Station, Boston, Mass.

Capital Stock: Auth. and issued, $27,293,900 4% cum. preferred and $3,106,500 common; par $100. Preferred is callable at 110 and int. On June 30, 1916, the New York, New Haven & Hartford R.R. owned $24,493,900 preferred and all the common.

BOSTON AND MAINE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26

Origin: Incorporated Jan. 1, 1842, under laws of Maine, New Hampshire, and Massachusetts, as a consolidation of the Boston & Portland R.R. of Mass., the Boston & Portland R.R. of New Hampshire, and the Maine, New Hampshire and Mass. R.R. of Maine. The original line extended from Wilmington to South Berwick, and was opened Feb. 23, 1843. Further extensions were constructed from time to time and various subsidiaries acquired. The Boston & Lowell R.R. Corporation was leased to the Boston & Maine on April 1, 1887, for 88 years. This lease included the subsidiaries of the Boston & Lowell, *viz.*, the Concord & Claremont, the Connecticut & Passumpsic Rivers R.R., the Manchester & Keene R.R., the Massawippi Valley Ry., the Nashua & Lowell R.R. Corporation, the Northern R.R., the Peterborough & Hillsborough R.R., the Peterborough R.R., Stony Brook R.R., the Wilton R.R. The Concord & Montreal R.R., and leased lines were leased to the Boston & Maine for 91 years from April 1, 1895. The Fitchburg R.R. was leased to the Boston & Maine for 99 years from July 1, 1900. This latter lease involved the control by the Boston & Maine of the Troy & Bennington R.R., and the Vermont & Massachusetts R.R. The Connecticut River R.R. was leased to the Boston & Maine for 99 years from Jan. 1, 1893; the Kennebunk & Kennebunkport for 99 years from May 15, 1883; the Lowell & Andover for 99 years from Dec. 1, 1874; the Manchester & Lawrence for 50 years from Sept. 1, 1887. In addition, the Boston & Maine controls the Vermont Valley R.R., the Sullivan County R.R., the York Harbor & Beach R.R., the Mount Washington Ry., the St. Johnsburg & Lake Champlain R.R., the Montpelier & Wells River R.R., the Barre R.R., and the Conway Electric Street Railway. It formerly controlled the Maine Central R.R. system, through ownership of a majority of the capital stock of the latter.

Location: The directly operated lines of the Boston & Maine Railroad system on June 30, 1916, consisted of 2,298.49 miles, classified as follows: Main lines owned, 524.54 miles (including traffic rights); main line branches owned, 182.79 miles; main lines leased, 798.07 miles; branches of leased lines, 717.33 miles; trackage rights and electric branches, 75.76 miles. Mileage mainly in Massachusetts, New Hampshire, and Maine. Population of these States in 1890, 3,276,559; in 1900, 3,911,400; in 1910, 4,539,359.

Control: The Boston Railroad Holding Company (see page 198) owns a majority of the capital stock of the Boston & Maine R.R., which has been transferred to five trustees pending its sale before Jan. 1, 1918. The former company is controlled by stock ownership by the New York, New Haven & Hartford R.R.

Receivership: On Aug. 21, 1916, President James H. Hustis was appointed temporary receiver by Judge Putnam in the U. S. Circuit Court at Boston. Failure of the various interests to agree upon a reorganization plan and inability to further extend maturing short term notes precipitated the receivership. For further details consult our Special Investors Service.

Management: OFFICERS: Jas. H. Hustis, Pres. and Rec.; Wm. J. Hobbs, Vice-Pres.; Woodward Hudson, Vice-Pres.; Herbert R. Wheeler, Treas.; Arthur B. Nichols, Clerk. DIRECTORS: J. M. Prendergast, F. C. Dumaine, Chas. W. Bosworth, Frank P. Carpenter, Jas. D. Upham, Geo. H. Prouty, Saml. Carr, Jas. H. Hustis, Chas. S. Cook, Henry B. Day, Jas. L. Doherty, Chas. P. Hall, M. P. Knowlton, N. L. Bassett. Annual meeting, second Wednesday in Oct. GENERAL OFFICE, North Station, Boston, Mass.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	13.97%	11.98%	15.09%	13.07%	14.31%	15.69%	14.81%	15.37%	15.85%	15.2%
Products of Animals.....	4.32	4.77	5.15	4.59	3.02	4.24	4.30	4.07	3.93	4.7
Products of Mines.....	23.53	29.91	25.97	26.17	25.28	46.41	26.35	25.68	25.87	24.9
Products of Forests.....	18.43	13.75	13.38	14.62	13.69	12.63	12.54	15.41	12.13	14.2
Manufactures.....	16.73	17.28	18.62	20.44	18.72	18.76	19.42	20.04	19.49	22.5
Merchandise and Miscel...	23.02	22.31	21.79	21.11	25.08	22.27	22.58	19.43	22.73	18.5

Total revenue tonnage, year ended June 30, 1900, 12,426,571 tons; 1909, 20,414,314 tons; 1910, 22,815,528 tons; 1911, 23,064,301 tons; 1912, 23,694,987 tons; 25,473,568 tons in 1913; 24,752,884 tons in 1914; 22,678,480 tons in 1915; 26,497,039 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	2,288	522	1,073	1,719	21,319	60½%	333,268	1,003,921	229	$1.87	1.73c	1.08c
1908.....	2,288	560	1,095	1,792	24,949	59	345,629	940,852	237	1.82	1.71	1.04
1909.....	2,289	564	1,093	1,726	25,911	59	346,188	928,769	240	1.92	1.70	1.08
1910.....	2,243	564	1,133	1,756	26,193	60	385,587	1,046,119	247	1.99	1.69	1.08
1911.....	2,243	570	1,246	1,858	27,435	60	384,485	1,054,990	247	2.02	1.80	1.09
1912.....	2,244	600	1,185	2,027	26,749	60	392,490	1,096,698	265	2.15	1.78	1.09
1913.....	2,252	601	1,243	1,972	25,523	60	401,447	1,208,342	292	2.24	1.78	1.05
1914.....	2,252	601	1,208	2,003	25,630	59	397,959	1,170,294	314	2.37	1.77	1.06
1915.....	2,302	601	1,159	1,998	25,177	58	369,222	1,049,721	333	2.54	1.82	1.12
1916.....	2,252	601	1,074	1,912	24,579	61	354,660	1,019,609	363	2.66	1.85	1.08
10-Year Average	2,265	578	1,151	1,876	25,347	60%	371,093	1,051,931	277	$2.16	1.76c	1.08c

Yard tracks and sidings, June 30, 1916, 1,360.98 miles.

Comment: During the fiscal year ended June 30, 1916, the Boston & Maine property maintained its volume of passenger and freight business and was able to advance its average freight train load to a higher figure. While freight rates tended to decline, yet train mile earnings improved, and are now far higher than in earlier years. As has always been the case, the freight tonnage on this property is well diversified and is represented very largely by high grade freight.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$17,974	$2,144	$1,931	$3,966	$9.569	$4,439	$4.854	$732	$4,122	$2,877	30%	$1,245	$862
1908	17,070	2,079	1,822	4,159	8,670	4,241	4,543	748	3,795	3,466	9	329	910
1909	17,306	1,857	2,080	3,924	8,424	4,958	5,228	782	4,446	3,403	23	1,043	794
1910	19,330	2,342	2,067	4,770	9,201	5,359	5,711	926	4,785	3,514	27	1,271	832
1911	19,980	2,705	2,428	5,497	10,143	4,340	4,692	932	3,760	3,637	3	123	878
1912	20,494	2,595	2,788	5,452	10,184	4,858	5,303	930	4,373	3,799	13	574	787
1913	21,542	2,409	2,857	5,859	11,060	4,623	5,309	899	4,410	4,388	.....	22	610
1914	21,054	2,907	3,450	6,341	10,665	4,048	4,816	914	3,902	4,777	.....	875*	.....
1915	20,272	3,126	2,908	6,034	9,565	4,673	5,208	859	4,349	4,460	.....	111*	.....
1916	23,123	2,658	2,925	5,583	10,490	7,049	7,569	882	6,687	4,834	30	1,853	.....
10-Year Average	$19,815	$2,482	$2,526	$5,159	$9,797	$4,859	$5,323	$860	$4,463	$3,916	14%	$547	$567

Note: Above table is based on the average mileage directly operated each year, whether owned, leased or otherwise controlled. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $6,687; fixed charges per mile amounted to $4,834, or 70%, thus leaving $1,853, a "margin of safety" of 30%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$52,072,804	$46,667,104	$47,413,906	$48,513,507	$45,990,364	$44,815,084
Maintenance of way	5,986,603	7,195,081	6,545,830	5,424,104	5,823,545	6,066,121
Maintenance of equipment	6,588,043	6,695,420	7,733,871	7,769,904	6,411,596	6,248,435
All other operating expns.	23,623,312	22,019,270	24,016,978	24,907,416	22,852,154	22,834,147
Net operat'g revenues	$15,874,846	$10,757,333	$9,117,227	$10,412,083	$10,903,069	$9,666,381
Operating ratio	69.5%	77.0%	80.8%	78.5%	76.3%	78.4%
Outside operations	*	*	186,240	187,913	143,423	68,236
Other income	1,170,715	1,230,654	1,541,788	1,356,228	855,865	861,504
Total net income	$17,045,561	$11,987,987	$10,845,255	$11,956,224	$11,902,356	$10,596,121
Taxes accrued	1,986,267	1,978,223	2,059,016	2,025,629	2,086,864	2,089,905
Balance for charges	$15,059,294	$10,009,764	$8,786,239	$9,930,595	$9,815,492	$8,506,216
Fixed charges	10,886,166	10,266,420	10,757,142	9,880,898	8,525,244	8,150,228
Surplus over charges	$4,173,128	†$256,656	† $1,970,903	$49,697	$1,290,248	$355,988
Dividends paid	.....	.....	.....	1,374,138	1,767,951	1,958,971
Approp. for imprvmts, etc.	107,437	77,806	.....	.....	.....	.....
Balance	$4,065.691	† $334,462	†$1,970,903	†$1,324,441	†$477,703	†$1,602.893
Earned on stock: Pfd.	132.48%	.....	.....	1.58%	40.96%	11.30%
Com.	9.93%	.....	.....	.....	2.79%	.43%

* Outside operations included in figures for gross and net revenues.

† Deficit.

Note: Other income in 1916 included $191,090 in dividends and interest on investments; $225,360 in miscellaneous rents received. Fixed charges included, rentals of leased lines, $5,626,029; hire of equipment debit, $2,074,248; interest on bonds, $1,729,548; interest on refunded debt, $970,497.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income account, $4,065,691; profit on road and equipment sold, $7,891; unrefundable overcharges, $26,814; miscellaneous credits, $32,818; total, $4,133,214. Contra: Debit balance, June 30, 1915, $3,814,173; loss on retired road and equipment, $225,397; miscellaneous debits, $69,678; credit balance carried to balance sheet, $23,966; total, $4,133,214.

Comment: Both gross and net revenues underwent a very substantial increase on the Boston & Maine Railroad during the fiscal year 1916, and as outside revenue declined only slightly, the total net income was far in excess of that reported in any previous year. After providing for its full fixed charges, the company reported a surplus equal to nearly 10% on the outstanding common stock. The financial position of the property, however, has become so involved that the company was not able to meet its maturing obligations and during the year a receiver was appointed. The company now awaits reorganization.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$13,558	50%	$13,324	50%	$44,741	$71,623	$4,415	$67,208	7%	$83	6%	$779	7%	94%	31%
1908	13,721	50	13,275	50	45,310	72,306	4,411	67,895	6.7	83	6	827	7	75	.....
1909	13,728	43	18,380	57	45,832	77,940	4,413	73,527	7.1	82	6	712	6	92	26
1910	14,263	40	20,719	60	46,790	81,772	5,225	76,547	7.4	84	6	748	6	93	40
1911	18,753	44	22,339	56	48,012	89,104	3,944	85,160	5.5	84	6	796	5½	30	.....
1912	19,009	43	24,887	57	46,140	90,036	5,570	84,466	6.3	84	6	703	4	85	.....
1913	18,941	38	31,234	62	47,182	97,357	10,808	86,549	6.1	84	6	526	3	.....	.....
1914	18,941	39	30,039	61	48,736	97,716	7,799	89,917	5.4	.....	.....	.....	.....	.....	.....
1915	18,530	41	26,357	59	50,036	94,923	6,637	88,286	5.9	.....	.....	.....	.....	.....	.....
1916	18,946	43	25,197	57	51,298	95,441	5,358	90,083	8.4	.....	.....	.....	.....	.....	.....
10-Year Average	$16,839	43%	$22,575	57%	$47,408	$86,822	$5,858	$80,964	6%	$58	4.3%	$509	3.8%	89%	.....

Note: Above table is based on average mileage directly operated in each year. Rentals are the annual lease rents paid for lines leased, capitalized at 5%. In 1916 stock represents capital stock less premium and bonds represent bonds plus $13,306,060 loans and bills payable.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$98,495,738	$89,651,310	$94,049,994	$110,706,594	$95,501,478	$92,894,822
Working assets	18,064,738	26,170,456	25,917,680	16,135,442	18,076,745	15,427,403
Deferred debit items	2,686,703	1,568,082	5,804,053	4,966,153	4,940,785	5,427,700
Accrued income not due	80,358	48,320	118,659	613	606	682
Profit and loss deficit	.....	3,814,173	1,718,328	14,296	.....	.....
Total	$120,327,537	$121,252,341	$127,608,714	$131,823,098	$118,519,614	$113,750,607
Liabilities:						
Capital stock	$49,156,811	$49,156,811	$49,156,811	$49,156,811	$49,156,811	$48,515,757
Funded debt	43,338,000	43,338,000	43,338,000	43,338,000	43,849,000	43,849,000
Working liabilities	21,261,436	23,372,616	31,174,351	34,258,784	19,034,028	14,569,978
Accrued liabilities not due	1,464,575	1,451,939	1,413,518	1,714,602	1,423,455	1,359,286
Deferred credit items	3,445,202	2,420,121	2,526,034	1,993,692	1,954,608	1,949,754
Appropriated surplus	1,637,547	1,512,854	.....	1,361,209	1,289,622	1,221,920
Profit and loss surplus	23,966	.....	.....	.....	1,812,090	2,284,912
Total	$120,327,537	$121,252,341	$127,608,714	$131,823,098	$118,519,614	$113,750,607

Note: The common stock was increased in the year 1911 from $28,841,691 to $38,912,541, thus involving a much larger dividend charge. The rate, however, was reduced to 4% at the end of the year, to 3% in 1913, and omitted entirely in 1914. Interest obligations were also increased in 1911, 1912, 1913 and 1914 by expansion in notes and loans payable. In 1915 loans and bills payable amounted to $17,336,600 (included in working liabilities). In 1916 the corresponding item was $13,306,060. Working assets in 1915 included $13,956,073 in investments, of which $3,886,510 was Maine Rys. Companies 5% notes. (For full details, see statement of Maine Central Ry. Co.)

Comment: There were practically no changes in the financial statement of the Boston & Maine Railroad in 1916. Capitalization in both bonds and stocks remained about the same, and the net capitalization continued to be a relatively heavy one. It will be noted by reference to the balance sheet that the company was able during 1916 to entirely wipe out its profit and loss deficit.

Diversified Investing

Price of the Book, $2.00 per copy net

This subject is fully covered in a small volume entitled "*How to Invest Money Wisely*," by John Moody, which we have recently published. For many years Mr. Moody has made a careful study of this subject in connection with his work as an analyst and adviser for bankers, financial institutions and investors, both at home and abroad. These principles for wisely and intelligently diversifying investment capital have been adopted within the past few years by numerous institutions and several thousand individual investors with satisfaction and profit.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Boston & Me. s. f. Imp. 4s.	F&A	F 1937	Not mtg.	.....		$34	83%	High	High	Ba.
2. Boston & Me. plain 4s.....	F&A	Ag 1942	"	.....		44	83%	"	"	Ba.
3. Boston & Me. plain 4½s...	J&J	Ja 1944	"	.....		118	83%	"	"	Ba.
4. Boston & Me. plain 3s.....	J&J	Jl 1950	"	.....		73	93%	"	"	Ba.
5. Boston & Me. plain 3½s	M&N	N 1921	"	.....		16	83%	"	"	Ba.
6. Boston & Me. plain 3½s...	J&J	Ja 1923	"	.....	$4,463	32	83%	"	"	Ba.
7. Boston & Me. plain 3½s...	F&A	F 1925	"	.....		8	83%	"	"	Ba.
8. Boston & Me. plain 4s.....	M&S	S 1926	"	.....		180	83%	"	"	text
9. Boston & Me. plain 4½s...	A&O	Ap 1929	"	.....		230	83%	"	"	"
10. Ports., Gt. F. & Conway first 4½s.....	J&D	Je 1937	(1st) 73	$13,700		(Pr) 20	83%	"	"	Baa.
11. Boston & Lowell deben. 3½-4s-4½s.....	Var.	1917–33	Not mtg.	(see text)		118	78%	"	"	A.
12. Concord & Claremont first 5s.....	J&J	Ja 1944	(1st) 71	7,000		11	78%	Very high	"	Aa.
13. Conn. & P. Riv. R.R. first 4s	A&O	Ap 1943	(1st) 110	17,272		35	78%	"	"	Aa.
14. Concord & Montreal con. 4s	J&D	Je 1920	(1st) 201	27,300		96	78%	"	"	A.
15. Concord & Mont. deben. 3½–4s.....	J&D	Je 1920	Not mtg.	.....		30	78%	High	"	A.
16. Conn. River R.R. plain 3½s	J&J	Ja 1923	"	.....		15	78%	"	"	A.
17. Conn. River R.R. plain 4s..	M&S	S 1943	"	.....	3,708	18	78%	"	"	A.
18. Conn. River R.R. plain 3½s	J&J	Ja 1921	"	.....		5	78%	"	"	A.
19. Fitchburg R.R. plain 3½s, 4s, 4½s.....	Var.	1920–34	"	.....		429	78%	"	"	A.
20. Troy & Boston first 7s.....	J&J	Jl 1924	(1st) 40	14,300		18	78%	"	"	Aa.
21. Verm. & Mass. R. R. 3½s..	M&N	My 1923	Not mtg.	.....		12	78%	Very high	"	Aa.
22. Manch. & Law. plain 4s....	J&J	Ja 1922	"	.....		5	78%	High	"	Aa.
23. Peterboro & Hills. first 4½s.	J&J	Jl 1917	(1st) 18	5,555		2	78%	"	Fair	A.
24. Worcester, Nash. & Roch. first 4s.....	J&J A&O	1930–35	(1st) 47	27,000		22	78%	Very high	High	Aa.
25. Boston & Me. 6% notes....	J&D	(see text)	(see text)	.....		340	text	Fair	Fair	text
26. Boston & Me. 6% notes....	F&A	"	"	.....	1,424*		"	"	"	"
27. Leased line notes.....	Var.	Var.	"	(see text)		192	"	"	"	B.

* After deducting stock dividend guarantees.

Note: Because of the uncertainties regarding the success of a reorganization in the near future for the Boston & Maine system, many of the above bond issues are given a more conservative rating than might otherwise be the case. Until a definite plan of reorganization has been carried through, the general credit of the property and its security issues must be viewed with conservatism.

REFERENCE NOTES ON BOND ISSUES

1. Outstanding, $1,919,000. Dated Feb. 1, 1887; due Feb. 1, 1937. Int. paid at company's office, Boston. Coupon, $1,000. Sinking fund: 1½% annually of bonds outstanding to be invested in these bonds or other approved securities. Now in fund, $1,243,707. Not a mortgage. Legal for S. B. in Me. and N. H. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

2. Outstanding, $2,500,000. Dated Aug. 1, 1892; due Aug. 1, 1942. Int. paid at company's office, Boston. Coupon, $1,000; reg., $5,000. Not a mortgage. Legal for S. B. in Me. and N. H. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

3. Outstanding, $6,000,000. Dated Jan. 1, 1894; due Jan. 1, 1944. Int. paid at company's office, Boston. Coupon and reg., $1,000. Not a mortgage. Legal for S. B. in Me. and N. H. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

4. Outstanding, $5,454,000. Dated July 2, 1900; due July 1, 1950. Int. paid at company's office, Boston. Coupon and reg., $1,000. Not a mortgage. Legal for S. B. in Me. and N. H. Normal income tax deducted from interest.

5. Outstanding, $1,000,000. Dated Nov. 1, 1901; due Nov. 1, 1921. Int. paid at company's office, Boston. Coupon and reg., $1,000. Not a mortgage. Legal for S. B. in Me. and N. H. Normal income tax deducted from interest.

6. Outstanding, $2,000,000. Dated Jan. 1, 1903; due Jan. 1, 1923. Int. paid at company's office, Boston. Coupon and reg., $1,000. Not a mortgage. Legal for S. B. in Me. and N. H. Normal income tax deducted from interest.

7. Outstanding, $500,000. Dated Feb. 2, 1905; due Feb. 2, 1925. Int. paid at company's office, Boston. Coupon, $1,000. Not a mortgage. Legal for S. B. in Me. and N. H. Normal income tax deducted from interest.

8. Outstanding, $10,000,000. Dated Sept. 1, 1906; due Sept. 1, 1926. Int. paid at company's office, Boston. Coupon and reg., $1,000. Not a mortgage. Legal for S. B. in Me. and N. H. Normal income tax deducted from interest. Sept., 1916, int. in default.

9. Outstanding, $11,700,000. Dated April 1, 1909; due April 1, 1929. Int. paid at company's office, Boston. Coupon and reg., $1,000. Not a mortgage. Legal for S. B. in Me. and N. H. Normal income tax deducted from interest. Oct., 1916, int. in default.

10. Auth. and outstanding, $1,000,000. Dated June 1, 1877; due June 1, 1937. Int. paid at New York and Boston. Coupon, $500 and $1,000. Assumed by Boston & Maine R.R. First lien from Jewett, Me., to N. Conway, N. H., 73.37 miles. Legal for S. B. in Me. and N. H. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

11. In several series: (1) $1,000,000 4s, due April 1, 1932, int. April and Oct.; (2) $1,250,000 5s, due Mar. 1, 1936; int. Mar. and Sept.; (3) $414,000 4s, due Oct., 1917-18, int. April and Oct.; (4) $620,000 3½s, due July, 1919, $319,000, 3½s, due Jan., 1921, int. Jan. and July; (5) $250,000 3½s, due May 1, 1923, int. May and Nov.; (6) $500,000 3½s, due Sept. 1, 1925, int. Mar. and Sept.; (7) $500,000 4s, due Nov. 1, 1926, int. May and Nov.; (8) $325,000 4s, due July 1, 1927, int. Jan. and July; (9) $350,000 4s, due April 1, 1929, int. April and Oct.; (10) $1,000,000 4½s, due Feb. 1, 1933, int. Feb. and Aug. Int. on all payable at Merchants' Nat. Bank, Boston. Coupon, $1,000; reg., $1,000, $5,000, $10,000, $25,000. Not a mortgage. Int. guar. under lease by Boston & Maine R.R. Normal income tax deducted from interest. Legal for S. B. in Conn., Mass.

12. Auth. and outstanding, $500,000. Dated Jan. 1, 1914; due Jan. 1, 1944. Int. paid at Mutual National Bank, Boston. Coupon, $1,000. Int. guar. under lease by Boston & Lowell R.R. and assigned to Boston & Maine R.R. First lien from Concord to Claremont Junc., 56.63 miles; Contoocookville to Hillsboro, 14.27 miles; total, 70.90 miles, all in N. H. Normal income tax deducted from interest.

13. Auth. and outstanding, $1,900,000. Dated April 1, 1893; due April 1, 1943. Int. paid at Boston Safe Deposit & Trust Co., Boston. Coupon, $1,000. Guar. jointly and severally as to int. by Boston & Lowell R.R. and Boston & Maine R.R. First lien from White River Junc., Vt., to Canada Line, 110.30 miles; on the lease of the Massawippi Valley Ry. Co. (from Canadian Border to Sherbrooke and Stanstead), 35.46 miles; first collateral lien on 4,000 shares of the latter company, the shares during said lease being without voting rights and bearing no dividends. Legal for S. B. in Conn., Me., Mass., Mich., Minn., N. J., Vt., Wis. Listed on N. Y. and Boston Stock Exchanges. Normal income tax deducted from interest.

14. Auth. and outstanding, $5,500,000. Dated June 2, 1890; due June 1, 1920. Int. paid at Boston Safe Deposit & Trust Co., Boston. Coupon, $1,000. Guar. as to int. by Boston & Maine R.R. First lien on 201.24 miles, all in N. H., as follows: From Groveton to Nashua, 181.07 miles; Wing Road to Mt. Washington, 20.17 miles. Legal for S. B. in Conn., Me., Mass., Mich., Minn., N. H., N. J., Vt., R. I., Wis. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

15. In four series: Issue of June 1, 1897, auth. and outstanding, $650,000 4s. Issue of Dec. 1, 1899, auth. $500,000; outstanding $400,00 3½s; issue of June 1, 1901, auth. $1,000,000; outstanding $473,000 3½s; issue of Dec. 1, 1914, auth. and outstanding, $200,000 5s. All series due June 1, 1920. Int. paid at Boston Safe Deposit & Trust Co., Boston. Coupon, $1,000. Guar. as to int. by Boston & Maine R.R. Not a mortgage. Legal for S. B. in Conn., N. H. Normal income tax deducted from interest.

16. Outstanding, $969,000. Dated Jan 1, 1903; due Jan. 1, 1923. Int. paid at Second National Bank, Boston. Coupon, $1,000. Guar. as to int. by Boston & Maine R. R. Not a mortgage. Legal for S. B. in Mass., Conn., Me. Normal income tax deducted from interest.

17. Auth. and outstanding, $1,000,000. Dated Sept. 1, 1893; due Sept. 1, 1943. Int. paid at Boston. Coupon, $1,000. Guar. as to int. by Boston & Maine R.R. Not a mortgage. Legal for S. B. in Conn., Mass., Me. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

18. Outstanding, $200,000. Dated Jan. 1901; due Jan. 1, 1921. Int. paid at Boston. Guar. as to int. by Boston & Maine R.R. Coupon, $1,000. Not a mortgage. Legal for S. B. in Conn., Mass., Me. Normal income tax deducted from interest.

19. Outstanding, $500,000 4s; dated June 1, 1890; due June 1, 1920. Int. paid at company's office, Boston. Listed on Boston Stock Exchange. Outstanding, $500,000 3½s; dated Oct. 1, 1900; due Oct. 1, 1920. Int. paid at company's office, Boston. Outstanding, $1,775,000 3½s; dated Oct. 1, 1901; due Oct. 1, 1921. Int. paid at company's office, Boston. Auth. and outstanding, $3,660,000 4s; dated May 1, 1905; due May 1, 1925. Int. paid at company's office, Boston. Outstanding, $2,750,000 4s; dated Mar. 1, 1897; due Mar. 1, 1 27. Int. paid at company's office, Boston. Listed on Boston Stock Exchange. Auth. and outstanding, $2,000,000 4s; dated April 1, 1907; due April 1, 1927. Int. paid at company's office Boston. Outstanding, $1,450,000 4s; dated Jan. 1, 1898; due Jan. 1, 1928. Int. paid at company's office, Boston. Llsted on Boston Stock Exchange. Auth. and outstanding, $2,400,000 4½s; dated May 1, 1908; due May 1, 1928. Int. paid at Treasurer's office, Boston. Auth. and outstanding, $1,200,000 4½s; dated Jan. 1, 1912; due Jan. 1, 1932. Int. paid at company's office, Boston. Outstanding, $5,000,000 4s; dated Feb. 1, 1887; due Feb. 1, 1937. Int. paid in Boston. Outstanding, $400,000 4½s; dated Jan. 1, 1913; due Jan. 1, 1933. Int. paid in Boston. Outstanding, $1,872,000 5s; dated Jan. 1, 1914; due Jan. 1, 1934. Int. paid in Boston. All issues, coupon, $1,000, and reg., $1,000 and multiples. All bonds guar. as to int. by Boston & Maine R.R. Direct obligation of the company, but not mortgages. Legal for S. B. in Conn., Mass. Normal income tax deducted from interest.

20. Auth., $1,500,000; outstanding, $573,000 (closed). Dated July 1, 1874; due July 1, 1924. Int. paid at Fitchburg R.R. Co.'s office, Boston. Coupon, $1,000; reg. $1,000 to $10.000. Assumed by Fitchburg R.R. Guar. as to int. by Boston & Maine R.R. First lien from Troy, N. Y., to New York-Vermont State line, 40.30 miles; also on a one-quarter interest in the Troy Union R.R., 2.03 miles. Legal for S. B. in Conn., Mass., Me., Mich., Minn., N. J., Wis. Normal income tax deducted from interest.

21. Outstanding, $772.000. Dated May 1, 1903; due May 1, 1923. Int. paid at Fitchburg R.R. Co.'s office, Boston. Coupon and reg., $1,000. Guar. prin. and int. by Fitchburg R.R., which guarantee was assumed by Boston & Maine R.R. Not a mortgage. Legal for S. B. in Conn., Mass. Normal income tax deducted from interest.

22. Auth., $300,000; outstanding, $274,000. Dated Jan. 1, 1892; due Jan. 1, 1922. Int. paid at office of Boston & Maine R.R., Boston. Coupon, $1,000. Guar. as to int. by Boston & Maine R.R. by endorsement. Not a mortgage. Legal for S. B. in N. H. Normal income tax deducted from interest.

23. Auth. and outstanding, $100,000. Dated July 1, 1897; due July 1, 1917. Int. paid at First Nat. Bank, Boston. Guar. prin. and Int. by Boston & Maine R.R. and Boston & Lowell R.R. jointly and severally. Coupon, $500. Flrst llen on 18.51 miles from Peterborough to Hillsborough, N. H. Legal for S. B. in Me. and N. H. Normal income tax deducted from interest.

24. Auth., $1,789,000; outstanding, $1,265,000. "A," $150,000, dated Jan. 1, 1906; due Jan. 1, 1935; "B," $735,000, dated Jan. 1, 1890; due Jan. 1 1930; "C," $380,000 dated Oct. 1, 1894; due Oct. 1, 1934. Int. paid at American Trust Co., Boston. Coupon, $1,000. Assumed by Boston & Maine R.R. First lien from Worcester, Mass., to Nashua, N. H., 47 miles. Legal for S. B. in Me., N. H. Normal income tax deducted from interest.

25. Auth. and outstanding, $17,000,000. (See below.) Dated June 2, 1913; due Mar. 2, 1915; extended to Aug. 31, 1916. Interest paid at Boston, at rate of 6%. Not a mortgage. Normal income tax deducted from interest.

26. Auth. and outstanding, $10,000,000. (See below.) Dated Feb. 3, 1913; due Mar. 2, 1915; extended to Aug. 31, 1916. Interest paid in Boston. Coupon, $5,000 and $10,000. Normal income tax deducted from interest.

Note: On June 30, 1916, notes outstanding amounted to $13,306,060. Payment was not made at maturity and principal is now in default.

27. Notes of Leased Lines: On June 30, 1916, the following notes of leased lines were outstanding: $1,359,000 Fitchburg R.R. Co. 6% notes, dated Feb. 15, 1916, due Feb. 15, 1917; $750,000 Fitchburg R.R. 6% notes, dated June 1, 1915, due June 1, 1917; $500,000 Fitchburg R.R. Co. 5% notes, dated June 30, 1916, due June 30, 1917; $2,000,000 Connecticut River R.R. 6% notes, dated June 2, 1915, due July 17, 1917; $450,000 Connecticut River R.R. 6% notes, dated June 1, 1915, due July 17, 1916; $2,300,000 Vermont Valley R.R. 6% notes, due July 17, 1916, guar. by Conn. River R.R. and endorsed by B. & M. R.R. Total notes of leased lines outstanding, $7,359,000. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Boston & Lowell R.R. gtd. stock. Par $100. Outstanding, $7,679,400.	8% J&J	$69,200		$270	49%	High	Fair	Ba.
2. Conn. & Passumpsic Riv. R.R. gtd. stock. Par. $100. Outstanding, $2,500,000.	6% F&A	22,720		66	49%	"	"	Ba.
3. Massawippi Valley Ry. gtd. stock. Par $100. Outstanding, $400,000.	6% F&A	11,270		11	49%	"	"	Ba.
4. Nashua & Lowell R.R. Corp. gtd. stock. Par $100. Outstanding, $800,000.	9% M&N	55,180		32	49%	"	"	Baa.
5. Northern R.R. (N. H.) gtd. stock. Par $100. Outstanding, $3,068,400.	6% Qu J	37,000		82	49%	"	"	Ba.
6. Peterborough R.R. gtd. stock. Par $100. Outstanding, $385,000.	4% A&O	36,800		7	49%	"	"	Ba.
7. Stony Brook R.R. gtd. stock. Par $100. Outstanding, $300,000.	7% J&J	23,000		9	49%	"	"	Ba.
8. Wilton R.R. gtd. stock. Par $100. Outstanding, $240,000.	8½%A&O	15,500		8	49%	"	"	Ba.
9. Concord & Montreal R.R. gtd. stock. Par $100. Outstanding, $8,257,600.	7% Qu J	22,440		251	49%	"	"	Ba.
10. Concord & Portsmouth R.R. gtd. stock. Par $100. Outstanding, $350,000.	7% J&J	9,000	$2,892	11	49%	"	"	Ba.
11. Pemigewasset R.R. gtd. stock. Par $100. Outstanding, $541,500.	6% F&A	23,500		14	49%	"	"	Ba.
12. Suncook Valley R.R. gtd. stock. Par $100. Outstanding, $341,700.	3% J&J	20,000		4	49%	"	"	Ba.
13. Connecticut River R.R. gtd. stock. Par $100. Outstanding, $3,233,300.	10% J&J	36,730		140	49%	"	"	Ba.
14. Fitchburg R.R. gtd. pfd. stock. Par $100. Outstanding, $18,860,000.	5% Qu J	47,820		410	49%	"	"	Ba.
15. Troy & Bennington R.R. gtd. stock. Par $100. Outstanding, $150,800.	10% F&A	30,000		7	49%	"	"	Ba.
16. Vermont & Mass. R.R. gtd. stock. Par $100. Outstanding, $3,193,000.	6% A&O	54,500		83	49%	"	"	Ba.
17. Kennebunk & Ken'port R.R. gtd. stk. Par $100. Outstanding, $65,000.	4½%M&N	14,440		1	49%	"	"	Ba.
18. Lowell & Andover R.R. gtd. stock. Par $100. Outstanding, $625,000.	8% J&D	70,700		20	49%	"	"	Ba.
19. Manchester & Lawrence gtd. stock. Par $100. Outstanding, $1,000;000.	10%M&N	44,450		42	49%	"	"	Ba.
20. Boston & Maine R.R. pfd. stock. Par $100. Outstanding, $3,149,800.	See text	14,000	547*	.....	.....	Fair	"	Caa.
21. Boston & Maine R.R. common stock. Par $100. Outstanding, $39,505,390.	None	17,542	.....	.....	.....	Poor	"	C.

*After allowance for guarantees, floating debt, int., etc.

Present Position of Guaranteed Stocks: The ratings given on the several guaranteed stock issues of the Boston & Maine Railroad should be accepted with the following facts in view. The Boston & Maine R.R. has made application to the legislatures of the several states within its territory looking to the revision of a number of these guarantees, or their abrogation. No definite plan for adjusting the leases has yet been adopted, but in view of the heavy rental charges of the Boston & Maine, it will be necessary to make certain readjustments, either of the dividend rates or of the general terms of the leases. One of the proposals is that certain of the guaranteed stocks be exchanged for preferred stock of the Boston & Maine and the properties be directly merged. This change might tend to reduce the investment value of many of the above issues. On the other hand, a more favorable adjustment of the matter, from the standpoint of the various issues, would tend to advance their investment value.

REFERENCE NOTES ON STOCK ISSUES

1. Road leased to Boston & Maine until 1986, and 8% div. guaranteed on stock. Boston & Maine owns $561,900. Legal for Savings Banks in N. H. and Me. Company owns 111.27 miles; Boston to Lowell, Lawrence and branches.

2. Leased to Boston & Lowell until 1986, with guarantee of 6% on stock; lease assumed by Boston & Maine. Legal for S. B. in N. H. and Maine. Company owns 110.3 miles, White River Junc., Vt., to Canada line.

3. Leased for 999 years to Conn. and Passum. Rivers R.R. at same stock rental as latter receives from Boston & Maine (6%). Guarantor also owns $400,000, which receives no dividends. Legal for S. B. in N. H. and Maine. Company owns 35.46 miles, Canada line to Lennoxville, Que., Beebe Junc. to Stanstead, Que.

4. Leased until 1979 to Boston & Lowell at rental of 9% on stock; lease assumed by Boston & Maine. Legal for S. B. in N. H. and Maine. Company owns 14.5 miles, Lowell, Mass., to Nashua, N. H.

5. Leased to Boston & Lowell until 1989, at rental of int. on bonds and 6% on stock; lease assumed by Boston & Maine. Legal for S. B. in N. H. and Maine. Company owns 82.91 miles, Concord to White River Junc. and Franklin to Bristol.

6. Leased to Boston & Lowell at rental of 4% on stock; leased assumed by Boston & Maine. Boston & Lowell owns $33,100. Legal for S. B. in N. H. Company owns 10.5 miles, Wilton to Greenfield, Mass.

7. Leased to Boston & Lowell until 1989 at rental of 7% on stock; lease assumed by Boston & Maine. Legal for S. B. in N. H. and Maine. Company owns 13.16 miles, N. Chelmsford to Ayer, Mass.

8. Leased to Boston and Lowell until 1982 at rental of 8½% on stock; lease assumed by Boston & Maine. Legal for S. B. in N. H. and Maine. Company owns 15.5 miles, Nashua to Wilton, N. H.

9. Leased to Boston & Maine until 1986; rental, assumption of all obligations and 7% on stock. Stock is in four classes, all equally secured. Legal for S. B. in N. H. and Maine. Company owns 368.17 miles in southern New Hampshire.

10. Leased to Concord & Montreal R.R. until 1961 at rental of 7% on stock; lease assumed by Boston & Maine. Legal for S. B. in N. H. and Maine. Company owns 39.87 miles, Portsmouth to Manchester, N. H.

11. Leased to Boston, Concord & Montreal R.R. until 1982 at rental of 6% on stock; lease assumed by Boston & Maine. Legal for S. B. in N. H. and Maine. Lessee owns $38,100. Company owns 22.93 miles, Plymouth to Lincoln, N. H.

12. Leased to Concord & Montreal R.R. until 1912 at rental of 6% on stock; lease assumed by Boston & Maine. Lease extended to 1916, at 3% on $240,000 stock. Company owns 17.14 miles, Suncook to Pittsfield.

13. Leased to Boston & Maine R.R. until 1992 at rental of interest on bonds and 10% on stock. Legal for S. B. in N. H. and Maine. Company owns 88.36 miles, Springfield to Brattleboro and branches.

14. Leased to Boston & Maine until 1999 at rental of 5% on preferred stock, 1% on common stock, and assumption of all obligations. No common now outstanding in hands of public. Preferred legal for S. B. in N. H. and Maine. Company owns 394.14 miles, Boston to Troy, N. Y., and branches.

15. Leased in perpetuity to Fitchburg R.R.; rental 10% on stock; lease assumed by Boston & Maine. Legal for S. B. in N. H. and Maine. Company owns 5.04 miles, Hoosick Junc., N. Y., to Vermont State line.

16. Road leased to Fitchburg R.R. for 999 years at rental of interest on bonds and 6% on stock; lease assumed by Boston & Maine. Legal for S. B. in N. H. and Maine. Company owns 58.58 miles, Fitchburg to Greenfield and Turners Falls.

17. Leased to Boston & Maine until 1982 at rental of 4½% on stock. Legal for S. B. in N. H. Company owns 4.5 miles, Kennebunk to Kennebunkport, Me.

18. Leased to Boston & Maine until 1973 at rental of $52,500 per anum. Legal for S. B. in N. H. Company owns 8.85 miles, Lowell to Lowell Junc., Mass.

19. Leased to Boston & Maine until 1937; rental int. on bonds and 10% on stock. Legal for S. B. in N. H. Company owns 22.39 miles, Manchester, N. H., to Mass. State line.

20. Preferred is entitled to 6% non-cumulative dividends, but has no preference as to assets. Dividends were paid at full rate until Sept., 1913; none since. Listed on Boston Stock Exchange.

21. In Oct., 1912, stockholders authorized an increase in the issue of $10,663,700, but none of this has been sold as yet. Dividends were regularly paid on this stock without interruption for over 70 years, at rates varying from 2% to 12%. From 1901 to 1909 the rate was 7%; in 1910, 6%; in 1911, 5½%; in 1912, 4%; in 1913, 3%; none since. Listed on Boston Stock Exchange.

COMPANIES CONTROLLED BY BOSTON & MAINE RAILROAD, DIRECTLY OPERATED

BARRE AND CHELSEA RAILROAD COMPANY

Incorporated under laws of Vermont in Sept., 1913, as a consolidation of the Barre R.R. and the East Barre & Chelsea R.R. Line of road, Barre, Vt., to East Barre, etc., 24.59 miles. Controlled by Vermont Valley R. R.

Management: OFFICERS: Jas. H. Hustis, Pres.; H. E. Folsom, Vice-Pres.; J. G. Farwell, Clerk and Treas.; W. J. Hobbs, Compt. DIRECTORS: Jas. H. Hustis, H. E. Folsom, W. J. Hobbs, W. B. C. Stickney, J. W. Brock. Annual meeting, third Thursday in September. OFFICE, Barre, Vt.

Comparative Income Account, Years Ended June 30
(Barre Railroad only until 1914)

	1916	1915	1914	1913	1912	1911	1910	1909
Gross earnings	$130,960	$108,273	$123,578	$123,438	$111,265	$124,414	$102,808	$133,621
Net earnings	26,669	23,838	37,816	42,809	30,210	32,596	10,954	24,917
Total net income	53,975	49,165	67,539	75,944	54,102	57,753	33,013	46,215
Dividends paid	20,000	20,000	20,000	20,000	22,000	24,000	20,000	30,000

Capital Stock: Auth. and issued, $400,000, of which Vermont Valley R.R. owned $398,900. Dividends of from 5 to 7½% paid for many years; 1913 to 1916, 5% each.

MONTPELIER AND WELLS RIVER RAILROAD

Incorporated under laws of Vermont in 1867. Line of road, Montpelier to Wells River with branches, 40 miles. In Sept., 1913, the Barre Branch R.R., operating 3½ miles, was merged. Total now operated, 45 miles.

Management: OFFICERS: Jas. H. Hustis, Pres.; H. E. Folsom, Vice-Pres.; J. G. Farwell, Clerk and Treas.; Wm. J. Hobbs, Compt. DIRECTORS: Jas. H. Hustis, H. E. Folsom, Wm. J. Hobbs, W. B. C. Stickney, James W. Brock. Annual meeting, third Thursday in September. OFFICE, Montpelier, Vt.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$293,048	$275,827	$289,388	$271,604	$263,577	$262,205	$238,896
Net earnings	57,345	51,212	62,634	65,214	78,098	101,814	59,540
Total net income	61,093	55,227	65,699	69,502	82,188	105,182	62,282
Fixed charges, taxes	43,689	39,100	44,406	40,160	.....	.....	.....
Balance	$17,404	$16,127	$21,093	$28,641	.....	.....	.....
Dividends	13,422	26,844	26,843	40,000	.....	.....	.....
Surplus	$3,982	(def.) $10,717	(def.) $5,750	(def.) $11,358	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,135,994	$1,136,505	$1,144,017	$1,028,028	$1,009,107	$999,594
Working assets	71,670	96,698	104,385	131,996	190,962	142,401
Deferred debit items	1,624	1,906	1,460	13,216	965	687
Total	$1,209,288	$1,235,109	$1,249,862	$1,173,240	$1,201,034	$1,142,682
LIABILITIES:						
Capital stock	$894,800	$894,800	$894,800	$800,000	$800,000	$800,000
Working liabilities	28,913	58,952	64,411	78,899	99,788	51,924
Accrued liabilities not due	10,236	10,183	9,916	7,856	3,383	4,235
Deferred credit items	1,312	1,175	.....	.....	.....	.....
Appropriated surplus	19,344	19,344	19,344	19,344	19,344	9,365
Profit and loss surplus	254,683	250,655	261,391	267,141	278,520	277,158
Total	$1,209,288	$1,235,109	$1,249,862	$1,173,240	$1,201,034	$1,142,682

Capital Stock: Auth. and issued, $894,800, of which Vermont Valley R.R. owns $894,100; par $50. Dividends paid 5% per annum to 1913; in 1914 and 1915, 3%; 1½% in 1916. Payments Jan. and July 1. No bonds.

MOUNT WASHINGTON RAILWAY COMPANY

Incorporated under New Hampshire laws in 1858; road first opened in 1869. Line of road: Base to summit of Mount Washington, N. H., 3.17 miles. Controlled by Boston & Maine R.R. through the Concord and Montreal R.R., the latter owning the entire stock.

Management: B. A. Kimball, Pres.; Geo. E. Cummings, Vice-Pres.; John F. Webster, Treas. and Clerk; Wm. J. Hobbs, Compt. DIRECTORS: Alvin B. Cross, F. P. Andrews, G. E. Cummings, W. P. Chamberlain, W. F. Tripp, H. B. Moulton, C. H. Greenleaf, A. B. Carpenter, B. A. Kimball. Annual meeting, second Wednesday in May. OFFICE, Concord, N. H.

Comparative Income Account, Years Ended March 31

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$18,354	$18,096	$20,263	$20,420	$21,281	$23,793	$23,082
Operating expenses and taxes	15,502	14,911	15,873	14,834	20,487	15,247	14,620
Net earnings	$2,853	$3,185	$4,390	$5,586	$794	$8,546	$8,462
Other income	223	641	675	65	5	35	5
Total net income	$3,075	$3,826	$5,065	$5,651	$799	$8,581	$8,467
Charges	.....	.....	6	1,184	780	.....	1,890
Balance	$3,075	$3,826	$5,059	$4,467	$19	$8,581	$6,563
Dividends	.....	.....	4,230	4,230	.....	8,460	6,345
Surplus	$3,075	$3,826	$829	$237	$19	$121	$232

Capital Stock: Outstanding, $211,500; par $100. Dividends, 1910, 3%; 1911, 4%; 1913, 2%; 1914, 2%; none in 1915 and 1916. All owned by Concord & Montreal R.R. No bonded debt.

ST. JOHNSBURY & LAKE CHAMPLAIN RAILROAD

Incorporated under laws of Vermont, January 31,.1880, to acquire the Vermont Division of the Portland & Ogdensburg R.R. Line of road owned: St. Johnsbury to Maquam Bay, Vt., 98.45 miles. Sidings, 16.14 miles. Only the section from St. Johnsbury to Maquam Bay is now operated by the company, the line to Lunenburg, including Victory branch, having been leased to Maine Central R.R. since Jan. 1, 1912. Locomotives, 12; cars, 46. All leased.

Management: H. E. Folsom, Pres. and Supt.; W. J. Hobbs, Vice-Pres. and Compt.; F. C. Mayo, Sec. and Treas. DIRECTORS: Wm. J. Hobbs, Harry Blodget, Chas. H. Stevens, F. C. Fleetwood, A. W. Sulloway, C. S. Page, H. E. Folsom, J. H. Hustis, H. B. Day. Annual meeting, second Thursday in September. OFFICE, Lyndonville, Vt.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910	1909
Gross earnings	$351,810	$316,036	$386,464	$385,450	$361,338	$385,237	$360,802	$332,364
Net earnings	40,559	13,157	57,136	81,168	86,992	108,483	81,729	67,522
Total net income...	61,703	36,690	83,256	107,274	101,089	109,910	82,540	68,738
Fixed charges	143,274	* 163,819	171,651	162,440	150,449	148,148	141,181	135,550
Deficit	$81,571	$127,129	$83,394	$55,165	$49,360	$38,238	$58,641	$66,812

* Includes $15,398 taxes.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $2,367,894. Contra: Debit balance at beginning of year, $2,256,697; debit balance transferred from income, $81,571; loss on retired road and equipment, $29,626; total, $2,367,894.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,813,515	$4,828,276	$4,819,976	$4,803,858	$4,785,748	$4,780,144
Working assets	82,249	56,738	80,986	69,075	55,873	12,994
Deferred debit items.....	22,735	3,559	14,126	3,144	1,419	.....
Profit and loss deficit.....	2,367,894	2,256,697	2,129,568	2,041,174	1,985,802	1,936,636
Total	$7,286,393	$7,145,270	$7,044,656	$6,917,251	$6,828,842	$6,789,774
LIABILITIES:						
Capital stock	$3,606,849	$3,606,849	$3,606,849	$3,606,849	$3,606,849	$3,606,849
Funded debt	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Working liabilities	1,145,239	1,006,960	907,468	781,628	694,769	655,921
Accrued liabilities not due	29,783	29,785	29,785	28,324	26,673	26,833
Deferred credit items....	4,522	1,676	554	450	551	171
Total	$7,286,393	$7,145,270	$7,044,656	$6,917,251	$6,828,842	$6,789,774

Bonded Debt: $2,500,000 first 5s, due Mar. 1, 1944; int. Mar. and Sept. First lien on entire property. Boston & Maine owns $432,000 of the issue and the Boston & Lowell $740,000. The outstanding balance is guaranteed prin. and int. by the Boston & Maine R.R. Legal for Savings Banks in N. H. Normal income tax deducted from interest. Net Rating, B.

Capital Stock: Outstanding, $1,154,400 6% non-cumulative preferred and $2,452,449 common; par $50. The Boston & Lowell R.R. owns $363,250 preferred and $1,565,250 common, and the Boston & Maine R.R. owns $207,500 preferred and $22,750 common. No dividends.

THE SULLIVAN COUNTY RAILROAD

Line of road, Bellows Falls to Windsor, Vt., 26.0 miles. Second track, 17.07 miles. Sidings, 8.33 miles. In 1912 it was proposed to merge this property with the Connecticut River R.R., now operated by the Boston & Maine R.R. as agent. Owns 12 locomotives and 347 cars.

Management: Henry W. Keyes, Pres.; John F. Webster, Treas. and Clerk; W. J. Hobbs, Compt. DIRECTORS: H. W. Keyes, F. L. Thompson, Frank P. Maynard, George A. Tenney, G. S. Anderson, C. M. Floyd, H. E. Folsom. Annual meeting, last Thursday in May. OFFICE, Concord, N. H.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910	1909
Gross earnings	$600,784	$514,859	$547,282	$548,603	$510,051	$489,956	$456,445	$402,735
Net earnings	250,020	138,074	127,022	163,817	90,528	138,925	155,913	162,011
Net income	83,197	143,464	128,406	164,687	91,529	144,387	156,715	162,268

Bonded Debt: Auth., $400,000; outstanding $357,000 first 4s; dated Mar. 31, 1894, due April 1, 1924; interest April and Oct., at Boston Safe Deposit & Trust Co. Coupon, $1,000. First lien on entire property. Road earns interest charges several times over. Legal for S. B. in Conn., Maine, Mass. Normal income tax deducted from interest. Net Rating, A.

Capital Stock: $500,000; par $100. All owned by Vermont Valley R.R. Dividends 8% per annum. An extra dividend of 2% was paid July 31, 1916, in addition to the regular dividend of 8%.

YORK HARBOR & BEACH RAILROAD

Incorporated under Maine laws Feb. 1, 1883. Line of road, Kittery June. to York Beach, Me., 11½ miles. Sidings, 1.29 miles. Controlled by Boston & Maine R.R., through stock ownership.

Management: Jas. H. Hustis, Pres.; W. J. Hobbs, Vice-Pres. and Compt.; H. E. Fisher, Treas.; F. D. Marshall, Clerk. DIRECTORS: Jas. H. Hustis, J. W. Symonds, Charles Sumner Cook, Frank D. Marshall, Joseph W. Simpson, S. W. Junkins, W. J. Hobbs. Annual meeting, fourth Wednesday in October. OFFICE, York, Me.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910	1909
Gross earnings	$45,579	$40,117	$43,617	$45,016	$48,028	$48,034	$43,524	$38,786
Net earnings	11,248	7,904	(def.) 28	8,853	19,336	16,336	13,791	7,128
Total net income...	12,894	9,755	(def.) 769	10,770	21,064	17,937	16,415	8,744
Taxes	981	1,167	.....	.....	.....	.....	.....	.....
Fixed charges	5,400	7,330	.....	.....	.....	.....	.....	.....
Surplus	$6,513	$1,258	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$320,262	$317,815	$316,003	$304,618	$300,953	$300,953
Working assets	29,986	29,000	27,843	39,635	47,643	41,878
Total	$350,248	$346,815	$343,846	$344,253	$348,596	$342,831
LIABILITIES:						
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Working liabilities	8,936	11,949	10,222	3,634	40	10
Accrued liabilities not due	365	432	448	.....	433	433
Appropriated surplus	953	953	953	953	953	953
Profit and loss surplus...	39,994	33,481	32,223	39,666	47,170	41,435
Total	$350,248	$346,815	$343,846	$344,253	$348,596	$342,831

Capital Stock: Auth. and outstanding, $300,000; par $50. The Boston & Maine R.R. owns $266,900. Dividends: 1908 and 1909, 4% each; 1910 and 1911, 2% each; 1912 (Dec.), 3%; 1913, 3%; 1914, 1915 and 1916, none. No bonds.

VERMONT VALLEY RAILROAD

Line of road, Bellows Falls to Brattleboro, Vt., 24.72 miles. Second track, 14.44 miles. Sidings, 6.06 miles. Operated by Boston & Maine R.R. as agent, but controlled by Connecticut River R.R. through stock ownership. Owns 11 locomotives and 195 cars.

The latter road is controlled by the Boston & Maine through lease, and is directly operated by that company.

The Vermont Valley R.R. owns the entire capital stock of the Sullivan County R.R., nearly all the stock of the Montpelier & Wells River R.R., nearly all the stock of the Barre & Chelsea R.R., $100,000 stock of Massawippi Valley R.R., and $700,000 out of $2,500,000 outstanding stock of the Connecticut and Passumpsic Rivers R.R.

Management: Jas. H. Hustis, Rec.; H. E. Folsom, Pres.; W. J. Hobbs, Vice-Pres. and Compt.; John H. Williams, Treas. and Clerk. DIRECTORS: Hugh Henry, H. E. Folsom, W. B. C. Stickney, W. J. Hobbs, J. G. Sargent, G. R. Yerrall. Annual meeting, first Wednesday in October. OFFICE, Bellows Falls, Vt.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$535,351	$472,956	$513,153	$538,884	$507,564	$476,168	$431,122
Net earnings	185,620	163,278	118,175	144,773	182,933	147,122	159,016
Net income	326,963	308,780	258,291	301,051	341,220	277,728	209,067
Fixed charges, etc.....	242,077	298,775	265,480	209,582	187,139	153,543	108,615
Surplus	$84,886	$10,005	† $7,191	$91,469	$154,081	$124,185	$100,452
Dividends (10%)	*	.....	100,000	100,000	100,000	100,000	100,000
Balance	$84,886	$10,005	† $107,191	† $8,530	$54,081	$24,185	$452

* Dividend paid from profit and loss in 1916 (see below). † Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $31,431; credit balance transferred from income, $84,886; total, $116,317. Contra: Dividend appropriations of surplus, $100,000; credit balance carried to balance sheet, $16,317; total, $116,317.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,273,212	$5,273,485	$5,271,244	$4,755,536	$4,414,967	$4,407,849
Working assets	.....	.....	.....	.....	144,674	91,965
Deferred debit items.....	75	.....	11,819	.....	.....	.....
Total	$5,273,287	$5,273,485	$5,283,063	$4,755,536	$4,559,641	$4,499,814
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Working liabilities	2,643,778	2,614,348	2,527,935	1,898,343	1,675,000	1,675.000
Accrued liabilities not due	9,785	47,548	28,375	22,275	40,233	40,233
Deferred credit items....	23,270	21	25,190	26,133	27,093	28,052
Appropriated surplus	80,137	80,137	80,137	80,137	80,137	73,432
Profit and loss surplus....	16,317	31,431	121,426	228,648	237,178	183,097
Total	$5,273,287	$5,273,485	$5,283,063	$4,755,536	$4,559,641	$4,499,814

Bonded Debt: $1,500,000 first 4½s, due Oct. 1, 1940, interest April and Oct. First lien on entire property and further secured by deposit of $700,000 stock of Conn. & Passumpsic Rivers R.R., and $100,000 stock of Massawippi Valley Ry. Legal for S. B. in Conn., Maine, Mass., Mich., Minn., N. J., Wis. Normal income tax deducted from interest. Net Rating, Baa.

Capital Stock Outstanding: $1,000,000; par $50. Practically all the stock is owned by the Connecticut River R.R. In 1912, it was proposed to merge the property. Dividends of 10% per annum were regularly paid during seven years to end of 1914. None in 1915. In 1916 paid 10% out of surplus.

BUFFALO, ROCHESTER & PITTSBURGH RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated March 11, 1887, as a consolidation of the Buffalo, Rochester & Pittsburgh Railroad and the Pittsburgh & State Line Railroad; succeeding the old Rochester & Pittsburgh Railroad which was formed in 1881. Company has a joint interest in the Ontario Car Ferry Co., Ltd., with the Grand Trunk Railway Co., of Canada. Formerly owned practically all the stock of the Rochester & Pittsburgh Coal & Iron Co., but this was acquired by the Mahoning Investment Co. in 1906 (see that company in "Moody's Analyses of Public Utilities and Industrials").

Location: Total mileage operated consisted, June 30, 1916, of 586.48 miles as follows: Lines owned:—Rochester to Ashford, N. Y., 93.70 miles; Buffalo Creek, N. Y., to Mt. Jewett, Pa., 97.95 miles; Clarion Junc. to Lindsey, Pa., 59.09 miles; branches owned, 116.32 miles; total owned, 367.06 miles. Leased lines: Clearfield & Mahoning Ry., Clearfield to Beech Creek Junc. Pa., 25.70 miles; Allegheny & Western Ry., Punxsutawney to Butler, Pa., and branches, 62.19 miles; Mahoning Valley R.R., 1.89 miles; Allegheny Terminal Ry. (Pittsburg), 0.12 mile; trackage rights, 129.52 miles. The leased lines are all directly operated. Mileage in western New York and western Pennsylvania, penetrating the bituminous coal regions. Population of these States in 1890, 11,255.927; in 1900, 13,571,009; in 1910, 16,778,725.

Management: OFFICERS: William T. Noonan, Pres.; Adrian Iselin, Jr., Vice-Pres.; W. Emlen Roosevelt, Vice-Pres.; Thos. F. Brennan, Vice-Pres.; E. F. Robinson, Gen. Mgr.; John F. Dinkey, Audt. and Treas.; Ernest Iselin, Sec. and Asst. Treas.; Arthur C. Durfee, Asst. Treas. DIRECTORS: Adrian Iselin, Jr., Walter G. Oakman, Samuel Woolverton, Wm. E. Iselin, Henry G. Barbey, C. O'D. Iselin, Oscar Grisch, W. Emlen Roosevelt, Ernest Iselin, William T. Noonan, Hamilton F. Kean, Geo. Emlen Roosevelt, O'Donnell Iselin. Annual meeting, third Monday in November. NEW YORK OFFICE, 36 Wall Street, GENERAL OFFICE, Rochester, N. Y.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	1.73%	1.68%	2.02%	1.72%	1.74%	1.82%	1.46%	1.48%	1.98%	1.31%
Products of Animals	.39	.45	.51	.42	.46	.68	.54	.57	.63	.59
Products of Mines...	81.10	81.92	79.46	79.90	80.10	78.90	79.69	80.10	79.75	79.86
Products of Forests	2.31	1.98	2.44	2.36	2.21	2.54	2.60	2.91	3.17	2.89
Manufactures	9.42	8.88	11.97	12.28	12.00	12.25	11.79	10.43	10.96	11.90
Merchandise and Miscel. .	5.05	5.09	3.60	3.32	3.49	3.81	3.92	4.51	3.51	3.45

Total revenue tonnage in 1909, 8,008,990 tons; in 1910, 10,170,483 tons; in 1911, 10,282,251 tons; in 1912, 10,698,149 tons; in 1913, 12,490,608 tons; 12,295,049 in 1914; 10,928,035 in 1915; 14,133,868 in 1916. Soft coal is the chief item. In 1912, 7,188,280 tons were transported; in 1913, 7,980,204 tons; 8,176,430 in 1914; 7,107,857 tons in 1915; 8,905,421 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	569	174	290	102	13,995	80%	92,643	2,445,699	543	$2.39	1.93c	.50c
1908.....	568	174	300	99	15,570	85	89,226	2,284,904	530	2.40	1.86	.49
1909.....	568	183	299	101	15,425	84	79,076	2,190,806	597	2.28	1.98	.48
1910	567	184	311	102	16,552	85	84,307	2,774,069	638	2.48	2.06	.48
1911.....	573	193	294	104	15,982	85	90,316	2,775,470	635	2.42	2.06	.49
1912..... ...	570	192	290	105	17,001	86	89,653	2,990,012	647	2.67	2.07	.48
1913.....	576	195	292	120	17,589	86	94,745	3,542,289	710	2.81	2.07	.46
1914.....	581	207	306	140	17,851	85	95,752	3,407,940	694	2.54	2.13	.46
1915.....	586	208	323	133	17,811	84	86,033	2,868,639	707	2.55	2.19	.48
1916.....	586	208	317	103	17,756	87	87,892	3,813,161	783	2.85	2.22	.46
10-Year Average	574	192	302	111	16,554	85%	88,664	2,909,299	648	$2.54	2.06c	.48c

Yard tracks and sidings, June 30, 1916, 378 miles. Weight of rails, 60 to 100 lbs.; average, 80 lbs.

Comment: The operating exhibit of the Buffalo, Rochester & Pittsburgh Railway during the fiscal year ended June 30, 1916, was in all respects a favorable one. Freight density reached unusually high figures, and the company also succeeded in raising its average freight train load to a very important extent. As usual the company depended chiefly on the transportation of mining products for its volume of freight business. Although average freight rates tended to decline as compared with 1915, the train mile earnings were much better than during that year. It will be noted that during the past ten years the company has reported steady growth in freight density, which is now over 50 per cent. greater than in 1907. The mileage operated has grown but slightly during the period and the growth in business has been chiefly an intensive development. The company's freight equipment has steadily expanded with the growth of business.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$15,107	$1,364	$2,249	$3,613	$5,424	$6,070	$6,194	$351	$5,843	$3,138	46%	$2,705	$1,741
1908	14,549	1,625	2,244	3,869	5,240	5,440	5,693	309	5,384	3,689	31	1,695	1,557
1909	12,625	1,354	2,708	4,062	4,151	4,412	4,947	234	4,713	2,878	39	1,835	1,370
1910	15,760	2,152	3,275	5,427	4,985	5,348	6,322	332	5,990	3,296	45	2,694	1,370
1911	15,941	2,005	3,084	5,089	5,630	5,212	6,321	370	5,951	3,326	45	2,625	1,452
1912	16,741	2,097	3,170	5,267	6,074	5,400	6,768	358	6,410	3,303	48	3,107	1,553
1913	19,006	2,705	3,752	6,457	6,852	5,697	7,453	375	7,078	3,385	52	3,693	1,719
1914	18,433	2,492	3,815	6,307	7,356	4,770	6,179	403	5,776	3,444	40	2,332	1,704
1915	16,176	2,162	3,644	5,806	6,029	4,341	5,568	392	5,176	3,618	30	1,558	1,331
1916	20,428	2,821	4,699	7,520	7,239	5,669	7,403	427	6,976	3,625	48	3,351	1,331
10-Year Average	$16,477	$2,078	$3,264	$5,342	$5,899	$5,236	$6,285	$355	$5,930	$3,370	42%	$2,560	$1,513

Note: "Margin of safety" is the proportion of total surplus left over after deduction of all charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$11,970,890	$9,479,339	$10,709,535	$10,947,246	$9,549,368	$9,134,902	$8,936,117
Maintenance of way	1,652,890	1,267,254	1,447,953	1,557,963	1,195,263	1,148,663	1,120,190
Maintenance of equipment	2,753,623	2,135,354	2,216,194	2,161,210	1,807,077	1,767,456	1,857,017
All other operating expenses	4,242,277	3,532,644	3,273,916	3,946,718	3,468,881	3,230,225	2,929,052
Net operating revenues	$3,322,100	$2,544,087	$2,771,472	$3,281,355	$3,078,147	$2,986,558	$3,029,858
Operating ratio	72.25%	73.16%	70%	70%	67.7%	67.3%	66.1%
Other income	1,016,099	718,646	818,326	1,011,353	779,578	840,517	552,380
Total net income	$4,338,199	$3,262,733	$3,589,798	$4,292,708	$3,857,725	$3,827,075	$3,582,238
Taxes accrued	250,000	230,000	234,000	216,000	204,000	212,000	188,095
Balance for charges	$4,088,199	$3,032,733	$3,355,798	$4,076,708	$3,653,725	$3,615,075	$3,394,143
Fixed charges	2,124,063	2,120,013	2,001,014	1,949,714	1,888,395	1,915,867	1,979,466
Surplus over charges	$1,964,136	$912,720	$1,354,784	$2,126,994	$1,765,330	$1,699,208	$1,414,677
Dividends paid	780,000	780,000	990,000	990,000	885,000	832,500	780,000
Other deductions	671,316	132,720	364,784	450,293	375,000	371,500	315,000
Balance	$512,820	.....	.....	$686,701	$506,330	$495,208	$419,677
Earned on stock: Preferred	32.73%	15.21%	22.58%	35.45%	29.4%	28.3%	23.6%
Common	15.28	6.98	9.47	16.83	13.3	12.8	10.

Note: Fixed charges include lease rentals, joint facilities, rentals, interest on bonds, etc. Interest on bonds in 1916 amounted to $1,412,177, rentals and joint rents, $705,593.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915, $3,420,985; credit balance transferred from income account, $512,820; unrefundable overcharges, $1,565; miscellaneous credits, $37,336; total, $3,972,706. Contra: Loss on retired road and equipment, $2,476; miscellaneous debits, $4,476; credit balance transferred to balance sheet, $3,965,754; total, $3,972,706.

Comment: Both gross and net revenues rose very sharply on the Buffalo, Rochester & Pittsburgh Railway during the fiscal year 1916. As outside income also increased, the surplus available for charges was far higher than in the previous year, and even exceeded the unusual exhibit of 1913.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$29,000	49%	$30,749	51%	$17,578	$77,327	$281	$77,046	8%	$633	6%	$1,108	6%	77%	46%
1908	29,014	43	40,375	57	17,540	86,929	332	86,597	6.6	633	6	924	5	72	15
1909	29,014	43	40,225	57	17,540	86,779	334	86,445	5.7	633	6	737	4	66	39
1910	29,100	40	43,914	60	13,013	86,027	339	85,688	7.3	633	6	737	4	77	64
1911	28,796	40	44,468	60	13,000	86,264	335	85,929	7.3	628	6	824	4½	77	61
1912	29,300	40	44,413	60	13,105	86,818	420	86,398	7.9	632	6	921	5	80	63
1913	28,646	39	45,260	61	12,969	86,875	1,182	85,693	8.7	625	6	1,094	6	83	64
1914	28,399	36	51,184	64	12,857	92,440	1,161	91,279	6.8	620	6	1,084	6	73	37
1915	28,157	35	51,149	65	12,747	92,053	1,237	90,816	6.1	614	6	717	4	61	24
1916	28,157	35	52,671	65	12,918	93,746	3,365	90,381	8.2	614	6	717	4	82	74
10-Year Average	$28,758	40%	$44,441	60%	$14,327	$87,526	$899	$86,627	7.3%	$626	6%	$886	5%	72%	52%

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ..	$50,415,220	$49,602,147	$47,872,754	$44,977,509	$42,724,583	$41,202,043
Working assets	5,618,835	4,771,049	4,889,323	5,477,850	5,488,440	5,179,757
Deferred debit items...	1,290,738	1,996,774	3,077,749	1,356,251	1,282,750	962,148
Accrued income not due	72,677	75,759	242	233	472	74
Total	$57,397,470	$56,445,729	$55,840,068	$51,811,843	$49,496,245	$47,344,022
LIABILITIES:						
Capital stock	$16,500,000	$16,500,000	$16,500,000	$16,500,000	$16,500,000	$16,500,000
Funded debt	30,865,000	31,373,000	30,913,000	27,388,000	26,429,000	25,479,000
Working liabilities	1,039,194	873,888	1,176,097	1,089,880	1,056,708	806,528
Accrued liabil. not due	461,229	451,506	295,815	283,584	282,747	338,163
Deferred credit items ..	1,273,227	1,181,678	994,068	840,370	544,291	413,613
Appropriated surplus ..	3,293,066	2,644,672	1,997,080	1,510,296	1,061,500	686,500
Profit and loss surplus.	3,965,754	3,420,985	3,964,008	4,199,713	3,621,999	3,120,218
Total	$57,397,470	$56,445,729	$55,840,068	$51,811,843	$49,496,245	$47,344,022

Note: The bonded debt as shown above, includes all mortgages, equipment notes, construction and improvement notes, but not the income bonds of the old R. & P. R.R., which are practically all owned and in trusteeship. The rentals as capitalized cover the guaranteed issues and leases of Allegheny & Western, Clearfield & Mahoning, Mahoning Valley, etc.

Prior to 1907 the entire stock of the Rochester & Pittsburgh Coal and Iron Co. was owned, and through that company the Jefferson & Clearfield Coal and Iron Co. was controlled. In 1906 the stock of the R. & P. C. & I. Co. was transferred (subject to gen. mortgage lien) to the Mahoning Investment Company in exchange for $4,125,000 stock of the latter, which was distributed in December, 1906, to the preferred and common stockholders of the road. For full analysis of the Mahoning Investment Co. see "Moody's Analyses of Public Utilities and Industrials."

Comment: During the fiscal year ended June 30, 1916, the only change in the capitalization exhibit of this property was a slight decrease in the bonded debt. While the property as measured on the mileage basis appears to be quite heavily capitalized, yet the earning power is such as to enable the company to easily carry this capitalization. Net income on net capital in 1916 reached 8.2%, which is much higher than the average for the decade. The credit of this property is a strong one, and all of its bond issues appear to be unusually well secured.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Roch. & Pitts. R.R. first 6s..	F&A	F 1921	(1st) 109	$11,025	$5,930	$134	98%	Very high	Very high	Aaa.
2. Roch. & Pitts. R.R. con. 6s	J&D	D 1922	(1st 125 / (2d) 109	16,700	5,796	401	93%	"	"	Aaa.
3. Lincoln Park & Char. first 5s	J&J	Ja 1939	(1st) 10	35,000		30	89%	"	"	Aaa.
4. Allegheny & Western first 4s	A&O	O 1998	(1st) 62	32,250		138	89%	"	"	Aaa.
5. Clearfield & Mah. first 5s...	J&J	Ja 1943	(1st) 26	25,000	5,395	56	89%	"	"	Aaa.
6. Buff. R. & P. first gen. 5s...	M&S	S 1937	(1st) 19 / (2d) 125 / (3d) 109	17,500		380	89%	High	"	Aaa.
7. Buff. R. & P. Ry. cons. 4½s.	M&N	My 1957	(1st) 103 / (gen) 263	26,500	4,791	744	85%	"	"	Aaa.
Equipment Trusts										
8. B.R. & P. Eq. Ser. "A" 4½s.	M&N	My 1919	(see text)	(see text)			77%	"	"	Aaa.
9. B.R. & P. Eq. Ser. "B" 4½s	M&N	My 1920	"	"			77%	"	"	Aaa.
10. B.R. & P. Eq. Ser. "C" 4½s	M&N	My 1921	"	"			77%	"	"	Aaa.
11. B.R. & P. Eq. Ser. "D" 4½s	M&N	N 1919	"	"			77%	"	"	Aaa.
12. B.R. & P. Eq. Ser. "E" 4½s	M&N	My 1922	"	"	4,047	942*	77%	"	"	Aaa.
13. B.R. & P. Eq. Ser. "F" 4½s	A&O	Ap 1927	"	"			77%	"	"	Aa.
14. B.R. & P. Eq. Ser. "G" 4s.	A&O	O 1929	"	"			77%	"	"	Aa.
15. B.R. & P. Eq. Ser. "H" 5s.	J&J	1917-30	"	"			77%	"	"	Aa.

* Including principal paid.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes, for the ten years ending, June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,700,000; outstanding, $1,300,000 (closed). Dated Feb. 1, 1881; due Feb. 1, 1921. Int. paid at 36 Wall St., New York. Coupon, $1,000. Assumed by B. R. & P. Ry. First lien, 109.33 miles as follows: Rochester to Salamanca, N. Y., 108.17 miles; Silver Lake Jct. to Silver Springs, N. Y., 1.16 miles. Underlie Nos. 2, 6, and 7. Retirement provided for by No. 7. Legal for Savings Banks in Cal., Conn., Maine, Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth., $6,500,000; outstanding, $3,920,000 (closed). Dated Dec. 1, 1882; due Dec. 1, 1922. Int. paid at 36 Wall St., New York. Coupon, $1,000. Assumed by B. R. & P. Ry. First lien, 125.01 miles, as follows: Buffalo to Ashford and East Salamanca to Howard Junc., Pa., 65.92 miles; Clarion Junc. to A. & W. Junc., Pa., 59.09 miles;

REFERENCE NOTES ON BOND ISSUES (Continued)

also, second lien on 109.33 miles, following No. 1. Underlie Nos. 6 and 7, with provision for retirement by No. 7. Legal for S. B. in Cal., Conn., N. H., N. Y., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth. and outstanding, $350,000. Dated Jan. 1, 1889; due Jan. 1, 1939. Int. paid at 36 Wall St., New York. Coupon, $1.000. Guar. prin. and int. by B. R. & P. Ry. by endorsement. First lien, 10.30 miles, Lincoln Park to Charlotte, N. Y. Underlie No. 7, which provide for retirement at maturity. Legal for S. B. in Cal., Conn., Maine, Mich., Minn., N. H., N. J., N. Y., R. I. Normal income tax deducted from interest.

4. Auth., $2,500,000; outstanding, $2,000,000. Dated Oct. 1, 1898; due Oct. 1, 1998. Int. paid at 36 Wall St., New York. Coupon, $1,000. Guar. prin. and int. by B. R. & P. Ry. by endorsement. First lien, 62.19 miles, Lindsey to Butler, and Craigsville branch Pa. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $650,000. Dated Jan. 3, 1893; due Jan. 1, 1943. Int. paid at 36 Wall St., New York. Coupon, $1,000. Guar. prin. and int. by B. R. & P. Ry. by endorsement. First lien, 25.70 miles, DuBois Junc. to Clearfield, Pa. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth., $10,000,000; outstanding, $4,427,000 (limited to $4,780,000). Dated Sept. 1, 1887; due Sept. 1, 1937. Int. paid at 36 Wall St., New York. Coupon, $1,000. First lien on 18.89 miles, Howard Junc. to J. & B. Jct., Pa.; second lien on 125.01 miles following No. 2; third lien on 109.33 miles, following No. 1. Underlie No. 7, with provision by latter to retire at or before maturity. Legal for S. B. in Cal., Conn., N. H., N. Y., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest.

7. Auth., $35,000,000; outstanding, $9,712,000. Dated May 1, 1907; due May 1, 1957. Int. paid at 36 Wall St., New York. Coupon, $1,000; reg., $1,000 and $5,000. First lien on 103.53 miles, as follows: Indiana Junc. to Josephine, Pa., 44.70 miles; Creekside to Iselin, Pa., 18.53 miles; Perry to Silver Springs, 6.49 miles; branches, 33.91 miles; also second lien on 29.19 miles, following Nos. 3 and 6; also third lien on 125.01 miles, following No. 2; also fourth lien on 109.33 miles, following No. 1, also a first lien on one-half interest in the stock of the Lake Ontario Ferry Co., Ltd., and on realty and terminal properties in Concord, Rochester, Buffalo, Bradford and Allegheny, subject to existing prior mortgages; also secured on 89.9 miles of leaseholds and 129.52 of trackage rights. Legal for S. B. in Cal., Conn., Maine, Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

8 to 15. Secured on equipment. Sinking fund of Series A, B, and C requires that 5% per annum be invested in these bonds if they can be bought at or below par; otherwise in additional equipment for the trust. Sinking fund of Series D and E requires that 6% per annum be employed on Sept. 1 of each year to purchase bonds at 105 and int.; otherwise to draw by lot at this price. D and E are redeemable at 105 on six weeks' notice. Sinking fund of series F requires that 6% annually on Aug. 1 be paid to trustees to purchase bonds at par; otherwise to draw at par. The issue is callable at 102 on six weeks' notice. Sinking fund of Series G requires that 6% per annum be employed on Feb. 1 for cancelation of bonds. No sinking fund on Series H, but bonds mature $125,000 each Jan. 1 from 1915 to 1930. Outstanding June 30, 1916: Series A, $495,000; Series B, $993,000; Series C, $904,000; Series D, $613,000; Series E, $924,000; Series F, $1,597,000; Series G, $2,276,000; Series H, $1,750,000. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Allegheny & Western Ry. stock..... 6% div. guaranteed by B. R. & P. Outstanding, $3,200,000. Par $100.	6%. J&J	$53,300	$2,983*	$330	86%	Very high	Very high	**Aaa.**
2. Clearfield & Mahoning Ry. stock..... 6% div. guaranteed by B. P. & R. Outstanding, $900,000. Par $50.	6% J&J	35,000		93	86%	"	"	**Aaa.**
3. Buff., Roch. & Pitts. 6% preferred..... Non-cumulative; full voting power. Par $100. Shares with common after latter has received 6%. Outstanding, $6,000,000. Par $100.	6% F&A	10,500	2,560	614	77%	High	High	**Aa.**
4. Buff., Roch. & Pitts. common..... Full voting power. Par $100. Shares with preferred after receiving 6%. Par $100. Outstanding, $10,500,000.	F&A Sec text	18,700	1,946	1075†	45%	Good	"	**Baa.**

* Average balance available before deducting guaranteed dividends. † For 6% dividends.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. ALLEGHENY & WESTERN RY.: Road leased to Buffalo, Rochester & Pittsburgh in perpetuity, rental being endorsed guaranty of prin. and int. on bonds, and 6% per annum on stock. Auth. issue, $3,500,000.

2. CLEARFIELD AND MAHONING RY.: Road leased to Buffalo, Rochester & Pittsburgh in perpetuity, rental being endorsed guaranty of prin. and int. on bonds, and 6% per annum on stock. Authorized issue, $1,000,000.

3 and 4. Auth. amount of preferred is $6,000,000; of common, $12,000,000. Dividend record is as follows: On preferred: 1888, 2½%; 1892, 2½%; 1898 and 1899, 2% each; 1900, 4%; 1901 to date, 6% per annum. On common: 1901, 2%; 1902, 4%; 1903, 4½%; 1904 to 1907, 6%; 1908, 5%; 1909 and 1910, 4%; 1911, 4½%; 1912, 5%; 1913, 6%; 1914, 6%; 1915 and 1916, 4% each. In August, 1916, rate was restored to 6%. TRANSFER AGENTS, A. Iselin & Co., 36 Wall Street, New York. Listed on New York Stock Exchange.

Note: The Buffalo, Rochester & Pittsburgh Ry. also leases in perpetuity the Mahoning Valley R.R., operating about 2 miles from Helvetia to Stanley, Pa. The rental is $15,000 per annum, and 4% dividends are regularly paid on $45,000 stock.

CAROLINA, CLINCHFIELD & OHIO RAILWAY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past eight years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Virginia laws as the South & Western Ry. Co. on Jan. 26, 1905; name changed as above Mar. 7, 1908. The property has been largely under the construction stage ever since the re-incorporation of 1908. In 1908 the property of the Lick Creek & Lake Erie R.R. was acquired, and in 1911 the Elkhorn Southern Ry. was purchased. Also controls the Carolina, Clinchfield & Ohio Ry. of Kentucky, the Clinchfield Northern Ry., the Southport Harbor Co., etc.

Location: The operated lines consist of 272.96 miles, as follows: Elkhorn City, Ky. to N. C.-S. C. State line, 258.80 miles; branches and trackage rights, 14.16 miles. In addition to this mileage the company owns 17.95 miles which are operated by the Carolina, Clinchfield & Ohio Ry. of South Carolina.

Control: The company was formerly controlled by the Cumberland Corporation, through ownership of entire capital stock. In 1916 this holding company was dissolved and its assets distributed to the stockholders.

Management: OFFICERS: Mark W. Potter, Chairman and Pres.; J. J. Campion, Vice-Pres.; I. McQuilkin, Vice-Pres. and Comptroller; S. K. Lindsay, Treas.; C. M. Owen, Sec. DIRECTORS: G. L. Carter, M. W. Potter, C. L. Blair, W. T. Rosen, T. F. Ryan, J. B. Dennis, W. K. Whigham, R. F. Herrick, I. McQuilkin, J. W. Pless. MAIN OFFICE, Johnson City, Tenn. NEW YORK OFFICE, 24 Broad Street.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	3%	3%	3.02%	2.75%
Products of Animals	.....	.....	.....	.....	.....	.....	1	1	.38	.58
Products of Mines	.....	.....	.....	.....	.....	.....	77	77	76.57	74.80
Products of Forests	.....	.....	.....	.....	.....	.....	9	8	8.86	10.69
Manufactures and Miscel.	.....	.....	.....	.....	.....	.....	10	11	11.17*	11.18†

* Includes 2.07% L. C. L. goods not distributed above and 9.10% manufactures.

† Includes 2.03% L. C. L. goods not distributed above and 9.15% manufactures.

The business of the company is primarily the transportation of soft coal. The total revenue tonnage transported in 1912 was 2,159,165 tons; 2,493,847 tons in 1913; 2,623,641 in 1914; 2,312,953 in 1915; 3,004,386 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile (Cents).
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1909	146	....	10	15	2,640	69%	16,770	117,167	214	$1.51	2.99c	1.16c
1910	237	....	33	26	3,977	84	23,501	688,266	881	2.50	2.46	.58
1911	244	....	37	27	4,948	88	26,962	1,224,693	960	2.84	2.35	.50
1912	248	....	39	37	4,924	90	25,987	1,501,212	1,140	3.62	2.41	.53
1913	256	....	38	37	4,819	90	35,703	1,591,106	1,194	3.99	2.21	.58
1914	248	....	45	35	5,315	90	39,012	1,623,537	1,202	4.28	2.10	.56
1915	248	....	47	35	5,611	90	29,443	1,380,634	1,090	3.85	2.33	.56
1916	283	....	50	34	5,603	90	32,958	1,610,708	1,043	4.22	2.34	.58
8-Year Average	239	....	37	31	4,730	89%	28,792	1,217,165	965	$3.35	2.40c	.63c

Note: In 1914, 1915 and 1916, above figures are based on operations of main system only, and do not include figures of Carolina, Clinchfield & Ohio Ry. of South Carolina.

Comment: Sharp recovery in volume of tonnage characterized the Carolina, Clinchfield & Ohio Railway during the fiscal year ended June 30, 1916. While the freight density did not rise quite to that of 1914, and the average train load was lower, the train mile earnings were fully maintained. The total tonnage transported increased to new high figures, and as usual, about 75% of the total was represented by products of mines.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenuea.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$1,979	$298	$406	$704	$1,085	$190	$500	$99	$401	$3,401	.....	$3,000*	.....
1910	4,708	556	801	1,357	1,801	1,550	2,583	201	2,382	3,694	.....	1,312*	.....
1911	6,980	648	972	1,620	2,239	3,122	4,665	261	4,404	4,456	.....	52*	.....
1912	8,817	647	1,030	1,677	2,381	4,759	6,092	328	5,764	4,621	**20%**	1,143	.....
1913	10,291	710	1,018	1,728	2,641	5,922	7,017	389	6,628	3,728	**44**	2,900	$1,172
1914	10,163	723	1,328	2,051	2,731	5,381	7,711	504	7,207	3,980	**45**	3,227	2,419
1915	8,593	950	1,120	2,070	2,453	4,070	5,724	634	5,090	4,019	**22**	1,079	.....
1916	10,363	1,026	1,375	2,401	2,760	5,202	7,355	520	6,835	4,534	**34**	2,301	.....
8-Year Average	$7,737	$695	$1,006	$1,701	$2,261	$3,775	$5,206	$367	$4,839	$4,054	**17%**	$785	$449

* Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$2,932,719	$2,130,853	$2,520,306	$2,634,635	$2,181,642	$1,703,295
Maintenance of way	290,412	235,529	179,300	181,825	158,555	158,128
Maintenance of equipment	389,002	277,794	329,345	260,711	255,447	237,331
All other operat'g expns.	781,000	608,346	677,183	676,094	587,847	546,152
Net operat'g revenues	$1,472,305	$1,009,184	$1,344,478	$1,516,005	$1,179,793	$761,684
Operating ratio	49.8%	52.6%	47.1%	42.5%	46%	56.3%
Other income	609,167	410,036	577,833	280,211	331,328	376,513
Total net income	$2,081,472	$1,419,220	$1,912,311	$1,796,216	$1,511,121	$1,138,197
Taxes accrued	147,181	157,248	124,892	99,671	81,242	63,789
Balance for charges	$1,934,291	$1,261,972	$1,787,419	$1,696,545	$1,429,879	$1,074,408
Fixed charges	1,283,086	994,455	987,241	954,231	1,145,637	1,087,060
Surplus over charges	$651,205	$267,517	$800,178	$742,314	$284,242	(def.) $12,652
Dividends paid	.....	.....	600,000	300,000	.....	.....
Balance	$651,205	$267,517	$200,178	$442,314	$284,242	(def.) $12,652
Earned on preferred stock	4.82%	2.68%	8%	7.42%	5.6%	.....

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,041,184; credit balance transferred from income, $651,206; unrefundable overcharges, $6; donations, $4,022; miscellaneous credits, $494; total, $1,696,912. Contra: Debt discount extinguished through surplus, $25,031; loss on retired road and equipment, $3,237; miscellaneous debits, $15,656; credit balance carried to balance sheet, $1,652,988; total, $1,696,912.

Comment: The gross revenues of the Carolina, Clinchfield & Ohio in 1916 far exceeded those of earlier years. Net operating revenues were also at a high level, while the income from other sources brought the total available surplus for fixed charges to figures never before reached. Although fixed charges increased sharply, the company was able to report a final balance equal to 4.82% on the preferred stock. Since the close of the fiscal year the company has made further progress in general business and earning power.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	..	.....	..	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	..	.....	..	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$184,931	68%	$86,781	32%	.....	$271,712	.....	$271,712	.....	.....	.....	.....	.....	.....	.....
1910	126,582	57	96,245	43	$27	222,854	$22,786	200,068	**1.3%**	.....	.....	.....	.....	.....	.....
1911	122,951	56	95,819	44	768	219,538	24,853	194,685	**2.3**	.....	.....	.....	.....	.....	.....
1912	120,970	60	85,500	40	775	207,245	18,390	188,855	**3.2**	.....	.....	.....	.....	.....	.....
1913	136,719	63	80,000	37	667	217,386	22,490	194,896	**3.6**	.....	3%	.....	.....	.....	.....
1914	141,129	60	95,948	40	696	237,773	23,820	213,953	**3.6**	.....	6	.....	.....	25%	.....
1915	141,129	59	96,278	41	670	238,077	23,195	214,882	**2.7**	.....	.....	.....	.....	.....	.....
1916	128,975	60	85,763	40	2,385	217,123	24,638	192,485	**3.8**	.....	.....	.....	.....	.....	.....
8-Year Average	$137,923	60%	$90,292	40%	$748	$228,963	$20,021	$208,942	**2.5%**	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$61,795,297	$60,714,962	$58,770,152	$55,812,377	$46,748,492	$45,718,913
Working assets	1,909,715	1,683,365	2,152,400	1,857,240	5,758,078	6,615,257
Deferred debit items.....	28,778	142,716	193,078	220,801	1,361,839	1,352,203
Accrued income not due..	40	.....	12,500	15,017	90,309	613,797
Profit and loss deficit.....	.....	.....	.....	.....	504,006	766,599
Total	$63,733,830	$62,541,043	$61,128,130	$57,905,435	$54,462,724	$55,066,769
LIABILITIES:						
Capital stock	$36,500,000	$35,000,000	$35,000,000	$35,000,000	$30,000,000	$30,000,000
Funded debt	24,271,000	24,532,000	23,795,000	20,480,000	21,200,000	23,380,000
Working liabilities	962,481	1,524,560	1,082,346	1,245,826	2,934,736	1,388,338
Accrued liabilities not due	139,102	272,796	263,833	400,736	296,111	263,990
Deferred credit items.....	208,259	170,503	194,646	152,652	31,202	34,441
Appropriated surplus	.....	.....	.....	.....	674	.....
Profit and loss surplus..	1,652,988	1,041,184	792,305	626,221	.....	.....
Total	$63,733,830	$62,541,043	$61,128,130	$57,905,435	$54,462,724	$55,066,769

Comment: No important changes occurred in the capitalization figures of the Carolina, Clinchfield & Ohio property in 1916, except that the outstanding stock was moderately increased. The company increased its rental obligations to some extent also. As measured on the mileage basis, the company is heavily capitalized, but bonded debt represents only 40% of the total capitalization and the company is showing a better income on net capital than was formerly the case.

TABLE D.—Bond Record and Ratings (Based on 8-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Lick Creek & L. Erie first 5s.	J&J	Ja 1923	(1st) 7	$28,570	$4,839	$135	50%	High	Fair	Aa.
2. Carolina, Clinch. & O. first 5s	J&D	Je 1938	(1st) 234 (2d) 7	57,060	$4,839	2,360	50%	Good	Good	Baa.
3. Carolina, Clinch. & O. 10-year 5% notes.....	J&J	Jl 1919	(2d) 234 (3d) 7	8,300	2,444	343	47%	"	"	Ba.
4. Carolina, Clinch. & O. Elkhorn Ext. first 5s.....	M&N	My 1917	(1st) 32	17,200	2,444	945	47%	Fair	"	Baa.
5. Equipment trust 5s.....	Var.	(see text)	Equip.	.....	2,444	310	43%	Good	"	A.
6. Holston Corp. cons. 5s.....	A&O	Ap 1926	(col.)	.....	1,156	265	43%	"	Fair	Ba.
7. Black Mt. Ry. first 5s.....	A&O	(see text)	(1st) 26	20,000	1,156	67	43%	"	"	Ba.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the eight years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $200,000. Dated, Dec. 23, 1902, due Jan. 1, 1933. Interest paid at Washington Loan & Trust Co., Washington, D. C. Coupon, $1,000. First lien on 7.5 miles, Dante to Fink, Va. Assumed by C., C. & O. Ry. Interest paid without deduction for normal income tax.

2. Auth., $15,000,000; issued, $13,750,000. Dated June 1, 1908; due June 1, 1938. Int. paid at Blair & Co., New York. Callable as whole at 110 and int. on two months' notice. First lien or collateral lien on 233.92 miles as follows: First lien on 215.97 miles, Fink, Va., to S. C.-N. C. State line; second lien on 7.50 miles, following No. 1; first collateral lien on 17.95 miles S. C.-N. C. State line to Spartanburg, S. C., by pledge of $3,000,000 C., C. & O. Ry. of S. C. first 5s. Underlies No. 2. Listed on New York Stock Exchange. Coupon, $100 and $1,000; reg., $1,000 and multiples. Interest paid without deduction for normal income tax.

3. Auth., $5,000,000; outstanding, $2,000,000 (closed). Dated July 1, 1909; due July 1, 1919. Int. paid at Blair & Co., New York. Coupon, $1,000. Callable at par and int. on 30 days' notice. Second lien on 233.92 miles, following No. 1; third lien on 7.50 miles, following No. 1. Interest paid without deduction for normal income tax. Convertible into preferred at par.

4. Auth., $5,500,000; outstanding, $5,500,000. Dated May 1, 1912; due May 1, 1917. Int. paid at Blair & Co., New York. Coupon, $1,000. Callable at par on 30 days' notice. Issued to construct extension from Dante to Elkhorn, about 32 miles, on which they are a first lien; also on all bonds of Clinchfield Northern Ry. of Ky. Interest paid without deduction for normal income tax.

5. Series "A," 5s, auth., $2,600,000; outstanding, $520,000. Dated Dec. 1, 1908; due, $130,000 each June and Dec. 1 to Dec. 1, 1918. Int. paid at Blair & Co., New York. First lien on equipment, costing over $3,200,000. Series "B," 5s, auth., $1,000,000; outstanding, $300,000. Dated Jan. 15, 1910; due, $50,000 each Jan. and July 15 to Jan. 15, 1920. Int. paid at Blair & Co., New York. First lien on equipment costing $1,375,000. Series "C" 5s; dated 1912; due $50,000 each Feb. and Aug. to Aug., 1922; now outstanding, $550,000. First lien on equipment costing $1,385,000. Series "D," 5s, dated July 1, 1913; due $25,000 each Jan. and July to July, 1920, now outstanding, $175,000. First lien on equipment costing $431,000. Series "E," 5s; dated Oct. 1, 1914; due $13,000 each April and Oct. 1 to Oct. 1, 1924; now outstanding, $208,000. First lien on equipment costing $309,604. Interest paid without deduction for normal income tax.

6. Auth. and outstanding, $1,500,000; dated April 1, 1916; due April 1, 1926. Int. paid at Central Trust Co., New York. Coupon and reg., $1,000. Callable at par on 30 days' notice. Convertible at par into Carolina, Clinchfield & Ohio Ry. preferred stock. Guar. prin. and int. by Carolina, Clinchfield & Ohio Ry. by endorsement. Secured by pledge of $1,500,000 preferred stock of C., C. & O. Ry. Normal income tax deducted from interest.

7. Auth., $750,000; outstanding, $500,000. Dated April 1, 1916; due $25,000 annually to April 1, 1936. Int. paid at New York Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by Carolina, Clinchfield & Ohio Ry. by endorsement. First lien on 26 miles, Kona to Escota, N. C. Balance of authorized amount issuable for improvements, to mature April 1, 1936. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 8-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Car. Clinch. & O. Ry. preferred	.....	$35,336	$785	.....	.....	Large	.....	B.
2. Car. Clinch. & O. Ry. common	.....	88,340	.....	.....	.....	Fair	.....	Caa.

REFERENCE NOTE ON STOCK ISSUES

1 and 2. Auth., $15,000,000 6% non-cumulative preferred and $25,000,000 common; outstanding, $11,500,000 preferred and all the common. Par $100. $1,500,000 preferred is pledged under the Holston Corp. conv. 5% notes. Dividends of 3% paid on preferred in 1913; 6% in 1914; none in 1915 and 1916. Of the preferred stock $2,000,000 is held in treasury for possible conversion of notes. Both issues listed on New York Stock Exchange.

COMPANY AFFILIATED IN INTEREST WITH THE CAROLINA, CLINCHFIELD & OHIO RAILWAY CO.

CAROLINA, CLINCHFIELD & OHIO RAILWAY OF SOUTH CAROLINA

Incorporated under S. C. laws, May 28, 1908. Operates 17.95 miles from N. C. State line to Spartanburg, S. C., connecting with Carolina, Clinchfield & Ohio Ry. of Va. Latter company now directly operates the property.

Management: Mark W. Potter, Pres.; J. J. Campion, Vice-Pres.; I. McQuilkin, Vice-Pres. and Compt.; J. A. Muse, Sec.; S. K. Lindsay, Treas. Directors: M. W. Potter, J. A. Muse, H. G. Morrison, I. McQuilkin, T. H. Morris, F. B. Grier. Office, Johnson City, Tenn.

Income Account, year ended June 30, 1916: Operating revenues, $168,533; maintenance of way, $15,474; maintenance of equipment, $1,068; all other operating expenses, $63,852; net operating income, $88,139; operating ratio, 47.69%; taxes, $8,100; fixed charges, $171,007; deficit, $90,968.

Condensed Balance Sheet, as of June 30, 1916

Assets:		Liabilities:	
Property investment	$3,100,693	Capital stock	$12,000
Working assets	63,357	Funded debt	3,000,000
Deferred debit items	4,037	Working liabilities	850,519
Profit and loss	713,122	Accrued liabilities not due	18.500
		Deferred credit items	190
Total	$3,881,209	Total	$3,881,209

Bonded Debt: $3,000,000 first 30-year 5s; dated June 1, 1908; due June 1, 1938; int. paid July and Dec. at 24 Broad Street, New York. First lien on all lines owned, 17.95 miles. Entire issue pledged under first lien of Carolina, Clinchfield & Ohio Ry.

Capital Stock: Auth., $20,000; outstanding, $12,000; par $100.

THE CHESAPEAKE & OHIO RAILWAY COMPANY

Note: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Virginia and West Virginia, July 1, 1878, as successor of the old Chesapeake & Ohio Railroad. Again reorganized, without foreclosure, Oct. 1, 1888. Prior to 1909 a dominating interest in the property was owned by the Pennsylvania and New York Central, but in that year a syndicate headed by Edwin Hawley acquired from these and other interests about $24,000,000 stock, giving virtual control. In 1910, the Chicago, Cinn. & Louisville (formerly allied with the Cinn., Hamilton & Dayton) was reorganized as the Chesapeake & Ohio Ry., of Indiana, and its entire stock acquired by this company.

Location: The directly operated lines on June 30, 1916, embraced 2,385.6 miles, as follows: Mileage owned:—Fort Monroe, Va., to Covington, Ky., 663.10 miles; Richmond to Clifton Forge *via* Lynchburg, 229.9 miles; Whitcomb to Winterburn, W. Va., 100.8 miles; St. Albans to Helen and Seth W. Va., and branches, 103.8 miles; Barboursville to Man, W. Va., and branches, 113.9 miles; Denton to Lexington, Ky., 102.7 miles; Big Sandy Junc. to Elkhorn, Ky., 127.8 miles; Covington to Cinn., 1.8 miles; Cinn. to near Chicago (proprietary line), 260.7 miles; Lindsay to Strathmore, Va., 29.8 miles; branches in Virginia and West Virginia, 317.9 miles; branches in Kentucky, 76.3 miles; leased lines, 37.9 miles; trackage rights, including lines from Orange, Va., to Washington, D. C., and from Lexington to Louisville, Ky., 224.2 miles. Of the lines owned, 5 miles are leased to other companies. In addition to its own system, the company owns 88,250 shares out of a total of 110,000 shares of stock of Hocking Valley Ry., and a one-sixth interest in the Richmond Washington Co. The one-half majority interest in the Kanawha & Michigan Ry., formerly owned, has been sold to the Toledo & Ohio Central Ry. Co. The operated lines cross or penetrate the States of Virginia, West Virginia, Kentucky, and Indiana. Population of these States in 1890, 6,470,323; in 1900, 7,476,620; in 1910, 8,273,513.

Chesapeake & Ohio Northern Railway: A new subsidiary company, known as the Chesapeake & Ohio Northern Railway was incorporated in May, 1914, and is constructing a bridge over the Ohio River near New Portsmouth, Ohio, and about 30 miles of lines to form a connection with the Hocking Valley and the Chesapeake & Ohio by means

of a traffic agreement with the Norfolk & Western from Waverly to Valley Crossing, Ohio. The new Chesapeake & Ohio Northern has an authorized issue of $1,000,000 30-year 5% bonds, which are guaranteed by the Chesapeake & Ohio Railway.

Management: OFFICERS: Frank Trumbull, Chairman; Geo. W. Stevens, Pres.; Decatur Axtell, 1st Vice-Pres.; H. T. Wickham, 2nd Vice-Pres.; F. M. Whitaker, 3d Vice-Pres.; Carl Remington, Sec.; Jas. Steuart MacKie, Treas.; L. F. Sullivan, Compt. DIRECTORS: Decatur Axtell, G. W. Stevens, James H. Dooley, Henry E. Huntington, Frank Trumbull, Chas. E. Graham, Theo. P. Shonts, Frank H. Davis, F. H. Rawson. Annual meeting, Tuesday preceding last Tuesday of October. GENERAL OFFICE, Richmond, Va. New York Office and Transfer Agency, 71 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	5.77%	4.56%	4.00%	3.71%	4.88%	4.42%	6.21%	4.70%	7.01%	6.4%
Products of Animals.....	.81	.69	.74	.59	.53	.72	.84	.81	1.01	.7
Products of Mines.....	67.54	70.79	73.05	74.28	74.06	74.31	70.31	74.05	74.87	75.5
Products of Forests.....	10.87	10.27	9.21	9.08	9.53	8.98	10.65	9.76	7.79	7.5
Manufactures.....	6.83	5.99	5.43	5.84	7.20	7.14	7.68	6.95	6.08	6.5
Merchandise and Miscel...	8.18	7.70	6.97	6.50	4.20	4.43	4.31	3.73	3.24	3.4

Total revenue tonnage in 1909, 18,517,362 tons; in 1910, 22,892,229 tons; in 1911, 23,357,893 tons; in 1912, 26,-147,903 tons; in 1913, 25,174,241 tons; 27,722,015 in 1914; 30,048,454 in 1915; 37,619,654 in 1916.

The chief single item of freight tonnage is bituminous coal, which represents over two-thirds of the entire freight tonnage.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	1,827	353	457	288	18,388	78%	124,035	2,526,874	596	$2.17	2.16c	.43c
1908.....	1,840	379	457	300	18,045	76	155,806	2,459,008	621	2.28	1.77	.43
1909.....	1,897	402	672	306	35,198	69	114,781	2,686,677	675	2.34	2.06	.41
1910.....	1,937	438	699	306	38,460	80	117,051	3,161,307	701	2.40	2.21	.41
1911.....	2,229	517	780	342	42,868	78	121,999	3,009,620	683	2.31	2.21	.42
1912.....	2,263	575	793	373	44,805	80	111,527	2,957,056	756	2.46	2.18	.41
1913.....	2,319	575	811	377	43,711	78	115,155	2,886,968	843	2.67	2.19	.41
1914.....	2,316	575	825	395	44,630	79	124,330	3,011,617	870	2.75	2.09	.41
1915.....	2,329	575	817	376	45,620	79	113,710	3,435,351	906	2.82	2.12	.38
1916.....	2,375	578	827	359	44,781	81	118,463	4,335,378	1,003	3.18	2.13	.38
10-Year Average	2,136	497	714	312	37,651	78%	121,686	3,046,986	765	$2.54	2.11c	.41c

Total yard tracks and sidings, June 30, 1916, 1,024 miles.

Comment: During the fiscal year ended June 30, 1916, the Chesapeake & Ohio Railway reported a remarkable expansion in its freight density, and increased its average freight train load to far higher figures than ever before. It will be noted that while average freight rate ranged at the low figures of recent years, yet the company was able to increase its train mile earnings very substantially. As usual the main tonnage on this property was represented by soft coal, the percentage of products of mines being practically three-quarters of the freight tonnage for the year.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$14,119	$1,691	$2,584	$4,275	$4,838	$5,006	$5,140	$402	$4,738	$2,881	39%	$1,857	$344
1908.....	14,015	1,703	2,929	4,632	4,700	4,701	5,119	430	4,689	3,176	32	1,513	341
1909.....	14,038	1,635	2,603	4,238	4,389	5,411	5,784	423	5,361	3,246	39	2,115	662
1910.....	16,127	1,751	3,025	4,776	5,001	6,350	6,950	451	6,499	3,251	50	3,248	1,377
1911.....	14,618	1,858	2,781	4,639	5,138	4,841	5,541	478	5,063	3,613	28	1,450	1,409
1912.....	15,152	1,759	2,971	4,730	5,272	5,150	5,949	455	5,494	3,605	34	1,889	1,389
1913.....	15,129	1,873	3,137	5,010	5,534	4,585	5,545	593	4,952	3,530	29	1,422	1,354
1914.....	15,639	1,761	3,279	5,043	5,892	4,704	5,623	567	5,056	3,789	25	1,267	1,070
1915.....	16,659	1,982	3,480	5,462	6,171	5,026	5,527	579	4,948	3,823	23	1,125	265
1916.....	20,303	2,338	4,447	6,785	6,600	6,918	7,446	668	6,778	3,879	43	2,899	.....
10-Year Average	$15,583	$1,835	$3,124	$4,959	$5,354	$5,270	$5,862	$504	$5,358	$3,479	34%	$1,879	$821

Note: Above table is based on average mileage directly operated each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) was $6,778; fixed charges per mile amounted to $3,879, or 57%; leaving a surplus of $2,899, a "margin of safety" of 43%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$48,218,804	$39,464,037	$36,690,021	$35,085,278	$34,289,870	$32,583,411	$31,237,169
Maintenance of way	5,553,447	4,694,522	4,138,091	4,342,745	3,981,646	4,141,572	3,391,032
Maintenance of equipment	10,561,094	8,243,170	7,692,748	7,275,439	6,724,460	6,198,825	5,858,843
All other operating expenses	15,674,638	14,618,722	13,823,098	12,833,376	11,929,575	11,453,218	9,686,824
Net operating revenues	$16,429,625	$11,899,410	$11,036,084	$10,633,718	$11,654,189	$10,789,796	$12,300,470
Operating ratio	65.9%	69.8%	69.9%	69.7%	66%	66.9%	60.6%
Other income	1,253,792	1,195,153	2,154,531	2,225,537	1,808,563	1,560,815	1,161,365
Total net income	$17,683,417	$13,094,563	$13,190,615	$12,859,255	$13,462,752	$12,350,611	$13,461,835
Taxes accrued	1,587,407	1,349,497	1,330,935	1,375,862	1,014,219	1,065,853	873,744
Balance for charges	$16,096,010	$11,745,066	$11,859,680	$11,483,393	$12,448,533	$11,284,758	$12,588,091
Fixed charges	9,213,674	9,078,927	8,887,865	8,184,890	8,174,327	8,056,473	6,297,605
Surplus over charges	$6,882,336	$2,666,139	$2,971,815	$3,298,503	$4,274,206	$3,228,285	$6,290,486
Dividends paid	.....	627,816	2,511,264	3,139,080	3,139,627	3,139,625	2,668,617
Appropriations for imprmts, etc	3,120	2,602	.....	.....	.....	.....	.....
Balance	$6,879,216	$2,035,721	$460,551	$159,423	$1,134,579	$88,660	$3,621,869
Earned on stock	10.95%	4.2%	4.73%	5.25%	6.80%	5.06%	10.02%

Note: Other income in 1916 included $221,215 from hire of equipment, $677,156 interest on investments, etc. Fixed charges included $900,905 for rentals of tracks, leased roads, etc., $8,175,199 for interest on bonds, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $2,947,540; credit balance transferred from income account, $6,879,216; delayed income credits, $218; unrefundable overcharges, $2,354; miscellaneous credits, $59,480; total, $9,888,808. Contra: Surplus applied to sinking and other reserve funds, $57,000; debt discount extinguished through surplus, $2,484,602; loss on retired road and equipment, $19,646; delayed income debits, $2,655; miscellaneous debits, $335,011; credit balance carried to balance sheet, $6,989,894; total, $9,888,808.

Comment: The income results of the Chesapeake & Ohio for the fiscal year ended June 30, 1916, were in all respects gratifying. A very heavy increase was shown in the gross revenues, and although maintenance expenses were advanced the general operating costs increased only moderately. As a result the net operating revenues were several millions higher than in the previous year and the balance available above fixed charges was equivalent to almost 11% on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$34,373	36%	$60,580	64%	$3,946	$98,899	$16,544	$82,355	6.25%	.....	.....	$344	1%	.....	80%
1908	34,130	36	60,417	64	6,454	101,001	8,904	92,097	5.77	.....	.....	341	1	....	77
1909	33,104	35	60,215	65	6,606	99,925	3,111	96,814	6	.....	.....	662	2	.....	69
1910	32,420	30	77,379	70	6,712	116,511	11,263	105,248	6.6	.....	.....	1,377	4¾	.....	58
1911	28,173	28	74,004	72	7,329	109,506	6,701	102,805	5.4	.....	.....	1,409	5	.....	3
1912	27,750	28	70,335	72	6,850	104,935	1,839	103,096	5.8	.....	.....	1,389	5	.....	26
1913	27,079	27	72,066	73	7,617	106,762	2,094	104,668	5.3	.....	.....	1,354	5	.....	5
1914	26,768	26	74,693	74	7,119	108,580	2,647	105,933	5.3	.....	.....	1,070	4	.....	18
1915	26,508	27	73,021	73	7,196	106,725	2,680	104,045	5.3	.....	.....	265	1	.....	77
1916	26,441	22	96,337	78	7,587	130,365	2,897	127,468	4.6	.....	.....	.....	.....	.....	.....
10-Year Average	$29,675	30%	$71,905	70%	$6,742	$108,322	$5,868	$102,454	5.6%	.....	.....	$821	2.9%	.....	56%

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$287,906,787	$278,115,086	$271,253,431	$260,589,137	$244,095,675	$218,985,839
Working assets	17,378,222	11,228,303	15,067,844	14,413,438	12,914,749	21,075,703
Deferred debit items	6,015,096	1,111,183	2,637,843	1,433,608	1,194,797	1,070,756
Accrued income not due.	93,190	75,148	.....	.....	.....	.....
Total	$311,393,295	$290,529,720	$288,959,118	$276,436,183	$258,205,221	$241,132,298
Liabilities:						
Capital stock	$62,797,000	$62,797,000	$62,797,000	$62,797,000	$62,797,000	$62,797,100
Funded debt	228,800,170	213,369,163	212,351,971	199,950,176	181,636,699	166,165,371
Working liabilities	5,353,477	5,034,620	5,773,878	5,228,159	5,517,462	5,037,112
Accrd. liabilities not due	3,939,681	3,222,085	3,037,771	2,833,076	2,370,956	2,355,059
Deferred credit items	436,818	141,123	425,959	115,226	127,785	81,680
Appropriated surplus	3,076,255	3,018,189	3,010,706	2,997,865	2,994,921	2,984,876
Profit and loss surplus.	6,989,894	2,947,540	1,561,833	2,514,681	2,760,398	1,711,100
Total	$311,393,295	$290,529,720	$288,959,118	$276,436,183	$258,205,221	$241,132,298

Note: The total par value of all securities owned on June 30, 1916, was $92,527,058. The total bonds and notes pledged amounted to $65,636,758; stocks pledged, $18,653,400. The increase in the funded debt in 1913 and 1914 was caused chiefly by additional issues of first lien 5s and short term notes. The first lien and improvement 5s are included in "property investment" and, contra, in "funded debt."

Comment: There were some important capitalization changes on the Chesapeake & Ohio during the fiscal year 1916. The company created a new convertible bond issue, and added substantially to its total funded debt. The capitalization of the property, however, is really not very high in view of the large volume of business reported, and although in 1916 the net income on net capital tended to decline, yet the actual result was entirely satisfactory. The position of the property at the end of the fiscal year, as is shown in the balance sheet above, indicated a very heavy increase in the profit and loss surplus.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Ches. & Ohio Term. Ex first 6s	J&D	Je 1922	(1st) 10	$14,200		$3	86%	Very high	Very high	Aaa.
2. Ches. & Ohio first cons. 5s	M&N	My 1939	(1st) 664	45,000		630	86%	"	"	Aaa.
3. Ches. & Ohio R. & A. div. first 4s	J&J	Ja 1989	(1st) 242	25,000		100	86%	"	"	Aaa.
4. Ches. & Ohio R. & A. div. second 4s	J&J	Ja 1989	(2d) 242	4,200	$5,358	13	86%	"	"	Aaa.
5. Ches. & Ohio Craig Val. Br. first 5s	J&J	Jl 1940	(1st) 26	25,000		14	86%	"	"	Aa.
6. Ches. & Ohio Warm Sp. Val Br first 5s	M&S	Mr 1941	(1st) 25	16,000		9	86%	"	"	Aa.
7. Ches. & Ohio General 4½s	M&S	Mr 1992	(see text)	32,250		910	73%	High	"	Aa.
8. Greenbrier Ry. first 4s	M&N	N 1940	(1st) 101	17,800		30	73%	"	High	A.
9. Paint Creek Br. Ry. first 4s	F&A	F 1945	(1st) 23	23,500		10	73%	"	"	A.
10. Big Sandy Ry. first 4s	J&D	Je 1944	(1st) 86	54,000		80	73%	"	"	Aa.
11. Ches. & Ohio Potts Cr. Br first 4s	J&J	Jl 1946	(1st) 20	30,000		10	73%	"	"	A.
12. Ches. & Ohio Gen. Fund'g & imp. 5s	J&J	Ja 1929	(see text)	2,080		77	73%	"	"	A.
13. Ches. & Ohio Grain Ct. first 4s	A&O	O 1938	.....	.....	4,589	14	73%	"	"	Ba.
14. Coal River Ry. first 4s	J&D	Je 1945	(1st) 95	30,000		49	73%	"	"	A.
15. Raleigh & So. W. Ry. first 4s	J&J	Jl 1936	(1st) 36	23,800		11	73%	"	"	A.
16. Virginia Air Line Ry. first 5s	M&N	My 1952	(1st) 30	30,000		20	73%	"	"	A.
17. Norf. Ter. & T. first 5s	F&A	F 1948	.....	.....		14	73%	"	"	Aa.
18. West. Poca. Corp. first 4½s	F&A	Ag 1945	.....	.....		44	73%	"	"	A.
19. Ches. & O. Nor. first 5s	A&O	O 1945	(1st) 30	33,500		21	73%	"	"	A
20. Ches. & Ohio conv. 4½s	F&A	F 1930	(see text)	.....		635	53%	Good	"	Baa.
21. Ches. & Ohio, first lien and imp. bonds	J&D	D 1930	Coll. &c.	(see text)	3,332	(see text)	53%	"	.....	Baa.
22. Ches. & Ohio, conv. 5s	A&O	Ap 1946	Coll.	.....		842	53%	"	Fair	Baa.
23. Ches. & Ohio equips	Var.	Var.	.....	(see text)		78	53%	High	"	A.

For Key to Bond Ratings, see page 19.

Note: The ratings are based not only on the statistical exhibits and averages, but other factors are taken into consideration, such as the relative value to the system of the mileage covered, the size of the bond issue, its general character, etc. All the old underlying and divisional liens on the Chesapeake & Ohio answer rigid investment tests, while the junior liens and note issues promise to grow steadily in strength.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,000,000; outstanding, $142,000 (closed). Dated June 1, 1882; due June 1, 1922. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien, 10 miles, Newport News to Old Point Comfort, Va., and terminals. Underlie Nos. 2, 7, 12, 20, 21 and 22, with provision by No. 2 to retire at maturity. Normal income tax deducted from interest.

2. Auth., $30,000,000; outstanding, $29,858,000; balance reserved for No. 1 (above). Dated Jan. 1, 1889; due May 1, 1939. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000; reg., $500, $1,000, and $10,000. First lien on 664.50 miles, as follows: Newport News via Richmond and Mineral to Kenova, Ky., 502.80 miles; Coalburg to Acme, W. Va., 14.60 miles; Ashland to Covington, Ky., 143.70 miles; Hawk's Nest to Ansted, W. Va., 3.40 miles; also in effect a first lien on bridge from Covington to Cinn., with approaches, 1.80 miles, being a first collateral lien on all the bonds and $1,479,000 out of $1,500,000 stock of the Covington & Cincinnati Elevator R.R. & Bridge Co.; also a second lien on 10 miles covered by No. 1 (above). Underlie Nos. 7, 12, 20 and 21, with provision by No. 7 to retire at maturity. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $6,000,000. Dated Jan. 20, 1890; due Jan. 1, 1989. Int. at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on 242.03 miles as follows: Richmond to Clifton Forge, Va., 229.90 miles; Loch Laird to East Lexington, Va., 10.50 miles; branches, 1.66 miles. Underlie Nos. 4, 7, 20 and 21. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

4. Auth. and outstanding, $1,000,000. Dated Jan. 20, 1890; due Jan. 1, 1989. Int. at J. P. Morgan & Co., New York. Coupon, $1,000. Second lien on 242.03 miles covered by No. 3 (above). Underlie Nos. 7, 12, 20 and 21. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $650,000. Dated May 29, 1890; due July 1, 1940. Int. paid at 71 Braodway, New York. Coupon, $1,000. First lien, 26.40 miles, Eagle Mountain to Newcastle, Va. Underlie Nos. 7, 12 20 and 21, with provision by No. 7 to retire at maturity. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth. and outstanding, $400,000. Dated Nov. 10, 1890; due March 1, 1941. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien, 24.70 miles, Covington to Hot Springs, Va. Underlie Nos. 7, 12, 20 and 21, with provision by No. 7 to retire at maturity. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

7. Auth., $70,000,000, and $25,000 per mile; outstanding, $48,129,000. Dated Feb. 23, 1892; due March 1, 1992. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000; reg., $1,000 and $10,000. First lien on 438.67 miles, as follows: New Canton to Rosney, Va., 20.47 miles; Prince to Jenny's Gap, W. Va., 27.50 miles; Acme to Lawson and Republic, W. Va., 30.30 miles; Barboursville to Ethel, W. Va., 71.60 miles; Denton to Lexington, Ky., 102.70 miles; Mount Sterling to Rothwell, Ky., 19.80 miles; Ashland to Whitehouse, Ky., 58.50 miles; Garrison to Carter City, Ky., 19.80 miles; Thurmond to Hawk's Nest, W. Va., 18.30 miles; Gauley to Greenville, W. Va., 71.70 miles; various branches, 39.30 miles. Also a second lien on 801.50 miles, which is covered by first lien by Nos. 2, 5, 6 and 10 (which see). Also a third lien on 252.03 miles, which is covered by first and second lien by Nos. 1, 3 and 4 (which see above). Also a first collateral lien on miscellaneous securities of a par value of $46,000. Underlie Nos. 12, 20 and 21. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

8. Auth., $3,000,000; outstanding, $1,782,000. Dated Nov. 1, 1900; due Nov. 1, 1940. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Assumed by C. & O. Ry. Sinking fund, 1% of bonds outstanding annually to be purchased at 105 or less. First lien, 100.80 miles, Whitcomb to Winterburn, W. Va. Underlie Nos. 12, 20 and 21. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

9. Auth., $750,000; outstanding, $539,000. Dated Feb. 1, 1905; due Feb. 1, 1945. Int. at J. P. Morgan & Co., New York. Coupon, $1,000. First lien, 22.90 miles, Paint Creek Junc. to Manhan, W. Va. Underlie Nos. 12, 20 and 21. Interest paid without deduction for normal income tax.

10. Auth., $5,000,000; outstanding, $4,618,000. Dated June 1, 1904; due June 1, 1944. Int. at J. P. Morgan & Co., New York. Coupon, $1,000. Assumed by C. & O. Ry. Sinking fund, 1% per annum of outstanding bonds to be retired at 105 or better but not called. Guar. prin. and int. by endorsement of C. & O. Ry., but now assumed. First lien, 86.10 miles, including from Whitehouse to Elkhorn City, Ky., and branch. Underlie Nos. 7, 12, 20 and 21. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

11. Auth., $1,000,000; outstanding, $600,000. Dated July 1, 1906; due July 1, 1946. Int. paid at 71 Broadway, New York. Coupon, $1,000. First lien, 20.10 miles; Covington to Bess, Va. Underlie Nos. 12, 20 and 21. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

12. Auth., $30,000,000; outstanding, $3,698,000. Dated Jan. 2, 1909; due Jan. 1, 1929. Int. paid at 71 Broadway, New York. Coupon and reg., $1,000. Callable at 107½ and int. on twelve weeks' notice. First lien on 4.20 miles of terminal mileage in Lexington, Ky.; second lien on 743.77 miles (of which 18.40 miles are considered second track), covered by first lien by Nos.7, 8, 9, 11, 14, 15 and 16; third lien on 801.50 miles covered by second lien by No. 7; fourth lien on 252.03 miles covered by third lien by No.7; also a first collateral lien on the entire stock of the Norfolk Terminal Transfer Co., and a second collateral lien on securities covered by No. 2 by first collateral lien. Underlie Nos. 20 and 21. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

13. Auth., $900,000; outstanding, $820,000. Dated Oct. 1, 1888; due Oct. 1, 1938. Int. paid at J. P. Morgan & Co., New York. Coupon and reg., $1,000. First lien on grain elevator at Newport News. Guaranteed prin. and int. by Ches. & Ohio Ry. Co. by endorsement. Normal income tax deducted from interest.

14. Auth., $3,000,000; outstanding, $2,809,000. Dated June 1, 1905; due June 1, 1945. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Assumed by C. & O. Ry.; bonds also bear guaranty. Sinking fund, 1% of outstanding bonds annually to be retired at par or better, but not called. First lien, 95.10 miles; St. Albans to Helen, and Sproul to Seth, W. Va. Underlie Nos. 20 and 21. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

15. Auth., $1,500,000; outstanding, $857,000. Dated July 1, 1906; due July 1, 1936. Int. at 71 Broadway, New York. Coupon, $1,000. Assumed by C. & O. Ry; bonds also bear guaranty. Sinking fund, 1% of outstanding bonds to be retired annually at par or better, but not called. First lien, 36.40 miles, Piney Creek Branch at Raleigh, W. Va., along Piney, Blade, and Beaver Creeks. Underlie Nos. 12, 20 and 21. Interest paid without deduction for normal income tax .

16. Auth. and outstanding, $900,000. Dated May 1, 1907; due May 1, 1952. Int. paid at 71 Broadway, New York. Callable at 110 and int., on four weeks' notice. Coupon, $1,000. Sinking fund, $7,000 per annum to purchase bonds at 110 or better, but not called. Assumed by Ches. & Ohio Ry. First lien, 29.80 miles, Lindsay to Strathmore, Va. Underlie Nos. 12, 20 and 21. Interest paid without deduction for normal income tax.

17. Auth. and outstanding, $500,000. Dated Feb. 1, 1898; due Feb. 1, 1948. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Prin. and int. guar. by C. & O. Ry. by endorsement. First lien on terminal property at Norfolk, Va. Interest paid without deduction for normal income tax.

18. Auth. and outstanding, $750,000. Dated Aug. 1, 1905; due Aug. 1, 1945. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Callable at 105 and int. on four weeks' notice. Sinking fund, $9,000 annually to buy bonds at 105 or better, but not to be called. Guar. prin. and int. by C. & O. Ry. by endorsement. First lien on about 27,000 acres of coal lands in W. Va., and on coal in about 670 additional acres. Interest paid without deduction for normal income tax.

19. Auth. and outstanding, $1,000,000. Dated Oct, 1, 1915; due Oct. 1, 1945. Int. paid at company's office in New York. Coupon, $1,000; reg., $1,000 and multiples. Callable, as a whole at 105 on sixty days' notice. Guaranteed prin. and int. by C. & O. Ry. by endorsement. First lien on 29.80 miles, from Edgington, Ky., to Waverly, O., and bridge over Ohio River (under construction). Normal income tax deducted from interest.

20. Auth., $37,200,000; outstanding, $31,390,000. Dated Feb. 1, 1910; due Feb. 1, 1930. Int. paid in New York and London. Coupon, $1,000. Callable on and after Feb. 1, 1915, at 102½ and int., on ninety days' notice. Convertible into common stock at par until Feb. 1, 1920, unless called for redemption, in which case they will be convertible up to and including the second day of Jan. or July next preceding the redemption date. A direct obligation, jointly secured with No. 21 (below), on 1,729.80 miles, being a second lien on 4.20 miles; third lien on 671.87 miles; fourth lien on 801.70 miles; fifth lien on 252.03 miles. As long as any of these bonds remain outstanding, no more of No. 12 shall be issued, and the company agrees that it will not, prior to Feb. 2, 1920, issue any stock having preference over the present common stock, nor pay stock dividends. These bonds were issued to pay for a majority of the stock of the Hocking Valley Ry., a half-interest in the stock of the Kanawha & Michigan Railway, for the acquisition of the Chicago, Cincinnati & Louisville Railway (now merged), and for betterments, improvements, etc. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

21. Auth., $125,000,000; issued, $47,265,000, of which $45,920,000 are pledged under No. 22, and balance in treasury. Dated Dec. 1, 1910; due Dec. 1, 1930. Int. paid in New York. Coupon, $100, $500 and $1,000; reg., $50, $1,000, etc. Int. rate not to exceed 5%. No. 20 is now equally secured with this issue on 1,729.80 miles. Total mileage covered, 1,842.60 miles, of which 40.90 is first lien, 4.20 is second lien, 743.77 is third lien, 801.70 is fourth lien, and 252.03 miles is fifth lien. Also covers valuable collateral of a par value of $47,148,540. Interest paid without deduction for normal income tax.

22. Auth. and outstanding, $40,180,000. Dated April 1, 1916; due April 1, 1946. Int. paid at company's office in New York. Coupon, $500 and $1,000; reg., $500, $1,000, etc., interchangeable. Callable as a whole at 105 before April 1, 1929, thereafter at par, on sixty days' notice. Convertible into common stock to April 1, 1920, at 75, 1920 to 1923 at 80, 1923 to 1926 at 90, 1926 to April 1, 1936, at par. If called conversion privilege terminates thirty days prior to redemption date. Secured by deposit of $45,920,000 of No. 21, which may be withdrawn in proportion as bonds are converted. Maturity date of this security may be extended to not later than April 1, 1946. Listed on New York Stock Exchange. Normal income tax deducted from interest.

23. In several series as follows: Series N, 4½s, dated June 15, 1914; due $85,000 s. a. to June 15, 1924; int. paid June and Dec. 15, in New York and Philadelphia; coupon, $1,000; now outstanding, $1,275,000; Series O 4½s; dated Jan. 15, 1916; due $158,000 s. a. to Jan. 15, 1926; int. paid Jan. and July 15, in New York and Philadelphia; coupon, $1,000; callable at 102 on sixty days' notice; now outstanding, $2,844,000. Normal income tax deducted from interest on both series.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Chesapeake & Ohio Ry. Stock. . . . . Full voting power. Par $100 Outstanding, $62,797,000.	See text	$26,441	$1,879	$1,058*	44%	Large	High	B.

* For 4%.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

Note: Stock auth., $155,000,000; par $100. Of this amount sufficient is reserved for conversion of the convertible bonds of the company, and can be used for no other purpose. No issue of preferred stock can be created, and no stock dividends can be paid. Dividends in cash have been paid as follows: 1889 to 1908, 1% per annum; 1909, 3%; 1910, 4¾%; 1911 and 1912, 5% each; 1913, 1¼% quarterly to June 30, 1913; Sept. and Dec., 1913, 1% each, Mar. and June, 1914, 1% each; Dec., 1914, 1%. Paid 2% in Dec., 1916. Transfer Agent, J. A. Kelly, 71 Broadway, New York. Listed on New York and London Stock Exchanges.

COMPANIES CONTROLLED BY CHESAPEAKE & OHIO RAILWAY

CINCINNATI INTER-TERMINAL RAILROAD

Incorporated under laws of Ohio, Dec. 20, 1902; first in operation in 1907. Property consists of 6 miles of terminal trackage in Cincinnati and is operated for the joint use of the Chesapeake & Ohio Ry. and the Louisville & Nashville R.R., to make connection with the terminals of the Cincinnati, Hamilton & Dayton R.R. Company is controlled by the Chesapeake & Ohio through the Covington & Cincinnati Elevated R.R. & Transfer & Bridge Co., the latter owning all the common stock, and its own stock being owned by the Chesapeake & Ohio Ry.

Management: Officers: Geo. W. Stevens, Pres.; Decatur Axtell, Vice-Pres.; Carl Remington, Sec.; Jas. Steuart MacKie, Treas. Directors: Geo. W. Stevens, Decatur Axtell, A. Trevvett, John Galvin, Thornton Lewis, L. E. Osborn, F. M. Whitaker. Annual meeting, second Tuesday in Jan. Office, Cincinnati, Ohio.

Capital Stock: Auth., $1,000,000 4% cumulative preferred and $10,000 common; outstanding, $825,000 preferred and all the common; par $100. All common stock is owned by Covington & Cincinnati Elevated R.R. & Transfer & Bridge Co., and $34,500 preferred is owned by Chesapeake & Ohio R.R. Preferred stock has no voting power and is a mortgage on the property. It is callable at 105 on any dividend date. The 4% dividends (semi-annual, Feb. 1 and Aug. 1) are guaranteed by the Covington & Cincinnati Elevated R.R. & Transfer & Bridge Co.

KANAWHA BRIDGE AND TERMINAL COMPANY

Incorporated under laws of West Virginia in 1907. Company owns a bridge over Kanawha River at Charleston, West Virginia, over which the lines of the Chesapeake & Ohio and the Kanawha & Michigan Rys. make connection. Company is controlled through ownership of entire stock by Chesapeake & Ohio Ry. Co.

Management: Officers: Geo. W. Stevens, Pres.; Carl Remington, Sec.; Jas. Steuart MacKie, Treas., New York. Main Office, Richmond, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross receipts	$46,629	$39,247	$37,555	$38,227
Total net income	40,745	27,687	27,551	31,874
Fixed charges inc. taxes	30,574	29,415	29,184	28,017
Surplus	$10,171	(def.) $1,728	(def.) $1,924	$3,857

Bonded Debt: $485,000 Kanawha Bridge & Terminal Co. first 5s; dated Aug. 1, 1908; due Aug. 1, 1948; int. paid A. & O. 1 at Fidelity Trust Co., Phila. Coupon, $1,000. Callable at 105 after April 1, 1916. Sinking fund, $3,000 per annum from 1913 to 1917; $5,000 per annum from 1918 to 1927; $7,500 per annum from 1928 to 1937; $10,000 per annum thereafter to maturity. First lien on entire property. Interest paid without deduction for normal income tax. Rating Ba.

Capital Stock: Auth. and issued, $400,000; par $100. All owned by Chesapeake & Ohio Railway Co.

THE HOCKING VALLEY RAILWAY COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual report of the past ten years.

For Definitions and Key to Ratings, see pages 19-26.

Origin: Successor in 1899 of Columbus, Hocking Valley & Toledo Railway. In 1889, the Middle States Construction Co. acquired nearly all the capital stock of the Toledo & Ohio Central Ry., and issued $8,421,000 collateral-trust bonds on these shares, which were acquired by the Hocking Valley Ry. The control of the Toledo & Ohio Central involved the control, also, of the Kanawha & Michigan and the Zanesville & Western Rys. In 1909 the Ohio Lower State Court held this control illegal, and after July, 1909, the Toledo & Ohio Central was operated independently, and in March, 1910, was sold to the Lake Shore & Mich. Southern. The Hocking Valley and Toledo & Ohio Central interests also controlled the output of the Continental Coal Co., owning and operating over 30,000 acres of coal lands in Athens, Hocking, and Perry counties, Ohio. Controls the Buckeye Coal & Ry. Co., the Ohio Land & Ry. Co., and the Sunday Creek Co. In 1916 these coal company holdings were sold as a result of an anti-trust suit brought by the Government.

Location: A "soft-coaler." Main lines extend from Toledo, Ohio, through Columbus to Pomeroy, with branches; 321.2 miles; leased lines, 22.4 miles; joint trackage, 6.6 miles; total operated, 350.2 miles. Population of Ohio in 1890, 3,672,316; in 1900, 4,157,545; in 1910, 4,767,121.

Control: A majority of the common stock of the Hocking Valley Ry. was owned by the following five railroad companies: Pittsburgh, Cinn., Chic. & St. Louis (Penna. system), Baltimore & Ohio, Chesapeake & Ohio, Erie, and Lake Shore & Michigan Southern (N. Y. Central system). In March, 1910, the Chesapeake & Ohio bought all these holdings, and now owns $8,825,800 out of a total of $11,000,000 capital stock.

Management: OFFICERS: Frank Trumbull, Chairman; George W. Stevens, Pres.; Decatur Axtell, 1st Vice-Pres.; F. M. Whitaker, 2d Vice-Pres.; M. P. Caples, 3d Vice-Pres.; Carl Remington, Sec.; James Steuart MacKie, Treas., New York. DIRECTORS: Samuel P. Bush, R. S. Warner, Clarence Brown, Henry E. Huntington, F. J. Reynolds, George W. Stevens, Frank Trumbull, Martin J. Caples, C. E. Graham, Francis R. Huntington, Jeremiah Milbank, Jerome B. Zerbe, Frank H. Davis. Annual meeting, first Tuesday in October. MAIN OFFICE, Columbus, Ohio. NEW YORK OFFICE, 71 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	3.24%	3.28%	3.08%	2.55%	3.26%	3.82%	2.88%	3.86%	5.5%	3.6%
Products of Animals	.24	.30	.34	.28	.34	.46	.45	.54	.6	.4
Products of Mines	75.14	77.40	76.92	80.32	79.67	80.35	79.78	78.04	77.0	79.3
Products of Forests	4.54	4.03	3.91	3.63	3.58	3.71	3.78	3.82	3.2	2.7
Manufactures and Miscel.	16.94	14.99	15.75	13.22	13.15	11.66	13.11	13.74	13.7	14.0

Total revenue tonnage in 1909, 8,034,510 tons; in 1910, 11,191,476 tons; in 1911, 9,792,066 tons; in 1912, 10,292,971 tons; 11,178,636 tons in 1913; 10,487,048 in 1914; in 1915, 9,113,539; in 1916, 11,758,651 tons.

This being one of the leading soft-coal properties, the chief single item of tonnage is soft coal. In 1912, 7,624,000 tons were transported; 7,887,906 tons in 1913; 7,267,521 in 1914; 6,212,429 in 1915; 8,267,309 in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	347	47	142	90	14,782	77%	130,080	3,135,615	419	$1.70	1.78c	.50c
1908	347	48	158	93	15,723	80	148,054	2,678,003	594	2.46	1.63	.51
1909	347	48	157	92	14,640	83	146,198	2,872,980	588	2.34	1.64	.48
1910	350	50	147	90	14,786	83	140,927	4,014,840	649	2.52	1.76	.48
1911	350	50	157	98	14,856	81	145,896	3,781,053	735	2.71	1.64	.44
1912	351	55	146	82	14,346	81	148,175	3,919,932	852	2.86	1.63	.43
1913	351	55	149	88	12,778	81	149,725	4,135,655	988	3.29	1.72	.44
1914	352	56	156	84	14,213	80	139,952	3,742,321	1,000	3.24	1.80	.43
1915	352	54	156	84	15,075	79	125,729	3,329,261	1,035	3.25	1.84	.42
1916	351	54	144	80	15,333	81	126,889	4,206,733	1,159	3.62	1.89	.41
10-Year Average	350	52	151	88	14,653	81%	140,163	3,581,639	802	$2.80	1.73c	.45c

Yard tracks and sidings, owned and leased, June 30, 1916, 308.09 miles. Weight of rails in main track, 67 to 100 lbs.

Comment: Operating results on the Hocking Valley Railway for the year ended June 30, 1916, were very gratifying. The freight density rose to a higher figure than ever in the history of the company, while the freight train load was also still further increased. It will be noted that notwithstanding the tendency of the average freight rates to decline, the company has steadily in recent years increased its train mile earnings, and in 1916, the average reached was unusually high. As has been the case for many years, the property depends mainly on soft coal for its tonnage, and in the year just closed this item of freight represented more than 79% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$19,905	$2,324	$4,300	$6,624	$6,287	$6,994	$8,673	$661	$8,012	$2,745	66%	$5,267	$2,680
1908	16,884	2,180	3,770	5,959	5,808	5,117	7,892	647	7,245	3,283	55	3,962	2,997
1909	17,089	1,943	3,505	5,448	5,867	5,774	8,455	679	7,776	3,407	56	4,369	2,997
1910	21,627	2,227	3,978	6,205	7,093	8,329	11,446	821	10,625	3,369	68	7,256	2,780
1911	20,492	2,398	3,213	5,611	7,530	7,351	9,537	987	8,550	3,313	61	5,237	1,257
1912	20,808	2,431	3,397	5,828	7,218	7,762	9,740	1,180	8,560	3,344	61	5,216	2,191
1913	22,273	2,225	4,545	6,770	7,429	8,074	10,274	1,362	8,912	3,452	61	5,460	3,604
1914	19,942	1,899	4,150	6,049	7,598	6,299	7,666	1,282	6,384	3,664	43	2,720	2,500
1915	17,560	2,009	3,292	5,301	6,586	5,673	6,816	1,189	5,627	4,221	25	1,406	1,250
1916	21,114	2,075	5,168	7,243	6,870	7,001	9,986	1,429	8,557	4,983	42	3,574	1,254
10-Year Average	$19,770	$2,172	$3,932	$6,104	$6,829	$6,837	$9,048	$1,024	$8,024	$3,578	54%	$4,446	$2,351

Note: Above table is based on average mileage directly operated each year, whether owned or otherwise controlled. Margin of safety is the proportion of surplus remaining after payment of fixed charges. For example, in 1916 the "balance for charges" (per mile) was $8,557; fixed charges amounted to $4,983 per mile, or 58%, leaving a surplus of $3,574 per mile, or 42%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$7,411,025	$6,180,108	$7,021,145	$7,817,644	$7,303,679	$7,172,731	$7,783,032
Maintenance of way	728,178	707,207	668,455	781,109	853,403	839,640	780,783
Maintenance of equipment	1,814,110	1,158,671	1,460,653	1,595,266	1,192,191	1,124,608	1,392,223
All other operating expenses	2,411,289	2,318,492	2,674,639	2,607,468	2,533,428	2,635,799	2,566,822
Net operating revenues	$2,457,448	$1,995,738	$2,217,398	$2,833,801	$2,724,637	$2,572,684	$3,043,204
Operating ratio	68.8%	67.7%	68.4%	63.7%	62.7%	64.1%	61.5%
Other income	1,047,743	403,594	480,864	772,478	694,156	765,196	962,834
Total net income	$3,505,191	$2,399,332	$2,698,262	$3,606,279	$3,418,793	$3,337,860	$4,006,038
Taxes accrued	501,752	418,522	451,136	477,900	414,188	345,435	287,469
Balance for charges	$3,003,439	$1,980,810	$2,247,126	$3,128,379	$3,004,605	$2,992,425	$3,718,569
Fixed charges	1,749,006	1,485,679	1,289,928	1,211,975	1,173,769	1,159,694	1,178,804
Surplus over charges	$1,254,433	$495,131	$957,198	$1,916,404	$1,830,836	$1,832,731	$2,539,765
Dividends paid	*	439,980	879,960	1,264,943	770,000	440,000	773,028
Appro. for improvements, etc.	172,669	1,729	.....	.....	.....	.....	.....
Balance	$1,081,766	$53,422	$77,238	$651,461	$1,060,836	$1,392,731	$1,766,737
Earned on stock: Preferred	.....	.....	.....	.....	.....	.....	16.93%
Common	11.4%	4.5%	8.7%	17.42%	16.64%	16.66%	18.24%

* Dividend paid from Profit and Loss Account in 1916.

Note: Total net income includes interest and dividends on securities owned, etc., as well as operating profits. Fixed charges include interest on debt, rental of leased lines, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $6,973,781; credit balance transferred from income, $1,081,766; profit on road and equipment sold, $6,040; miscellaneous credits, $756; total, $8,062,343. Contra: Dividend appropriations of surplus, $439,980; debt discount extinguished through surplus, $75,062; loss on retired road and equipment, $15,849; miscellaneous debits, $501,822; credit balance carried to balance sheet, $7,029,630; total, $8,062,343.

Comment: The income statement of the Hocking Valley Railway for the year ended June 30, 1916, reflected very great improvement, although the figures did not reach those of the unusual year 1913. However, the outside income of the property greatly expanded in 1916, and therefore the surplus available for charges was almost at the highest level ever reached. Fixed charges tended to increase to some extent and therefore the final surplus was not as good as a few years ago, but nevertheless exceeded 11% on the outstanding capital stock. The company therefore had no difficulty in disbursing the usual dividend of 4%.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$74,923	53%	$65,212	47%	$1,316	$141,451	$38,150	$103,301	8.4 %	$1,729	4%	$951	3%	67%	73%
1908	74,923	52	68,100	48	3,091	146,114	37,091	109,023	7	1,729	4	1,270	4	56	42
1909	74,923	53	66,608	47	3,839	145,370	38,275	107,095	8	1,729	4	1,270	4	60	49
1910	31,429	31	73,810	69	.....	105,239	6,986	98,253	11.6	1,523	4	1,257	4	77	70
1911	31,429	32	72,245	68	Nom.	103,674	8,500	95,174	10	.....	.....	1,257	4	.....	75
1912	31,339	32	72,769	68	"	104,108	7,936	96,172	10.1	.....	.....	2,191	7	.....	58
1913	31,339	30	71,866	70	"	103,205	7,936	95,269	10.8	.....	.....	3,604	11½	.....	34
1914	31,250	33	64,474	67	"	95,724	7,912	87,812	8.7	.....	.....	2,500	8	.....	8
1915	31,250	33	63,065	67	"	94,315	5,237	89,078	7.6	.....	.....	1,250	4	.....	11
1916	31,339	30	73,840	70	"	105,179	536	104,643	9.5	.....	.....	1,254	4	.....	65
10-Year Average	$44,414	40%	$69,199	60%	$825	$114,438	$15,856	$98,582	9.2 %	$671	1.6%	$1,680	5.3%	85%	55%

Note: Above table is based on average mileage directly operated. "Net Income on Net Capital" is percentage of income left over before deducting taxes or charges, on the net capital of the company.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$44,853,685	$45,197,653	$44,190,850	$41,362,040	$41,243,244	$40,415,789
Working assets	2,737,767	2,153,353	5,413,725	6,236,958	5,710,358	5,709,160
Deferred debit items...	523,108	557,708	988,762	143,286	120,846	122,443
Accrued income not due..	.....	6,265	35,313	.....	.....	.....
Total	$48,114,560	$47,914,979	$50,628,649	$47,742,284	$47,074,448	$46,247,392
Liabilities:						
Capital stock	$11,000,000	$11,000,000	$11,000,000	$11,000,000	$11,000,000	$11,000,000
Funded debt	25,918,000	22,199,000	22,695,000	25,225,000	25,541,000	22,036,000
Working liabilities.....	3,094,530	6,829,607	7,057,797	1,846,492	1,566,629	5,194,991
Accrued liabil. not due..	428,882	400,670	423,123	411,760	277,598	239,678
Deferred credit items..	169,876	161,503	360,905	106,771	91,817	125,688
Appropriated surplus..	473,642	350,418	406,210	382,406	377,470	350,780
Profit and loss surplus..	7,029,630	6,973,781	8,685,614	8,769,855	8,219,934	7,300,255
Total	$48,114,560	$47,914,979	$50,628,649	$47,742,284	$47,074,448	$46,247,392

Note: In working assets in 1916 was included $554,481 in cash.

Comment: There was a considerable increase in the bonded debt of the Hocking Valley Railway for the fiscal year 1916. The total capitalization of the property as measured on the mileage basis is now much higher than in recent years, but the earning power of the company is such as to enable the company to carry this high capitalization. It will be noted in 1916 the net income on net capital was 9½%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Columbus & Hock. Valley first 4s.....	A&O	O 1948	(1st) 117	$12,000	$8,024	$159	95%	Very high	Very high	Aaa.
2. Columbus & Toledo first 4s..	F&A	Ag 1955	(1st) 118	20,700		279	95%	"	"	Aaa.
3. Hock. Valley cons. 4½s.....	J&J	Jl 1999	(cons) 322	50,000	7,586	2,060	73%	"	"	Aaa.
4. Hock. Valley 2-yr. 5% notes.	M&N	N 1917	.....	.....	5,526	570	90%	"	High	Aa.
5. Equipment trusts, see text...	Var.	(see text)	.....	.....	4,956	210	96%	"	"	Aaa.

For Key to Ratings, see page 19.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,500,000; outstanding, $1,401,000 (closed). Dated Oct. 1, 1867; due Oct. 1, 1948. Int. paid at J. P. Morgan & Co., New York. Coupon, $500 and $1,000. First lien, 116.60 miles, Columbus to Athens, O., and branches. Underlie No. 3, which provide for retirement. Legal for Savings Banks in Maine, Mo. Listed on New York Stock Exchange. Interest paid without deduction for nomal income tax.

2. Auth., $2,500,000; outstanding, $2,441,000 (closed). Dated Aug. 1, 1875; due Aug. 1, 1955. Int. paid J. P. Morgan & Co., New York. Coupon, $1,000. First lien, 118 miles, Columbus to Walbridge, O Underlie No. 3, which provide for retirement. Legal for S. B. in Maine, Mo. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $20,000,000; outstanding, $16,025,000; retired by sinking fund, $131,000; reserved for Nos. 1 and 2, $3,842,000. Dated July 1, 1899; due July 1, 1999. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000; reg., $1,000, etc. Direct lien on entire mileage owned, subject to above prior mortgages, to retire which sufficient of the issue are reserved, being a first lien on 88.80 miles from Logan to Pomeroy, O., and on 10,015 acres of coal lands. Secured by a joint mortgage of the Railway and the Buckeye Coal & Railway Co., whereby they are a lien on the coal lands owned by the latter. Additionally secured by deposit of $249,500 capital stock of the Buckeye Coal & Ry. Co., $200,000 capital stock of the Boston Coal Dock & Wharf Co.; $3,236,300 stock of the Sunday Creek Co., $255,000 stock and all the bonds of the Wellston & Jackson Belt Ry. Co.; $200,100 stock and $1,387,000 bonds of the Ohio Land & Ry. Co. Sinking fund provides that the Buckeye Coal & Ry. Co. shall pay to the Hocking Valley Ry. Co. two cents per ton on all coal mined from the lands of the former, to be employed in purchasing bonds at 105 and int.; bonds so purchased to be canceled. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

Note: Pursuant to court order in the government's anti-trust suit against the company, various coal company holdings, including the Sunday Creek Co., the Buckeye Coal & Ry. Co., and the Ohio Land & Ry. Co. have been sold.

4. Auth. and outstanding, $4,000,000. Dated Nov. 1, 1915; due Nov. 1, 1917. Int. May and Nov. 1 at company's office, New York. Coupon, $1,000. Callable at 101 on May 1, 1916. Not a mortgage, but no new mortgage can be created without making these bonds a prior lien thereto. Normal income tax deducted from interest.

5. Series A, 4s; dated Feb. 1, 1907; due $23,000 each F. and A. 1 to Feb. 1, 1917; now outstanding, $23,000. Int., F. and A. 1. First lien on equipment costing $573,000. Series A-T (No. 2) 4s; dated Feb. 15, 1907; due $48,000 each F. and A. 15 to Feb. 15, 1917; now outstanding, $48,000. Int. F. and A. 15, at Lincoln Trust Co., N. Y. First lien on equipment costing $1,200,000. Series C. 4s; dated Apr. 1, 1907; due $37,000 each A. and O. 1 to Apr. 1, 1917; now outstanding, $37,000. Int. A. and O. 1, at Merchants Trust Co., Chicago. First lien on equipment costing over $800,000. Equip. 4s, dated Aug. 1, 1907; due $25,000 each F. and A. 1 to Aug. 1, 1917; now outstanding, $50,000. Int. F. and A. 1, at Empire Trust Co., New York. First lien on equipment costing $600,000. Equip. 4½s, dated Feb. 15, 1908; due $25,000 each F. and A. 15 to Feb. 15, 1918; now outstanding, $75,000. Int. F. and A. 15, at Guaranty Trust Co., N. Y. First lien on equipment costing $617,000. Equip. 5s, dated Aug. 1, 1913; due $100,000 annually to Aug. 1, 1923; now outstanding $700,000. Int. paid F. and A. First lien on equipment costing $1,250,000. Equip. 4½s, dated Feb. 2, 1914; due $80,000 annually to Feb. 1, 1924; now outstanding, $640,000. Int. paid F. and A. 1, in New York and Phila. First lien on equipment costing $940,000. All issues coupon, $1,000. Interest paid without deduction for normal income tax. Total now outstanding of all series, $1,573,000.

Note: This Company, jointly with the Toledo & Ohio Central Railway Company, guaranteed in 1901 5% first mortgage bonds of The Kanawha and Hocking Coal & Coke Company due 1951 ($3,013,000 outstanding), and in 1902 5% first mortgage bonds of The Continental Coal Company due 1952 ($2,061,000 outstanding). The Ohio courts, in *quo warranto* proceedings, in which bondholders were not represented, have pronounced these guarantees *ultra vires*. These two issues defaulted on interest payments on July 1, 1915. (See statement of Toledo & Ohio Central Ry.) In Dec., 1916, the New York Central R.R. arranged to pay off both these issues at par and interest.

Investment Position of Bonds: The three mortgages on the Hocking Valley system are all unusually secure, having been protected for years by a large margin of safety and also being backed up by heavy equities in property. The highest investment rating is therefore given each issue.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Hocking Valley Ry. common . . . . . Par $100. Outstanding, $11,000,000.	8% Qu M See text	$31,339	$4,446	$1,254*	72%	Large	High	A.

* For 4% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUE

Auth. and outstanding, $11,000,000; par $100. The Chesapeake & Ohio owned, on June 30, 1916, $8,825,800 of the total issue. Dividends have been paid as follows in recent years: 1901 to 1906, 3% per annum; July, 1907, 2%; 1908 to 1910, 4% per annum; 1911, 5%; 1912, 7½%; 1913, June 28, paid 4½% extra to make full 7% from Jan. 1910; since, rate has been 2% each three months, or 8% per annum until 1915 when only 4% was paid; 1916, 4%. Transfer Agent, J. P. Morgan & Co., New York. Listed on New York Stock Exchange.

COMPANIES LEASED AND OPERATED BY HOCKING VALLEY RAILROAD

POMEROY BELT RAILWAY

Incorporated under Ohio laws, Sept. 30, 1909; road opened in 1911. Owns 4 miles in Pomeroy, Ohio. Leased for 99 years from Nov. 1, 1909, by Hocking Valley Ry., annual rental being $8,500; 5% interest on further investment for additions and improvements, and an amount equal to interest on any further obligations issued.

Management: Officers: Geo. W. Stevens, Pres.; M. J. Caples, Vice-Pres.; Wm. N. Cott, Sec. and Treas.; F. D. Hodgson, Auditor. Directors: Above and M. S. Connors. Annual meeting, first Tuesday in October. Office, Columbus, Ohio.

Income Account, year ended June 30, 1916: Gross income, $13,702; interest, $13,823; deficit for year, $121.

Bonded Debt: $150,000 Pomeroy Belt Ry. first 5s; dated Nov. 1, 1909; due Nov. 1, 1929; int. paid May and Nov. 1, at Columbus, O. Coupon, $1,000. First lien on entire property. Interest guaranteed under lease by Hocking Valley Ry. Normal income tax deducted from interest. Rating, Baa.

Capital Stock: Auth. and outstanding, $150,000; par $100. The Hocking Valley Ry. Co. owns $145,000.

WELLSTON & JACKSON BELT RAILWAY

Incorporated under laws of Ohio, Jan. 22, 1895; operations began March 1, 1896. Line of road: Dundas to Jackson, O., and branches, 18.4 miles. Leased to Hocking Valley Ry. for 99 years from Jan. 1, 1900, rental being equivalent to interest on bonds and 4½% on all advances made for improvements, etc.

Management: OFFICERS: Geo. W. Stevens, Pres.; M. J. Caples, Vice-Pres.; W. N. Cott, Sec. and Treas.; F. D. Hodgson, Audt. DIRECTORS: M. S. Connors, W. N. Cott, M. J. Caples, Geo. W. Stevens, R. S. Warner, Columbus, O. Annual meeting, first Tuesday in October. OFFICE, Columbus, Ohio.

Income Account, year ended June 30, 1916: Gross income, $26,488.02; interest, $26,488.02.

Bonded Debt: $300,000 Wellston & Jackson Belt Ry. first 6s; dated Aug. 1, 1895; due Aug. 1, 1915; int. paid Feb. and Aug. 1 at Guaranty Trust Co., New York. Coupon $1,000. Interest guaranteed under lease by Hocking Valley Ry., which owns all the bonds.

Capital Stock: Auth. and outstanding, $255,000; par $100. All owned by Hocking Valley Ry. Co.

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual report of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated as Aurora Branch R.R., Feb. 12, 1849; name changed to Chicago & Aurora R.R., June 22, 1852; changed to present title, Febrary 14, 1855. The original line extended from Chicago to Mendota and Aurora, Ill., additional mileage being acquired by purchase, consolidation, and otherwise from time to time until the property has grown to the present great system. Since the consolidation of 1875, when various lines were absorbed, the company has merged the Chicago, Burlington & Northern, Kansas City, St. Joseph & Council Bluffs, Hannibal & St. Joseph, Burlington & Missouri River, etc. In December, 1903, a majority of the common and a portion of the first and second preferred stock of the Colorado & Southern Railway was acquired. Also owns entire capital stock of the Quincy, Omaha & Kansas City R.R., which is separately operated.

Location: Directly operated lines on June 30, 1916, consisted of 9,369.04 miles, of which 9,015.73 miles were owned and 353.31 leased. The system extends from Chicago westward to St. Paul, Kansas City, Denver, Cheyenne, St. Louis, etc., with numerous branches radiating throughout the States of Illinois, Iowa, Missouri, Kansas, Nebraska, Wisconsin, Colorado, South Dakota, Wyoming and Montana. Population of these States in 1890, 14,518,491; in 1900, 17,080,658; in 1910, 19,238,145.

Control: In 1901 nearly all the capital stock of this company was acquired in the interest of the Great Northern and the Northern Pacific Railroad companies, being exchanged at the ratio of two for one, for 20-year 4 per cent. joint bonds of these companies, the bonds being secured by the deposit of the stock. There are now outstanding $215,227,000 of these bonds, which are secured by deposit of $107,613,500 stock collateral, out of the total stock outstanding of $110,839,100. These bonds, which are commonly known as the "C. B. & Q. joint 4s," are not an obligation of the Chicago, Burlington & Quincy Railroad. They are a joint obligation of the two roads owning the stock, and have been provided for in the new refunding mortgage created by the Great Northern Railway some years ago.

Management: OFFICERS: George B. Harris, Chairman of Board; Hale Holden, Pres.; H. E. Byram, Vice-Pres.; Claude G. Burnham, Vice-Pres.; Thos. S. Howland, Vice-Pres., Sec. and Treas.; W. W. Baldwin, Vice-Pres.; E. A. Howard, Vice-Pres. DIRECTORS: Geo. D. Slade, Geo. B. Harris, Louis W. Hill, Saml. Scotten, Hale Holden, Chester M. Dawes, J. M. Hannaford, Ralph Budd, R. J. Dunham, Chas. E. Perkins, Fredk. H. Rawson. Annual meeting, first Wednesday in November. MAIN OFFICE, Chicago, Ill. NEW YORK OFFICE, 32 Nassau Street.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	19.90%	20.11%	21.68%	23.77%	20.86%
Products of Animals	.....	.....	.....	.....	.....	7.89	6.93	6.98	7.18	6.97
Products of Mines	.....	.....	.....	.....	.....	41.61	40.84	40.92	39.11	39.56
Products of Forests	.....	.....	.....	.....	.....	6.33	6.93	6.56	5.76	6.14
Manufactures	.....	.....	.....	.....	.....	15.42	16.41	15.49	15.46	16.74
Merchandise and Miscel.	.....	.....	.....	.....	.....	8.85	8.78	8.37	8.72	9.73

Total revenue tonnage in 1911, 28,328,338 tons; in 1912, 30,111,513 tons; in 1913, 33,458,479 tons; in 1914, 32,388,800 tons; in 1915, 31,758,791 tons; in 1916, 36,640,658 tons. No classification reported prior to 1912.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	9,122	592	1,604	1,219	58,528	68%	98,674	785,999	389	$2.42	2.07c	.79c
1908	8,977	638	1,703	1,208	56,413	69	113,229	741,438	379	2.36	1.85	.80
1909	9,023	662	1,703	1,207	55,806	67	118,195	871,151	382	2.32	1.86	.79
1910	9,023	605	1,673	1,159	54,950	66	131,870	824,016	381	2.38	1.88	.78
1911	9,072	684	1,673	1,254	56,714	66	129,350	784,409	406	2.53	1.92	.82
1912	9,074	727	1,672	1,254	61,606	67	121,314	845,900	438	2.48	1.91	.75
1913	9,110	786	1,772	1,253	62,036	68	125,139	965,083	483	2.65	1.92	.73
1914	9,140	936	1,773	1,262	71,515	68	126,058	942,339	479	2.60	1.89	.73
1915	9,339	949	1,737	1,274	71,530	69	115,565	913,100	492	2.61	1.87	.73
1916	9,368	982	1,753	1,259	71,386	70	119,308	1,076,802	558	2.85	1.89	.71
10-Year Average	9,125	756	1,706	1,235	62,048	68%	119,870	875,024	430	$2.52	1.91c	.76c

Note: Yard tracks and sidings, June 30, 1916, 3,038 miles.

Comment: The Chicago, Burlington & Quincy property reported a large increase in its freight density during the fiscal year 1916. The freight train load was also raised to a new high total, and although average freight rates tended to decline slightly, the train mile earnings were far better than in the previous year. As usual the freight tonnage of the property was well diversified, and the proportion of products of mines remained about the same as in recent years.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$9,011	$1,584	$1,604	$3,188	$3,259	$2,594	$2,633	$307	$2,326	$883	62%	$1,443	$968
1908	8,740	1,626	1,392	3,018	3,216	2,506	2,477	274	2,203	855	61	1,348	987
1909	8,801	1,463	1,498	2,961	3,173	2,667	2,597	279	2,318	951	59	1,367	983
1910	9,738	1,743	1,669	3,412	3,571	2,755	3,035	329	2,706	1,231	55	1,475	983
1911	9,730	1,367	1,627	2,994	3,581	3,155	3,395	336	3,059	1,203	61	1,856	977
1912	9,557	1,492	1,575	3,067	3,616	2,874	3,098	364	2,734	1,179	57	1,555	977
1913	10,359	1,376	1,771	3,147	3,751	3,461	3,662	391	3,271	1,038	69	2,233	973
1914	10,148	1,313	1,738	3,051	3,748	3,349	3,497	439	3,058	1,123	63	1,935	970
1915	9,757	1,216	1,651	2,867	3,605	3,285	3,414	438	2,976	937	68	2,039	949
1916	10,925	1,282	1,664	2,946	3,641	4,338	4,593	476	4,117	931	77	3,186	947
10-Year Average	$9,680	$1,446	$1,619	$3,065	$3,814	$3,353	$3,240	$363	$2,877	$1,033	63%	$1,844	$971

Note: Above table is based on average mileage directly operated for each year. "Margin of Safety" is the proportion of surplus income left over after providing for interest, sinking funds and all other charges ahead of dividends on stock. For example, in 1916 the "balance for charges" (per mile) was $4,117; fixed charges per mile amounted to $931 or 23%, leaving a final surplus of $3,186 per mile, or 77%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	*$102,349,345	$91,100,904	$92,750,934	$94,374,485	$86,723,068	$88,272,208	$87,869,517
Maintenance of way	12,014,208	11,360,210	12,002,628	12,535,863	13,541,030	12,406,279	15,725,461
Maintenance of equipment	15,592,110	15,415,123	15,888,686	16,133,215	14,294,033	14,761,138	15,057,165
All other operating expenses	34,106,843	33,666,034	34,257,084	34,173,813	32,811,886	32,374,508	32,228,339
Net operating revenues	$40,636,184	$30,659,537	$30,602,536	$31,531,594	$26,076,119	$28,730,283	$24,858,552
Operating ratio	60.3%	66.3%	67%	66.6%	69.9%	67.4%	71.7%
Other income	2,394,152	1,224,069	1,501,077	1,959,930	2,151,044	2,174,699	2,523,694
Total net income	$43,030,336	$31,883,606	$32,103,613	$33,491,524	$28,227,163	$30,904,982	$27,382,246
Taxes accrued	4,462,456	4,094,259	4,016,658	3,563,359	3,303,058	3,049,124	2,970,737
Balance for charges	$38,567,880	$27,789,347	$28,086,955	$29,928,165	$24,924,105	$27,855,858	$24,411,509
Outside operations	.....	†	140,248	127,691	122,700	107,089	164,282
Fixed charges	8,721,610	8,747,427	10,172,439	10,369,728	10,694,651	10,905,006	10,938,481
Surplus over charges	$29,846,270	$19,041,920	$17,774,268	$19,430,746	$14,106,754	$16,843,763	$13,308,746
Dividends paid	8,867,128	8,867,128	8,867,128	8,867,128	8,867,128	8,867,128	8,867,128
Appro. for Improvements, etc.	14,649,039	5,093,676	6,375,736	7,647,743	3,944,216	4,826,755	3,329,006
Balance	$6,330,103	$5,081,116	$2,531,404	$2,915,875	$1,295,410	$3,149,880	$1,112,612
Earned on stock	26.93%	17.18%	16%	17.53%	12.73%	15.19%	12.01%

* Gross revenues for 1916 excludes $9,548 uncollectible railway revenues.

† Outside operations included in gross revenues and expenses.

Note: Fixed charges as shown above include interest charges, rents, etc. In 1916, interest on funded debt amounted to $7,038,491, rentals $1,585,311; sinking funds, $1,817,679.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $97,879,654; credit balance transferred from income, $6,330,102; profit on road and equipment sold, $840,298; donations, $16,690; miscellaneous credits, $753,424; total, $105,820,168. Contra: Loss on retired road and equipment, $719,198; miscellaneous debits, $12,694; credit balance carried to balance sheet, $105,088,276; total, $105,820,168.

Comment: The income record of the Chicago, Burlington & Quincy system for the fiscal year 1916, reflected a very great improvement in volume of business and profits. The total net income reached the highest figures of the decade and as there was practically no change in fixed charges, the surplus available for dividends rose to nearly 27% on the outstanding stock. As has been customary for many years the company paid the regular 8% dividend on the stock and appropriated a large proportion of its surplus earnings to improvement accounts. Since the close of the fiscal year, business has continued to expand, and at the present time the company's outlook is more brilliant than ever.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$12,155	40%	$18,493	60%	.....	$30,648	$3,954	$26,694	9.8 %	.....	.....	$968	7%	.....	33%
1908.....	12,347	38	20,392	62	.....	32,739	3,645	29,094	8.5	.....	.....	987	8*	.....	27
1909.....	12,284	36	22,539	64	.....	34,823	4,015	30,808	8.4	.....	.....	983	8	.....	38
1910.....	12,284	37	21,811	63	Nom.	34,095	2,759	31,336	9.7	.....	.....	983	8	.....	34
1911.....	12,217	35	23,126	65	"	35,343	2,165	33,178	10	.....	.....	977	8	.....	47
1912.....	12,215	35	23,127	65	"	35,342	2,330	33,012	9.4	.....	.....	977	8	.....	37
1913.....	12,167	35	22,957	65	"	35,124	2,478	32,646	11.2	.....	.....	973	8	.....	54
1914.....	12,127	34	23,504	66	"	35,631	2,411	33,220	10.5	.....	.....	970	8	.....	50
1915.....	11,868	34	22,973	66	"	34,841	2,255	32,586	10.5	.....	.....	949	8	.....	53
1916.....	11,832	34	22,844	66	"	34,676	2,942	31,734	14.5	.....	.....	947	8	.....	70
10-Year Average	$12,150	36%	$22,176	64%	.....	$34,326	$2,895	$31,431	10.3 %	.....	.....	$971	7.9%	.....	47%

* 2% additional paid at end of 1908.

Note: In Oct., 1907, an extra dividend of 6% was paid on stock from surplus.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ..	$445,860,541	$447,225,537	$438,879,301	$424.056,759	$413,952,039	$407,291.599
Working assets	55,375,431	35,210,023	36,797,134	33,871,487	37,042,008	38,109,624
Deferred debit items...	29,428,958	26,409,497	28,416,284	27,000,706	22,757,495	20,102,969
Total.....	$530,664,930	$508,855,057	$504,092,719	$484,928,952	$473,751,542	$465,504,192
Liabilities:						
Capital stock	$110,839,100	$110,839,100	$110,839,100	$110,839,100	$110,839,100	$110,839,100
Funded debt	211,003,000	214,543,000	214,827,000	209,135,000	209,853,000	209,809,000
Working liabilities	10,081,605	10,275,813	15,179,954	11,468,694	12,261,114	10,624,747
Accrd. liabilities not due	3,614,239	1,213,557	1,535,688	1,605,011	1,565,729	1,551,994
Deferred credit items..	3,377,291	3,124,836	3,004,570	2,727,981	2,214,881	2,209,066
Appropriated surplus ..	83,661,419	70,979,097	65,512,300	58,114,010	48,845,173	43,331,767
Profit and loss surplus.	105,088,276	97,879,654	93,194,107	91,039,156	88,172,545	87,138,518
Total.....	$530,664,930	$508,855,057	$504,092,719	$484,928,952	$473,751,542	$465,504,192

Note: In the property investment account in 1916 were included, in par value, $31,013,614 of securities owned. The Sinking Fund assets of the company on June 30, 1916, embraced $23,239,063 in book value of bonds and cash. In detail, the Sinking Fund holdings were as follows: Burlington & Missouri River in Nebraska consolidated 6s due 1918, $12,770,800; Republican Valley Railroad 6s of 1919, $878,600; Chic., Bur. & Quincy Denver Extension 4s of 1922, $6,058,200; Chic., Bur. & Quincy Southwestern Extension 4s of 1921, $3,367,000. There was also in the fund, $164,463 in cash.

Comment: There were practically no changes of importance in the financial statement of the Chicago, Burlington & Quincy Railroad for the fiscal year ended June 30, 1916. As compared with its heavy earning power the road is very lightly capitalized, and it will be noted that during the past ten years the net capitalization as measured on the mileage basis has increased nominally only. The resources of the Chicago, Burlington & Quincy system are unusually large. In the last six or seven years the appropriated surplus has almost doubled, while the profit and loss surplus is now in excess of $105,000,000.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. C. B. & Q. Ill. Div. first 3½s	J&J	Jl 1949	(1st) 1647	$51,246	$2,877	$334	88%	Very high	Very high	Aaa.
2. C. B. & Q. Ill. Div. first 4s..	J&J	Jl 1949					88%	"	"	Aaa.
3. C. B. & Q. Ia. Div. s.f. 4s..	A&O	O 1919	(1st) 891	7,810		22	90%	"	"	Aaa.
4. C. B. & Q. Ia. Div. s.f. 5s..	A&O	O 1919				10	90%	"	"	Aaa.
5. C. B. & Q. So-w. Div. 4s...	M&S	S 1921	Not mtg.	.....		13	90%	"	"	Aaa.
6. C. B. & Q. Denver Exten.4s	F&A	F 1922	(1st col.)370	3,150	2,543	31	90%	"	"	Aaa.
7. C. B. & Q. Neb. Exten. 4s..	M&N	My 1927	(1st) 1,471	14,270		91	90%	"	"	Aaa.
8. Bur. & Mo. Riv. in Neb. s.f. 6s	J&J	Jl 1918	(1st) 454 (col.) 181	1,326		87	90%	"	"	Aaa.
9. Repub. Valley R. R. s.f. 6s:	J&J	Jl 1919	(1st) 90	622		6	86%	"	"	Aaa.
10. Tarkio Valley R.R. first 7s.	J&D	De 1920	(1st) 28	536		1	86%	"	"	Aaa.
11. Nodaway Val. R.R. first 7s..	J&D	De 1920	(1st) 32	281	2,289	1	86%	"	"	Aaa.
12. C. B. & Q. gen. mtge. 4s...	M&S	Mr 1958	(1st) 3,328 (gen.) 5,162	7,685		321	86%	"	"	Aaa.

Interest requirements, as above, include interest on bonds alive in sinking funds or in treasury.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1 and 2. Auth., $85,000,000; outstanding, $50,451,000 3½s and $33,976,000 4s. Dated July 1, 1899; due July 1, 1949. Int. paid at company's office, New York and Boston. Coupon, $1,000; reg., $5,000 and multiples. Callable at 105 after July 1, 1929, on six months' notice. First lien on terminal property in Chicago, St. Paul, Minneapolis, Burlington, Clinton, Dubuque, Winona, East St. Louis and Quincy, and also on 1,646.86 miles as follows: Chicago to Burlington, 204.04 miles; Galesburg to Quincy, 99.91 miles; S. Aurora, Ill., to St. Paul, 379.66 miles; Rock Island to East Alton, 226.68 miles; Montgomery to Streator, Ill., 57.55 miles; Streator to Walnut Junc., 59.52 miles; Mendota to Savanna, 81.41 miles; Buda to Elmwood, Ill., 44.82 miles; Yates City to Rushville, Ill., 62.79 miles; Galva to New Boston, 50.63 miles; Galesburg to Peoria, 52.77 miles; Carthage Junc. to Quincy, 71.21 miles; Quincy to E. Louisiana and E. Hannibal, Mo., 46.33 miles; Shabbona to Barstow, Ill., 88.42 miles; various branches, 121.23 miles. Underlie No. 12, which provide for retirement. Legal for Savings Banks in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

3 and 4. Auth., $12,502,000 4s and $3,000,000 5s; outstanding, $5,030,000 4s and $1,931,000 5s (closed). Dated Oct. 1, 1879; due Oct. 1, 1919. Int. paid at company's office, New York and Boston. Coupon, $1,000. Sinking fund, 1½% of bonds issued annually, to retire 4s at 100 and int., and 5s at 105 and int.; callable. First lien, 891.02 miles, as follows: Burlington to Pacific Junc., 270.40 miles; Red Oak to Hamburg, 39.17 miles; Chariton to Leon, 36.54 miles; Creston, Ia., to Hopkins, Mo., 44.61 miles; Leon to Grant City and Bethany Junc. to Albany, Mo., 103.28 miles; Hastings to Sidney, 21.12 miles; Villisca Junc., Ia., to Burlington Junc., Mo., 35.02 miles; Creston to Fontanelle, 30.49 miles; Knoxville to Des Moines, 32.92 miles; Albany to St. Joseph, 48.75 miles; Albia to Knoxville, Mo., 32.97 miles; Van Wert to Shenandoah, 95.34 miles; short branches, 57.79 miles. Underlie No. 12, which provide for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

5. Auth., $4,300,000; outstanding, $3,667,000, of which $3,367,000 are held in sinking funds (alive), $157,000 are in treasury, leaving in hands of public $143,000. Dated Sept. 1, 1881; due Sept. 1, 1921. Int. paid at company's office, New York and Boston. Coupon, $1,000. Callable at par for sinking fund, which is $43,000 annually. Not secured by mortgage. Underlie No 12, which provides for retirement. Legal for S. B. in N. H., and R. I. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

6. Auth., $7,968,000; outstanding, $7,310,200, of which $6,058,200 are held alive in sinking funds, and $87,900 in treasury, leaving in hands of public, $1,164,100. Dated Dec. 1, 1881; due Feb. 1, 1922. Int. paid at company's office, New York and Boston. Coupon, $1,000. Callable at par for sinking fund, which is $79,680 per annum. First collateral lien on 369.48 miles, as follows: On entire issue of Republican Valley R.R. first 5s of 1922, covering 194.61 miles from west line of Red Willow County, Neb., to west line of State; from Nemaha to Beatrice, Neb., from Nemaha to Salem, and from Table Rock to Weymore; on entire issue of Burlington & Colorado R.R. first 5s of 1922, covering 174.87 miles from west line of Nebraska to Denver, Colo., also by deposit of $540,000 out of total issue of $2,105,000 Republican Valley first 6s of 1918, covering 180.39 miles, as follows: Aurora to York, to Central City, and to Grand Island, 59.86 miles; Beatrice *via* Weymore to Red Cloud Neb., 120.53 miles. Underlie No. 12, which provide for retirement at maturity. Legal for S. B. in Cal., Conn., Mass., N. H., R. I., Vt. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

7. Auth., $29,441,000; outstanding, $21,341,000, of which $314,000 are in treasury and $31,000 are pledged, leaving in hands of public, $20,996,000. Dated May 1, 1887; due May 1, 1927. Int. paid at company's office, New York and Boston. Coupon, $1,000; reg., $5,000. Sinking fund, 1% per annum of all bonds issued to purchase at not over 110 and interest; if not purchasable, funds to revert to company. First lien, 296.91 miles, as follows: Grand Island to Alliance and Hastings to Aurora; first collateral lien on 1,174.50 miles, there being deposited the entire issues or first mortgage bonds of companies owning the following mileage: De Witt *via* Strang, Blue Hill and Holdredge to west line of Nebraska, 298.32 miles; Fairmont *via* Strang to Chester, Neb., 45.19 miles; Edgar to Superior, 26.53 miles; Kenesaw to Oxford, 60.67 miles; Omaha *via* Ashland to Schuyler, 80.59 miles; Central City to Ericson, 62.96 miles; Palmer to Arcadia, 53.61 miles; Greeley Center to Burwell, 40.38 miles, west line of Nebraska to south line of Wyoming, 144.58 miles; branch to Cheyenne, 29.01 miles; Orleans to south line of Neb., 59.61 miles; extension to St. Francis, Kas., 74.18 miles; Odell, Neb., to Concordia, Kas., 71.49 miles; Republican City, Neb., to Oberlin, Kas., 78.23 miles; Culbertson to Imperial, Neb., 49.17 miles. Underlie No. 12, which provides for retirement. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

8. Auth., $14,000,000; outstanding, $13,613,000, of which $12,770,800 are alive in sinking funds, leaving in hands of public, $842,200. Dated July 1, 1878; due July 1, 1918. Int. paid at company's office, New York and Boston. Coupon, $600 and $1,000. Callable at par and int. for sinking fund, the interest on bonds already in fund being applied to redemption of further bonds. Assumed by C. B. & Q. R.R. First lien, 454.21 miles, as follows: Pacific Junc. to Kearney, Neb., 193.42 miles; Nemaha *via* Nebraska City and Lincoln to York, Neb., 136.53 miles; Hastings to west line of Franklin County, 76.34 miles; Crete to Beatrice, 31.04 miles; also on land grants. Further secured by deposit of $1,565,000 out of total of $2,105,000 Republican Valley first 6s of 1918, covering 180.39 miles; the balance of $540,000 of these bonds being deposited under No. 6 (above). Underlie No. 12, which provides for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

9. Auth., $2,643,000; outstanding, $932,800, of which $878,600 are in sinking funds, leaving in hands of the public, $54,200. Dated July 1, 1879; due July 1, 1919. Int. paid at company's office, New York and Boston. Coupon, $600 and $1,000. Callable at par for sinking fund, the interest on those already in fund being applied for the retirement of the issue; at maturity all will be retired. Assumed by C., B. & Q. R.R. First lien, 90.47 miles, Red Willow County to west line of Franklin County, Neb. Underlie No. 12. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

10. Auth., $30,000; outstanding, $15,000 (closed). Dated June 1, 1880; due June 1, 1920. Int. paid at Second National Bank, Boston. Sinking fund, $10,000 per annum, to call bonds at par. Assumed by C. B. & Q. R.R. First lien, 27.61 miles, from Corning, Mo., to connection with C. B. & Q. in Page County, Ia. Underlie No. 12. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on Boston Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000.

11. Auth., $388,000; outstanding, $9,000 (closed). Dated June 1, 1880; due June 1, 1920. Int. paid at Second National Bank, Boston. Sinking fund, $10,000 per annum to retire at par. Assumed by C. B. & Q. R.R. First lien, 31.54 miles; Bigelow to Burlington Junc., Mo. Underlie No. 12. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on Boston Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000.

12. Auth., $300,000,000; outstanding, $75,120,000 of which $9,873,000 are in treasury, leaving in hands of public, $65,247,000. Balance reserved for prior liens, for construction, extensions, etc. Dated Mar. 2, 1908; due Mar. 1, 1958. Int. paid at company's office, New York and Boston. Coupon, $1,000; reg., $5,000 and multiples. First lien on 3,327.31 miles, as follows: Burlington, Ia., to St. Louis, Mo., about 211 miles; Harlem, Mo., to Council Bluffs, Ia., about 190 miles; Alliance, Neb., to Huntley, Montana, 462 miles; Concord to Herrin, Ill., 175 miles; Viele, Ia., to Carrolton, Mo., 180 miles; Burlington to Tracy, Ia., 103 miles; Alexander, Mo., to Van Wert. Ia., 141 miles; Des Moines, Ia., to Gainesville, Mo., 105 miles; Ashland, Neb., to Sioux City, Ia., 103 miles; Oneil to South Sioux City, 124 miles; Hannibal *via* Cameron to Atchison, 222.41 miles; and the lines from Napier to Table Rock, Neb., Galesburg to West Havana, Ill., Mt. Pleasant to Keokuk, Ia.; Madison to Batavia, Ia.; Hopkins to Amazonia, Mo.; Sedan, Ill., to Elmer, Mo.; Old Monroe to Mexico, Mo.; Table Rock to Lancaster, Neb.; Stronberg to Alma, Neb.; Denver to Lyons and Tower, Col.; Edgemont to Englewood, S. D.; Aliance, Neb., to British City, Col.; Northport to Guernsey and Ironton, Wyo., etc., etc.; also secured by second lien on the 5,162.99 miles covered by Nos. 1, 2, 3, 4, 6, 7, 8, 9, 10, and 11 (above); also a first collateral lien on a majority of the common stock of the Colorado & Southern Railway. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Chic., Bur. & Quincy Stock..... Full voting power. Par $100.	8% Qu J	$11,832	$1,844	$947	49%	Very high	See below	**Aaa.**

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed charges and other charges for the ten years ending June 30, 1916. "Dividend requirement" is the requirement at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

Note: Of the $110,839,100 outstanding, $107,613,500 owned jointly by the Northern Pacific and Great Northern Railroads and deposited under the "Joint" 4% bonds of these railroads. Dividends since 1897: 1898, 5½%; 1899 to 1901, 6%; 1902 to 1907, 7% (with 6% extra in 1907); 1908 to date, 8% per annum. Transfer Offices, 32 Nassau St., New York, and Sears Building, Boston. Listed on New York, Boston and Chicago Stock Exchanges.

QUINCY, OMAHA & KANSAS CITY RAILROAD

History: Incorporated under the laws of Missouri, June 1, 1897, successor to the Quincy, Omaha & Kansas City Ry., which was sold under foreclosure, April 23, 1897. Company was reorganized in 1902, and absorbed the Omaha, Kansas City & Eastern R.R. Co., and in the same year purchased and absorbed the Kansas City, Peoria & Chicago Ry. Co.

Location: Road extends from West Quincy to C. B. & Q. connection, Mo., 243.62 miles; Avondale to Northern Junc., Mo., 1.21 miles; Trimble to Gower, Mo., 10.47 miles; Trenton Junc. to Trenton, Mo., 0.71 mile. There are various coal mine spurs of 4.40 miles. Total owned, 261.62 miles; trackage (C. B. & Q. R.R.) Quincy, Ill., to West Quincy, Mo., 5.65 miles; Harlem to Kansas City, Mo.; 2.16 miles; Quincy to West Quincy, 4.35 miles. Total operated, 265.71 miles; sidings, 32.82 miles.

Equipment: Locomotives, 26; passenger cars, 17; freight, 201; service, 40.

Management: Officers: Geo. F. Baker, Jr., Pres., New York; J. G. Trimble, Vice-Pres., Kansas City, Mo.; Samuel H. Miller, Sec.; C. D. Norton, Treas., New York; C. J. Greene, Aud. and Cashier; W. R. Shrodes, Pur. Agt.; W. B. Throop, Gen. Supt., Kansas City, Mo. Directors: Geo. F. Baker, Jr., Samuel H. Miller, C. D. Norton, W. E. Purdy, New York; Frank Hagerman, J. G. Trimble, Wm. Warner, W. B. Throop, Kansas City, Mo.; H. B. Scott, Burlington, Ia. Annual meeting, in June. General Office, Kansas City, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$870,585	$853,178	$912,040	$966,647	$923,360
Operating expenses	755,879	786,282	885,490	890,260	895,708
Net operating revenues.....	$114,706	$66,896	$26,550	$76,387	$27,652
Other income	10,392	11,492	25,813	22,015	23,902
Gross income	$125,098	$78,388	$52,363	$98,402	$51,554
Fixed charges, inc. taxes.....	72,019	75,349	71,307	76,179	80,822
Surplus	$53,079	$3,039	$18,944	$22,223	(def.) $29,268

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $342,328; loss on retired road and equipment, $40,862; total, $383,190. Contra: Credit balance transferred from income, $53,079; donations, $116; miscellaneous credits, $14,044; debit balance carried to balance sheet, $315,951; total, $383,190.

Capital Stock: Authorized and outstanding, $6,000,000; par $100. No bonded debt. No dividends. All owned by Chicago, Burlington & Quincy R.R.

THE COLORADO & SOUTHERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Successor in 1899 to Union Pacific, Denver & Gulf, and Denver, Leadville & Gunnison Railways. Controls Fort Worth & Denver City, Colorado Springs & Cripple Creek District Railway, Wichita Valley Ry., Wichita Falls & Oklahoma Ry., Wichita Valley R.R., Abilene & Northern Ry., Gilpin R.R., Colorado R.R., and Stamford & Northwestern Ry., and holds a one-half interest in Trinity and Brazos Valley R.R.

Location: The directly operated lines on June 30, 1916, aggregated 1,841.72 miles, of which 143.77 miles in Wyoming, 903.63 in Colorado, 83.28 in New Mexico, and 711.04 in Texas. Of this mileage, 134.20 miles are operated under lease or contract. The main stem of the company extends from Orin Junc., Wy. (where connection is made with the C. B. & Q.) southward through Cheyenne, Denver, Pueblo, Trinidad, to Texline, where at the latter point connection is made with the Fort Worth & Denver City line, operating to connection with Trinity & Brazos Valley, thus forming a through line to Galveston. The Colorado Springs & Cripple Creek District Railway, 74.25 miles, operating from Colorado Springs to Cripple Creek, has been leased to the Florence & Cripple Creek R.R. (now the Cripple Creek & Colorado Springs R.R.), since Nov. 1, 1911, and is operated separately from the main system. Held a one-half interest in the Colorado Midland lines, which in 1912 it arranged to sell; but litigation has delayed delivery. Also owns control of Denver & Interurban R.R. Co., which is separately operated. Operated mileage mainly in Colorado. Population of this State in 1890, 419,198; in 1900, 539,700; in 1910, 799,024.

Control: In December, 1908, the Chicago, Burlington & Quincy acquired $23,667,500 out of $31,000,000 common stock of the Colorado & Southern Ry. On June 30, 1916, the Chicago, Burlington & Quincy also owned $1,130,000 first preferred and $6,078,700 second preferred stock.

Management: OFFICERS: Geo. B. Harris, Chairman; Hale Holden, Pres.; E. S. Koller, Vice-Pres.; C. G. Burnham, Vice-Pres.; H. E. Byram, Vice-Pres.; B. F. James, Sec. and Treas.; T. S. Howland, Asst. Sec. and Asst. Treas. DIRECTORS: Harry Bronner, Geo. B. Harris, Geo. F. Baker, Geo. F. Baker, Jr., James N. Hill, E. T. Nichols, A. D. Parker, Hale Holden, C. G. Burnham, H. E. Byram, C. E. Perkins. Annual meeting, November. MAIN OFFICE, Chicago, Ill. NEW YORK OFFICE, 32 Nassau Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	13.17%	14.08%	13.59%	11.91%	12.72%	13.21%	16.04%	17.53%	24.84%	20.59%
Products of Animals.....	2.93	3.36	3.40	3.09	3.00	2.82	4.03	4.76	4.27	4.05
Products of Mines	62.61	61.75	60.42	64.05	65.80	66.76	62.66	59.09	53.86	54.86
Products of Forests.....	6.88	6.22	6.84	5.90	4.45	3.34	3.33	3.13	2.75	3.74
Manufactures.....	7.42	8.20	8.76	8.49	7.32	9.26	9.07	10.48	9.30	11.06
Merchandise and Miscel...	6.99	6.39	6.99	6.56	6.71	4.61	4.87	5.01	4.98	5.70

Total revenue tonnage in 1909, 7,202,657 tons; in 1910, 8,356,913 tons; in 1911, 7,765,015 tons; in 1912, 7,147,906 tons; in 1913, 7,452,941 tons; 6,124,647 in 1914; 6,449,670 in 1915; 7,409,361 tons in 1916.

The chief single item of tonnage on this system is bituminous coal. In 1913, 2,190,553 tons of this product were transported; 1,298,896 tons in 1914; 1,494,584 tons in 1915; 1,655,788 tons in 1916. The company also carries a heavy tonnage of coke and ores. Its dependence on agricultural products is relatively less than with most Western railroads.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile (Cents).
1907.....	1,858	....	288	265	10,657	72%	73,966	526,942	275	$2.31	2.41c	1.05c
1908.....	1,932	....	297	266	10,719	70	72,656	457,043	257	2.24	2.53	1.13
1909.....	1,980	....	303	289	10,086	70	76,664	501,966	270	2.17	2.48	1.07
1910	2,062	....	307	292	10,115	72	78,292	611,516	306	2.24	2.45	.96
1911.....	2,016	....	323	288	11,404	70	75,902	581,124	302	2.23	2.53	.95
1912.....	1,881	....	318	287	11,346	71	68,496	562,445	314	2.18	2.52	.93
1913.....	1,850	3	317	284	11,179	72	71,825	620,776	321	2.38	2.56	.94
1914.....	1,866	3	313	284	11,060	69	69,007	469,344	291	2.27	2.60	1.03
1915.....	1,840	3	309	283	12,525	70	68,223	534,422	308	2.45	2.62	1.01
1916.....	1,836	6	297	283	12,325	72	71,808	646,953	389	2.88	2.56	.96
10-Year Average } ..	1,912	2	307	282	11,142	71%	72,684	551,253	303	$2.34	2.53c	1.00c

Yard tracks and sidings owned June 30, 1916, 505.07 miles. Of the total mileage operated, 134.20 miles are leased or operated under contract.

Comment: During the fiscal year 1916, the operating results of the Colorado & Southern underwent very substantial improvement. The freight density increased to a new high figure, while the average train load also rose substantially. Although average freight rates were lower than in the previous year, the train mile earnings were considerably higher. As usual, products of mines represented more than half of the company's freight tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$7,242	$1,198	$953	$2,151	$2,826	$2,265	$2,325	$180	$2,145	$1,019	52%	$1,126	$368
1908	7,395	1,057	1,099	2,156	2,809	2,430	2,609	211	2,398	1,271	47	1,127	352
1909	7,616	1,079	1,236	2,315	2,849	2,452	2,684	199	2,485	1,375	45	1,110	656
1910	8,216	1,072	1,235	2,307	3,013	2,896	3,012	232	2,780	1,335	52	1,445	631
1911	7,849	837	1,371	2,208	2,934	2,707	3,027	237	2,790	1,651	41	1,139	649
1912	7,421	870	1,346	2,216	2,896	2,309	2,716	272	2,444	1,647	33	797	692
1913	8,150	1,030	1,682	2,712	3,030	2,408	2,851	281	2,570	1,670	35	900	535
1914	7,086	974	1,171	2,145	3,078	1,863	2,331	342	1,989	1,771	11	218	182
1915	7,702	946	1,480	2,426	3,068	2,208	2,456	335	2,121	1,787	16	334	....
1916	8,555	1,091	1,512	2,603	2,832	3,120	3,445	401	3,044	1,834	40	1,210	93
10-Year Average	$7,723	$1,015	$1,309	$2,324	$2,933	$2,466	$2,746	$269	$2,477	$1,537	37%	$940	$416

Note: Above table is based on average mileage directly operated, whether owned, leased or otherwise controlled. Prior to November 1, 1911, the Colorado Springs and Cripple Creek lines were directly operated, but on that date were leased to the Florence and Cripple Creek Ry. (now the Cripple Creek and Colorado Springs Ry.). Thus, the operations of this mileage are not now included in the operating figures, but the income from the lease is, of course, included in the "Total Net Income" column above.

Margin of safety is the proportion of surplus left over after providing for all fixed charges. For example, in 1916 the "balance for charges" (per mile) was $3,044; fixed charges per mile amounted to $1,834 or 60%, leaving a final surplus of $1,210, or a "margin of safety" of 40%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$15,706,955	$14,172,495	$13,205,781	$15,052,873	$13,959,976	$15,824,064	$16,777,981
Maintenance of way	2,003,136	1,741,313	1,818,146	1,905,988	1,637,316	1,688,223	2,188,645
Maintenance of equipment	2,775,183	2,723,292	2,184,784	3,111,513	2,532,181	2,779,143	2,521,273
All other operating expenses	5,200,290	5,646,271	5,743,072	5,605,461	5,471,480	5,900,030	6,175,861
Net operating revenues	$5,728,346	$4,061,619	$3,459,779	$4,429,911	$4,318,999	$5,456,668	$5,892,202
Operating ratio	63.5%	71.3%	73.6%	70.4%	68.9%	65.3%	64.7%
Other income	597,028	457,875	890,402	844,277	790,274	645,221	627,626
Total net income	$6,325,374	$4,519,494	$4,350,181	$5,274,188	$5,109,271	$6,101,889	$6,519,828
Taxes accrued	735,781	616,053	638,450	520,547	511,470	478,323	477,870
Balance for charges	$5,589,593	$3,903,441	$3,711,731	$4,753,641	$4,597,801	$5,623,566	$6,041,958
Fixed charges	3,366,599	3,288,292	3,305,580	3,088,328	3,097,833	3,324,974	3,090,325
Surplus over charges	$2,222,994	$615,149	$406,151	$1,665,313	$1,499,968	$2,298,592	$2,951,633
Dividends paid	170,000	.....	340,266	990,237	1,300,000	1,300,000	1,300,000
Other deductions	850,519	61,383	.....	.....	.....	.....	.....
Balance	$1,202,475	$553,766	$65,885	$675,076	$199,968	$998,592	$1,651,633
Earned on stock: First prefered	26.15%	7.24%	4.77%	19.59%	17.64%	27.04%	34.73%
Second preferred	24.15	3.24	.77	15.59	13.64	23.04	30.73
Common	17.00	....	....	3.18	2.64	5.22	7.33

Note: Fixed charges include rentals for hire of equipment and use of joint facilities, lease rentals, interest and sinking funds, etc. For 1916, interest on funded debt amounted to $2,868,099; rents, $352,873; miscellaneous deductions, $145,628. In "other income" the chief items were: From lease of road, $273,006; miscellaneous rent income, $16,387; joint facility rent income, $31,296; from securities and accounts, $73,564; miscellaneous, $202,776.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,962,574; credit balance transferred from income, $1,202,475; miscellaneous credits, $32,215; total, $3,197,264. Contra: Dividend appropriation of surplus, $264; miscellaneous appropriation of surplus, $500,000; loss on retired road and equipment, $29,657; miscellaneous debits, $36,398. Credit balance carried to balance sheet, $2,630,945; total, $3,197,264.

Comment: During the fiscal year ended June 30, 1916, the Colorado & Southern property reported substantial improvement in its gross revenues, and as operating costs were sharply curtailed, the net operating results were higher than in any year since 1910. Outside income also increased over that shown in 1915, and as fixed charges underwent only a slight advance, the surplus was amply sufficient to justify the company in resuming dividend payments on its first preferred stock. Since the close of the fiscal year earnings have continued to be very favorable and larger dividends are shortly to be expected.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. 1st Preferred Dividend. Amt. per Mile.	Rate.	2d Preferred Dividend. Amt. per Mile.	Rate.	Margin of Safety 1st Preferred.	Margin of Safety 2d Preferred.
1907	$26,101	48%	$28,633	52%	.....	$54,737	$5,498	$49,239	**4.7%**	$184	4%	$184	4%	84%	80%
1908	24,893	45	30,822	55	.....	55,715	9,217	46,498	**5.6**	176	4	176	4	84	81
1909	24,262	44	30,570	56	.....	54,832	7,568	47,264	**5.7**	172	4	172	4	84	80
1910	23,523	44	30,179	56	.....	53,702	7,043	46,659	**6.4**	165	4	165	4	88	87
1911	23,826	44	30,896	56	.....	54,722	6,692	48,030	**6.4**	168	4	168	4	85	83
1912	25,535	43	35,096	57	.....	60,631	3,154	57,477	**4.8**	181	4	181	4	77	71
1913	25,960	42	35,985	58	.....	61,945	4,015	57,930	**4.9**	184	4	184	4	80	74
1914	25,735	42	35,458	58	.....	61,193	3,033	58,160	**4**	91	2	91	2	58	28
1915	26,099	41	37,018	59	.....	63,117	2,836	60,281	**4.1**	.....	.....	.....	.....	.....	.....
1916	26,155	41	36,925	59	.....	63,080	2,842	60,238	**5.7**	93	2	.....	.....	92	.....
10-Year Average	$25,209	43%	$33,158	57%	.....	$58,367	$5,190	$53,177	**5.2%**	$141	3.2%	$132	3%	85%	83%

In addition to dividend payments on preferred stocks as shown in above table, the following dividends have been paid on the common stock: 2% Dec. 18, 1908; 2% Dec. 31, 1909; 2% Dec. 31, 1910; 2% Dec. 31, 1911; 1% Dec. 31, 1912. None in Dec., 1913. In April, 1914, payments were omitted on both the first and second preferred stocks. On Sept. 22, 1916 2% was declared on 1st preferred stock.

Note: Investments in Table C include $5,218,447 "securities issued or assumed unpledged." Pledged and unpledged securities of the book value of $11,668,336 not included because no separate statement is given of the book value of such unpledged securities.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investments ..	$118,686,585	$119,153,726	$118,741,560	$120,977,766	$119,977,191	$118,999,692
Working assets	11,201,493	8,762,951	6,927,995	7,232,580	5,952,814	4,551,990
Deferred debit items...	382,816	489,971	579,956	556,889	1,190,640	709,095
Accrd. income not due..	15,075	20,872	149,469	287,744	284,965	278,971
Total	$130,285,969	$128,427,520	$126,398,980	$129,054,979	$127,405,610	$124,539,748
Liabilities:						
Capital stock.....	$48,021,484	$48,021,484	$48,021,484	$48,025,468	$48,031,040	$48,032,984
Funded debt	67,793,347	68,113,347	66,164,403	66,571,629	66,022,444	62,286,344
Working liabilities	1,420,267	1,500,307	1,721,833	1,507,088	1,557,101	2,674,192
Accrd. liabilities not due	1,319,524	1,095,901	1,053,670	985,936	965,886	948,684
Deferred credit items..	110,213	91,709	47,461	65,167	167,763	259,546
Appropriated surplus...	8,990,189	7,642,198	6,734,677	6,357,025	.....	.....
Profit and loss surplus.	2,630,945	1,962,574	2,655,452	5,542,666	10,661,376	10,337,998
Total	$130,285,969	$128,427,520	$126,398,980	$129,054,979	$127,405,610	$124,539,748

Note: The bonded debt, as shown above, includes not only the direct mortgages of the company, but the bond issues of the Colorado Springs & Cripple Creek District Ry., the Fort Worth & Denver City, the Forth Worth & Denver Terminal Ry., and the various equipment obligations.

Comment: The capitalization changes on the Colorado & Southern system were nominal only in the fiscal year 1916. Capital stock underwent no change, while a slight reduction was shown in the bonded debt through retirement of a moderate amount of equipment notes. While the property is rather heavily capitalized, yet it will be noted that net income on net capital increased sharply in 1916, and was considerably in excess of the average for the decade. The company has in recent years appropriated nearly $9,000,000 out of earnings for improvements, and also has steadily increased its profit and loss surplus.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Colo. & Southern first 4s....	F&A	F 1929	(1st) 1,089	$18,000	$2,477	$423	83%	High	Very high	**Aaa.**
2. Colo. & So. Rfd. & Ext. 4½4.	M&N	My 1935	(see text)	13,200	2,054	755	64%	"	"	**A.**
3. Col. Spg. & C. Ck. D. Ry. 1st 5s.....	J&J	Ja 1930	(1st) 74	18,430	1,299	37	71%	"	Good	**Aa.**
4. Colo. Spgs. & C. Creek D. Ry. cons. 5s.....	A&O	O 1942	(2d) 74	18,600		38	71%	"	"	**Ba.**
5. Ft. Worth & D. C. first 6s...	J&D	D 1921	(1st) 454	18,000		262	71%	"	High	**Aa.**
6. Ft. Worth & Den. Term. first 6s.....	J&D	D 1937	(1st) term.	.....		10	71%	"	Good	**Ba.**
7. Equip. trust notes; see below.	A&O	1917-25	.....	.....		25	71%	"	High	**Aa.**

For Key to Bond Ratings, see page 19.

Note: The bond ratings are based not only on the statistical exhibits and average income, but other factors are also taken into consideration, such as the relative value to the main system of the mileage covered by each particular bond, the earning power of the property covered, the character of the physical property, etc. The two large issues of the Colorado Southern both stand on a strong investment plane, while the divisional issues all appear to be well protected. The position of the equipment notes is, of course, very strong.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $20,000,000; outstanding, $19,402,000 (closed). Dated Dec. 31, 1898; due Feb. 1, 1929. Int. at office of Co., New York. Coupon, $1,000. First lien, 1,088.80 miles, as follows: Orin Junc. to Cheyenne, Wyo., 153.68 miles; Denver *via* Boulder and Fort Collins to Greeley, Col., 96.86 miles; Denver to Silver Plume, 52.59 miles; Denver to Manitou Junc., 81.51 miles; Manitou Junc. to Gulf Junc., near Pueblo, 42,86 miles; Denver to Como, 88.12 miles; Como to Leadville, 63.76 miles; Como to Baldwin, 133.02 miles; Walsenburg Junc. to Trinidad, 41.52 miles; Trinidad to Texline, N. M., 134.67; various branches, 200.21 miles; also a first collateral lien on $6,397,783 out of $9,375,000 stock of Fort Worth & Denver City Ry., and on stock interests in the Colorado Midland Ry.; also a second collateral lien on the securities covered by first collateral lien by No. 2 (below). Underlie No. 2 with provision to retire. Legal for Savings Banks in Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth., $100,000,000; outstanding, $35,594,347, of which $4,790,447 in treasury, leaving $30,803,900 in hands of public. Dated May 1, 1905; due May 1, 1935. Int. paid at office of company in New York. Coupon, $100 and $1,000; reg., $1,000, etc. Callable at 101 and int. on 3 months' notice. A first collateral lien on 1,249.42 miles of road, including 303 miles of Trinity & Brazos Valley Ry., from Cleburne to Houston and from Waxahatchie to Teague in Texas; on 120.35 miles of Colorado R.R.; on 52.50 miles of Wichita Valley R.R.; on 60.70 miles of Wichita Valley Ry.; on 22.80 miles of Wichita Falls & Oklahoma Ry., on 38.70 miles of Abilene & Northern Ry., on 82.50 miles Stamford & Northwest Ry.; and on 22.18 miles of the Denver & Interurban (electric) Ry.; 454.14 miles of Ft. Worth & Denver City Ry.; 74.25 miles of Colo. Spgs. & Cripple Creek Dist. Ry. and 18.78 miles of Gilpin R.R.; also a second direct lien on the 1,088.80 miles covered by No. 1; also a second collateral lien on the securities covered by No. 1 as first collateral lien. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $2,000,000; outstanding, $1,364,000. Dated Jan. 1, 1900; due Jan. 1, 1930. Int. paid at Chemical National Bank, New York. Coupon, $1,000. Sinking fund, 5% of gross earnings, to call bonds at 110 until Jan. 1, 1915; at 107 from 1915 to 1920; at 105 from 1920 to 1925; at 102½ from 1925 to 1929; at par in 1929. First lien, 74.25 miles, Colorado Springs to Cripple Creek and branches. Underlie No. 4. Will be retired by No. 2. Legal for S. B. in Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

4. Auth., $3,600,000; outstanding, $1,379,000. Dated Oct. 1, 1902; due Oct. 1, 1942. Int. paid at Chemical Nat. Bank, New York. Coupon, $1,000. Second lien, 74.25 miles, following No. 3. No. 2 provides for retirement. Interest paid without deduction for normal income tax.

5. Auth., $18,000 per mile; outstanding, $8,176,000. Dated Dec. 29, 1881; due Dec. 1, 1921. Int. paid at company's office in New York. Coupon, $1,000. First lien, 454.14 miles, Forth Worth to Sixela on New Mexico State line. Legal for S. B. in Mo., Texas. Listed on New York Stock Exchange. No. 2 provides for retirement. Normal income tax deducted from interest.

6. Auth., $2,500,000; outstanding, $728,000, of which $428,000 are owned by Fort Worth & Denver City Ry. Co., leaving $300,000 in hands of public. Dated Dec. 1, 1907; due Dec. 1, 1937. Int. paid at company's office, New York. Coupon, $1,000. First lien on terminals, realty, etc., at Fort Worth, Tex. Callable at 105, on three months' notice. Interest paid without deduction for normal income tax.

7. Series "A" 5s; due $52,000 semi-annually April and Oct. 1 to April 1, 1917; now outstanding, $52,000. Series "B" 5s (Fort Worth & Denver City); due $19,000 semi-annually to April 1, 1917; now outstanding $19,000. Series "C" 4½s (Fort Worth & Denver City, equipment trust), dated May 1, 1915; due $56,000 each May and Nov. 1, to May 1, 1925; outstanding, $952,000. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Colorado & So. Ry. first preferred..... 4% non-cumulative. Full voting power. Par $100. Outstanding, $8,500,000.	See text	$4,630	$940	$185*	80%	Large	Good	**B.**
Colorado & So. Ry. second preferred..... 4% non-cumulative. Full voting power. Par $100. Outstanding, $8,500,000.	See text	4,630	755	185*	75%	Fair	"	**B.**
Colorado & Southern common..... Full voting power. Par $100. Outstanding, $31,021,484.	See text	16,880	570	....	....	"	Fair	**Caa.**

For Key to Stock Ratings, see page 21. * For 4% dividend.

Note: Preferred stock is redeemable at par. Full rates regularly paid on both preferred issues until April, 1914, when payments were omitted. In Oct., 1916, 2% was paid on first preferred. On common, 2% was paid from 1908 to 1911, inclusive; 1912, 1%; none in 1913, 1914 or 1915. On June 30, 1916, the Chicago, Burlington & Quincy R.R. owned $23,667,500 common, $1,130,000 1st preferred and $6,078,700 second preferred, or $30,876,200 out of a total of $48,021,484. Transfer Office, 32 Nassau Street, New York. All issues listed on New York Stock Exchange.

COMPANIES CONTROLLED BY COLORADO & SOUTHERN RAILWAY, BUT DIRECTLY OPERATED

FORT WORTH AND DENVER CITY RAILWAY

Incorporated under laws of Texas, May 27, 1873; reorganized in 1896. Line of road: Fort Worth, Tex., to Sixela; 454.14 miles, connecting at the latter point with the Colorado Southern Ry., which owns over 98% of the capital stock and operates the property as a part of its system. Equipment: Locomotives, 92; passenger, freight and company cars, 3,987.

Management: OFFICERS: Geo. B. Harris, Pres.; D. B. Keeler, Vice-Pres.; W. O. Hamilton, Sec. and Treas.; T. S. Howland, Asst. Sec. and Asst. Treas. DIRECTORS: G. B. Harris, E. S. Koller, W. F. Sterley, Morgan Jones, D. B. Keeler, Hale Holden, A. D. Parker, J. H. Barwise, Jr., K. M. Van Zandt. Annual meeting, second Thursday in November. OFFICE, Fort Worth, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$5,822,481	$5,302,762	$4,778,283	$5,369,672	$4,813,115	$5,188,114
Operating expenses	3,581,557	3,831,487	3,580,063	3,790,164	3,207,568	3,226,726
Net oper. revenues.	$2,240,924	$1,471,275	$1,198,220	$1,579,508	$1,606,447	$1,961,389
Other income	93,889	74,580	45,062	45,044	63,026	54,557
Total net income	$2,334,813	$1,545,855	$1,243,282	$1,624,552	$1,669,473	$2,015,946
Taxes	205,637	144,716	182,072	128,920	135,275	123,131
Fixed charges	710,002	898,620	719,090	800,652	765,850	791,743
Dividends	*	454,276	252,226	.....	.....	.....
Other deductions	98,261	.....	.....	.....	.....	.....
Surplus	$1,320,913	$48,243	$89,894	$563,889	$768,348	$1,101,072

* Dividends of $454,276 charged to Profit and Loss Account in 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $381,355; credit balance transferred from income, $1,320,913; unrefundable overcharges, $273; profit on road and equipment sold, $16,861; miscellaneous credits, $431; total, $1,719,833. Contra: Dividend appropriations of surplus, $454,276; loss on retired road and equipment, $1,046; miscellaneous credits, $2,160; credit balance carried to balance sheet, $1,262,-351; total, $1,719,833.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$24,015,689	$24,143,714	$22,962,703	$23,016,594	$23,044,421	$23,028,402
Working assets	2,980,288	2,006,187	2,175,860	2,563,225	2,432,425	2,051,110
Deferred debit items	88,853	95,412	53,496	65,793	129,900	132,245
Total	$27,024,830	$26,245,313	$25,192,059	$25,645,612	$25,606,746	$25,211,757
LIABILITIES:						
Capital stock	$9,375,000	$9,375,000	$9,375,000	$9,375,000	$9,375,000	$9,375,000
Funded debt	9,521,918	9,671,918	8,690,919	8,907,921	9,150,923	9,393,924
Working liabilities	440,070	453,456	410,258	541,633	430,710	549.613
Accrd. liabilities not due	146,764	127,390	127,581	105,354	107,327	109,083
Deferred credit items	31,895	27,623	23,344	20,178	15,379	22,714
Appropriated surplus	6,306,832	6,208,571	5,843,893	5,618,370	.....	.....
Profit and loss	1,262,351	381,355	721,064	1,077,156	6,527,407	5,761,423
Total	$27,024,830	$26,245,313	$25,192,059	$25,645,612	$25,606,746	$25,211,757

Bonded Debt: $8,176,000 Fort Worth and Denver City 1st 6s, due Dec. 1, 1921. For full details and rating, see Colorado & Southern Ry. bond table, page 233.

Capital Stock: Auth., $10,000,000; issued, $9,375,000; outstanding, $9,243,800, of which $2,539,992 is "stamped" stock; par $100. Dividends on stamped stock 1897 and 1898, 2% each year; 1901, 1½%; 1902 and 1903, inclusive, 4% each; 1905 to 1911 inc., 4% per annum; 1912, 5%; 1913 to 1915, inc., 6% per annum; 1916 to June 30, 3%. On unstamped stock: 1912, 5%; 1913, 6%; 1914 and 1915, 6% each; 1916 to June 30, 3%. Colorado & Southern Ry. owns $9,361,016, of which $2,539,992 is "stamped" stock. TRANSFER AGENT, W. O. Hamilton, Fort Worth, Tex.

(THE) GILPIN RAILROAD

Incorporated under laws of Colorado, July 24, 1906, as successor to the Gilpin Tramway Co. Operates 16.5 miles from Black Hawk to various mines near Central City, Col. Colorado & Southern Ry. controls through stock ownership and operates the property.

Management: A. D. Parker, Pres.; B. F. James, Sec. and Treas.; J. H. Bradbury, Auditor. OFFICE, Denver, Col.

Bonded Debt: $71,000 Gilpin Tramway 1st 6s; dated May 15, 1899; due May 15, 1919; int. paid May and Nov. 15, at International Trust Co., Denver Col. Coupon, $500. First lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and issued, $200,000; par $10. All but 5 shares owned by Colorado & Southern Ry. and pledged under its refunding and extension mortgage.

Other Controlled Roads: In addition to above, the Colorado & Southern owns the entire stock and bonds of the Abilene & Northern Ry., Stamford to Abilene, Texas, 38.7 miles; practically the entire stock and all the bonds of the Colorado R.R., owning 120.35 miles of short lines in Colorado; practically all the stock and all the bonds of the Stamford & Northwestern Ry., Stamford to Spur, Texas, 82.5 miles; practically all the stocks and all bonds of the Wichita Valley Ry., Wichita Falls to Seymour, Texas, 52.2 miles; practically all the stock and all the bonds of the Wichita Falls and Oklahoma Ry., Byers to Wichita Falls, Texas, 22.8 miles; practically all the stock and all the bonds of the Wichita Valley R.R., Seymour to Stamford, Texas, 60.7 miles. These companies are all operated as a part of the general system and the securities are deposited under the Colorado and Southern refunding 4½% mortgage.

CHICAGO & EASTERN ILLINOIS RAILROAD COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Illinois, June 7, 1894, as a consolidation of the old Chicago & Eastern Illinois R.R. and the Chicago & Indiana Coal Ry. Co. The company owns a one-fifth interest in the Chicago & Western Indiana and a joint interest in the Southern Illinois & Missouri Bridge Co. On July 20, 1911, the Evansville & Terre Haute R.R., and the Evansville Belt Ry., which had formerly been controlled by stock ownership, were merged formally into this company. In this merger, the Evansville & Terre Haute common stockholders received 83⅓% in Chicago & Eastern Illinois common, and the Evansville Belt stockholders received par. The preferred stockholders of the Evansville & Terre Haute were given the privilege to exchange their holdings for new 5% refunding bonds, par for par, these bonds maturing 1941, and being assumed by the Chicago & Eastern Illinois R.R.

Location: Directly operated lines consisted June 30, 1916, of 1,136.46 miles. Main lines embrace: Dolton to Danville, Ill., 107.21 miles; Danville Junc. to Brazil, Ind. (Western division), 61.20 miles; Momence Junc. to Brazil, Ind. (Eastern division), 130.09 miles; Danville Junc. to Thebes and Joppa, Ill., 292.39 miles; Woodland Junc. to Villa Grove, Ill., 62.20 miles; Otter Creek Junc. to Evansville, Ind., 114.66 miles; and also numerous smaller branches. The lines of the old Evansville & Terre Haute Company are included in the directly operated mileage, with the exception of the Evansville & Indianapolis 145.95 miles operated separately since Mar. 1, 1916. The lines of the company are all in Illinois and Indiana. Population of these States in 1890, 6,018,755; in 1900, 7,338,012; in 1910, 8,339,467. The road penetrates the Indiana soft coal fields and has always done a heavy business in this commodity.

Receivership: On May 27, 1913, Edwin W. Winter, of New York, and William J. Jackson, of Chicago, were appointed receivers. Interest was defaulted July 1, 1913, on the refunding 4s, and later on the Evansville & Terre Haute refunding 5s, the Evansville & Indianapolis cons. 6s, and the Chicago and Indiana Coal Railway first 5s. Special protective committees have been appointed for these and other issues. See bond notes on following pages.

The receivership was directly caused by the downfall of the St. Louis & San Francisco R.R Co., which had acquired a large majority of both preferred and common stock and deposited same under its own "Chicago & Eastern Ill. stock certificates." See following pages and also St. Louis & San Francisco R.R. statement.

Recent Developments: No plan for the reorganization of the property has yet been announced, but the Evansville & Indianapolis Railroad has now been divorced from the main system and is being independently operated by its Receiver. In Sept., 1916, the Receiver of the main company stated that the company was rapidly getting on its feet, but that no plan for reorganization was imminent. On October 1, 1916, all coupons due and overdue on the following issues were paid, and it was announced that future interest would be met until otherwise ordered by the Court.

Danville & Grape Creek 1st 6s; Evansville, Terre Haute & Chicago income 6s; Chicago & Eastern Illinois 1st ext. 6s; Chicago & Eastern Illinois 1st consol. 6s; Evansville & Terre Haute 1st cons. 6s, and Evansville Belt Railway 1st 5s.

Under the plan of reorganization of the St. Louis & San Francisco Railroad adopted in April, 1916, it was provided as follows:

(1) The $12,153,750 preferred and $16,944,500 common stock Trust certificates issued for preferred and common stock of the Chicago & Eastern Railroad should be exchanged for the stock of the Chicago & Eastern Illinois R.R. represented by the same;

(2) The reorganization managers delivered in respect to preferred certificates so surrendered, $18 in 6% preferred stock and $2.50 in common stock of the new St. Louis & San Francisco; and also delivered in respect to common stock certificates so surrendered, $30 in 6% preferred stock and $4.25 in common stock of the St. Louis & San Francisco R.R. (See latter company's statement).

Protective Committee: General Committee, representing Danville & Grape Creek 6s, Evansville, Terre Haute & Chicago 6s, all Evansville & Terre Haute issues, Evansville Belt Ry. 1st 5s, Chicago & East Illinois extension 6s and consol. 6s, and ref. and imp. 4s, is represented by John W. Platten, Chairman; Calvert Brewer, Secretary, 55 Cedar Street, New York. Depositary: United States Mortgage & Trust Co., New York, and First Trust & Savings Bank, Chicago.

Management: Wm. J. Jackson, Chicago, Receiver. OFFICERS FOR RECEIVERS: W. H. Lyford, Gen. Counsel; J. P. Reeves, Treas.; H. J. Cronin, Auditor. OFFICERS OF COMPANY: W. J. Jackson, Pres.; Alvin W. Krech, Vice-Pres.; J. P. Reeves, Treas.; H. J. Cronin, Sec. DIRECTORS: Frederic W. Allen, W. J. Jackson, W. H. Lyford, Geo. F. Porter, T. D. Heed, Alvin W. Krech, H. H. Porter, W. Redmond Cross, Chas. S. Holt, W. Emlen Roosevelt, Joseph Walker, Jr. Annual meeting, first Wednesday in June. CHICAGO OFFICE, 332 So. Michigan Ave. NEW YORK OFFICE, 71 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture...	6.36%	6.28%	7.07%	7.32%	9.68%	10.28%	9.13%	8.82%	9.82%	9.02%
Products of Animals.....	1.38	1.11	1.21	.99	1.59	1.69	1.45	1.70	1.79	1.54
Products of Mines.....	66.33	67.40	64.73	64.08	64.20	62.23	60.12	61.86	61.77	61.37
Products of Forests.....	9.95	10.86	12.10	11.78	10.12	10.56	12.30	11.71	10.38	9.74
Manufactures.....	11.15	9.79	10.15	10.88	10.46	10.23	11.43	10.70	10.89	13.19
Merchandise and Miscel...	4.83	4.56	4.74	4.95	3.95	5.01	5.57	3.62	5.35	5.14

Total revenue tonnage in 1906, 10,833,057 tons; in 1909, 10,080,499 tons; in 1910, 12,136,843 tons; in 1911, 14,089,989 tons; in 1912, 13,781,958 tons; 14,570,537 tons in 1913; 13,803,775 tons in 1914; 12,733,173 tons in 1915; 15,430,033 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Passenger Rate per per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	948	175	331	145	18,524	81%	84,809	2,048,143	576	$2.16	2.04c	.48c
1908.....	957	175	325	145	18,542	79	99,969	1,915,651	564	2.05	1.76	.48
1909.....	966	177	324	147	19,251	78	98,834	1,741,878	555	1.99	1.74	.48
1910.....	966	177	324	145	19,210	79	110,495	2,064,653	572	2.01	1.75	.46
1911.....	1,275	177	334	177	24,774	75	123,596	1,667,861	528	2.16	1.78	.52
1912.....	1,275	177	396	192	25,588	74	127,372	1,651,700	511	2.14	1.79	.53
1913.....	1,275	210	399	191	26,912	74	131,630	1,824,851	589	2.28	1.76	.52
1914.....	1,283	210	401	272	26,678	73	129,773	1,724,429	587	2.23	1.78	.51
1915.....	1,282	335	401	280	25,775	73	116,733	1,522,700	577	2.23	1.84	.53
1916.....	1,283	335	412	289	25,648	75	135,840	1,835,557	621	2.48	1.69	.53
10-Year Average	1,151	215	365	198	23,090	76%	115,905	1,799,742	568	$2.17	1.79c	.50c

Yard tracks and sidings, 684.98 miles on June 30, 1916.

Note: Figures for 1916 include operations of Evansville and Indianapolis for the entire year, though this property has been separately operated since Mar. 1, 1916.

Comment: Operating results on the Chicago & Eastern Illinois during the fiscal year ended June 30, 1916, were very satisfactory. Both passenger and freight density increased, while a sharp advance was shown in the average freight train load. Although freight rates continued low, the train mile earnings rose to a new high figure. The company has usually depended chiefly on the transportation of mining products for its freight tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$11,964	$1,358	$1,912	$3,270	$4,304	$4,390	$4,695	$353	$4,342	$2,580	41%	$1,762	$1,320
1908.....	11,228	1,280	1,605	2,885	4,720	3,623	4,573	375	4,198	3,014	28	1,184	1,308
1909.....	10,631	1,030	1,722	2,752	4,427	3,452	4,059	284	3,775	3,055	11	720	703
1910.....	12,161	1,195	2,115	3,310	4,924	3,930	4,715	375	4,340	3,123	28	1,217	1,152
1911.....	11,671	1,190	1,841	3,031	4,895	3,745	4,458	265	4,193	2,984	29	1,209	953
1912.....	11,934	1,147	2,179	3,326	5,223	3,385	4,035	335	3,700	2,870	22	830	747
1913.....	12,717	1,690	2,916	4,606	5,499	2,612	3,463	480	2,983	3,335	.....	352*	386
1914.....	12,116	1,748	3,167	4,915	5,194	2,007	2,858	491	2,367	3,554	.....	1,187*	.....
1915.....	11,085	1,757	2,474	4,231	4,822	2,032	2,540	500	2,040	3,466	.....	1,426*	.....
1916.....	13,133	1,827	3,002	4,829	5,169	3,135	4,030	555	3,475	1,236	64	2,239	.....
10-Year Average	$11,864	$1,422	$2,293	$3,715	$4,918	$3,231	$3,943	$401	$3,542	$2,922	22%	$620	$657

* Deficit.

Note: Above figures are based on average mileage directly operated for each year. Prior to 1911, the figures do not include the old Evansville & Terre Haute R.R. Figures for 1916 include operations of Evansville and Indianapolis for entire year though this property has been separately operated since Mar. 1, 1916. Margin of safety is the proportion of surplus income left over after providing for all charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$16,848,985	$14,209,129	$15,516,147	$16,214,972	$15,215,513	$14,880,409
Maintenance of way....	2,342,608	2,252,457	2,242,586	2,155,196	1,462,391	1,517,682
Maint. of equipment....	3,851,757	3,171,644	4,062,880	3,717,829	2,778,230	2,347,107
All other oper. expenses	6,632,152	6,181,804	6,663,551	7,011,643	6,659,121	6,240,308
Net oper. revenues.	$4,022,368	$2,603,224	$2,547,136	$3,330,304	$4,315,761	$4,775,312
Operating ratio.....	76.1%	81.7%	83.6%	79.5%	71.6%	67.9%
Other income	1,148,223	652,710	1,119,330	1,084,988	829,193	905,784
Total net income...	$5,170,591	$3,255,934	$3,666,466	$4,415,292	$5,144,954	$5,681,096
Taxes accrued	711,657	641,000	630,500	611,844	426,592	338,128
Balance for charges	$4,458,934	$2,614,934	$3,035,966	$3,803,458	$4,718,362	$5,342,968
Fixed charges	1,585,406	4,443,903	4,559,492	4,252,814	3,660,563	3,801,201
Surp. over charges	$2,873,528	* $1,828,969	* $1,523,526	* $449,366	$1,057,799	$1,541,767
Dividends paid.....	.....	.....	2,366	492,567	952,853	1,215,533
Other deductions	.....	15,528	.....	.....	.....	.....
Balance	$2,873,528	* $1,844,497	* $1,525,892	* $941,933	$104,946	$326,234

* Deficit.

Note: The fixed charges item of $4,443,903, as shown above for 1915, includes all the interest obligations of the company, paid or unpaid. In 1915, $2,262,095 of this amount, by order of the Court, was not paid by the receiver. 1916 report shows a decrease in the accrual of interest on funded debt of $2,726,022.

Note: Above figures for 1916 include those of the Evansville and Indianapolis for the entire year, although the E. & I. was separately operated for the period Mar. 1, 1916, to June 30, 1916.

Profit and Loss Account of the Chicago & Eastern Illinois, for the year ending June 30, 1916: Credit balance transferred from income, $2,923,598; donations, $8,804; miscellaneous credits, $2,839,566; total, $5,771,968. Contra: Debit balance June 30, 1915, $2,883,435; less Evan. & I. eliminated, $196,047; balance, $2,687,388; debt discount extinguished through surplus, $10,319; loss on retired road and equipment, $69,404; miscellaneous debits, $118,194; credit balance carried to balance sheet, $2,886,663; total, $5,771,968.

Profit and Loss Account of the Evansville and Indianapolis for the four months ending June 30, 1916: Miscellaneous credits, $39; debit balance carried to balance sheet, $49,931; total, $49,970. Contra: debit balance transferred from income, $49,970.

Comment: Although still in the hands of receivers, the income results of the Chicago & Eastern Illinois for the year ended June 30, 1916, were of a most gratifying nature. Both gross and net operating revenues increased sharply and there was also a substantial addition to the revenue from outside sources. Surplus carried forward was practically equal to the old fixed charges before the property went into receivers' hands.

The company has not yet gone through reorganization, but it is now evident that a substantial change in its financial position can be achieved without radical assessment of stockholders, or seriously cutting down the junior bond issues.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$16,929	26%	$48,769	74%	$7,568	$73,266	$3,449	$69,817	6.7%	$559	6%	$761	10%	68%	37%
1908	16,769	25	49,529	75	14,691	80,989	4,555	76,434	6	554	6	754	10	52	.....
1909	16,659	25	50,549	75	15,248	82,456	3,811	78,645	5.2	554	6	149	2	23	.....
1910	16,613	26	49,064	74	15,992	81,669	1,101	80,568	6	554	6	598	8	54	10
1911	17,740	31	38,650	69	13,578	69,968	1,760	68,208	6.5	416	6	537	9½	66	33
1912	20,358	28	52,351	72	10,589	83,298	1,490	81,808	4.9	464	6	283	5	44	23
1913	20,273	27	54,958	73	12,674	87,905	199	87,706	3.9	386	4½	.....	.....	.....	.....
1914	20,135	26	58,072	74	11,877	90,084	245	89,839	3.2	.....	.....	.....	.....	.....	.....
1915	21,699	27	57,455	73	11,909	91,063	354	90,709	2.8	.....	.....	.....	.....	.....	.....
1916	21,693	27	57,410	73	12,338	91,441	432	91,009	4.4	.....	.....	.....	.....	.....	.....
10-Year Average	$18,887	27%	$51,681	73%	$12,646	$83,214	$1,740	$81,474	4.8%	$349	4%	$308	4.5%	44%	.....

Note: In table above, bond column includes direct bonded debt; rental column includes leased line guarantees capitalized; investment column includes "free" securities.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$96,307,870	$95,592,238	$92,686,504	$91,265,530	$81,851,150	$58,958,780
Working assets	5,332,882	4,215,110	5,742,898	6,327,923	6,752,891	4,334,963
Deferred debit items...	17,085,736	11,611,891	11,589,817	11,994,049	11,935,283	13,097,640
Profit and loss deficit...	.....	2,888,058	1,015,732	.....	.....	.....
Total	$118,726,488	$114,307,297	$111,034,951	$109,587,502	$100,539,324	$76,391,383
Liabilities:						
Capital stock	$27,832,752	$27,831,752	$25,833,752	$25,847,502	$25,953,702	$22,618,269
Funded debt	73,657,000	73,657,000	74,507,000	70,072,000	66,739,175	49,277,232
Working liabilities	11,873,840	10,616,541	8,199,745	9,910,054	3,603,383	2,163,431
Accrd. liabilities not due	1,478,075	1,259,931	1,547,327	1,538,094	1,415,632	987,448
Deferred credit items...	1,037,576	761,466	943,592	1,269,952	578,536	531,132
Appropriated surplus...	180,607	180,607	3,535	.....	.....	.....
Profit and loss surplus..	2,666,638	.....	.....	949,900	2,248,896	813,871
Total	$118,726,488	$114,307,297	$111,034,951	$109,587,502	$100,539,324	$76,391,383

Note: The figures presented above, prior to 1912, cover only the old Chicago & Eastern Illinois main system and not the Evansville & Terre Haute figures. For records of the operations of the latter in earlier years, see "Moody's Analyses" for 1912. For 1916, the figures given above were obtained by combining the balance sheets of the Chicago & Eastern Illinois and of the Evansville & Indianapolis, both as of June 30, 1916.

Comment: As this property is shortly to be reorganized, the balance sheet as shown under date of June 30, 1916, is not of any great significance. There were only nominal changes in the permanent capitalization figures. The company was able, however, to change the former heavy deficit into a very substantial profit and loss surplus.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Danville & Grape Creek first 6s	M&N	My 1920	(1st) 9	$10,800		$4	89%	Large	High	Ba.
2. Evans. T. H. & Chic. Inc. 6s	M&N	My 1920	(1st) 49	3,000		7	89%	"	"	Ba.
3. Chic. & E. Ill. first ext. 6s	J&D	D 1931	(1st) 14	6,500	$3,056*	4	89%	"	"	Baa.
4. Chic. & E. Ill. first cons. 6s.	A&O	O 1934	(1st) 107 / (2d) 23	21,000		128	89%	"	Very high	Baa.
5. Chic. & Ind. Coal Ry. first 5s	J&J	Ja 1936	(1st) 177	26,000		181	89%	Fair	"	C.
6. Chic. & E. Ill. gen. con. and first 5s	M&N	N 1937	(cons) 1024	20,840	2,732	836	69%	"	"	Ba.
7. Chic. & E. Ill. Ref. and imp. 4s	J&J	Jl 1955	(cons) $19	19,500	1,896	500	66%	"	"	Ca.
8. Evans. & T. H. first cons. 6s	J&J	Jl 1921	(1st) 146	20,000		141	66%	"	High	Baa.
9. Evans. & T. H. Mt. Vernon Br. 6s	A&O	Ap 1923	(1st) 25	15,000		17	58%	"	"	B.
10. Evans. & T. H. Sull. County Coal Br. 5s	A&O	Ap 1930	(1st) 30	15,000		18	58%	"	"	B.
11. Evans. & T. H. first gen. 5s.	A&O	Ap 1942	(2d) 201	15,750		115	58%	"	"	Caa.
12. Evans. & Ind. first 6s	J&J	Jl 1924	(1st) 55	11,750		30	58%	"	"	Ca.
13. Evans. & Ind. first cons. 6s.	J&J	Ja 1926	(1st) 80 / (2d) 55	13,500	1,255	92	58%	"	"	Ca.
14. Evans. & T. H. ref. 5s	J&J	Jl 1941	(3d) 201	.....		50	58%	"	"	C.
15. Chic. & E. Ill. Pur. money Coal 5s	F&A	F 1942	(see text)	.....		196	58%	"	Fair	Caa.
16. Evansv. Belt first 5s	M&N	N 1940	(1st) 4	.....		5	58%	"	"	Ba.
17. Receivers' Certificates 6%.	J&J	Jl 1917	(see text)	(text)	(see text)	280	High	High	Good	A.
18. Equipt. Certificates 5½%.	Var.	Var.	"	"	"	206	"	Good	Fair	Baa.

* After allowance for interest on receivers' certificates and equipment bonds.

For Key to Bond Ratings, see page 19.

Note: While the factor of safety on many of the above issues is relatively high, it must be remembered that the averages are based on a ten-year period, and include the earlier years when results were relatively more favorable. The Ratings on the defaulted bonds are all placed on a speculative basis, pending final reorganization, but also are based on other considerations, such as the trend of available profits over the period.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $250,000; outstanding, $97,000 (closed). Dated April 15, 1880; due May 1, 1920. Int. paid at Central Trust Co., New York. Assumed by Chic. & E. Ill. R.R. First lien, 9 miles, Danville Junc. to Westville, Ill. Underlie Nos. 4, 6 and 7, with provision by latter to retire. Legal for S. B. in Me. Normal income tax deducted from interest. Coupon, $1,000.

2. Auth. and outstanding, $150,000. Dated Aug. 9, 1881; due May 1, 1920. Int. paid at Farmers' Loan & Trust Co., New York. Guar. prin. and int. by Chic. & E. Ill. R.R. First lien, 48.58 miles, Danville Junc., Ill., to Otter Creek Junc., Ind. Underlie Nos. 6 and 7, with provision by latter to retire. Normal income tax deducted from interest. Coupon, $1,000.

3. Auth., $250,000; outstanding, $91,000 (closed). Dated Dec. 1, 1881; due Dec. 1, 1931. Int. paid at Mechanics & Metals Nat. Bank, New York. First lien, 14.10 miles, Westville to Sidell, Ill. Underlie Nos. 4, 6, and 7, with provision by latter to retire. Interest paid without deduction for normal income tax. Coupon, $1,000.

4. Auth., $6,000,000; outstanding, $2,736,000 (closed). Dated June 2, 1884; due Oct. 1, 1934. Int. paid at Central Trust Co., New York. First lien, 107.21 miles, Dolton to Danville, Ill.; second lien on 9 miles, following No. 1, and on 14.10 miles, following No. 3. Underlie Nos. 6 and 7, with provision by latter to retire. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest. Coupon, $1,000.

5. Auth. and outstanding, $4,626,000. Dated Dec. 1, 1885; due Jan. 1, 1936. Int. paid at Metropolitan Trust Co., New York. Assumed by Chic. & E. Ill. R.R. First lien, 176.53 miles, as follows: Ill.-Ind. State line to Brazil, Ind., 118.76 miles; Percy Junc. to La Crosse, Ind., 45.89 miles; Coal Bluff to Casey, Ind., 6.63 miles; branches, 5.25 miles. Underlie Nos. 6 and 7, with provision by latter to retire. Listed on New York Stock Exchange. No tax-free clause. Interest in default since July 1, 1914. Protective committee: W. W. Jacobs, R. H. Carlton, E. S. Hunt, J. S. Farlee. Sec., C. E. Sigler, 64 Wall Street, New York. Depositary, Central Trust Co., New York. Coupon, $1,000.

6. Auth., $30,000,000; outstanding, $21,343,000. Dated Nov. 1, 1887; due Nov. 1, 1937. Int. paid at Central Trust Co., New York. First lien, 463.77 miles, as follows: Sidell to Thebes and Joppa, Ill., 269.29 miles; Woodland Junc. to Villa Grove, Ill., 62.20 miles; Findlay Junc. to Pana, 19.74 miles; Rossville Junc. to Sidell, 34.29 miles; Momence Junc. to State line, 11.35 miles; Milford Junc. to Freeland, 10.84 miles; Rossville Junc. to Judyville, 13.77 miles; smaller branches, 42.29 miles; also second lien on 336.09 miles, following Nos. 2, 4, 5 and 16, a third lien on 23.10 miles, following No. 4; a fourth lien on 201.26 miles, following No. 11. Underlies No. 7, which provides for retirement at maturity. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest. Coupon and reg., $1,000. Interest in default since May 1, 1915. Special committee: Henry Evans, Chairman; A. F. Halsted, Sec., 62 Cedar Street, New York.

7. Auth., $55,000,000; outstanding, $15,996,000; in treasury, $2,023,000. Dated July 1, 1905; due July 1, 1955. Int. paid at Bankers' Trust Co., New York. Callable at 102½ on sixty days' notice. Second lien on 463.77 miles, following No. 6; third lien on 332.32 miles, following No. 6; fourth lien on 23.10 miles, following No. 6. The issue provides for the refunding or retirement of all the prior liens on this 819.19 miles. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax. Interest in default since July 1, 1914. PROTECTIVE COMMITTEE: John W. Platten, James C. Brady, F. Q. Brown, F. H. Ecker, Robert Fleming, D. G. Geddes, Otto H. Kahn. Sec., Calvert Brewer. Depositary, U. S. Mortgage & Trust Co., New York. Coupon and reg., $1,000.

8. Auth., $3,500,000; outstanding, $3,000,000. Dated July 30, 1881; due July 1, 1921. Int. paid at Bankers' Trust Co., New York. Assumed by Chi. & E. Ill. R.R. First lien, 146.47 miles, Evansville to Terre Haute, Fort Branch to Cynthiana and on Rockville extension. Underlie Nos. 11 (which provide for retirement) and 14. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon $1,000.

9. Auth. and outstanding, $375,000. Dated April 1, 1883; due April 1, 1923. Int. paid April and October at Bankers' Trust Co., New York. Assumed by Chi. & E. Ill. R.R. First lien, 24.79 miles, Mt. Vernon to Cynthiana. Underlie No. 11 (which provide for retirement) and No. 14. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000. Interest in default since April 1, 1915.

10. Auth. and outstanding, $450,000. Dated April 1, 1890; due April 1, 1930. Int. paid at Bankers' Trust Co., New York. Assumed by Chi. & E. Ill. R.R. First lien, 30 miles on branch from Farmersburg in Sullivan county, Ind. Underlie No. 11 (which provide for retirement) and No. 14. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000. Interest in default since April 1, 1915.

11. Auth., $7,000,000; outstanding, $3,175,000, of which $30,000 are in treasury. Dated April 1, 1892; due April 1, 1942. Int. paid at Bankers' Trust Co., New York. Assumed by Chi. & E. Ill. R.R. Second lien on 201.26 miles, following Nos. 8, 9, and 10. Further secured by deposit of entire stock of Evansville & Indianapolis R.R. Underlie No. 14. Listed on New York Stock Exchange. Tax-free clause. Coupon, $1,000. Interest in default since April 1 1915. PROTECTIVE COMMITTEE, F. J. Lisman, Chm. Graham Adams, Sec., 30 Broad St., New York. Depositary, Farmers' Loan & Trust Co.

12. Auth., $1,000,000; outstanding, $647,000 (closed). Dated July 1, 1884; due July 1, 1924. Int. paid at Bankers' Trust Co., New York. Guar. prin. and int. by Chi. & E. Ill. R.R. First lien, 54.50 miles, Straight Line Junc. (near Evansville) to Washington, Ind. Underlie No. 13 (which provide for retirement). Tax-free clause. Coupon, $1,000. Interest in default since July 1, 1914. SPECIAL COMMITTEE: F. H. Shipman, Chairman; Edward Gibbs, Sec. Depositary: Farmers' Loan & Trust Co. This property has been operated separately since Mar. 1, 1916, by its receiver, Wm. P. Kappes.

13. Auth., $2,500,000; outstanding, $1,853,000. Dated Jan. 1, 1886; due Jan. 1, 1926. Int. paid at Bankers' Trust Co., New York. Guar. prin. and int. by Chi. & E. Ill. R.R. First lien, 79.65 miles, Washington to Terre Haute, Ind., and second lien on 54.50 miles, following No. 12. Listed on New York Stock Exchange. Tax-free clause. Coupon, $1,000. Interest in default since July 1, 1914. SPECIAL COMMITTEE, same as No. 12.

14. Auth., $1,284,000; outstanding, $1,278,150; in treasury, $5,850 Dated July 1, 1911; due July 1, 1941. Int. paid at New York Trust Co., New York. Coupon, $50 and $1,000. Callable at par on 60 days' notice. Assumed by Chi. & E. Ill. R.R. Third lien on 201.26 miles, following No. 11. This issue was created to retire an equal amount of Evansville & Terre Haute preferred stock, dollar for dollar. Tax-free clause. Interest in default since July 1, 1915.

15. Auth., $7,000,000; outstanding, $5,094,000. Dated Feb. 1, 1912; due Feb. 1, 1942. Int. paid at Central Trust Co., New York. Callable at 105 on 60 days' notice, and at 102½ for sinking fund. Sinking fund, 2 cents per ton on all coal mined from March 31, 1913 to 1917; 3 cents per ton from 1918 to 1927; and 4 cents per ton thereafter. Bonds are held alive in fund and accruing interest is added to the fund. First lien on 41,000 acres of coal lands located on the lines of the system, including ten coal mines. Listed on New York Stock Exchange. Tax-free clause. Coupon and reg., $1,000. Interest in default since Feb. 1, 1915. SPECIAL COMMITTEE: Geo. C. Van Tuyl, Jr., Chairman; Jas. F. McNamara, Sec. Depositary: Metropolitan Trust Co., New York.

16. Auth., $600,000; outstanding, $142,000. Dated Nov. 1, 1910; due Nov. 1, 1940. Int. paid at Columbia Trust Co., New York. Coupon, $1,000. Assumed by Chicago & East. Ill. R.R. First lien on 3.77 miles of railroad and 157.61 acres of real estate and terminal property. Tax-free clause. Interest in default since May 1, 1915

17. Receivers' Certificates: Auth. and outstanding, $6,000,000; dated July 1, 1916; due July 1, 1917. Int. paid at Equitable Trust Co., New York. Coupon, $1,000 and multiples. Secured by first lien on following "trust assets" pledged with Trustee: $1,000,000 (par) Chicago & Western Indiana R.R. stock; $240,000 (par) Belt Ry. of Chicago stock; $10,000 (par) Southern Illinois & Mo. Bridge Co. stock; $612,300 (par) Brazil Black Coal Co. stock; $6,408,300 (par) Chicago & Eastern Illinois common stock; $550,000 Southern Illinois & Missouri Bridge 1st 4s; and other minor collateral; total, $8,890,000. Also secured by lien prior to refunding and improvement 4s (No. 7) on all property covered by that mortgage, but subject to the liens of Nos. 1 to 6, inclusive. The Court reserves the right, however, by future order, to declare these certificates prior in lien to No. 6.

18. Equipment Trusts: Extension Agreement.—The United States District Court for Northern Illinois authorized the receivers to extend the following equipment obligations for a period of three years after their respective maturities, with interest increased to 5½%. The equipment notes are to have brought under their lien the entire properties in the hands of receivers, excepting the properties of the Evansville Belt Ry., the Evansville & Terre Haute R.R., the Evansville & Indianapolis R.R. and the property subject to the lien of the Purchase Money Coal Bonds (No. 15), this arrangement making them a lien upon the property covered by the Refunding and Improvement Mortgage (No. 7), ranking ahead of that mortgage, and upon the "trust assets" securing the Receivers' Certificates (see No. 17), but subject to the latter.

Chicago & Eastern Illinois R.R.: Equipment Bonds, Series "E"; interest to Feb. 1, 1915, 4½%; thereafter, 5½% payable Feb. and Aug. at Blair & Co., New York. Balance outstanding July 1, 1916, $250,000, maturing $125,000 Feb. and Aug. 1, 1918, as extended by order of Court. Secured on 30 locomotives, 2,500 freight cars, 25 caboose cars and 3 postal cars, all of original cost of over $2,800,000.

Equipment Bonds, Series "F"; interest to Feb. 1, 1915, 4½%; thereafter, 5½% payable Feb. and Aug. 1 at Blair & Co., New York. Balance outstanding July 1, 1916, $660,000, maturing $220,000 each on Feb. and Aug. 1, from Feb. 1, 1918, to Aug. 1, 1919, as extended by order of Court. Secured on 89 locomotives, 3,250 freight cars, 25 caboose cars and 3 dining cars, all of an original cost of over $6,000,000.

Equipment Bonds, Series "G"; interest to April 1, 1915, 5%; thereafter, 5½%, payable April and Oct. 1 at Bankers' Trust Co., New York. Balance outstanding, July 1, 1916, $744,000, maturing $124,000 each on April and Oct. 1, from April 1, 1918 to Oct. 1, 1920, as extended by order of Court. Secured on 2,000 dumping gondola cars, all of an original cost of $2,737,912.

Equipment Bonds, Series "H"; interest to Mar. 1, 1915, 5%; thereafter, 5½%, payable Mar. and Sept. 1 at Commercial Trust Co., Phila., and Bankers' Trust Co., New York. Balance outstanding on July 1, 1916, $2,648,000, maturing $166,000 each Mar. 1st, and $165,000 each Sept. 1st from Sept. 1, 1918, to Sept. 1, 1925, as extended by order of Court. Secured on 3,000 freight cars and 20 caboose cars, all of an original cost of over $3,600,000.

Evansville & Terre Haute: Equipment Bonds, Series "B", 5½s, maturity extended by order of Court to July 1, 1917. Now outstanding, $20,000. Series "C," 5½s, maturity extended by order of Court to July 1, 1917. Now outstanding, $180,000. These have been purchased and are pledged under an issue of $200,000 5½% receiver's certificates due July 1, 1917.

All issues are coupon, $1,000; all carry "tax-free clause."

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Chic. & E. Illinois pfd. stock..... Par $100. Outstanding, $12,191,700.	See text	.....	$620	See text	.....	High	High	Ca.
2. Chic. & E. Illinois common..... Par $100. Outstanding, $13,626,100.	"	.....	.....	.....	.....	Fair	"	C.

For Key to Stock Ratings, see page 21.

Note: Of the above outstanding stock, the St. Louis & San Francisco formerly held all the common and $8,102,000 of the preferred, having exchanged its special stock trust certificates therefor. (See that system for details of reorganization plan, etc.)

REFERENCE NOTES ON STOCK ISSUES

(1) Auth., $15,000,000; outstanding, $11,070,400; in treasury, $1,127,700 of which $1,100,000 is pledged; par $100. Has preference as to assets and 6% non-cumulative dividends. Full voting power. Listed on New York Stock Exchange.

(2) Auth., $15,000,000; outstanding, $7,217,800; in addition $6,408,300 is pledged under the receiver's certificates; par $100.

Dividends of 6% were regularly paid on the above preferred stock until receivers were appointed in 1913; on common, 10% was paid in 1907 and 1908; 2% in 1909; 8% in 1910; 9½% in 1911, and 5% in 1912; 4½% in 1913. None since.

CHICAGO GREAT WESTERN RAILROAD COMPANY

Note: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Illinois laws, Aug. 19, 1909, as successor by reorganization to the old Chicago Great Western Ry. The latter company originally succeeded the Chicago, St. Paul & Kansas City Ry. In the reorganization of 1909, the Mason City & Fort Dodge, and the Wisconsin, Minnesota & Pacific railroads, whose stock is all owned by the Chicago Great Western, were leased on 100-year agreements, whereby all net earnings above fixed charges accrue to the Chicago Great Western R.R. These companies are, however, operated as part of the general system. In 1910, the company acquired the entire capital stock of the Leavenworth Terminal Railway & Bridge Co.

Location: Directly operated lines embrace 1,496.06 miles, as follows: Lines owned:—757.47 miles, including main line from Forest Park near Chicago to Oelwein, Ia., and thence to St. Paul and Minneapolis; also from Oelwein, Ia., to Kansas City, Mo., with branches. Lines leased:—Mason City & Fort Dodge R.R., from Omaha, Neb., to Oelwein, Ia., and Hatfield, Minn., and branches, 375.23 miles; Wisconsin, Minnesota & Pacific R.R., from Winona to Mankato, Minn., and from Rochester, Minn., to Osage, Ia., and branches; total, 277.43 miles; trackage rights, 85.93 miles. Operated mileage chiefly in Minnesota and Iowa. Population of these States in 1890, 3,213,722; in 1900, 3,983,247; in 1910, 4,300,479.

Management: Officers: S. M. Felton, Pres.; J. W. Blabon, Vice-Pres.; J. F. Coykendall, Sec. and Treas. Directors: S. M. Felton, J. R. Morron, Chas. Steele, A. A. Sprague, 2d, J. A. Spoor, E. F. Swinney, C. M. Carr, John Washburn, G. W. Wattles, E. C. Flnkbine, Milton Tootle, Jr., E. A. Cudahy, C. H. Thorne. Annual meeting, Tuesday following first Monday in October. Main Office, Chicago, Ill.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	25.50%	27.18%	29.06%	26.81%	26.94%	28.2%	27.9%
Products of Animals.....	.....	.....	.....	9.18	6.66	6.72	6.73	6.78	6.5	7.0
Products of Mines.....	.....	.....	.....	27.99	29.45	28.30	26.50	27.45	30.2	28.4
Products of Forests.....	.....	.....	.....	7.05	6.82	7.05	7.73	7.47	6.6	6.4
Manufactures.....	.....	.....	.....	23.31	22.31	21.76	24.49	24.01	21.6	23.7
Merchandise and Miscel...	.....	.....	.....	6.97	7.58	7.11	7.74	7.35	6.9	6.6

Total revenue tonnage, 1910, 4,623,102 tons; 1911, 5,023,079 tons; 1912, 5,054,478 tons; 5,306,774 tons in 1913; 5,557,858 tons in 1914; 5,642,764 tons in 1915; 5,959,813 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Passenger Rate per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	818	21	259	144	7,675	71%	119,142	1,179,042	308	$1.63	2.06c	.66c
1908.....	1,476	....	....	....	.....	...	.....	688,753	275	....	1.85	.70
1909.....	1,476	....	....	....	.....	...	.....	732,660	283	....	1.80	.69
1910.....	1,495	115	300	176	13,299	71	92,797	795,420	302	1.71	1.90	.72
1911.....	1,492	105	318	184	12,259	71	100,006	822,896	369	2.00	1.91	.72
1912.....	1,496	105	283	172	12,119	70	96,004	818,890	400	2.11	2.01	.72
1913.....	1,496	105	289	169	11,721	70	102,925	894,070	450	2.35	2.04	.73
1914.....	1,496	105	294	175	11,475	70	107,069	911,648	475	2.38	2.00	.73
1915.....	1,428	129	292	203	11,582	69	110,394	965,339	529	2.43	1.95	.70
1916.....	1,456	129	287	208	11,268	70	112,023	1,053,814	552	2.54	2.01	.68
Av. last 7 years	1,480	113	295	184	13,954	70%	103,031	894,582	439	$2.22	1.98c	.71c

Note: As company was in receiver's hands in 1908 and 1909, full figures are not available for those years.

Yard tracks and sidings, June 30, 1915, 559 miles; June 30, 1916, 575 miles.

Since 1907, the figures as shown cover the leased lines, which, under the old management, were separately operated.

Comment: The operating results of the Chicago Great Western Railroad for the fiscal year ended June 30, 1916, were the best recorded in a great many years. The freight density increased sharply during the year and the average freight train load was also moved up to a new high figure. Although the average freight rates tended to decline moderately, it will be noted that the average freight train loads were better than in 1915. The tonnage continues to be well diversified, the proportion of high grade freight tending to increase, and now averaging over 30%.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$11,174	$1,027	$1,543	$2,570	$5,477	$3,127	$3,127	$264	$2,863	$2,354	18%	$509	$346
1908.....	7,041	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909.....	7,262	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910.....	8,062	1,070	994	2,064	4,044	1,954	2,105	244	1,861	1,505	19	356	.....
1911.....	8,394	1,028	1,254	2,282	3,989	2,123	2,217	257	1,960	1,453	26	507	.....
1912.....	8,553	997	1,310	2,307	4,382	1,864	1,948	272	1,676	1,553	8	123	.....
1913.....	9,359	1,129	1,382	2,511	4,348	2,500	2,581	294	2,287	1,455	36	832	.....
1914.....	9,532	1,353	1,582	2,935	4,305	2,292	2,388	334	2,054	1,455	29	599	.....
1915.....	9,748	1,314	1,679	2,993	4,322	2,433	2.634	406	2,228	1,619	27	609	.....
1916.....	10,341	1,362	1,673	3,035	4,325	2,981	3,167	380	2,787	1,574	43	1,212	603
Average last 7 years	$9,141	$1,180	$1,410	$2,590	$4,245	$2,306	$2,434	$312	$2,122	$1,516	26%	$606	$86

Note: "Margin of safety" is the proportion of surplus income left over after deduction of all charges, including interest on permanent and floating debts, sinking funds, etc. "Earned on stock" is based on the amounts outstanding at the close of the fiscal year.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$15,056,675	$13,916,524	$14,257,273	$14,002,911	$12,795,242	$12,618,642
Maintenance of way....	1,983,135	1,876,924	2,024,458	1,688,800	1,491,289	1,533,302
Maint. of equipment....	2,436,353	2,398,216	2,367,235	2,067,288	1,930,053	1,871,429
All other oper. expenses	6,297,010	6,171,427	6,439,475	6,504,054	6,756,660	6,035,881
Net oper. revenues.	$4,340,177	$3,469,957	$3,426,105	$3,742,769	$2,787,254	$3,178,030
Operating ratio	71.1%	75.04%	76%	73.3%	78.2%	74.8%
Other income.....	271,447	290,311	146,140	118,475	126,571	114,911
Total net income...	$4,611,624	$3,760,268	$3,572,245	$3,861,244	$2,914,125	$3,292,941
Taxes accrued	553,343	580,328	499,082	439,419	406,725	384,503
Balance for charges	$4,058,281	$3,179,940	$3,073,163	$3,421,825	$2,507,400	$2,908,438
Fixed charges	2,294,287	2,310,813	2,177,233	2,176,786	2,323,791	2,140,531
Surp. over charges.	$1,763,994	$869,127	$895,930	$1,245,039	$183,609	$767,907
Approp. for imp., etc...	.....	933	.....	.....	.....	.....
Balance	$1,763,994	$868,194	$895,930	$1,245,039	$183,609	$767,907
Earned on stock: Pfd...	4%	1.92%	2.04%	3.03%	.45%	1.87%

Note: Full figures for 1908 and 1909 cannot be given, as road issued no reports. Fixed charges in 1910, 1911, 1912, 1913 and 1914 included rentals of terminals, interest on bonds of main system, and controlled lines. In 1916 the following were included: Interest on Chicago Great Western 1st 4s, $1,032,798; interest on Mason City & Fort Dodge 4s, $480,000; joint facility rents, $690,701; miscellaneous rents, $34,123; miscellaneous charges, $18,038. The marked reduction in fixed charges in 1913 was due to the exchange of Wisconsin, Minnesota & Pacific 4s for 50% of their face value in Chicago Great Western 4s.

Profit and Loss Account, for year ending June 30, 1916, shows: Credit balance, June 30, 1915, $4,524,255; credit balance transferred from income, $1,763,994; profit on road and equipment sold, $1,273; unrefundable overcharges, $813; donations, $3,457; miscellaneous credits, $4,487; total, $6,298,279. Contra: Dividend appropriations of surplus, $877,343; surplus appropriated for investment in physical property, $5,687; loss on retired road and equipment, $72,419; miscellaneous debits, $31,564; credit balance carried to balance sheet, $5,311,266.

Comment: Gross revenues for the fiscal year 1916 reached the highest figures ever recorded, and the net receipts also underwent very substantial improvement. Fixed charges were practically unchanged during the year and therefore the final surplus was nearly double that of 1915. The amount earned on the preferred stock issue equalled approximately 4%, while the company made payments of 2% during the year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$96,461	70%	$42,857	30%	$10,056	$149,374	$17,849	$101,525	3.1%	$346	2.5%	.....	.....	32%	.....
1908	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910	57,705	70	24,622	30	7,900	90,227	260	89,967	2.3	.....	.....	.....	.....	.....	.....
1911	57,831	68	27,635	32	8,332	93,801	610	93,191	2.3	.....	.....	.....	.....	.....	.....
1912	57,666	67	28,229	33	7,996	93,891	540	93,351	2.1	.....	.....	.....	.....	.....	.....
1913	57,666	67	28,229	33	7,858	93,753	543	93,210	2.8	.....	.....	.....	.....	.....	.....
1914	59,749	70	25,563	30	7,926	93,238	612	92,626	2.6	.....	.....	.....	.....	.....	.....
1915	62,430	70	26,548	30	10,164	99,142	724	98,418	2.7	.....	.....	.....	.....	.....	.....
1916	61,180	70	26,012	30	9,956	97,178	630	96,548	3.3	603	2	.....	.....	.....	.....
Av. last 7 years	$59,176	69%	$26,695	31%	$8,590	$94,461	$560	$93,901	2.6%	$86	2.7%	.....	.....	.....	.....

Note: No figures for 1908 and 1909 can be given, as the company was in process of reorganization, and no reports were furnished. The final average is based on the seven years since reorganization, and is figured on the full mileage, including the leased lines.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$129,053,652	$128,562,662	$127,629,230	$126,845,213	$125,320,294	$123,065,930
Working assets	4,820,450	4,907,415	4,994,076	4,964,267	5,009,914	6,485,798
Deferred debit items...	1,087,200	1,244,742	1,553,064	1,597,502	1,274,404	1,770,999
Accrd. income not due..	1,380	42,889	1,320	1,254	1,254	1,314
Total	$134,962,682	$134,757,708	$134,177,690	$133,408,236	$131,605,866	$131,324,041
Liabilities:						
Capital stock	$89,078,415	$89,149,815	$89,384,315	$86,268,315	$86,268,315	$86,268,115
Funded debt	37,916,925	37,910,000	38,242,500	41,232,000	41,232,000	41,232,000
Working liabilities	1,603,906	1,979,562	1,701,579	1,982,502	1,565,112	1,594,719
Accrd. liabilities not due	711,999	815,431	652,232	701,175	665,158	628,408
Deferred credit items...	340,171	378,645	614,889	570,281	467,989	377,116
Profit and loss surplus..	5,311,266	4,524,255	3,582,175	2,653,963	1,407,292	1,223,683
Total	$134,962,682	$134,757,708	$134,177,690	$133,408,236	$131,605,866	$131,324,041

Note: On June 30, 1916, the company owned $48,689,452 in par value of securities, of which $44,950,550 was pledged under the first 4s. The Mason City & Fort Dodge owned $720,600; $500,000 of which are pledged. The above balance sheet includes in the funded debt the bond issue of the Mason City & Fort Dodge R.R., although this issue has not been formally assumed.

Comment: There were practically no capitalization changes on the property during the year ended June 30, 1916. As measured on a mileage basis the net capitalization of the property is high, but the bonded debt represents only 30% of the total gross capital, and therefore the company has found little difficulty in carrying this capitalization. In 1916 the net income on net capital was well above the average for the past seven years.

TABLE D.—Bond Record and Ratings (Based on 7-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Chic. Gt. W. R.R. first 4s...	M&S	S 1959	(1st) 1,033	$25,000	$2,122	$700	67%	Fair	High	Ba.
2. Mason City & Ft. Dodge R.R. first 4s.....	J&D	Je 1955	and coll. (1st) 378	31,700	1,422	330	76%	"	Fair	B.
3. Minneapolis Term. first 3½s.	J&J	Ja 1950	Term.	.....		12	76%	Good	"	Baa.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see "Introduction." For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $75,000,000; outstanding, $25,383,000; in treasury, $3,433,000. Dated Sept. 1, 1909; due Sept. 1, 1959. Int. paid at J. P. Morgan & Co., New York. Coupon and reg., $1,000. First lien on 756.01 miles, as follows: From Forest Hill to Galena Junc., Ill., 147.24 miles; Dubuque, Iowa, to St. Paul, Minn., 252.90 miles; Eden to Mantorville, Minn., 6.95 miles; Sumner to Waverly, Iowa, 21.94 miles; Wilson Junc. to Cedar Falls, Iowa, 7.48 miles; Oelwein to Des Moines, Iowa, 130.51 miles; South Des Moines to St. Joseph, Mo., 156.42 miles; Bee Creek to Beverly, Mo., 22.85 miles; and freight and passenger lines through Des Moines, Iowa, 2.81 miles; freight and passenger lines in Leavenworth, Kan., 0.10 mile; in Kansas City, Kan., 0.47 mile; in Kansas City, Mo., 0.53 mile; 5.81 miles from Sycamore to De Kalb, Ill., first lien on equipment exclusive of that owned by subsidiary companies, valued Jan. 1, 1911, at $8,790,613; first lien on the leasehold interests of the company in the Mason City & Ft. Dodge R.R., owning 378.13 miles, and first collateral lien on 277.43 miles of the Wisconsin, Minnesota & Pacific R.R., through pledge of first 4s of that Company; first lien on the following securities: $19,205,400 common and $13,635,752 preferred stock, being the entire capital stock of the Mason City and Ft. Dodge R.R.; $5,893,400 (entire) capital stock of the Wisconsin, Minnesota & Pacific R.R.; $150,000 (entire) capital stock of the Iowa Development Co.; $10,000 (entire) capital stock of the Iowa Townsite Co.; $7,000 capital stock of the Minnesota Transfer Ry. Co.; $103,600 capital stock of the St. Paul Union Depot Co.; $1,000 capital stock of the St. Joseph Union Depot Co.; $6,200 capital stock of the Iowa Transfer Ry. Co.; $22,700 capital stock of the St. Charles Hotel & Park Co.; and $12,500 capital stock of the Iowa Sugar Co. Legal for Savings Banks in Me., Mo. Listed on the New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $12,000,000. Dated June 1, 1905; due June 1, 1955. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on 378.13 miles, as follows: From Hayfield, Minn., to Clarion, Iowa, 99.71 miles; Clarion to Ft. Dodge, Iowa, 28.05 miles; Ft. Dodge to Council Bluffs, Iowa, 15.69 miles; Gypsum to Coalville, Iowa, 2.90 miles; Oelwein to Clarion, Iowa, 98.09 miles; and spur at Ft. Dodge Depot, 0.79 mile; first lien on entire capital stock ($100,000) of the Omaha Grain Terminals, and upon the entire capital stock ($400,000) of the Webster County Coal & Land Co. An equal amount of No. 1 are reserved to retire these bonds, but neither interest nor principal is guaranteed. Legal for S. B. in Me. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $500,000. Dated Jan. 1, 1900; due Jan. 1, 1950. Int. paid at Bank of Montreal, New York. Coupon, $1,000. Redeemable at 105 and int. Assumed by Chicago Great Western R.R. First lien on the Minneapolis Terminal properties purchased from the Wisconsin Central Ry., including 7.56 miles of trackage, 22.79 acres of real estate on Boom Island, Minn., a freight house 80 x 417 ft., on a tract of ground 95 x 1000 ft., fronting Hennepin Sq., Minn., round house, coaling and water stations. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 7-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Chic. Great Western R.R. 4% cum. pfd..... Par $100. Outstanding, $43,867,902.	See text	$30,129	$606	$1,205*	.....	Small	Fair	Caa.
Chic. Great Western R.R. common..... Par $100. Outstanding, $45,210,513.	.....	31,051	.....	.....	.....	"	"	C.

For Key to Stock Ratings, see page 21. * To pay 4% per annum.

Note: Auth., $50,000,000 preferred and $46,000,000 common. In addition to above, amounts outstanding, $269,500 preferred and $36,400 common is held in the treasury. During the year ending June 30, 1914, $2,878,000 preferred stock was issued to acquire with an equal amount of the first 4s the $6,232,000 Wisconsin, Minnesota & Pacific first 4s, which defaulted in 1912. Preferred has preference as to assets, and 4% dividends; latter became cumulative on July 1, 1914. First dividend payment of 1% was made, December 1, 1915; 1% paid May 1, 1916, and 1% Oct. 2, 1916. Transfer Agents, J. P. Morgan & Co., New York. Both issues listed on New York and London Stock Exchanges.

COMPANIES CONTROLLED BY CHICAGO GREAT WESTERN RAILROAD

MASON CITY & FORT DODGE RAILROAD COMPANY

Incorporated under laws of Iowa, May 23, 1881. Line of road: Hayfield to Clarion, Ia., 99.71 miles; Clarion to Fort Dodge, 28.05 miles; Fort Dodge to Council Bluffs, 132.90 miles; Fort Dodge to Lehigh and Coalville, 18.59 miles; Oelwein to Clarion, 98.09 miles; trackage and spurs, 8.91 miles; total operated, 386.25 miles. Owns terminals in Council Bluffs and Omaha which have cost over $1,000,000, and has perpetual rights for use of Union Passenger Station in Omaha, owned by Union Pacific Railroad. Controlled by ownership of all capital stock by Chicago Great Western R.R., which operates the road under a 100-year lease from April, 1901, the lessee agreeing to pay the interest (but not the principal) on the company's bonds from net earnings of the property, retaining all surplus income.

Management: OFFICERS: S. M. Felton, Pres.; J. W. Blabon, Vice-Pres.; J. F. Coykendall, Sec. and Treas.; DIRECTORS: S. M. Felton, J. W. Blabon, W. H. McCord, Geo. A. Hormel, Luther Drake, C. H. McNider. OFFICE, Chicago, Ill.

Bonded Debt: $12,000,000 Mason City & Fort Dodge first 4s; dated June 1, 1905; due June 1, 1955; int. paid June and Dec. 1 at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on entire property. The Chicago Great Western has reserved first 4s which may be used in retiring these bonds. For rating, see Chicago Great Western bond table.

Capital Stock: Auth., $14,000,000 4% non-cumulative preferred and $20,000,000 common; par $100. Outstanding, $13,635,752 preferred and $19,205,400 common, all owned by Chicago Great Western R.R. and deposited as collateral under that company's first 4s of 1959.

THE LEAVENWORTH TERMINAL RAILWAY & BRIDGE COMPANY

Origin: Incorporated in Kansas, January, 1892, to construct and operate a bridge and railway terminals between Stillings, Mo., and Leavenworth, Kan. Controlled through stock ownership by Chicago Great Western Railroad Co.

Location: Owns 1,110-foot railway bridge over Missouri River and terminals in Leavenworth, Kan. Was leased to K. C., St. Jo. & Council Bluffs Railroad, and Chicago, Rock Island and Pacific Railway till January, 1924, at $16,000 per annum for each company, and to Chicago, Great Western till July, 1924, at $12,000 per annum. In August, 1910, the Chicago Great Western R.R. acquired all the capital stock of the company. Line of road, Leavenworth to Stillings, Mo., 1¾ miles, including bridge over Missouri River.

Management: OFFICERS: S. M. Felton, Pres.; C. R. Berry, Vice-Pres.; J. F. Coykendall, Sec. and Treas. OFFICE, Leavenworth, Kan.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$22,772	$15,775	$15,145	$11,436	$8,671	$8,631
Operating expenses	3,957	2,459	2,547	1,316	1,128	1,134
Net revenue	$18,815	$13,316	$12,598	$10,120	$7,543	$7,497
Other income	37,844	37,305	37,494	39,844	41,033	39,846
Total net income	$56,659	$50,621	$50,092	$49,964	$48,576	$47,343
Taxes	7,528	6,752	7,037	5,385	5,260	5,091
Fixed charges	29,193	29,259	29,515	33,653	30,000	31,691
Surplus	$19,938	$14,610	$13,540	$10,926	$13,316	$10,561

Profit and Loss Account, year ended June 30, 1916: Credit balance July 1, 1915, $58,829; credit balance transferred from income, $19,938; total, $78,767. Contra: Delayed income debits, $4,000; credit balance carried to balance sheet, $74,767; total, $78,767.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,248,293	$1,214,204	$1,210,508	$1,208,988	$1,199,555	$1,202,555
Working assets	21,339	34,188	34,087	33,625	41,576	26,731
Deferred debit items	194	15,637	17,784	13,350	25,043	23,595
Total	$1,269,826	$1,264,029	$1,262,379	$1,255,963	$1,266,174	$1,252,881
LIABILITIES:						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	560,000	560,000	560,000	560,000	560,000	560,000
Working liabilities	31,000	41,701	48,167	55,577	56,447	56,543
Accrd. liabilities not due	4,059	3,499	3,446	2,700	2,772	2,698
Profit and loss surplus	74,767	58,829	50,766	37,686	46,955	33,640
Total	$1,269,826	$1,264,029	$1,262,379	$1,255,963	$1,266,174	$1,252,881

Bonded Debt: $560,000 Leavenworth Terminal Railway & Bridge first 5s; dated Jan. 1, 1893; due Jan. 1, 1923; interest Jan. 1 and July 1, at Central Trust Co., New York. Callable at 105 and interest. First lien on entire property. Chicago Great Western, which owns the stock of this company, does not guarantee the bonds, but the fixed income from rentals more than covers the interest requirements. Interest paid without deduction for normal income tax. Coupon, $1,000. Net Rating, Ba.

Capital Stock: Auth. and outstanding, $600,000; par $100. All owned by Chicago Great Western R.R. Co.

WISCONSIN, MINNESOTA & PACIFIC RAILROAD COMPANY

Incorporated under laws of Minnesota, April 24, 1894, succeeding the Wisconsin, Minnesota & Pacific Railway, which was sold under foreclosure. Line of road: Red Wing to Mankato, Minn., 95.7 miles; Red Wing to Osage, Ia., 118.2 miles; Winona to Simpson, Minn., 54.2 miles; branches, 8.41 miles; total, 277.43 miles. Controlled by Chicago Great Western R.R., which owns all outstanding stock, and leases the property for 999 years from April, 1901, lessee agreeing to pay interest on the company's bonds from the net earnings of the property, and to retain any remaining balance.

Management: OFFICERS: S. M. Felton, Pres.; J. W. Blabon, Vice-Pres.; J. F. Coykendall, Sec. and Treas. DIRECTORS: S. M. Felton, J. W. Blabon, John H. Rich, Benjamin Sommers, C. F. McConville. OFFICE, Chicago, Ill.

Bonded Debt: $6,232,000 Wisconsin, Minnesota & Pacific R.R. first 4s; dated Oct. 1, 1900; due Oct. 1, 1950; int. paid April and Oct. (if earned). Coupon, $1,000. First lien on entire property owned. In October, 1912, interest was defaulted on this issue, following which the Chicago Great Western R.R. offered to purchase the bonds, paying 50% of the par value in its own first 4s, and 50% in preferred stock. Up to June 30, 1916, all but $16,000 has been so acquired by the Chicago Great Western R.R. The bonds acquired have been deposited under the Chicago Great Western 4% mortgage.

Capital Stock: Auth., $10,000,000; outstanding, $5,893,400; par $100. All owned by Chicago Great Western R.R., and deposited as collateral under that company's 4% mortgage.

CHICAGO, INDIANAPOLIS & LOUISVILLE RAILWAY COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Mar. 31, 1897, as successor to the Louisville, New Albany & Chicago Railway, which was sold under foreclosure.

Location: Lines directly operated consist of 622.41 miles, as follows: New Albany to Michigan City, Ind., 288.86 miles; Indianapolis to near Chicago, with branches, trackage rights, and other controlled mileage to Cincinnati, etc., 219.93 miles; total owned, 508.79 miles; trackage right, 104.40 miles; Indiana Stone R.R., 9.22 miles. Company controls and operates the Indianapolis & Louisville Ry., the Indiana Stone Railway, and has 999-year lease to use the tracks of the Chicago & Western Indiana Ry. and owns one-fifth of the stock of that company. These companies were purchased and directly merged in 1916. Also owns one-third interest in Kentucky & Indiana Terminal Co., at Louisville. Mileage is chiefly in Indiana. Population of this State in 1890, 2,192,404; in 1900, 2,516,462; in 1910, 2,700,876. In March, 1914, the company acquired all the stock, and $347,000 first mortgage bonds of the Chicago & Wabash Valley Ry. See page 250. Also controls the Monon Coal Co., and guarantees the interest on its bonds. See "Moody's Analyses of Industrials" for details regarding latter company.

Control: In August, 1902, the Louisville & Nashville and the Southern Railway jointly acquired 93% of $10,500,000 common stock and 77% of $5,000,000 preferred stock on basis of $78 per share for common and $90 per share for preferred. This stock was paid for at these rates by exchange for joint fifty-year collateral trust 4% bonds of these companies, which are secured by the stock acquired and are a joint obligation of the two companies mentioned. See description of these bonds under Southern Railway system (also general index). The Louisville & Nashville makes connection with the property at Cincinnati and at Louisville and the Southern Railway at Louisville. By this means these latter companies have a direct entrance into Chicago, Indianapolis, Michigan City, etc.

Management: OFFICERS: H. R. Kurrie, Pres.; M. F. Plant, Vice-Pres.; Fred Zimmerman, Vice-Pres.; Byron Cassell, Treas. and Asst. Sec.; J. A. Hilton, Sec. and Asst. Treas., New York. DIRECTORS: R. M. Gallaway, John I. Waterbury, Morton F. Plant, Henry Walters, H. R. Kurrie, S. T. Murdock, Adrian Iselin, Jr., Fairfax Harrison, F. B. Adams, Guy Cary, R. H. McCormick, Jr. Annual meeting, third Wednesday in September. NEW YORK OFFICE, 52 Broadway. CHICAGO OFFICE, 608 South Dearborn Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	13.63%	13.68%	12.03%	12.20%	12.16%	14.11%	11.85%	12.01%	11.21%	11.33%
Products of Animals	3.93	4.60	3.92	3.07	3.14	3.26	3.03	3.27	3.35	3.14
Products of Mines	41.42	42.65	46.98	46.23	46.10	48.26	50.08	52.27	55.82	55.47
Products of Forests	11.46	9.92	9.28	9.32	8.16	7.18	7.79	7.21	6.23	6.89
Manufactures	14.01	15.31	15.11	15.41	30.44	27.19	27.25	11.94	13.56	15.25
Merchandise and Miscel.	10.35	13.84	12.68	13.77				13.30	9.83	7.92

Total revenue tonnage in 1909, 2,961,152 tons; in 1910, 3,520,739 tons; in 1911, 3,656,179 tons; in 1912, 3,858,084 tons; in 1913, 4,546,441 tons; 4,652,608 tons in 1914; 4,335,682 tons in 1915; 5,297,567 tons in 1916.

The freight tonnage on this road is unusually well diversified. The single class of freight which represents the heaviest tonnage is stone, sand, etc., which in 1912 amounted to 1,104,052 tons; in 1913, 1,249,515 tons; 1,207,421 in 1914; 1,288,190 tons in 1915; in 1916 the heaviest tonnage was bituminous coal, 1,443,595 tons.

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MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents).
1907	600	....	119	102	5,637	70%	117,810	864,228	307	$1.87	2.03c	.81c
1908	611	....	121	102	5,855	65	117,628	673,289	276	1.73	1.85	.82
1909	611	....	119	104	6,220	66	122,811	691,259	300	1.80	1.80	.82
1910	616	....	122	107	6,106	67	129,950	853,631	341	1.84	1.81	.77
1911	616	....	137	109	6,276	66	140,319	787,460	313	1.93	1.82	.84
1912	617	....	136	114	7,054	66	143,207	835,365	307	1.92	1.86	.83
1913	617	....	144	123	7,217	67	142,375	1,019,016	383	2.13	1.88	.75
1914	618	....	143	120	6,937	66	149,846	1,022,031	415	2.13	1.86	.73
1915	621	....	146	120	6,969	65	140,087	903,321	401	2.16	1.97	.77
1916	622	....	140	114	6,593	68	144,574	1,172,303	493	2.42	2.06	.72
10-Year Average	615	....	133	111	6,486	67%	134,861	882,190	354	$1.76	1.89c	.79c

Yard tracks and sidings, June 30, 1916, 274 miles. The total mileage operated, as shown above, includes the Indiana Stone R.R., 9 miles, and 114 miles of tracks used under contract. The company had outstanding on June 30, 1916, $1,378,000 of equipment trusts.

Comment: During the fiscal year 1916, the Chicago, Indianapolis & Louisville made substantial progress in its volume of freight and passenger business. The freight density reached the highest average of the decade, while the average freight train load also improved very substantially. Average freight rates declined, but this did not prevent the train mile earnings from rising to a new high figure. There was practically no change in the character of the tonnage transported during the year, the company as usual depending primarily on soft coal.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$9,981	$1,396	$1,399	$2,795	$3,701	$3,482	$3,871	$407	$3,464	$1,805	48%	$1,659	$859
1908	8,458	1,369	1,351	2,720	3,408	2,330	2,776	423	2,353	1,757	25	596	842
1909	8,706	1,273	1,304	2,577	3,403	2,726	3,139	427	2,712	1,889	30	823	864
1910	9,773	1,287	1,336	2,623	3,786	3,364	3,750	436	3,314	1,925	42	1,399	878
1911	10,043	1,298	1,426	2,724	4,187	3,132	3,464	436	3,028	1,861	38	1,157	878
1912	10,540	1,466	1,545	3,011	4,728	2,801	3,124	451	2,673	2,010	25	663	877
1913	11,322	1,733	1,592	3,324	4,948	3,050	3,479	477	3,002	2,130	29	872	877
1914	11,236	1,680	1,729	3,409	4,981	2,846	3,171	539	2,632	2,396	9	236	599
1915	10,563	1,161	1,768	2,929	4,604	3,030	3,403	513	2,890	2,503	13	387	322
1916	12,367	1,347	2,056	3,403	4,813	4,150	4,694	586	4,108	2,674	35	1,434	869
10-Year Average	$10,299	$1,401	$1,551	$2,952	$4,256	$3,091	$3,487	$469	$3,018	$2,095	30%	$923	$787

Note: "Margin of safety" is the proportion of surplus income left over after deduction of all charges, including interest on permanent and floating debts, sinking funds, etc.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$7,692,539	$6,559,151	$6,944,005	$6,985,944	$6,503,653	$6,186,878
Maintenance of way	838,061	721,224	1,038,340	1,069,198	904,879	799,007
Maint. of equipment	1,279,091	1,097,986	1,068,264	982,051	953,342	878,722
All other oper. expenses	2,993,887	2,858,811	3,078,124	3,052,687	2,916,991	2,579,433
Net oper. revenues	$2,581,500	$1,881,130	$1,759,277	$1,882,007	$1,728,441	$1,929,716
Operating ratio	66.4%	71.3%	74.7%	73%	73.4%	68.8%
Other income	338,271	232,163	200,282	264,601	199,523	204,308
Total net income	$2,919,771	$2,113,293	$1,959,559	$2,146,608	$1,927,964	$2,134,024
Taxes accrued	364,214	318,497	332,990	294,039	278,144	268,445
Balance for charges	$2,555,557	$1,794,796	$1,626,569	$1,852,569	$1,649,820	$1,865,579
Fixed charges	1,663,473	1,555,022	1,480,770	1,314,208	1,240,660	1,152,992
Surp. over charges	$892,084	$239,774	$145,799	$538,361	$409,160	$712,587
Dividends paid	*	199,752	370,320	540,888	541,250	541,250
Balance	$892,083	$40,022	† $224,521	† $2,527	† $132,090	$171,367
Earned on stock: Pfd.	17.84%	4.8%	2.91%	10.77%	8.18%	14.25%
Com.	6.60	.4	.....	3.22	1.99	4.88

* Dividend charged in profit and loss account in 1916. † Deficit.

Note: Fixed charges in 1916 included: Interest on bonds, $913,502; rentals, $648,070; hire of equipment, $4,861.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $5,196,328; credit balance transferred from income, $892,084; unrefundable overcharges, $1,433; donations, $3,866; miscellaneous credits, $2,315; total, $6,096,026. Contra: Dividend appropriations of surplus, $540,882; debt discount extinguished through surplus, $356,255; loss on retired road and equipment, $124,842; miscellaneous debits, $103,955; credit balance carried to balance sheet, $4,970,092; total, $6,096,026.

Comment: Gross operating revenues increased sharply on the Chicago, Indianapolis & Louisville system during the fiscal year ended June 30, 1916, and there was also a healthy growth in the net revenues. As fixed charges advanced only moderately, the surplus carried forward was far higher than that reported in any year during the past decade.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$25,833	51%	$25,000	49%	$9,705	$60,538	$4,640	$55,898	7%	$333	4%	$526	3%	80%	60%
1908	25,368	51	24,549	49	13,465	63,382	6,045	57,337	5.1	327	4	515	3	45	.....
1909	25,368	51	24,549	49	12,833	62,750	5,068	57,682	5.4	327	4	538	3¼	61	.....
1910	25,162	51	24,695	49	13,072	62,929	5,185	57,744	6.5	324	4	554	3¼	77	50
1911	25,162	48	28,774	52	13,523	67,459	6,753	60,706	5.8	324	4	554	3¼	71	34
1912	25,122	49	26,086	51	13,953	65,161	2,681	62,480	5	324	4	553	3¼	53	.....
1913	25,122	48	26,789	52	16,536	68,447	2,336	66,111	5.3	324	4	553	3¼	63	.....
1914	25,081	45	30,966	55	19,595	75,642	1,780	73,862	4.3	323	4	276	1⅝	.....	.....
1915	24,960	46	29,346	54	18,954	73,260	1,952	71,308	4.8	322	4	.....	.....	17	.....
1916	24,920	43	33,656	57	20,833	79,409	4,302	75,107	6.2	321	4	548	3¼	77	49
10-Year Average	$25,210	47%	$27,441	52%	$15,247	$67,898	$4,074	$63,824	5.5%	$325	4%	$462	2.7%	54%	19%

Note: The bonded debt exhibit embraces the direct obligations of the company only. The rental figures include the guaranteed stock issue payments, the Monon Coal Company guaranty, and the rentals for joint facilities as capitalized at 5%. The investments owned by the company in 1916 aggregated $2,810,696, and embraced Belt Ry. of Chicago stock, Indiana Stone R.R. stocks and bonds, Chicago & Western Indiana stock and bonds, Indianapolis & St. Louis stock and bonds, Chicago & Wabash Valley Ry. stocks and bonds, etc.

Of the capital stock issues, a large majority is held by the Louisville & Nashville and Southern Railway companies, and deposited as collateral under their joint mortgage. The control of the road is of special value to these systems as a Chicago connection.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$40,527,294	$40,717,514	$38,559,883	$36,904,130	$34,937,614	$33,491,950
Working assets	2,688,019	1,124,928	2,863,228	2,616,207	4,080,958	5,083,860
Deferred debit items...	2,281,215	484,426	768,520	299,162	189,132	2,589,223
Accrd. income not due..	57,602	100,072	46,222	46,032	19,352	33,172
Total	$45,554,130	$42,426,990	$42,237,853	$39,865,531	$39,227,056	$41,198,205
Liabilities:						
Capital stock	$15,500,000	$15,500,000	$15,500,000	$15,500,000	$15,500,000	$15,500,000
Funded debt	20,940,865	18,223,930	19,137,000	16,529,000	16,096,000	17,725,000
Working liabilities	3,072,756	2,478,667	2,076,908	1,503,581	1,219,827	1,096,535
Accrd. liabilities not due	386,709	338,737	339,980	314,403	318,441	67,295
Deferred credit items...	683,708	689,328	154,502	294,439	2,845	193,991
Appropriated surplus ..	.....	.....	2,137,814	3,226,304	1,902,794	1,152,123
Profit and loss surplus.	4,970,092	5,196,328	2,891,649	2,497,804	4,187,149	5,463,261
Total	$45,554,130	$42,426,990	$42,237,853	$39,865,531	$39,227,056	$41,198,205

Note: Funded debt in 1916 includes $6,705 government grants in aid of construction.

Comment: During the year ended June 30, 1916, the Chicago, Indianapolis & Louisville moderately increased its outstanding funded debt, but there was no change in the capital stock. It will be noted as measured on the mileage basis, the net capitalization of this road is rather heavy and has tended to increase sharply during the last ten years.

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MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Chic., Ind. & Lou. Ry. Ref. 5s	J&J	Jl 1947					60%	High	High	A.
2. Chic., Ind. & Lou. Ry. Ref. 6s	J&J	Jl 1947	(1st) 509	$29,470	$3,018	$1,197	60%	"	"	A.
3. Chic., Ind. & Lou. Ry. Ref. 4s	J&J	Jl 1947					60%	"	"	A.
4. C., I. & L. Ry. first & gen. 5s	M&N	My 1966	(1st) 45 (2d) 509	5,860		261	45%	Good	Fair	Baa.
5. Indianapolis & Lou. first 4s..	J&J	Ja 1956	(1st) 64	25,780		75	45%	High	"	A.
6. Monon Coal Co. 5s.....	J&D	Je 1936			1,821	231	45%	"	"	B.
7. Equip. bonds. Series "A"..	M&S	1917-21	(see text)			81*	45%	"	"	A.
8. " " " "B"..	A&O	1917-21	"			148*	45%	"	"	A.
9. " " " "C"..	F&A	1917-23	"			211*	45%	"	"	A.

* Inclues maturing principal.

Note: The bond ratings are based not only on the statistical exhibits, but other considerations are factors in determining the rating, such as the relative position of the bond in relation to other issues, its size, the character of the mortgage, etc. For key to ratings, see page 19.

REFERENCE NOTES ON BOND ISSUES

1, 2 and 3. Auth., $15,000,000; outstanding, $4,700,000 6s; $5,000,000 5s; $5,300,000 4s. Date of 5s and 6s, July 1, 1897; date of 4s, April 1, 1910; due July 1, 1947. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. No. 3 also reg., $1,000 and multiples. First lien on 508.79 miles (all in Indiana), as follows: From New Albany to Michigan City, 288.86 miles; Bedford to Switz City, 40.29 miles; Orleans to French Lick Springs, 17.70 miles; and Hammond to Indianapolis, 161.94 miles. Further secured on leaseholds and equipment and pledge of $1,240,000 securities. Underlie No. 4, which provides for retirement. Legal for S. B. in Maine and Missouri. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth., $40,000,000; outstanding, $3,250,000 Series A.; dated May 1, 1916; due May 1, 1966. Int. paid at Guaranty Trust Co., New York. Coupon, $500 and $100; reg., $100 and multiples. C. & R. interchangeable. First collateral lien on $500,000 first lien bonds of Chicago & Wabash Valley Ry., 36 miles from McCoysburg to Dinwiddie, Ind., and $253,000 first lien bonds of Indiana Stone R.R., 9.22 miles from Harrodsburg to Clear Creek, Ind. Second lien on 508.79 miles following Nos. 1, 2 and 3, and leasehold interests in terminal facilities in Chicago, Louisville and Indianapolis, the Kentucky and Indiana Bridge over the Ohio River and equipment valued at $6,264,421. Further secured by pledge of securities of par value of $1,768,000 of which $1,240,000 are subject to prior pledge. In addition to outstanding amount, balance of Series A, $1,280,000, are held in treasury. Sufficient reserved to retire Nos. 1, 2, 3 and 5 and 60% of equipment bonds; balance for extensions and improvements. Normal income tax deducted from interest.

5. Auth., $6,000,000; outstanding, $1,650,000 (closed); of which $478,000 are pledged under No. 4. Dated Jan. 1, 1906; due Jan. 1, 1956. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by Chicago, Indianapolis & Louisville Ry. First lien on 64.17 miles (all in Indiana), as follows: From Wallace Junc. on the Chicago, Indianapolis & Louisville Main Line to Shirley Hill, 54.70 miles; from Vicksburg to Cass, 5 miles, and Midland to Lattas Creek, 4.47 miles. Sufficient of No. 4 reserved for retirement. Legal for S. B. in Me., Mo. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth., $3,000,000; outstanding, $2,875,000. Dated June 1, 1911; due June 1, 1936. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Callable at par for sinking fund, or as a whole at 110, on any interest date. Sinking fund, 3 cents per ton on all coal mined (minimum $60,000) after 1913. Interest only guar. by C. I. & Louisville Ry. A first lien on entire property embracing 23.814 acres of coal lands in Clay, Green, Sullivan and Vigo counties, Ind., in the "Terre Haute field," on the lines of the C. I. & L. Ry. Interest paid without deduction for normal income tax.

7. Auth., $425,000; outstanding, $194,000. Dated March 15, 1911; due $21,000 each Sept. 15 and March 15 to Sept. 15, 1918, and thereafter $22,000 each March and Sept. 15 until March 15, 1921. Int. at 4½%, paid at Equitable Trust Co., New York. Coupon, $1,000. First lien on equipment. Interest paid without deduction for normal income tax.

8. Auth., $750,000; outstanding, $375,000. Dated Oct 16, 1911; due $37,000 each April 15 and $38,000 each Oct. 15, beginning April 15, 1912, and ending Oct. 15, 1921. Int. at 4½%, paid at Bankers' Trust Co., New York. Coupon, $1,000. First lien on equipment. Interest paid without deduction for normal income tax.

9. Auth., $1,000,000; outstanding, $700,000. Dated Aug. 1, 1913, due $50,000 each Feb. and Aug. 1 to Aug. 1, 1923. Int. at 4½% paid Feb. and Aug. 1, at Bankers' Trust Co., New York. Coupon, $1,000. Secured on 1,000 50-ton steel gondola cars and 250 50-ton steel flat cars, all costing $1,262,750. Interest paid without deduction for normal income tax. Market: New York.

Note: The company also guarantees principal and interest on $253,000 first 5s of the Indiana Stone R.R. These bonds are due in 1948, interest being payable March and September, and are a first lien on 9.22 miles from Harrodsburg to Clear Creek, Ind. They are all owned by the Chicago, Indianapolis & Louisville Ry, and pledged under No. 4. Jointly with the Baltimore & Ohio R.R. and the Southern Ry., the company guarantees principal and interest on $6,282,781 Kentucky & Indiana Terminal Ry. 1st 4s. See General Index. There were also outstanding on June 30, 1916, $26,160 5½% notes of Monon Realty Co. dated July 6, 1914, due semi-annually to July 6, 1924, assumed by C. I. & L. Ry.

Investment Position. Nos. 1, 2 and 3, being a direct first mortgage on the entire owned lines of the company, and the issue being closed, a strong rating is justified. The new general 5s are also well protected and of promising value. The guaranty on the Indianapolis & Louisville 4s adds to the strength of that issue. Monon Coal 5s stand in doubtful position. The equipment issues are well protected by the direct liens on equipment.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Chic., Indianapolis & Louisv. Ry. preferred.... 4% non-cumulative. Full voting power. Par $100. Outstanding, $5,000,000.	4% J&D	$8,040	$923	$321	65%	High	Fair	Ba.
Chic., Indianap. & Louisv. Ry. common..... Full voting power. Par $100. Outstanding. $10,500,000.	Sec text	16,881	602	548*	9%	Fair	"	Caa.

* For 3¼% dividends.

Note: Of the above preferred stock 77% is jointly owned by the Louisville & Nashville and the Southern Railway and deposited as collateral under the joint 4% bonds; 93% of the common stock is so owned and deposited. Dividends have been paid on preferred at full rate of 4% since 1903, and on common as follows: 1902, 1%; 1903, 3¾%; 1904, 2½%; 1905 to 1908, 3% each; 1909, 3⅛%; 1910 to 1913, 3¼% each; 1914, 1⅝%; none in 1915; 1916, 3¼%. Preferred issue listed on New York Stock Exchange. Transfer Agents, J. P. Morgan & Co., New York.

COMPANIES CONTROLLED BY CHICAGO, INDIANAPOLIS & LOUISVILLE RAILWAY

THE CHICAGO & WABASH VALLEY RAILWAY COMPANY

Origin: Incorporated May 3, 1900, and consolidated with the Dinwiddie & Gary Ry. July 29, 1909. On March 15, 1914, control was acquired by Chicago, Indianapolis & Louisville Ry. through purchase of $347,400 out of $350,000 capital stock and all the first mortgage bonds. In Sept., 1916, it was proposed to directly merge this property with the C. I. & L. Ry.

Location: Line of road, McCoysburg to Dinwiddie, Ind., 36 miles. A further extension of 26 miles is projected. The road is now being rebuilt with 75 lb. rails. Equipment: Locomotives, 2; cars, 5.

Management: Officers: H. R. Kurrie, Pres.; Fred. Zimmerman, Vice-Pres.; Byron Cassell, Sec. and Treas. Directors: Byron Cassell, H. R. Kurrie, Fred Zimmerman, F. E. Lewis, H. T. Evans, Perry McCart, E. F. Thomson, Firman Thompson, O. Dinwiddie. Annual meeting, third Friday in Sept. Office, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	*1916	1915	1914	1913	1912	1911	1910
Gross Earnings	$12,927	$18,536	† $3,971	$12,723	$10,929	$11,816	$10,614
Operating expenses	48,597	95,275	17,407	25,719	27,231	26,851	23,493
Loss from operation	35,670	76,739	13,436	12,944	16,392	15,035	12,879

* 1916 taxes, $3,272; non-operating income, $5,218, and deductions from gross income, $29,729; total deficit, $63,-453.

† Covers period from Mar. 15 to June 30, 1914, only.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1911
Property investment	$611,964	$592,308	$570,121	$648,304
Working assets	12,585	29,282	19,998	2,100
Deferred debit items	236,174	279,857	278,030	.....
Profit and loss deficit	192,281	128,698	21,759	66,485
Total	$1,053,004	$1,030,145	$889,908	$716,889
Liabilities:				
Capital stock	$350,000	$350,000	$350,000	$350,000
Funded debt	686,178	662,853	505,550	224,100
Working liabilities	13,708	14,179	34,338	142,789
Accrued liabilities not due	3,118	3,113	.....	.....
Deferred credit items	.....	.....	20	.....
Total	$1,053,004	$1,030,145	$889,908	$716,889

Bonded Debt: $500,000 Chicago & Wabash Valley Ry. first and ext. 5s; dated June 19, 1914; due July 1, 1919; int. paid Jan. and July. Coupon, $1,000. First lien on present line of 36 miles; additional bonds at $25,000 per mile may be issued for proposed 26 miles extension. Limit of issue, $2,000,000. All owned by Chicago, Indianapolis & Louisville Ry. and deposited under that company's first and general mortgage. No further issues are permissible, under the terms of the first and general mortgage of the C. I. & L. Ry. Co.

Capital Stock: Auth. and issued, $350,000, of which Chicago, Indianapolis & Louisville Ry. owns $347,400; par $100.

INDIANAPOLIS & LOUISVILLE RAILWAY

Incorporated under the laws of Indiana, March 20, 1899. Line of road: Wallace Junc. to Adromeda, Ind., 54.7 miles; Vicksburg to Cass, 5 miles; total, 59.7 miles. Leased for 99 years to Chicago, Indianapolis & Louisville Ry., rental being guarantee of principal and interest on bonds. Lessee owns all the stock and operates the road as part of its system. In Sept., 1916, it was proposed to directly merge this property.

Management: Officers: H. R. Kurrie, Pres.; Fred. Zimmerman, Vice-Pres.; Byron Cassell Sec. and Treas.; H. T. Evans, Aud. Directors: Anton Anderson, H. T. Evans, W. J. Holmes, A. S. Kent, H. R. Kurrie, Perry McCart, E. J. Roth, E. F. Thomson, Fred Zimmerman. Annual meeting, third Wednesday in Sept. Office, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$66.000	$64,764	$63,573	$124,122	$110,471	$68,031
Fixed charges	66,000	64,764	61,000	61,000	61,000	61,000
Surplus	.....	.....	2,574	63,122	49,471	7,031

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,952,294	$1,931,423	$1,895,777	$1,888,440	$1,818,745	$1,640,606
Working assets	33,000	35,463	188,040	187,096	180,471	125,811
Accrued income not due.	.....	.....	.....	.....	.....	30,500
Deferred debit items	10,680	29,697	.....	.....	.....	.....
Total	$1,995,974	$1,996,583	$2,083,817	$2,075,536	$1,999,216	$1,796,917
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	1,862,974	1,839,903	1,165,000	1,650,000	1,650,000	1,650,000
Working liabilities	33,000	56,680	202,232	196,526	183,327	30,500
Profit and loss surplus.	.....	.....	131,585	129,010	65,889	16,417
Total	$1,995,974	$1,996,583	$2,083,817	$2,075,536	$1,999,216	$1,796,917

Bonded Debt: $1,650,000 Indianapolis & Louisville Ry. 1st 4s, due Jan. 1, 1956. For details and rating, see C. I. & L. bond table, page 249.

Capital Stock: Auth. and issued, $100,000; par $1.00. All owned by Chicago, Indianapolis & Louisville Ry.

INDIANA STONE RAILROAD COMPANY

Incorporated under laws of Indiana, Jan. 3, 1898. Line of road: Clear Creek to Harrodsburg, Ind., 9.22 miles. Leased to Chicago, Indianapolis & Louisville Ry. for 99 years from Sept. 1, 1899, rental being guarantee of principal and interest on bonds. Directly operated by lessee. In Sept., 1916, it was proposed to directly merge this property.

Management: OFFICERS: H. R. Kurrie, Pres.; Fred. Zimmerman, Vice-Pres.; Byron Cassell, Sec. and Treas.; H. T. Evans, Aud. DIRECTORS: H. R. Kurrie, Fred Zimmerman, H. T. Evans, W. J. Holmes, A. S. Kent, Perry McCart, E. F. Thomson. Annual meeting, third Wednesday in Sept. OFFICE, Chicago, Ill.

Bonded Debt: $253,000 Indiana Stone R.R. 1st 5s; dated Sept. 1, 1899; due Sept. 1, 1949; int. paid M. and S. 1 at Central Trust Co., New York. First lien on entire property. All now owned by C. I. & L. Ry.

Capital Stock: Auth. and issued, $15,000; par $100. All owned by Chicago, Indianapolis & Louisville Ry.

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated May 5, 1863, under Wisconsin laws as the Milwaukee & St. Paul Railway Co.; name changed to above on February 14, 1874. Many smaller lines were acquired by purchase, and a system gradually developed extending from Chicago and Milwaukee to St. Paul, Duluth, Kansas City, Omaha, and many points in the States of Wisconsin, Iowa, Minesota, North and South Dakota, etc.

Location: Prior to 1913, the directly operated lines of the company embraced 7,294.40 miles only, and included the original main system; but on Jan. 1, 1913, the Chicago, Milwaukee & Puget Sound Ry. was formally merged with the main company, its bonded debt being assumed and its entire capital stock of $1,000,000 being held as an evidence of title. The total length of lines on June 30, 1916, including trackage rights, was 10,207.94 miles, the average operated during the year being 10,130.08 miles. Of the total operated, 9,670.37 miles was owned absolutely, 105.54 miles owned jointly with other companies, and the balance operated under trackage rights. The lines of the road are in the following States: Wisconsin, 1,823.59 miles; Illinois, 415.04 miles; Iowa, 1,875.95 miles; Minnesota, 1,244.90 miles; North Dakota, 379.93 miles; South Dakota, 1,794.87 miles; Missouri, 140.27 miles; Michigan, 197.39 miles; Montana, 1,056.13 miles; Idaho, 237.89 miles; Washington, 690.79 miles.

Interests in other Companies: Aside from its directly operated lines, the company controls the Big Blackfoot Ry., Tacoma Eastern R.R., the Bellingham & Northern Ry., the Gallatin Valley Railway, the Milwaukee Terminal Ry., the Idaho & Washington Northern Ry., and the Seattle, Port Angeles & Western Ry. In Jan., 1916, the Idaho & Washington Northern was purchased at foreclosure sale and is now operated as part of the main system.

Management: OFFICERS: A. J. Earling, Pres.; H. R. Williams, Vice-Pres.; C. B. Ferry, Vice-Pres., Asst. Sec. and Asst. Treas.; J. H. Hiland, Vice-Pres.; E. S. Keeley, Vice-Pres.; E. D. Sewall, Vice-Pres.; D. L. Bush, Vice-Pres.; H. B. Earling, Vice-Pres.; C. A. Goodnow, J. W. Taylor, Assts. to Pres.; E. W. Adams, Sec.; A. C. Hagensick, Asst. Sec.; R. J. Marony, Asst. Sec. and Transfer Agent; F. G. Ranney, Treas. DIRECTORS: Walter P. Bliss, A. J. Earling, E. S. Harkness, John D. Ryan, Donald G. Geddes, H. R. Williams, Wm. Rockefeller, John A. Stewart, J. Ogden Armour, Stanley Field, L. J. Petit, Percy A. Rockefeller, Samuel McRoberts. Annual meeting in September. MAIN OFFICE, Chicago, Ill. NEW YORK OFFICE, 42 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	22.63%	21.54%	21.34%	18.74%	21.42%	19.49%	20.95%	21.70%	23.48%	21.3%
Products of Animals	6.21	6.89	6.41	5.36	6.45	6.68	5.19	5.45	5.60	5.7
Products of Mines	29.77	28.52	28.90	31.87	26.82	28.34	26.07	25.03	26.77	28.6
Products of Forests	13.27	12.94	13.50	12.55	13.52	13.42	17.77	18.29	16.66	15.5
Manufactures	16.70	17.27	17.81	19.73	18.55	19.07	18.72	17.50	16.30	18.1
Merchandise and Miscel	11.42	12.84	12.04	11.75	13.24	13.00	11.30	12.03	11.19	10.8

Total revenue tonnage, 1909, 27,493,704 tons; in 1910, 30,698,915 tons; in 1911, 26,793,647 tons; in 1912, 26,575,784 tons; in 1913, 34,805,491 tons; in 1914, 33,007,277 tons; in 1915, 32,959,392 tons; in 1916, 38,313,345 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	7,050	503	1,017	1,074	44,863	73%	77,957	731,299	331	$1.97	2.20c	.86c
1908.....	7,499	528	1,151	1,109	46,648	71	82,607	664,153	316	1.89	1.92	.81
1909.....	7,512	547	1,149	1,111	46,474	71	89,733	665,139	321	1.94	1.89	.84
1910.....	7,512	570	1,199	1,103	46,183	69	104,755	709,120	276	1.97	1.88	.84
1911.....	7,512	627	1,244	1,240	45,652	69	100,917	708,671	275	1.98	2.08	.84
1912.....	7,511	680	1,385	1,258	48,690	68	91,055	679,799	288	2.00	2.04	.84
1913.....	9,613	790	1,952	1,559	67,490	72	89,694	891,507	357	2.27	2.14	.79
1914.....	9,684	1,035	1,969	1,570	68,627	71	94,215	834,334	380	2.36	2.09	.81
1915.....	10,053	1,146	1,983	1,606	67,170	70	85,393	814,283	390	2.40	2.09	.78
1916.....	10,130	1,149	1,981	1,615	66,673	72	88,832	991,435	425	2.56	2.10	.76
10-Year Average	8,408	756	1,503	1,325	54,847	71%	90,516	768,974	336	$2.13	2.04c	.82c

Yard tracks and sidings, June 30, 1916, 3,395 miles.

Comment: During the fiscal year ended June 30, 1916, the freight business of the Chicago, Milwaukee & St. Paul Railroad underwent a very great improvement, and the freight density was raised to figures never before reached. The average freight train load was also much higher than in the past, while in the face of declining freight rates the company reported a substantial improvement in train mile earnings.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$8,589	$827	$1,218	$2,045	$3,546	$2,999	$3,151	$377	$2,774	$790	72%	$1,984	$1,204
1908.....	7,592	886	939	1,825	3,131	2,636	2,776	307	2,469	792	68	1,677	1,240
1909.....	7,974	970	968	1,938	3,218	2,818	3,017	323	2,694	949	65	1,745	1,240
1910.....	8,632	1,128	1,028	2,156	3,806	2,670	3,956	337	3,619	1,132	69	2,487	2,160
1911.....	8,650	1,047	1,179	2,226	4,012	2,412	3,992	354	3,638	1,456	60	2,182	2,159
1912.....	8,404	1,173	1,289	2,462	3,894	2,048	3,062	382	2,680	1,357	49	1,323	2,006
1913.....	9,787	1,108	1,443	2,551	3,991	3,245	3,677	398	3,279	1,392	57	1,887	1,447
1914.....	9,478	1,105	1,354	2,459	3,874	3,145	3,530	424	3,106	1,508	51	1,598	1,438
1915.....	9,095	1,032	1,367	2,399	3,766	2,930	3,359	480	2,879	1,674	42	1,205	1,388
1916.....	10,425	1,142	1,630	2,772	4,051	3,602	3,963	526	3,437	1,772	49	1,665	1,322
10-Year Average	$8,863	$1,042	$1,241	$2,283	$3,729	$2,851	$3,448	$391	$3,057	$1,282	58%	$1,775	$1,560

Note: Above table is based on average mileage directly operated in each year, whether milage is directly owned, leased or otherwise controlled. Margin of safety is the proportion of surplus income left over after deducting all charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$105,608,149	$91,403,535	$91,782,691	$94,084,055	$63,122,743	$64,975,995	$64,846,894
Maintenance of way	11,563,769	10,377,185	10,704,519	10,648,785	8,812,314	7,865,401	8,472,825
Maintenance of equipment	16,518,476	13,737,535	13,112,978	13,871,986	9,681,271	8,839,384	7,724,569
All other operat. expenses	41,038,713	37,856,981	37,512,564	38,363,197	29,249,572	30,348,934	28,593,603
Net operat. revenues	$36,478,191	$29,431,834	$30,453,630	$31,200,087	$15,379,587	$17,922,276	$20,055,897
Operating ratio	65.5%	67.8%	67%	66.8%	75.6%	72.4%	69.1%
Outside operations	*	*	260,483	174,748	21,468	195,668	207,620
Other income	3,653,645	4,332,127	1,475,100	3,972,539	7,591,948	11,879,786	7,759,443
Total net income	$40,140,836	$33,763,961	$34,188,213	$35,347,374	$22,993,003	$29,997,731	$28,022.960
Taxed accrued	5,329,971	4,826,922	4,106,557	3,823,832	2,868,710	2,662,700	2,529,373
Balance for charges	$34,810,865	$28,937,039	$30,081,656	$31,523,542	$20,124,293	$27,335,039	$25,493,587
Fixed charges	17,950,181	16,828,864	14,605,370	13,382,797	10,193,847	10,976,787	6,811,803
Surp. over charges.	$16,860,684	$12,108,175	$15,476,286	$18,140,745	$9,930,446	$16,358,314	$18,681,784
Dividends paid	†	13,951,711	13,928,976	13,912,533	15,071,992	8,115,726	16,231,453
Other deductions	143,326	139,892	.....	.....	.....	.....	.....
Balance	$16,717,358	‡$1,983,428	$1,547,130	$4,228,212	‡$5,141,546	$8,242,588	$2,450,331
Earned on stock: Pfd.	14.55%	10.45%	13,36%	15.60%	8.56%	14.11%	16.07%
Com.	6.60	3.42	6.30	8.60	1.56	7.11	9.07

* Outside operations are included in Gross and Net Revenues.

† Dividends charged in profit and loss account. See next page.

‡ Deficit.

Note: Other income in 1916 included: interest and dividends on securities owned, $2,279,811; rents received, $464,892; miscellaneous, $380,006. Fixed charges included: interest on bonds, $15,604,262; rents paid, $1,039,907; hire of equipment, $1,260,315; miscell. charges, $42,843. The increase in fixed charges as shown above 1913 was chiefly due to the consolidation of the Puget Sound lines with the main system. This also explains the large increase in revenues in that year.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $33,847,585; credit balance transferred from income, $16,717,358; unrefundable overcharges, $45,891; donations, $19,959; miscellaneous credits, $2,892,920; profit on road and equipment sold, $740,327; total, $54,264,040. Contra: Surplus applied to sinking and other reserve funds, $92,270; dividend appropriation of surplus, $13,391,478; surplus appropriated for investment in physical property, $19,959; debt discount extinguished through surplus, $1,160,922; loss on retired road and equipment, $446,152; miscellaneous debits, $403,967; credit balance carried to balance sheet, $38,749,292; total, $54,264,040.

Comment: Gross operating revenues increased very sharply on the St. Paul system during the fiscal year 1916, and although operating and maintenance costs were high, the net revenues were far higher than in any previous year. Income from outside sources declined, however, and therefore the final surplus available for charges, while large, did not show as great an increase as would have otherwise been the case. Fixed charges also advanced and therefore the surplus available for dividends, while better than in 1914, did not reach the high average figures of good years like 1910 and 1911. The disbursement of 5% on the common stock of the company was continued.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$18,864	51%	$17,848	49%	.....	$36,712	$1,859	$34,853	9 %	$500	7%	$704	7%	75%	50%
1908	17,783	51	16,759	49	.....	34,542	3,915	30,627	9	465	7	775	7	72	36
1909	30,967	66	15,416	34	.....	46,383	13,389	32,994	9.2	466	7	774	7	74	39
1910	30,967	58	21,627	42	.....	52,594	19,562	33,032	12	1,080	7	1,080	7	60	23
1911	30,969	50	30,968	50	.....	61,937	17,680	44,257	9	1,080	7	1,080	7	50	1
1912	30,971	47	35,729	53	.....	66,700	23,024	43,676	7	1,080	7	926	6	18	.....
1913	24,199	34	47,420	66	.....	71,619	17,389	54,230	6.8	844	7	603	5	55	42
1914	24,042	41	34,418	59	.....	58,460	1,504	56,956	6.2	837	7	601	5	48	21
1915	23,197	40	35,427	60	....	58,624	1,454	57,170	5.9	807	7	581	5	33	.....
1916	23,029	40	35,158	60	.....	58,187	1,057	57,130	6.9	801	7	521	5	52	40
10-Year Average	$25,499	47%	$29,077	53%	.....	$51,576	$10,083	$44,493	7.7%	$796	7%	$765	6.1%	55%	21%

Note: Above table is based on average miles operated in each year. Net income on net capital is the percentage of total net income, before deducting taxes or fixed charges, on the net capitalization per mile, as shown in the table.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment...	$610,226,189	$607,433,878	$593,863,306	$553,236,532	$476,571,081	$461,293,358
Working assets	28,977,245	29,529,531	30,392,783	192,395,917	76,096,777	62,717,050
Deferred debit items...	7,203,380	6,342,903	6,224,574	5,780,887	5,691,866	3,734,549
Accrued income not due.	5,348,099	570,335	282,329	84,391	2,630,750	37,455
Total	$651,754,813	$643,876,647	$630,762,992	$751,497,727	$560,990,474	$527,782,412
Liabilities:						
Capital stock	$233,287,984	$233,238,084	$232,823,484	$232,623,100	$232,623,100	$232,623,100
Funded debt	356,148,255	356,145,655	333,308,655	455,849,966	268,367,155	232,572,655
Working liabilities	17,624,085	11,478,745	14,221,049	10,298,981	8,313,585	5,534,372
Accrd. liabilities not due	870,434	4,403,097	5,929,558	5,810,589	4,584,491	4,441,824
Deferred credit items...	4,396,216	4,163,079	3,189,081	3,178,764	2,948,931	2,229,739
Appropriated surplus...	678,547	543,612	430,269	319,234	1,221,687	1,102,214
Profit and loss surplus..	38,749,292	33,904,375	40,860,896	43,417,093	42,931,525	49,278,508
Total	$651,754,813	$643,876,647	$630,762,992	$751,497,727	$560,990,474	$527,782,412

Note: In 1914, the item of Working Assets was radically reduced by the elimination of the large holding of C. M. & Puget Sound first 4s, which was removed from both sides of the balance sheet. This was done in connection with the issuance of the new general mortgage. Property investment account included in 1916, $10,711,663 of unpledged securities.

Comment: There were practically no capitalization changes of importance on the St. Paul System during the fiscal year 1916. It will be noted that as measured on the mileage basis the net capitalization of the property has rather radically increased during the past ten years, but earning power has also been well maintained with this increase in capital, and the capitalization today is being carried without any serious difficulty. The financial position of the St. Paul is strong as shown by the fact that the surplus of the company continues to range at high figures.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. C. M. & St. Paul Chic. & L. Sup. div. first 5s	J&J	Jl 1921	(1st) 175	$8,000		$7	93%	Very high	Very high	Aaa.
2. C. M. St. Paul Chic. & Mo. Riv. div. first 5s	J&J	Jl 1926	(1st) 75	41,000		15	93%	"	"	Aaa.
3. C. M. & St. Paul Chic. & Pef. West div. first 5s	J&J	Ja 1921	(1st) 1,124	22,600		125	93%	"	"	Aaa.
4. C. M. & St. Paul Dubuque div. first 6s	J&J	Jl 1920	(1st) 351	13,000	$3,057	27	93%	"	"	Aaa.
5. C. M. & St. Paul La Crosse & Dav. div. first 5s	J&J	Jl 1919	(1st) 187	13,300		12	93%	"	"	Aaa.
6. C. M. & St. Paul Wisc. & Minn. div. first 5s	J&J	Jl 1921	(1st) 214	22,000		24	93%	"	"	Aaa.
7. C. M. & St. Paul Wisc. Valley div. first 6s	J&J	Jl 1920	(1st) 161	9,500		9	93%	"	"	Aaa.
8. Fargo & So. Ry. first 6s	J&J	Ja 1924	(1st) 117	10,700		7	93%	"	"	Aaa.
9. C. M. & St. Paul gen. 4s and 4½s	J&J	My 1989	1st 3910	(see text)		383	84%	"	"	Aaa.
10. C.M. & St. Paul general 3½s	J&J	My 1989	2d 2404			29	84%	"	"	Aaa.
11. Milwk. & Nor. R. R. 4½s	J&D	Je 1934	(1st) 128	16,600	2,831	9	84%	"	"	Aaa.
12. Milwk. & Nor. R. R. consol. ext. 4½s	J&D	Je 1934	(1st) 292 (2d) 128	(see text)		23	84%	"	"	Aaa.
13. C. M. & St. Paul Deb. 4s	J&J	Jl 1934	(see text)	"		133	62%	High	"	Aa.
14. C.M.& St.P. Eur. Loan 4s	J&D	Je 1925	"	"		193	62%	"	"	Aa.
15. C. M. & St. Paul gold 4s										
16. C. M. & St. Paul conv. 4½s	J&D	Je 1932	"	"		224	62%	"	"	Aa.
17. C. M. & Puget S. first 4s	J&J	Ja 1949	(1st) 2,334	11,200		105	62%	"	"	Aa.
18. C. M. & St. Paul gen. and ref. Series "A" 4½s	A&O	Ja 2014	(see text)	All	2,387	81	62%	"	"	Aa.
19. C. M. & St. Paul gen. and ref. conv. 5s. Series "B"	F&A	Ja 2014	(see text)	All		145	62%	"	"	Aa.
20. Puget S. & Will. H. 5% etfs	J&D	Je 1918	(see text)	.....		15	62%	"	"	Aa.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $20,000 per mile; outstanding, $1,360,000 (closed). Dated July 21, 1881; due July 1, 1921. Int. paid at office of company in New York. Coupon, $1,000. First lien, 175.00 miles, as follows: Portage to East Madison, Wis., 33.01 miles; Madison to Beloit, 56.86 miles; Rockton to Rockford, Ill., 14.94 miles; Elkhorn to Eagle, Wis., 16.59 miles; Horicon to Winneconne, 50.39 miles; branches, 3.21 miles. Underlie Nos. 9, 10 and 18, which provide for retirement. Legal for Savings Banks in Cal., Conn., Fla., Maine, Mass., Mich., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

2. Auth. and outstanding, $3,083,000 (closed). Dated July 1, 1886; due July 1, 1926. Int. paid at office of company in New York. Coupon, $1,000. First lien, 75.02 miles, as follows: Tripp to Armour, S. D., 20.45 miles; Roscoe to Orient, 40.99 miles; Roscoe to Bowdle, 13.58 miles. Underlie Nos. 9, 10 and 18, which provide for retirement. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth. and outstanding, $25,334,000 (closed). Dated Jan. 1, 1881; due Jan. 1, 1921. Int paid at office of company, New York. Coupon, $1,000. First lien, 1,124.21 miles, as follows: Marion to Council Bluffs, 261.06 miles; Marion to Farley, Ia., 52.13 miles; Marion to Coburg, Mo., 298.73 miles; Manila, Ia., to Aberdeen, S. D., 354.44 miles; Elk Point to Sioux Falls, 70.09 miles; Woonsocket to Egan, S. D., 87.76 miles. Underlie Nos. 9, 10 and 18, which provide for retirement. Legal for S. B. in Cal., Conn, Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

4. Auth., $6,500,000; outstanding, $4,532,000 (closed). Dated July 1, 1880; due July 1, 1920. Int. paid at office of company, New York. Coupon, $1,000. First lien, 350.85 miles as follows: Clinton, Ia., to River Junc., Minn., 176.01 miles; Reno to Preston, Minn., 57.78 miles; Waukon to Waukon Junc., Ia., 22.95 miles; Turkey River Junc. to West Union, Ia., 58.34 miles; Bellevue to Cascade, Ia., 35.77 miles. Underlie Nos. 9, 10 and 18, which provide for retirement at maturity. Sinking fund of 1% per annum to purchase bonds at 103. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

5. Auth., $3,000,000; outstanding, $2,496,000 (closed). Dated July 1, 1879; due July 1, 1919. Int. paid at office of company, New York. Coupon, $1,000. First lien, 186.75 miles, as follows: Davenport to Jackson Junc. and connection, 152.14 miles; Eldridge to Maquoketa, 34.61 miles. Underlie Nos. 9, 10 and 18, which provide for retirement at maturity. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

6. Auth. and outstanding, $4,755,000. Dated July 1, 1881; due July 1, 1921. Int. paid at office of company in New York. Coupon, $1,000. First lien, 213.52 miles, as follows: Wabasha to Zunbrota, Minn., 54.21 miles; Wabasha to Chippewa Falls, 61.38 miles; Red Cedar Junc. to Menominee, 16.32 miles; Cannon Junc. to Northfield, 31.98 miles; Hastings to Stillwater and to St. Paul, 41.33 miles; St. Paul to Minneapolis, 8.30 miles. Underlie Nos. 9, 10 and 18, which provide for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

7. Auth. and outstanding, $1,526,000. Dated July 1, 1880; due July 1, 1920. Int. paid at office of company, New York. Coupon, $1,000. First lien, 161.49 miles, Tomah to Minocqua, Wis. Underlie Nos. 9, 10 and 18, which provide for retirement at maturity. Sinking fund of 1% per annum to purchase bonds at 103. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

8. Auth. and outstanding, $1,248,000 (closed). Dated Oct. 10, 1883; due Jan. 1, 1924. Int. paid at C. M. & St. Paul office, New York. Coupon, $1,000. Assumed by C. M. & St. Paul Ry. First lien, 116.97 miles; Fargo, N. D., to Ortonville, Minn. Underlie Nos. 9, 10 and 18, which provide for retirement. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

9-10. Auth., $150,000,000; outstanding, $48,241,000 4s, $8,950,000 3½s, and $42,597,000 4½s. The 4s are Series A, the 3½s Series B, and the 4½s Series C. Dated May 1, 1889; due May 1, 1989. Int. paid at office of company, New York. First lien, 3,909.55 miles, as follows: Chicago to Milwaukee, 82.99 miles; North Chicago to Savanna, Ill., 136.42 miles; Savanna to E. Moline, 47.70 miles; Elk River Junc. to Paralta, Ia., 75.48 miles; Racine, Wis., to Kittredge, Ill., 119.94 miles; Milwaukee to La Crosse, 197.43 miles; Watertown Junc. to Madison, 36.48 miles; Milwaukee to Portage, 94.84 miles; Granville to North Lake, Wis., 20.08 miles; Iron Ridge to Fond du Lac, 30.66 miles; Ripon to Oshkosh, 18.84 miles; New Lisbon to Babcock, 31.68 miles; Minoqua to Star Lake, 18.81 miles; Dexterville to Romadka, 27.65 miles; North La Crosse to Hastings, 99.45 miles; S. Minneapolis to Linton, 405.93 miles; Hastings to Benton Junc., 53.71 miles; Millbank to Sisseton, S. D., 37.20 miles; Aberdeen to Edgley, 63.05 miles; La Crescent, Minn., to Egan, S. D., 305.72 miles; Sioux Falls Junc. to Sioux City, 32.64 miles; Wells to Mankato, Minn., 37.20 miles; Brookfield to Milton and Madison to North McGregor, 147.77 miles; Otis to Gleason, Wis., 31.64 miles; Bristol to Madison, S. D., 102.80 miles; Andover, S. D., to Harlem, N. D., 55.64 miles; Madison to Renner, S. D., 33.08 miles; Brodhead to New Glarus, 22.78 miles; Calmar, Ia., to Minneapolis, 172.02 miles; Austin, Minn., to Mason City, Ia., 39.29 miles; North McGregor to Rapid City, 660.14 miles; Marion Junc. to Running Water, S. D., 62.85 miles; Des Moines to Fonda, 113.80 miles; Clive to Boone, 35.01 miles; Wauzeka to LaFarge, Wis., 51.97 miles; Albert Lea to St. Clair, Minn., 39.46 miles; Warren, Ill., to Mineral Point, Wis., 32.29 miles; Janesville to Shullsburg, 67.74 miles; Sparta to Viroqua, Wis., 32.17 miles, and various short branches; also secured by second lien on an aggregate of 2,403.81 miles, which are covered by first lien by Nos. 1, 2, 3, 4, 5, 6, 7, and 8 (see above). Underlie No. 18. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. Y., R. I., Vt. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax. Coupon, $1,000.

11. Auth. and outstanding, $2,117,000. Dated June 10, 1880; due June 1, 1913. Extended to June 1, 1934. Int. at C. M. & St. Paul office, New York. Assumed by C. M. & St. Paul Ry. First lien, 128.25 miles, of which 15.80 miles are owned jointly with the Minn., St. Paul & Sault Ste. Marie Ry. as follows: North Milwaukee to Green Bay, 106.42 miles; Hilbert Junc. to Appleton, 20.44 miles; Menasha to Neenah, 1.39 miles. Underlie Nos. 12 and 18, latter providing retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000.

12. Auth., $8,000,000; outstanding, $5,072,000 (closed). Dated Feb. 11, 1884; due June 1, 1913. Extended to June 1, 1934. Int. paid at C. M. & St. Paul office, New York. Coupon, $1,000. Assumed by C. M. & St. Paul Ry. First lien 292.46 miles, as follows: Green Bay to Champion, 146.78 miles; Channing to Ontonagon, Mich., 92.87 miles; branches, 52.81 miles; also second lien on 128.25 miles, following No. 11. Underlie No. 18, which provides for retirement. Legal for S. B. in Cal., Conn., Mass Minn., N. H., N. Y., R. I., Vt. Listed on New York Stock Exchange. Normal income tax deducted from interest.

13. Auth., $50,000,000; outstanding, $33,286,000 (closed). Dated July 1, 1909; due July 1, 1934. Int. paid at company's office, New York. Coupon and reg., $1,000. Originally debentures, but now equally secured with No. 18 (which see). Legal for S. B. in Cal., Conn., Mass., N. H., N. Y., Vt. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

14 and 15. Auth., $48,176,655; oustanding, $17,608,185, (No. 14) dated June 1, 1910; and $30,568,470, (No. 15) dated Dec. 1, 1915; both due June 1, 1925; interest payable Jan. & Dec. 1 on No. 14 in London and Paris and on No. 15 at company's office in New York. Coupon (No. 14), 2,500 francs, 500 francs and £19 15s. 6d. and (No. 15), $1,000. This issue was originally an European loan dated June 1, 1910, which in 1915 the company arranged to take up with new gold bonds, dated Dec. 1, 1915, secured by pledge of the former. The new issue is callable as a whole only at par after June 1, 1922, on eight weeks' notice. On June 30, 1916, there were still outstanding $17,608,185 of the franc bonds upon pledge of which a like amount of gold bonds are issuable. Equally secured with No. 18. Legal for S. B. in N. H. and R. I. No. 15 listed on New York Stock Exchange. Normal income tax deducted from interest.

16. Auth., $50,000,000; outstanding, $49,980,800. Dated June 1, 1912; due June 1, 1932. Int. paid at office, New York. Coupon, $100, $500 and $1,000; reg., $500, etc. C. & R. interchangeable. Callable at 105 and int. on ninety days' notice on and after Dec. 1, 1922. Convertible into common stock at par after June 1, 1917, and prior to June 1, 1922. The new general and refunding mortgage (No. 18) equally secures these bonds, sufficient of which are reserved to retire this issue. See below. Legal for S. B. in Cal., Conn., Mass., N. H., N. Y., Vt. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

17. Auth., $200,000,000; outstanding, $173,525,511 (closed), of which $26,175,000 are in hands of public. $1,000,000 are in the ins. reserve fund and balance deposited under No. 18. Dated Jan. 1, 1909; due Jan. 1, 1949. Int. paid at office of company in New York. Coupon, $100, $500 and $1,000; reg. $500, etc., C. & R. interchangeable. Guar. prin. and int. by C. M. & St. Paul Ry., by endorsement, and now assumed. Secured by first lien on 2,333.71 miles, from Mobridge, S. D., to Maple Valley, Wash., with branches of which 70.80 miles, Black River Junc. to Tacoma Junc. and from Helsing Junc. to Hoquiam, Wash., are owned jointly; also upon terminals at Tacoma, Seattle, Butte and Spokane, and 126.47 miles of trackage rights. Underlie No. 18. Legal for S. B. in Cal., Conn., Mass., N. Y., N. J., Mich., Minn., N. H., R. I., Vt. and Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

18. Auth. to limit of three times cap. stock, less prior liens; outstanding, $18,089,000 Series A, 4½s. Dated Nov. 1, 1913; due Jan. 1, 2014. Int. paid at office of company, New York. Coupon, $1,000. Direct (probably following No. 9-10) on 459.74 miles of branches and extensions in Iowa, S. D. and Minn.; direct second lien on 6,535.72 miles, following No. 9-10 on 3,909.55 miles, following No. 12 on 292.46 miles and following No. 17 on 2,333.71 miles; a direct third lien on 2,532.06 miles, as follows: following No. 9-10 on 2,403.81 miles, following No. 13 on 128.25 miles; a lien on the joint use of 368.88 miles. Nos. 13, 14, 15, 16 and 19 are equally secured with these bonds on the same property.

The present outstanding Series A bonds are part of an issue of $154,489,500 issued for exchange for a like amount of Chicago, Milwaukee & Puget Sound first 4s, which are owned by the St. Paul company and pledged under this mortgage. Of the unissued amount, $316,428,500 are reserved to retire all prior liens as well as Nos. 13, 14, 15 and 16, at or before maturity. Of the balance, $226,951,600 may be issued, subject to restrictions for the corporate purposes of the company; beyond this limit, further issues shall only be for 75% of cost of improvements, etc. Interest is limited to 6% for all series; any series may be made convertible into capital stock or redeemable. Series A is neither convertible nor redeemable. Legal for S. B. in Conn., Mass., Mich., N. J., N. Y., R. I., Vt. Listed on New York Stock Exchange. Normal income tax deducted from interest.

19. Outstanding, $29,129,800 Series B 5s. Dated Feb. 1, 1915; due Jan. 1, 2014. Int paid at office of company in New York. Coupon, $100, $500, and $1,000; reg., $1,000. Convertible at the option of the holder from February 1, 1916, to February 1, 1926, into common stock at par. Not subject to call. This issue is part of the new general and refunding mortgage, described under No. 18, and is equally secured with that issue and with Nos. 13, 14, 15 and 16. Legal for savings banks in Conn., Mass., Mich., N. J., N. Y., etc. Normal income tax deducted from interest.

20. Auth. and issued $2,999,500. Dated June 1, 1913; due June 1, 1918. Int. paid June and Dec. to holders of record on May 20 and Nov. 20 preceding at U. S. Trust Co., New York. Reg., $100, etc. Callable at 102½ on 30 days' notice. Guar. Prin. and int. by C. M. & St. Paul Ry., by endorsement. Secured by deposit of like amount of capital stock of Puget Sound & Willapa Harbor Ry. The trust agreement provides that the C. M. & St. Paul Ry. shall purchase this stock at $100 per share on July 1, 1918. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Chic., Mil. & St. Paul Ry. preferred..... Non-cumulative, 7%. Par $100. After common has received 7%, each class shares equally. Full voting power. Outstanding (June 30, 1916), $116,274,900.	7% M&S	$11,478	$1,775	$801	55%	High	Very high	Aa.
Chic., Mil. & St. Paul Ry. common..... Par $100. Receives 7% after preferred; after which both issues share equally. Full voting power. Outstanding (June 30, 1916), $117,411,300.	See text M&S	11,590	974	521*	46%	Good	"	Baa.*

* For 5% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUES

Note: Auth., $124,654,400 preferred and $200,000,00 common; par, $100. Dividends: the full rate has been paid on the preferred stock for many years; on common since 1893 as follows: 1894, 4%; 1895, 2%; 1896, 4%; 1897 to 1900, 5% each; 1901, 6%; 1902 to 1911, 7% each; 1912 to 1914, 5% each; 1915, 4½%; 1916, 5%. Transfer agents, F. B. Simpson and R. J. Marony, 42 Broadway, New York. Both issues listed on New York and London Stock Exchanges.

COMPANIES CONTROLLED BY CHICAGO, MILWAUKEE & ST. PAUL RAILWAY

BIG BLACKFOOT RAILWAY COMPANY

Incorporated Jan. 11, 1910, under Montana laws, to construct and operate a road from Bonner to Brown's Lake, Mont., 57.87 miles. Line is now partially in operation. Controlled by stock ownership by C. M. & St. Paul Ry.

Management: Officers: H. B. Earling, Pres.; E. D. Sewall, Vice-Pres.; E. W. Adams, Sec.; F. G. Ranney, Treas. Directors: E. W. Adams, H. H. Field, W. R. Morrison, E. D. Sewall, H. B. Earling. Office, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenue	$81,987	$57,328	$63,211
Maintenance of way	7,107	6,446	4,964
Maintenance of equipment	4,332	3,104	3,792
All other operating expenses	31,895	21,275	34,625
Net operating revenues	$38,653	$26,503	$19,830
Other income	1,844	1,678	50
Total net income	$40,497	$28,181	$19,880
Taxes	2,292	2,058	1,525
Fixed charges	53,124	44,108	40,341
Surplus	(def.)$14,919	(def.)$17,985	(def.)$21,986

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$957,409	$936,561	$861,100
Working assets	25,565	9,026	3,117
Deferred debit items	675,009	675,005	675,012
Profit and loss deficit	54,889	39,970	21,985
Total	$1,712,872	$1,660,562	$1,561,214
LIABILITIES:			
Capital stock	$750,000	$750,000	$750,000
Funded debt	948,895	904,614	778,033
Working liabilities	11,880	4,888	32,321
Accrued liabilities not due	1,065	950	.....
Deferred credit items	1,032	110	860
Total	$1,712,872	$1,660,562	$1,561,214

Capital Stock: Auth. and isued, $750,000; par $100; all owned by C. M. & St. Paul Ry. Co. No bonded debt.

BELLINGHAM & NORTHERN RAILWAY COMPANY

Incorporated under laws of Washington, Oct. 17, 1912, as successor to Bellingham Bay & British Columbia R.R. On Jan. 1, 1913, the Bellingham Terminals & Ry. was merged with the company. Controlled through stock ownership by C. M. & St. Paul Ry.

Location: Line of road, Bellingham to Glacier, Wash., 44.03 miles; Hampton to Lyndon, 5.31 miles; Bellingham to Squalicum, 5.80 miles; minor branches 13.40 miles; total operated, 68.54 miles. Equipment: Locomotives, 7; passenger and freight cars, 193.

Management: OFFICERS: H. B. Earling, Pres.; E. D. Sewall, Vice-Pres.; F. G. Ranney, Treas.; A. H. Barkley, Sec. TRUSTEES: J. H. Bloedel, W. G. Collins, E. B. Deming, G. W. Loggie, H. M. Byllesby, A. M. Ingersoll, H. B. Earling, E. D. Sewall, G. C. Hyatt. OFFICES, Chicago, Ill., and Bellingham, Wash.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	Six months 1913	1912	1911
Gross revenue	$203,258	$197,716	$331,225	$174,829	$329,269	$326,216
Operating expenses	152,035	146,234	196,009	107,329	212,856	280,226
Net revenues	$51,223	$51,482	$135,196	$67,500	$116,413	$45,900
Other income	6,895	12,531	3,298	1,539	1,923	2,202
Total net income	$58,118	$64,013	$138,494	$69,039	$118,336	$48,192
Taxes	20,833	24,483	25,881	9,645	21,459	17,489
Fixed charges	43,658	34,705	49,902	20,087	74,619	62,764
Surplus	(def.) $6,373	$4,825	$62,711	$39,307	$22,258	(def.) $32,061
Other deductions	16,565	16,836	.....	9,285	.....	.....
Balance	(def.) $22,938	(def.) $12,011	$62,711	$30,022	$22,258	(def.) $32,061

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,993,768	$2,817,355	$2,654,284	$2,577,132	$2,312,558	$1,776,803
Working assets	171,528	132,399	126,958	114,315	78,731	78,065
Deferred debit items	6,297	6,722	6,104	4,019	286,216	2,477
Profit and loss deficit	.....	.....	.....	.....	.....	313,930
Total	$3,171,593	$2,956,476	$2,787,346	$2,695,466	$2,677,505	$2,171,275
LIABILITIES:						
Capital stock	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,000,000	$1,171,800
Funded debt	1,085,555	902,440	640,500	619,000	639,000	659,000
Working liabilities	82,199	52,520	28,607	41,248	312,953	326,066
Accrued liab. not due	.....	.....	3,277	2,642	2,936	13,206
Deferred credit items	10,285	2,681	1,370	1,334	3,164	1,203
Appropriated sulplus	58,869	59,301	60,552	60,832	11,182	.....
Profit and loss surplus	734,685	739,534	853,040	770,410	708,270	.....
Total	$3,171,593	$2,956,476	$2,787,346	$2,695,466	$2,677,505	$2,171,275

Bonded Debt: $544,000 Bellingham Bay & British Columbia R.R. first s. f. 5s; dated Dec. 1, 1901; due Dec. 1, 1932; Int. paid J. and D. 1, at Mercantile Trust Co., San Francisco, or U. S. Mortgage & Trust Co., New York. Coupon, $1,000. Sinking fund, 3% per annum of outstanding bonds. Original issue was $659,000, there having been retired $94,000 by operation of fund. Further bonds may be issued at $15,000 per mile for extensions, but only when net earnings for preceding year shall have equaled double the interest on issue, including those to be issued. First lien on entire property. Normal income tax deducted from interest. Bonds are not guaranteed. Net Rating, B.

Capital Stock: Auth. and issued, $1,200,000; par, $100; all owned by C. M. & St. Paul Ry. Co.

GALLATIN VALLEY RAILWAY COMPANY

Incorporated under laws of Montana, March 18, 1908, as Gallatin Valley Electric Railway; name changed as above, Sept. 8, 1910; road first opened for traffic Nov. 1, 1910. Chicago, Milwaukee & St. Paul Ry. has since acquired the entire capital stock.

Location: Line of road, Three Forks to Bozeman, Mont., 37.58 miles; Bozeman to Menard, 24.97 miles; Belgrade Junc. to Belgrade, 5.5 miles; Bozeman Hot Springs to Salesville, 5.01 miles; electric line in Bozeman, 2.42 miles; total operated, 75.48 miles. Equipment: 2 locomotives; 6 cars.

Management: OFFICERS: C. A. Goodnow, Pres.; W. R. Morrison, Vice-Pres.; F. G. Rannev, Treas.; Geo. Cox, Sec. DIRECTORS: C. A. Goodnow, C. Darby, W. R. Morrison, A. G. Magnus, Adolph Uhrlaub, A. L. Flewelling, W. Shields, W. H. Kiernan, W. S. Hartman. OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$128,836	$113,615	$112,648	$131,378	$116,629	$47,348
Maintenance of way	20,516	23,110	14,862	11,109	8,875	3,864
Mainte. of equipment	8,554	7,599	8,196	8,927	6,991	2,589
All other oper. expenses	67,222	58,064	64,196	72,477	68,103	33,793
Net revenues	$32,544	$24,842	$25,394	$38,865	$32,730	$7,102
Other income	8	165	.....	.....	.....	.....
Total net income	$32,552	$25,007	$25,394	$38,865	$32,730	$7,102
Taxes	16,003	13,434	9,922	7,732	5,176	4,178
Fixed charges	110,777	107,610	65,061	57,351	45,983	4,299
Surplus	(def.) $94,228	(def.) $96,037	(def.) $49,589	(def.) $26,218	(def.) $18,429	(def.) $1,375

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,867,665	$1,861,301	$1,849,372	$1,780,605	$1,270,732	$1,065,188
Working assets	29,775	26,701	30,737	38,186	33,531	18,016
Deferred debit items	463,909	463,919	464,863	466,460	484,259	463,845
Profit and loss (def.)	299,739	205,741	109,699	53,051	26,402	1,375
Total	$2,661,088	$2,557,662	$2,454,671	$2,338,302	$1,814,925	$1,548,424
LIABILITIES:						
Capital stock	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000
Funded debt	1,817,677	1,724,631	1,555,000	1,459,000	941,000	720,687
Working liabilities	35,391	26,244	95,108	75,083	70,892	24,040
Accrued liab. not due	7,295	6,000	4,535	3,815	3,033	3,697
Deferred credit items	725	787	28	404	.....	.....
Total	$2,661,088	$2,557,662	$2,454,671	$2,338,302	$1,814,925	$1,548,424

Capital Stock: Auth., $200,000 preferred and $800,000 common; par $100. Outstanding, all of the common, no preferred. Common is all now owned by C. M. & St. Paul Ry. Co.

MILWAUKEE TERMINAL RAILWAY

Incorporated under laws of Washington, April 7, 1908. Operates car-ferry landings and terminal tracks in Bellingham, Tacoma, Ballard, Eagle Harbor, Port Blakeley, Seattle, Port Angeles and Port Townsend. Controlled by stock ownership by the C. M. & St. Paul Ry.

Management: OFFICERS: H. B. Earling, Pres.; F. G. Ranney, Treas.; E. W. Adams, Sec. DIRECTORS: H. B. Earling, A. M. Ingersoll, Guy C. Williams. OFFICE. Seattle, Wash.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenue	$156,820	$148,878	$92,733	$97,822
Maintenance of way	12,462	9,601		15,648
Maintenance of equipment	20,207	22,474	86,699	1,562
All other operating expenses	69,138	70,853		74,133
Net operating revenues	$55,013	$45,950	$6,034	$6,475
Other income	35	1,999	25	.....
Total net income	$55,048	$47,949	$6,059	$6,475
Taxes	9,751	9,410	8,956	8,101
Fixed charges	44,643	45,144	34,315	23,083
Surplus	$654	(def.) $6,605	(def.) $37,212	(def.) $24,709

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $74,488; credit balance transferred from income, $654; loss on retired road and equipment, $64,824; total, $139,312. Contra: Debit balance carried to balance sheet, $138,658.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$968,522	$991,605	$958,314	$917,061
Working assets	36,161	33,477	22,749	20,054
Deferred debit items	11,432	7,489	637	.....
Profit and loss (def.)	138,658	74,488	67,524	24,705
Total	$1,154,773	$1,107,059	$1,049,224	$961,820
LIABILITIES:				
Capital stock	$250,000	$250,000	$250,000	$250,000
Funded debt	867,190	825,362	786,056	697,094
Working liabilities	24,398	25,268	7,624	10,226
Accrued liabilities not due	5,305	4,485	4,719	4,500
Deferred credit items	7,880	1,994	825	.....
Total	$1,154,773	$1,107,059	$1,049,224	$961,820

Capital Stock: Auth. and outstanding, $250,000; par, $100. All owned by C. M. & St. Paul Ry. Co.

PUGET SOUND & WILLAPA HARBOR RAILWAY

Incorporated under Washington laws, April 13, 1913, to construct a line from Maytown to Raymond, Wash. Now in operation. Controlled by C. M. & St. Paul Ry. through stock ownership.

Management: OFFICERS: A. J. Earling, Pres.; C. A. Goodnow, Vice-Pres.; H. B. Earling, Vice-Pres.; F. G. Ranney, Treas.; H. W. MacPhail, Asst Treas.; E. W. Adams, Sec. DIRECTORS: C. A. Goodnow, A. J. Earling, A. M. Ingersoll, F. M. Dudley, H. B. Earling. OFFICE, Seattle, Wash.

Capital Stock: Auth. and issued, $3,000,000; par, $100. All but $500 of this stock has been deposited under the guaranteed trust certificates of the C. M. & St. Paul Ry. See bond table and descriptions of that company for full details. No bonded debt.

SEATTLE, PORT ANGELES & WESTERN RAILWAY COMPANY

History: Incorporated under the laws of Washington, January 19, 1915. Operates 62.4 miles from Seattle to Port Angeles, Washington. Uses equipment furnished by C. M. & St. P. Railway Co.

Management: OFFICERS: A. J. Earling, Pres.; H. B. Earling, Vice-Pres.; A. M. Ingersoll, Vice-Pres.; F. G. Ranney, Treas.; E. W. Adams, Sec. DIRECTORS: A. J. Earling, H. B. Earling, F. M. Dudley, A. M. Ingersoll, C. J. Erickson. GENERAL OFFICE, Chicago, Ill.

Income Account, Year Ended June 30

	1916
Gross revenues	$234,189
Operating expenses	117,076
Net operating revenues	$117,113
Taxes	12,042
Charges	59,466
Balance	$45,605

Condensed Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Property investment	$1,800,500	Capital stock	$1,800,500
Working assets	73,940	Working liabilities	54,019
Deferred debit items	159,340	Accrued liabilities	5,254
		Deferred credit items	174,007
Total	$2,033,780	Total	$2,033,780

Capital Stock: Auth. and outstanding, $1,800,500; par, $100. All owned by C. M. & St. P. Ry.

TACOMA EASTERN RAILROAD COMPANY

Incorporated under Washington laws in 1890; reorganized in 1903. Line of road, Tacoma to Morton, Wash., with branches, making about 92.69 miles. Equipment: Locomotives, 11; cars, 1,263. Road is controlled by Chicago, Milwaukee & St. Paul Ry. through stock ownership, but is separately operated.

Management: OFFICERS: H. B. Earling, Pres.; A. M. Ingersoll, Vice-Pres.; E. D. Sewall, Vice-Pres.; F. G. Ranney, Treas.; E. W. Adams, Sec. DIRECTORS: A. J. Earling, John Bagley, A. M. Ingersoll, Chas. G. Dawes, R. M. Calkins, E. D. Sewall, P. J. McIntosh, P. M. Henry, F. M. Dudley. OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$513,855	$450,162	$581,266	$669,998	$567,833	$582,916	$545,860
Net earnings	141,163	83,112	138,562	199,328	152,858	166,195	202,761
Net income	216,166	133,648	184,594	227,127	175,404	180,733	212,077
Fixed charges and taxes	240,903	243,896	195,972	186,226	183,954	167,072	144,756
Balance	* 24,737	* 110,248	* 11,378	40,901	* 8,550	13,661	67,320

* Deficit.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$5,165,779	$5,144,593	$4,977,980	$4,899,029	$4,343,380	$4,231,101
Working assets	161,147	188,919	319,143	217,850	235,664	135,311
Deferred debit items...	20,324	50,753	33,684	25,956	1,608	3,500
Profit and loss deficit..	165,735	140,134	23,555	.....	29,716	.....
Total	$5,512,985	$5,524,399	$5,354,362	$5,142,835	$4,610,368	$4,369,912
LIABILITIES:						
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Funded debt	3,921,936	3,933,407	3,644,450	3,451,259	2,936,959	2,461,259
Working liabilities	61,374	67,965	192,352	157,682	157,613	218,059
Accrued liab. not due..	27,590	19,810	16,250	16,625	15,771	170,769
Deferred credit items..	2,085	3,217	1,310	2,166	725	4,985
Profit and loss surplus.	.....	.....	.....	15,103	.....	14,840
Total	$5,512,985	$5,524,399	$5,354,362	$5,142,835	$4,610,368	$4,369,912

Bonded Debt: $884,000 Tacoma Eastern R.R. first 5s; dated Jan. 1, 1903; due Jan. 1, 1923; int. paid Jan. & July 1, at Harris Trust & Savings Bank, Chicago. Coupon, $1,000. First lien on entire property of company. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and issued, $750,000 6% non-cumulative preferred and $750,000 common; par, $100. All owned by Chicago, Milwaukee & St. Paul Ry. In fiscal year 1910-11, dividends from surplus of 11% each were paid on both classes of stock. None since.

CHICAGO AND NORTH WESTERN RAILWAY COMPANY

NOTE: This analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Illinois laws, June 6, 18 9 as successor to the Chicago, St. Paul & Fond du Lac R.R. operating from Chicago to Fond du Lac, Wis., about 177 miles. Extensions were made from time to time, and construction of further lines added to the length of the system. The Sioux City & Pacific R.R. was acquired in 1901, and the Fremont, Elkhorn & Missouri Valley was formally absorbed in 1903. In 1909 the company purchased the Manitowoc, Green Bay & Northwestern and the Milwaukee & State Line Ry. In 1910-11 the Sioux City, Dakota & Northwestern and the Lee County Ry. were acquired. These and other lines were built in the interest of the main company. Among the lines recently organized are the Belle Fourche Valley Ry., the James River Valley & Northwestern Ry., Milwaukee, Peoria & St. Louis R.R., the Milwaukee, Sparta & Northwestern Ry. and the St. Louis, Peoria & Northwestern Ry.

Location: The directly operated lines of the company on June 30, 1916, amounted to 8,107.82 miles, of which 7,946.13 miles were owned, 82.93 miles operated under lease, 1.98 miles operated under stock ownership and 76.78 operated under trackage rights. This mileage was located as follows: In Illinois, 824.53 miles; in Wisconsin, 2,170.03 miles; in Michigan, 519.88 miles; in Minnesota, 650.30 miles; in Iowa, 1,633.14 miles; in North Dakota, 14.28 miles, in South Dakota, 1,063.15 miles; in Nebraska, 1,102.05 miles; in Wyoming, 130.46 miles. Mileage mainly in Wisconsin, Iowa, Minnesota, Michigan, South Dakota and Nebraska. Population of these States in 1890, 8,382,209; in 1900, 9,941,141; in 1910, 11,220,614.

In addition to its directly operated lines, the company controls by ownership of a majority of stock the Chicago, St. Paul, Minneapolis & Omaha Railway (which see). The company also has a part interest in the Indiana Harbor Belt R.R.; owns all the stock of the Des Plaines Valley Ry., and controls two new companies which began operation in 1914, viz.: Macoupin County Extension Ry., and the Iowa Southern Ry.

Management: OFFICERS: Marvin Hughitt, Chairman; Richard H. Aishton, Pres.; Samuel A. Lynde, Vice-Pres.; Marvin Hughitt, Jr., Vice-Pres.; H. R. McCullough, Vice-Pres.; Edw. M. Hyzer, Vice-Pres ; John D. Caldwell, Sec. and Asst. Treas.; Arthur S. Pierce, Treas. and Asst. Sec. DIRECTORS: W. K. Vanderbilt, F. W. Vanderbilt, H. S. Vanderbilt, Cyrus H. McCormick, Chauncey Keep, Chauncey M. Depew, E. M. Hyzer, Henry C. Frick, David P. Kimball, Marvin Hughitt, James Stillman, Oliver Ames, Zenas Crane, Richard H. Aishton, W. K. Vanderbilt, Jr., John V. Farwell, Homer A. Miller. Annual meeting, third Thursday in October. NEW YORK OFFICE, 111 Broadway. CHICAGO OFFICE, 226 West Jackson Boulevard.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	.....	.....	.....	.....	.....	20.24%	16.4%
Products of Animals.....	.....	.....	.....	.....	.....	.....	.....	.....	4.66	4.4
Products of Mines.....	.....	.....	.....	.....	.....	.....	.....	.....	39.59	46.3
Products of Forests.....	.....	.....	.....	.....	.....	.....	.....	.....	13.51	11.4
Manufactures.....	.....	.....	.....	.....	.....	.....	.....	.....	13.67	14.6
Miscellaneous.....	.....	.....	.....	.....	.....	.....	.....	.....	8.33	6.9

Total revenue tonnage, years ended June 30: 1916, 60,353,399 tons; 1915, 40,399,215 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	7,551	973	1,422	1,260	58,586	71%	106,723	718,947	264	$1.87	2.02c	.90c
1908.....	7,631	978	1,446	1,590	58,764	69	113,938	633,867	261	1.75	1.81	.87
1909.....	7,635	981	1,453	1,573	59,709	69	121,968	634,263	260	1.78	1.81	.90
1910.....	7,629	1,000	1,520	1,405	64,566	67	132,749	729,137	261	1.79	1.82	.89
1911.....	7,719	1,027	1,644	1,515	62,996	65	136,568	703,938	277	1.88	1.81	.90
1912.....	7,859	1,060	1,670	1,520	61,614	63	137,479	654,788	299	1.92	1.81	.91
1913.....	7,974	1,105	1,722	1,796	64,094	66	139,683	787,925	348	2.11	1.85	.87
1914.....	8,071	1,106	1,830	1,918	69,529	65	145,389	771,892	348	2.12	1.84	.87
1915.....	8,108	1,114	1,840	1,951	71,876	64	139,405	766,685	360	2.19	1.82	.84
1916.....	8,108	1,118	1,847	1,982	70,421	66	142,570	914,192	403	2.40	1.86	.81
10-Year Average	7,829	1,046	1,639	1,651	64,216	67%	131,647	731,563	308	$1.98	1.85c	.88c

Yard tracks and sidings, June 30, 1916, 3,511 miles. Of the total mileage operated, as shown above, 7,946 miles are fully owned. A portion of the equipment is held under equipment trusts.

Comment: During the fiscal year 1916, the Chicago & North Western Railway reported a sharp increase in its freight density, and its freight train load also underwent an important advance. Although freight rates tended to decline, train mile earnings ranged at a very high figure and the condition of the property in general was most satisfactory. During 1916, the company reported a larger proportion of mining products in its freight tonnage than at any time previously.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$9,122	$1,180	$1,154	$2,334	$3,598	$3,190	$3,419	$326	$3,093	$1,096	65%	$1,997	$1,047
1908.....	8,285	1,055	887	1,942	3,515	2,828	3,204	338	2,866	1,078	62	1,788	1,148
1909.....	8,639	1,103	1,028	2,131	3,526	2,982	3,317	356	2,961	1,136	62	1,825	1,148
1910.....	9,723	1,412	1,199	2,611	4,225	2,887	3,220	391	2,829	1,217	57	1,612	1,289
1911.....	9,706	1,296	1,205	2,501	4,380	2,825	3,224	404	2,820	1,186	58	1,634	1,412
1912.....	9,378	1,192	1,218	2,410	4,296	2,672	3,082	436	2,646	1,187	55	1,459	1,396
1913.....	10,413	1,442	1,451	2,893	4,412	3,108	3,544	451	3,093	1,253	59	1,840	1,367
1914.....	10,366	1,509	1,510	3,019	4,341	3,006	3,367	527	2,840	1,316	54	1,524	1,350
1915.....	9,962	1,289	1,560	2,849	4,104	3,009	3,354	569	2,785	1,316	52	1,469	1,344
1916.....	11,261	1,432	1,800	3,232	4,409	3,620	3,996	585	3,411	1,280	62	2,131	1,344
10-Year Average	$9,686	$1,291	$1,301	$2,592	$4,081	$3,013	$3,373	$438	$2,935	$1,207	59%	$1,728	$1,285

Note: Above table is based on average mileage directly operated for each year. "Margin of Safety" is the proportion of surplus income left over after providing for all charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$91,300,563	$80,772,420	$83,662,900	$83,047,217	$73,698,592	$74,918,186
Maintenance of way...	11,608,646	10,450,739	12,179,690	11,501,186	9,368,721	10,002,073
Maintenance of equip..	14,598,777	12,648,935	12,187,123	11,568,496	9,569,853	9,307,196
All other oper. expenses	35,744,906	33,271,899	35,038,328	35,183,098	33,796,308	33,758,118
Net oper. revenues	$29,348,234	$24,400,847	$24,257,759	$24,794,437	$20,963,710	$21,851,799
Operating ratio	67.8%	69.78%	71%	70.1%	71.5%	70.8%
Other income	3,053,476	2,800,000	2,920,761	3,463,492	3,253,777	3,033,466
Total net income..	$32,401,710	$27,200,847	$27,178,520	$28,257,929	$24,217,487	$24,885,265
Taxes accrued	4,741,527	4,614,195	4,252,790	3,597,860	3,422,838	3,116,034
Balance for charges	$27,660,183	$22,586,652	$22,925,730	$24,660,069	$20,794,649	$21,769,231
Fixed charges	10,377,672	10,672,603	10,619,588	9,785,756	9,327,318	9,156,131
Surp. over charges	$17,282,511	$11,914,049	$12,306,142	$14,875,013	$11,467,331	$12,603,100
Dividends paid	10,899,615	10,899,615	10,899,615	10,899,615	10,899,615	10,899,615
Other deductions	216,570	204,054	200,472	199,900	.....	.....
Balance	$6,166,325	$810,380	$1,206,055	$3,775,408	$567,716	$1,703,485
Earned on stock: Pfd..	77.17%	53.20%	54.05%	65.53%	51.20%	56.27%
Com.	11 91	7.78	7.93	9.90	7.41	8.32

Note: Total net income, as shown in the above table,includes, besides the operating earnings, dividends and interest on securities owned, rentals, etc. Fixed charges include rentals of tracks and of joint facilities, interest on debt and sinking funds, etc. In 1916, interest on funded debt aggregated $9,312,125; rentals, $941,166; other deductions, $124,381.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $35,810,758; credit balance transferred from income account, $6,166,325; miscellaneous credits, $244,818; profit on equipment sold, $44,197; total, $42,266,098. Contra: Debt discount extinguished through surplus, $1,545; loss on equipment retired, $1,208,526; miscellaneous debits, $38,220; credit balance carried to balance sheet, $41,017,807; total, $42,266,098.

Comment: Gross revenues on the Chicago & North Western system reached the highest totals in its history during the fiscal year ended June 30, 1916. Notwithstanding the fact that maintenance and operating costs tended to advance, the net earnings were also far higher than ever before, and the surplus available for charges was an unusually heavy one. Fixed charges themselves declined slightly and the balance carried forward was equal after providing for the preferred dividends, to nearly 12% on the outstanding common stock. Since the close of the fiscal year, the operating results have continued to show substantial progress.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.									Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$16,469	43%	$21,879	57%	.....	$38,348	$6,725	$31,623	10.8 %	$237	8%	$810	7%	88%	54%
1908	16,232	43	21,612	57	$120	37,964	8,051	29,913	10.7	234	8	914	7	87	40
1909	16,287	44	22,550	56	206	39,043	5,129	33,914	10	234	8	914	7	88	42
1910	19,991	48	22,737	52	196	42,924	4,115	38,809	8.2	235	8	1,054	7	84	24
1911	19,758	46	22,610	54	192	42,560	2,520	40,040	7.9	232	8	1,180	7	84	16
1912	19,405	44	24,260	56	190	43,855	2,734	41,121	7.5	228	8	1,168	7	84	7
1913	19,126	43	25,179	57	.....	44,305	2,917	41,385	8.6	225	8	1,142	7	88	29
1914	18,896	41	27,141	59	.....	46,037	2,462	43,575	7.7	222	8	1,128	7	85	13
1915	18,809	41	26,548	59	.....	45,357	2,585	42,772	7.8	221	8	1,123	7	85	10
1916	18,822	38	30,803	62	.....	49,625	2,554	47,071	8.5	221	8	1,123	7	90	41
10-Year Average	$18,380	43%	$24,532	57%	$90	$43,002	$3,979	$39,023	8.6 %	$229	8%	$1,056	7%	87%	30%

Note: Bonded debt as shown includes all direct and guaranteed issues outstanding as well as equipment trusts. The rentals are not capitalized, as the guaranteed bonds are included in the regular bond column. Investments owned in 1916, included Chicago, St. Paul, Minneapolis & Omaha stocks, valued at $10,337,152, and 41,715 shares Union Pacific preferred stock valued at $3,910,576, and $3,200,000 Equipment Trust Certificates.

Comparative Condensed Balance Sheet as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ..	$426,202,042	$390,699,656	$374,114,983	$356,917,809	$342,314,334	$330,577,112
Working assets	29,382,206	27,293,594	51,666,725	46,189,253	49,055,308	44,823,029
Deferred debit items...	5,579,519	1,129,109	5,612,227	10,481,785	7,394,956	7,626,172
Total	$461,163,767	$419,122,359	$431,393,935	$413,588,847	$398,764,598	$383,026,313
Liabilities:						
Capital stock	$152,606,806	$152,541,807	$154,884,143	$154,884,143	$154,884,143	$154,884,143
Funded debt	229,748,000	215,248,000	219,052,000	200,778,000	190,460,000	174,462,000
Working liabilities	9,589,510	8,844,014	9,079,070	10,419,743	9,701,820	9,427,918
Accrued liab. not due..	2,011,989	1,964,775	2,039,351	1,990,784	1,921,421	1,717,276
Deferred credit items..	1,744,080	419,269	6,347,442	5,101,384	3,622,321	2,637,635
Appropriated surplus...	4,445,574	4,228,736	3,993,046	3,976,049	3,988,521	6,830,878
Profit and loss surplus.	41,017,808	35,875,758	35,998,883	36,438,744	34,186,372	33,066,463
Total	$461,163,767	$419,122,359	$431,393,935	$413,588,847	$398,764,598	$383,026,313

Stock outstanding does not include that owned by company, which amounted to $2,342,337 in 1916.

Comment: A considerable increase was reported in the funded debt of the Chicago & North Western System during the fiscal year 1916. Nevertheless the earning power of this property is so high that the increase in capitalization was easily carried, and as will be seen by the exhibit above, the company reported income of 8.5% on its net capitalization. The general financial position of the property is strong as is shown by the fact that a large addition was made during the year to the surplus of the company.

Diversified Investing

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This subject is fully covered in a small volume entitled "*How to Invest Money Wisely*," by John Moody, which we have recently published. For many years Mr. Moody has made a careful study of this subject in connection with his work as an analyst and advisor for bankers, financial institutions and investors, both at home and abroad. These principles for wisely and intelligently diversifying investment capital have been adopted within the past few years by numerous institutions and several thousand individual investors with satisfaction and profit.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Northwestern Union Ry. first 7s	M&S	Je 1917	(1st) 63	$52,370	$2,935	29	99%	Very high	Very high	Aaa.
2. Chic. & Nor. W. s.f. Debenture 5s	M&N	My 1933	Not mtg.	.....	2,906	56	88%	"	"	Aaa.
3. Chic. & Nor. W. 30-yr. Debenture 5s	A&O	Ap 1921	"	.....		62	88%	"	"	Aaa.
4. Chic. & Nor. W. Sinking fund 5s	A&O	O 1929	(1st col) 1045	10,261		72	88%	"	"	Aaa.
5. Chic. & Nor. W. Sinking fund 6s										
6. Chic. & No. W. Extension 4s	F&A	Ag 1926	(col) 448	39,647		87	88%	"	"	Aaa.
7. Mil., Lake Sh. W. Ry. first 6s	M&N	My 1921	(1st) 413	12,100		37	88%	"	"	Aaa.
8. Mil., Lake Sh. & W. Ry. Mich. Div. first 6s	J&J	Jl 1924	(1st) 81	15,815	2,592	9	83%	"	"	Aaa.
9. Mil., Lake Sh. & W. Ry. Ashland Div. first 6s	M&S	Mr 1925	(1st) 40	25,000		7	83%	"	"	Aaa.
10. Mil., Lake Sh. & W. Ext. & Imp. s.f. 5s	F&A	F 1929	(1st) 122 (2d) 534	6,200		25	83%	"	"	Aaa.
11. Mil., Lake Sh. & W. Marshfield Ext. first 5s	A&O	O 1922	(1st) 40	10,000		3	83%	"	"	Aaa.
12. Chic. & N. W. Ry. gen. mtge.	M&N	N 1987	(1st) 2,863 (2d) 1,647 (3d) 534	.....		400	83%	"	"	Aaa.
13. Boyer Valley Ry. first 3½s	J&D	D 1923	(1st) 86	16,744	2,146	6	83%	"	"	Aa.
14. Ia., Minn. & Nor. W. Ry. first 3½s	J&J	Ja 1935	(1st) 194	20,000		17	83%	"	"	Aa.
15. Minn. & Iowa Ry. first 3½s	J&D	Je 1924	(1st) 119	16,000		8	83%	"	"	Aa.
16. Minn. & S. Dakota first 3½s	J&J	Ja 1935	(1st) 32	16,500		2	83%	"	"	Aa.
17. Peoria & Nor. W. Ry. first 3½s	M&S	Mr 1926	(1st) 83	25,000		9	83%	"	"	Aa.
18. Princeton & Nor. W. Ry. first 3½s	J&J	Ja 1926	(1st) 100	19,400		8	83%	"	"	Aa.
19. Sioux City & Pcf. R. R. first 3½s	F&A	Ag 1936	(1st) 121	32,445		17	83%	"	"	Aa.
20. Fremont, Elk. & Mo. Val. first 6s	A&O	O 1933	(1st) 1,172	6,600		58	83%	"	"	Aa.
21. Manit. Gr. Bay & N. W. first 3½s	J&J	Ja 1941	(1st) 114	33,000		16	83%	"	"	Aa.
22. Mil. & St. Line first 3½s	J&J	Ja 1941	(1st) 50	50,000		11	83%	"	"	Aa.
23. Mil., Sparta & Nor. W. first 4s	M&S	Mr 1947	(1st) 178	8,360		73	83%	"	"	Aa.
24. St. Paul & Eastern G. Trunk first 4½s	J&J	Ja 1947	(1st) 60	18,666		6	83%	"	"	Aa.
25. Des Plaines Val. first 4½s	M&S	Mr 1947	(1st) 21	11,905		14	83%	"	"	Aa.
26. St. Louis, Peoria & N. W. first 5s	J&J	Jl 1948	(1st) 115	(see text)		61	83%	"	"	Aa.
27. Equip. 4½s	Var.	Var.	(see text)	.....		35	83%	"	"	Aa.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages, 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,500,000; outstanding, $3,300,000 (closed). Dated June 1, 1872; due June 1, 1917. Int. paid at C. & N. W. office, New York. Coupon, $500 and $1.000. Assumed by C. & N. W. Ry. First lien, 62.63 miles, Milwaukee to Fond du Lac, Wis. Underlie No. 12, which provide for retirement. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth., $10,000,000; outstanding, $9,171,000 (closed). Dated May 1, 1883; due May 1, 1933. Int. paid at office in New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000. Sinking fund, $200,000 per year if bonds can be bought at or below 105; not called. Not a mortgage, but provision made by No. 12 to retire at maturity. Legal for S. B. in N. H., R. I. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

3. Auth., $10,000,000; outstanding, $9,770,000. Dated Feb. 28, 1891; due April 15, 1921. Int. April & Oct. 15, paid at office, New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000. Not a mortgage, but provision is made by No. 12 to retire at maturity. Legal for S. B. in N. H., R. I., Listed on New York Stock Exchange. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

4 and 5. Auth., $15,000,000; outstanding, $5,578,000 5s and $5,148,000 6s (closed). Dated Oct. 1, 1879; due Oct. 1, 1929. Int. paid in New York and London. Coupon, $500 and $1,000; reg. $1,000, etc. Sinking fund, 1% annually in October of bonds outstanding to purchase or redeem at 105 and int.; bonds so acquired to be canceled and then the trustee shall deliver to the company an equal amount of first mortgage bonds, held hereunder as collateral, to be selected from all classes in proportion, these to be immediately canceled. First collateral lien on 1,045.03 miles, through the first mortgage bonds of several companies which cover by first lien the following: Sheboygan to Princeton, Wis., 78.40 miles; Carroll to Kirkman, Ia., 34.81 miles; Manning to Audubon, Ia., 17 miles; Tama to Elmore, Ia., 164.56 miles; Eagle Grove to Hawarden, Ia., 145.20 miles; Jewell Jct. to Lake City, Ia., 58 miles; State line to Stager, Wis., 13 miles; Stager to Iron River, 18 miles; Tracey to Pierre, S. D., 255.56 miles; Chatfield Junc. to Chatfield, Minn., 11.46 miles; Sioux Valley Junc. to Watertown, 43.83 miles; James Valley Junc. to Columbia, S. D., 104.82 miles; Centreville to Yankton, S. D., 28.46 miles; branches, 71.83 miles. Underlie No. 12, with provision by latter to retire. Legal for S. B. in Cal., Conn., Mass., N. H., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest.

6. Auth., $20,000,000; outstanding, $17,662,000. Dated April 15, 1886; due Aug. 15, 1926. Int. Feb. and Aug. 15 at office of company, New York. Coupon, $1,000; reg., $1,000, etc. First collateral lien on 447.64 miles, through deposit hereunder of entire issues of first mortgage bonds on the following mileage: Lake City to Wall Lake, Ia., 19 miles; Mapleton to Onawa, Ia., 20.53 miles; Janesville to Evansville, Wis., 15.68 miles; Ishpeming to Republic, Mich., 23.64 miles; Clowry to Michigamme, 10.44 miles; Iron River to Watersmeet, Mich., 42.25 miles; Crystal Falls to Amasa, 16.10 miles; Redfield to Gettysburg, S. D., 74.77 miles; Doland to Groton, S. D., 38.84 miles; Columbus to Oaks, N. D., 27.13 miles; State line to Caspar, Wy., 130.43 miles; branches, 28.45 miles; further secured by first collateral lien on $10,675,000 of No. 20 (below). Underlie No. 12 with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Mass., N. H., R. I., Vt. Listed on New York Stock Exchange. Normal income tax deducted from interest.

7. Auth. and outstanding, $5,000,000. Dated May 2, 1881; due May 1, 1921. Int. at C. & N. W. office, New York. Coupon, $1,000. Assumed by C. & N. W. Ry. First lien, 412.86 miles, as follows: Milwaukee *via* Monitowoc and Clintonville to Mich. State line, 287.44 miles; Monica Junc. to Mercer, 64.83 miles; Hortonville to Oshkosh, 23.10 miles; Eland Junc. to Wausau, 23.87 miles; branches, 13.62 miles. Underlie Nos. 10 and 12, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

8. Auth., $3,000,000; outstanding, $1,281,000 (closed). Dated June 20, 1884; due July 1, 1924. Int. at C. & N. W. office, New York. Coupon, $1,000. Assumed by C. & N. W. Ry. First lien, 81.28 miles, Watersmeet, Mich., to Hurley, Wis., and from Wisconsin State line *via* Watersmeet to Choate, Mich. Underlie Nos. 10 and 12 with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

9. Auth. and outstanding, $1,000,000. Dated Mar. 2, 1885; due Mar. 1, 1925. Int. at C. & N. W. office, New York. Coupon, $1,000. Assumed by C. & N. W. Ry. First lien, 39.62 miles, Hurley to Ashland, Wis. Underlie Nos. 10 and 12 with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

10. Auth., $5,000,000; outstanding, $4,057,000 (closed). Dated Feb. 1, 1889; due Feb. 1, 1929. Int. at C. & N. W. office, New York. Coupon, $1,000. Assumed by C. & N. W. Ry. Sinking fund of 1% per annum but not less than $25,000 to purchase bonds at 110; if not so purchasable to be invested in other bonds of company. First lien, 121.52 miles, as follows: Hurley to Mercer and to Osborn, 36.25 miles; Port Jackson to Harrison, 17.53 miles; branches to iron mines, 34.22 miles; other branches, 33.52; also second lien on 533.76 miles, covered by first lien by Nos. 7, 8 and 9. Underlie No. 12, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Mass., N. H., N. Y., R. I., Vt. Listed on New York Stock Exchange. Normal income tax deducted from interest.

11. Auth., $600,000; outstanding, $400,000. Dated Oct. 1, 1892; due Oct. 1, 1922. Int. at C. & N. W. office, New York. Coupon, $1,000. Assumed by C. & N. W. Ry. First lien, 40 miles, Wausau to Marshfield, Wis. Underlie No. 14, with provision by latter to retire at maturity. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

12. Auth., $165,000,000; outstanding, $30,817,000 3½s, $30,554,000 4s, and $17,972,000 5s. Dated Nov. 1, 1897; due Nov. 1, 1987. Int. paid at office of company, New York. Rate not to exceed 5%. Coupon, $1,000; reg., $1,000, $5,000 and $10,000. On reg. int. quarterly Feb. 1. First lien on 2,863.14 miles, embracing lines from Madison, Wis., to St. Peter, Minn.; Green Bay, Wis., to Escanaba, Mich., Fulton, Ill., *via* Cedar Rapids to Des Moines River; Chicago to Green Bay, Wis., Chicago to Fulton, Ill., Chicago to Freeport; Chicago *via* Milwaukee and Madison to Woodman and Galena, and various branches in Illinois, Wisconsin, Iowa, Minnesota, and South Dakota; also second lien on the 1,647.04 miles covered by first lien by Nos. 1, 4, 5, 6, 10 and 11, and the line from Northland Junc. to Leonia, Wis., covered by the first lien of the Wisconsin Northern R.R. (all of which are in the sinking funds of the company); also third lien on 533.76 miles covered by first lien by Nos. 7, 8 and 9. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. On all 3½s and part of 4s interest paid without deduction for normal income tax; 4s issued in May, 1914, and 5s are stamped "Federal income tax not assumed by company."

13. Auth. and outstanding, $1,440,000. Dated Dec. 1, 1908; due Dec. 1, 1923. Int. at C. & N. W. office, New York. Coupon, $1,000; reg., $1,000, etc. Assumed by C. & N. W. Ry. First lien, 86.10 miles, Wall Lake to Dennison and from Boyer to Mondamin, Ia. Legal for S. B. in Cal., Conn., Fla., Mainc, Mass., Mich., Minn., Mo., N. H., N. J., N. Y.; R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

14. Auth. and outstanding, $3,900,000. Dated Jan. 1, 1900; due Jan. 1, 1935. Int. at C. & N. W. office, New York. Coupon, $1,000; reg., $1,000, etc. Assumed by C. & N. W. Ry. First lien, 194.16 miles, Belle Plaine, Ia., via Mason City to Fox Lake, Minn. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

15. Auth. and outstanding, $1,904,000. Dated June 1, 1899; due June 1, 1924. Int. at C. & N. W. office, New York. Coupon, $1,000; reg., $1,000, etc. Assumed by C. & N. W. Ry. First lien, 119.10 miles, Burt, Ia., via Dolliver and Sanborn to Vesta, Minn. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interst.

16. Auth. and outstanding, $528,000. Dated Jan. 1, 1900; due Jan. 1, 1935. Int at C. & N. W. office, New York. Assumed by C. & N. W. Ry. First lien, 32.20 miles, Tyler, Minn., to Astoria, S. D. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest. Coupon, $1,000; prin. may be registered.

17. Auth. and outstanding, $2,125,000. Dated Mar. 1, 1901; due Mar. 1, 1926. Int. paid at C. & N. W. office, New York. Assumed by C. & N. W. Ry. First lien, 82.98 miles, Peoria to Nelson, Ill. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest. Coupon, $1,000; reg., $1,000, etc.

18. Auth., $2,100,000; outstanding, $1,940,000 (closed). Dated Jan. 1, 1901; due Jan. 1, 1926. Int. paid at C. & N. W. office, New York. Assumed by C. & N. W. Ry. First lien, 100.42 miles, as follows: Princeton to Marshfield, Wis., 85.69 miles; branches 14.73 miles. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest. Coupon, $1,000; reg., $1,000, etc.

19. Auth., $4,000,000; outstanding, $3,926,000. Dated Aug. 1, 1901; due Aug. 1, 1936. Int. paid at C. & N. W. office, New York. Assumed by C. & N. W. Ry. First lien, 121.58 miles, as follows: Sioux City to Cal. Junc., Ia., 69.81 miles; Blair to Fremont, Neb., 31.77 miles; Moville to Sargents Bluff, 20 miles. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Normal income tax deducted from interest. Coupon, $1,000; reg. $1,000, etc.

20. Auth., $25,000 per mile; outstanding, $7,725,000 (closed). Dated Oct. 1, 1883; due Oct. 1, 1933. Int. paid at C. & N. W. office, New York. Coupon, $1,000. Assumed by C. & N. W. Ry. First lien, 1,171.55 miles, as follows: Fremont, Neb., *via* Albion to Wyoming State line, 468 miles; Dakota Junc., Neb., to Deadwood, S. D., 144.88 miles; branches to Belle Fourche, 21.19 miles, to Crown Hill and Lead, 20.76 miles; to Hot Springs, 14.12 miles; Fremont to Hastings, 127.26 miles; Linwood to Superior, Neb., 124.14 miles; Platte Riv. Junc. to Lincoln, 45.11 miles; Scribner to Oakdale, Neb., 113.91 miles; Norfolk Junc. to Verdigre, Neb., 54.04 miles; Arlington to Omaha, 38.14 miles. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

21. Auth. and outstanding, $3,750,000. Dated Jan. 2, 1906; due Jan. 1, 1941. Int. at C. & N. W. office, New York. Assumed by C. & N. W. Ry. First lien, 113.68 miles, as follows: Eland Junc. *via* Green Bay to Manitowoc, Wis., 96.78 miles; Pulaski to Gillet, Wis., 16.90 miles. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000; reg. $1,000, etc.

22. Auth. and outstanding, $2,500,000. Dated Jan. 2, 1906; due Jan. 1, 1941. Int. paid at C. & N. W. office, New York. Assumed by C. & N. W. Ry. First lien, 50.24 miles, Milwaukee to Lake Bluff, Ill. Legal for S. B. in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000; reg., $1,000, etc.

23. Auth., $15,000,000; outstanding, $14,878,000. Dated Mar. 1, 1912; due Mar. 1, 1947. Int. at C. & N. W. office, New York. Guar. prin. and interest by C. & N. W. and since assumed. First lien, 178.48 miles, as follows: Wiscona to Sparta, 169.85 miles; West Allis to Butler Jct., 8.63 miles; also on terminal property at Milwaukee. Legal for S. B. in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000; reg. $1,000, etc.

24. Auth. and outstanding, $1,120,000. Dated Jan. 1, 1913; due Jan. 1, 1947. Int. paid at C. & N. W. office, New York. Coupon, $1,000; reg., $1,000 etc. C. & R. interchangeable. Guar. prin and int. by C. & N. W. Ry. and now assumed. First lien, 60 miles, Clintonville to Oconto, Wis. Legal for S. B. in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

25. Auth. and outstanding, $2,500,000. Dated Mar. 1, 1912; due Mar. 1, 1947. Int. paid at C. & N. W. office, New York. Coupon, $1,000; reg., $1,000, etc. Guar. prin. and int. by C. & N. W. Ry. and now assumed. First lien, 21 miles. Legal for S. B. in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on N. Y. Stock Exchange. Interest paid without deduction for normal income tax.

26. Auth., $10,000,000; outstanding, $9,884,000. Dated July 1, 1913; due July 1, 1948. Int. paid at C. & N. W. office, New York. Coupon, $1,000; reg., $1,000, etc. C. & R. interchangeable. Guar. prin and int. by C. & N. W. Ry., and now assumed. First lien, 115 miles, Peoria to New Girard, Ill. Legal for S. B. in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I. Listed on N. Y. Stock Exchange Normal income tax deducted from interest.

27. Series A, 4½s; dated July 1, 1912; due $300,000 annually to July 1, 1922; originally issued, $3,000,000; now outstanding, $1,800,000; int. paid Jan. and July 1 at Farmers' Loan & Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000 and $50,000. First lien on 75 locomotives, 40 steel coaches, 15 dining and parlor cars and 1,240 freight cars, all costing more than the original amount of bonds. Normal income tax deducted from interest.

Series B, 4½s; dated Oct. 1, 1912; due $300,000 annually to Oct. 1, 1922; originally issued, $3,000,000; now outstanding, $1,800,000; int. paid April and Oct. 1 at Farmers' Loan & Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000 and $50,000. First lien on 3,670 freight cars, costing at least the original amount of bonds.

Series C, 4½s; dated July 1, 1913; due $400,000 annually to July 1, 1923; originally issued, $4,000,000; now outstanding, $2,800,000; int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000 and $50,000. First lien on 2,000 steel frame gondola cars and 2,005 steel frame box cars, the cost of which equaled the original amount of bonds. $4,000 of this series are in sinking fund. Normal income tax deducted from interest for all series.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Chicago & North Western Ry., preferred..... Prior right to 7% non-cumulative; then common receives 7%; then preferred 3% more; then common 3% more; after which both issues share equally. Par $100. Outstanding $22,395,120.	8% QuJ	$2,762	$1,728	$221	87%	Very high	Very high	Aa.*
Chicago & North Western Ry., common..... Par $100. See dividend terms above. Outstanding $130,117,029.	7% J&J	16,048	1,507	1,123	25%	Large	High	A.

For Key to Stock Ratings, see page 21.

* For 8% dividend. Rate would have to be cut to 7% before any reduction is made on common, or when such reduction should be made.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

Auth. (both issues), $200,000,000; par, $100. Since 1864 the company has paid over $70,000,000 in dividends on its preferred and over $120,000,000 on its common stock. The rate on the preferred since 1902 has been 8% per annum; prior to that, 7% from 1886; prior to 1886 paid rates varying from 7 to 10% for many years. On common, since 1902, rate has been 7% per annum. Stock is transferred at company's office. Both issues listed on New York Stock Exchange.

New Stock: In Dec., 1916, it was proposed to issue $15,250,950 additional common stock to be offered to stockholders at par.

COMPANIES LEASED BY CHICAGO & NORTH WESTERN RAILWAY

BELLE FOURCHE VALLEY RAILWAY

Incorporated under laws of South Dakota, May 26, 1909, and opened July 1, 1910. Line of road: Belle Fourche to Newell, S. D., 23.52 miles. Sidings, 2.96 miles. Leased to Chicago & North Western Ry. to July 1, 1912; lease then renewed to July 1, 1914; again renewed to July 1, 1939, rental being 5% per annum on indebtedness to lessee.

Management: Officers: Richard H. Aishton, Pres.; Marvin Hughitt, Jr., Vice-Pres.; A. B. Jones, Treas.; J. D. Caldwell, Sec. Office, Chicago, Ill.

Capital Stock: Auth. and issued, $5,000; par, $100. Owned by Chicago & North Western Railway. No bonds.

JAMES RIVER VALLEY & NORTHWESTERN RAILWAY

Incorporated under laws of South Dakota, July 3, 1909; opened Sept. 1, 1910. Line of road: Gettysburg to Blunt, S. D., 39.55 miles. Sidings, 4.03 miles. Leased to Chicago & North Western Ry. to Sept. 1, 1912; lease then extended to Sept. 1, 1914; lease then extended to Sept. 1, 1939, rental being 5% per annum on indebtedness to lessee.

Management: Officers: Richard H. Aishton, Pres.; Marvin Hughitt, Jr., Vice-Pres.; A. B. Jones, Treas.; J. D. Caldwell, Sec. Office, Chicago, Ill.

Comparative Condensed Balance Sheet as of June 30

Assets:	1916	1915	1914	1913
Property investment	$778,416	$778,067	$778,207	$777,848
Total	$778,416	$778,067	$778,207	$777,848
Liabilities:				
Capital stock	$5,000	$5,000	$5,000	$5,000
Funded debt	773,416	773,067	773,207	772,848
Total	$778,416	$778,067	$778,207	$777,848

Capital Stock: Auth. and issued, $5,000; par $100. Total indebtedness to Chicago & North Western Ry. on June 30, 1916, was $773,416, of which 5% interest equaled rental for year. No bonds.

MISSOURI VALLEY & BLAIR RAILWAY & BRIDGE COMPANY

Incorporated under laws of Iowa, July 25, 1882, and acquired the bridge rights from the Sioux City and Pacific R.R., across the Missouri River, opposite Blair, Neb., making connection for the Chicago & North Western Ry., which owns all the stock and by agreement has right until July 1, 1934, to operate over the bridge at rental of $160,000 per annum. Owns 8.93 miles of track.

Management: Officers: Marvin Hughitt, Pres.; Richard H. Aishton, Vice-Pres.; A. B. Jones, Treas.; J. D. Caldwell, Sec. Office, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$118,177	$152,519	$140,527	(def.) $29,859	$148,327	$151,311
Taxes	11,837	11,057	9,568	8,574	9,226	9,505
Surplus	$106,340	$141,462	$130,959	(def.) $38,433	$139,101	$141,806
Dividends paid	96,500	115,800	57,900	.....	115,800	115,800
Balance	$9,840	$25,662	$73,059	(def.) $38,433	$23,301	$26,006

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,065,833	$2,070,672	$2,062,989	$2,037,572	$1,940,010	$1,933,782
Working assets	65,244	44,384	25,797	27,164	117,031	97,302
Total	$2,131,077	$2,115,056	$2,088,786	$2,064,736	$2,057,041	$2,031,084
LIABILITIES:						
Capital stock	$1,930,000	$1,930,000	$1,930,000	$1,930,000	$1,930,000	$1,930,000
Working liabilities	7,400	1,219	611	49,621	3,493	836
Profit and loss surplus	193,677	183,837	158,175	85,115	123,548	100,248
Total	$2,131,077	$2,115,056	$2,088,786	$2,064,736	$2,057,041	$2,031,084

Capital Stock: Auth., $2,000,000; outstanding, $1,930,000; par, $100; all owned by Chicago & North Western Ry. Dividend in 1914, 3%; in 1915, 6%; 5% in 1916. No bonds.

PIERRE AND FORT PIERRE BRIDGE RAILWAY COMPANY

Incorporated under laws of South Dakota, Sept. 22, 1905. Owns bridge and roadway over Missouri river from Pierre to Fort Pierre, S. D., making connection with Chicago & North Western Ry. which controls the company through stock ownership. Owns 2.37 miles of track and operates 10.44 miles under trackage rights. Owns 1 locomotive and 1 passenger car.

Management: OFFICERS: Richard H. Aishton, Pres.; S. A. Lynde, Vice-Pres.; A. B. Jones, Treas.; J. D. Caldwell, Sec. OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$60,110	$58,351	$46,311	$43,490	$60,129	$67,324
Operating expenses	23,505	26,311	.....	23,833	22,307	22,966
Net revenues	$36,605	$32,040	.....	$19,657	$37,822	$44,358
Other income	375	375	.....	375	375	375
Total net income	$36,980	$32,415	$23,151	$20,032	$38,197	$44,733
Taxes	24,403	20,461	17,893	12,458	15,236	14,303
Fixed charges	3,694	4,284		3,631	32,301	37,522
Surplus	$8,883	$7,670	$5,258	$3,943	(def.) $9,340	(def.) $7,091

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $8,883. Contra: Debit balance at beginning of year, $2,943; miscellaneous debits, $200; credit balance carried to balance sheet, $5,740; total, $8,883.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,069,529	$1,068,169	$1,092,284	$1,092,141	$1,091,350	$1,091,343
Deferred debit items	.....	.....	.....	.....	130	.....
Profit and loss (def.)	.....	2,943	.....	.....	.....	.....
Total	$1,069,529	$1,071,112	$1,092,284	$1,092,141	$1,091,480	$1,091,343
LIABILITIES:						
Capital stock	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
Funded debt	.....	1,061,110	.....	.....	1,079,721	1,070,243
Deferred credit items	1,053,789	2	1,071,323	1,076,235	.....	.....
Appropriated surplus	.....	.....	.....	203	.....	.....
Profit and loss surplus	5,740	.....	10,961	5,703	1,759	11,100
Total	$1,069,529	$1,071,112	$1,092,284	$1,092,141	$1,091,480	$1,091,343

Capital Stock: Auth. and issued, $10,000; par, $100; all owned by Chicago & North Western Ry. Indebtedness due latter company, $1,053,787.

PIERRE, RAPID CITY AND NORTHWESTERN RAILWAY

Incorporated under laws of South Dakota, Sept. 6, 1905. Line of road: Fort Pierre to Rapid City, S. D., 165.48 miles. Sidings, 21.39 miles. Equipment: Locomotives, 10; cars, 245. Controlled by Chicago & North Western Ry. through stock ownership.

Management: OFFICERS: Richard H. Aishton, Pres.; S. A. Lynde, Vice-Pres.; A. B. Jones, Treas.; J. D. Caldwell. Sec. OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$354,494	$308,874	$276,213	$274,694	$334,916	$463,711	$516,979
Operating expenses	373,633	255,793	258,610	222,709	249,011	291,708	321,313
Net revenues	* $19,139	$53,081	$17,603	$51,885	$85,905	$172,003	$195,666
Total net income	21,057	90,517	32,839	70,125	98,166	173,491	204,363
Taxes and rentals	106,876	94,392	58,917	50,019	52,213	65,687	138,286
Surplus	* 85,819	* 3,875	* 26,078	20,106	45,953	107,804	66,077

* Deficit.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,397,544	$5,373,065	$5,374,002	$5,395,070	$5,395,272	$5,416,951
Working assets	37,958	20,963	17,442	19,079	20,183	20,389
Deferred debit items	1,976	5,293	53	898	4,254	3,224
Total	$5,437,478	$5,399,321	$5,391,497	$5,415,047	$5,419,709	$5,440,564
LIABILITIES:						
Capital stock	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
Funded debt	5,357,326	5,233,585	5,222,174	5,206,193	5,229,491	5,279,002
Working liabilities	.....	.....	4	31	60	32
Deferred credit items	434	244	.....	.....	.....	.....
Profit and loss surplus	69,718	155,492	159,319	198,823	180,158	151,530
Total	$5,437,478	$5,399,321	$5,391,497	$5,415,047	$5,419,709	$5,440,564

Capital Stock: Auth. and issued, $10,000; par, $100; all owned by Chicago & North Western Ry. Indebtedness to latter, $5,357,326.

SIOUX CITY BRIDGE COMPANY

Incorporated in Iowa, Nov. 14, 1872, and in Neb., May 18, 1899. Owns bridge over Missouri River from Sioux City, Ia., to South Sioux City, Neb., connecting C. & N. W. Ry., with Chic., St. Paul, Minn. & Omaha Ry. Owns 5.34 miles of track.

Management: OFFICERS: Marvin Hughitt, Pres.; James T. Clark, Vice-Pres.; A. B. Jones, Treas.; J. D. Caldwell, Sec. OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$106,406	$102,567	$99,488	$97,104	$98,047	$98,466
Taxes	18,906	17,577	15,467	14,185	15,438	14,261
Surplus	$87,500	$84,990	$84,021	$82,919	$82,609	$84,205
Dividends paid	75,664	75,664	75,664	75,664	75,664	75,664
Balance	$11,836	$9,326	$8,357	$7,255	$6,945	$8,541

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$948,315	$943,934	$876,280	$885,365	$895,365	$905,365
Working assets	91,558	84,216	144,426	130,091	113,377	98,770
Total	$1,039,873	$1,028,150	$1,020,706	$1,015,456	$1,008,742	$1,004,135
LIABILITIES:						
Capital stock	$945,800	$945,800	$945,800	$945,800	$945,800	$945,800
Working liabilities	1,233	1,345	1,634	4,742	5,282	7,621
Profit and loss surplus	92,841	81,005	73,272	64,914	57,660	50,714
Total	$1,039,873	$1,028,150	$1,020,706	$1,015,456	$1,008,742	$1,004,135

Capital Stock: Auth., $2,250,000; outstanding, $945,800; par $100. Dividends of 8% per annum have been paid during recent years. One-half owned by C. & N. W. Ry. and one-half by Chic., St. Paul, Minn. & Omaha Ry.

WYOMING & NORTHWESTERN RAILWAY

Incorporated under laws of Wyoming, Nov. 10, 1904. Line of road: Caspar to Lander, Wyo., 147.89 miles. Sidings, 29.11 miles. Equipment: Locomotives, 10; cars, 394. Controlled by C. & N. W. Ry. by stock ownership.

Management: OFFICERS: Richard H. Aishton, Pres.; S. A. Lynde, Vice-Pres.; H. R. McCullough, Vice-Pres.; Marvin Hughitt, Jr., Vice-Pres.; A. B. Jones, Treas.; J. D. Caldwell, Sec. OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1910	1909
Gross earnings	$473,534	$393,490	$444,659	$403,449	$455,307	$488,478	$427,959
Operating expenses	256,459	258,950	236,884	194,702	199,685	199,486	237,955
Net revenues	$217,075	$134,540	$207,775	$208,747	$255,622	$288,992	$190,004
Total net income	262,984	178,795	233,641	242,127	280,293	303,261	214,602
Taxes and interest	205,822	202,499	182,344	156,464	159,144	157,661	155,642
Surplus	57,162	* 23,704	51,297	85,664	121,149	145,600	58,420

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $478,562; credit balance transferred from income, $57,162; unrefundable overcharges, $21; donations, $1,525; total, $537,270. Contra: Loss on retired road and equipment, $447; credit balance carried to balance sheet, $536,823; total, $537,270.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,322,370	$3,332,621	$3,327,510	$3,317,289	$3,311,607	$3,288,020
Working assets	13,762	35,692	12,002	9,612	6,366	4,101
Deferred debit items	570	386	2,090	1,432	17,018	1,841
Total	$3,336,702	$3,368,699	$3,341,602	$3,328,333	$3,334,991	$3,293,962
LIABILITIES:						
Capital stock	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
Funded debt	2,773,379	2,864,828	2,815,154	2,852,809	2,945,053	3,025,173
Deferred credit items	1,500	309	.....	.....	.....	.....
Profit and loss surplus	536,823	478,562	501,448	450,524	364,938	243,789
Total	$3,336,702	$3,368,699	$3,341,602	$3,328,333	$3,334,991	$3,293,962

Capital Stock: Auth., $13,000,000; outstanding, $25,000; par, $100; all owned by Chicago & N. W. Ry. Indebtedness due latter company, $2,773,379. No bonds.

CHICAGO, ST. PAUL, MINNEAPOLIS & OMAHA RAILWAY COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Wisconsin, May 25, 1880, as a consolidation of the Chicago, St. Paul & Minneapolis and the North Wisconsin Rys. In 1881 the St. Paul & Sioux City R.R. was acquired; in 1893 the Sault Ste. Marie & Southwestern Ry.; in 1895 the Superior Short Line Ry.; in 1904 the Chippewa Valley & Northwestern Ry. and the Eau Claire, Chippewa Falls & Northeastern Ry. were absorbed.

Location: The directly operated lines on June 30, 1916, consisted of 1,752.81 miles, of which 1,683.22 miles were owned and 69.59 miles operated under trackage rights. This mileage was located as follows: In Wisconsin, 781.14 miles; in Minnesota, 473.04 miles; in Iowa, 102.04 miles; in South Dakota, 88.20 miles; in Nebraska, 308.39 miles. Mileage mainly in Wisconsin, Minnesota, and Nebraska. The operating divisions are as follows: Eastern Division, 357.41 miles; Northern Division, 463.53 miles; Western Division, 620.24 miles; Nebraska Division, 311.63 miles. Population of States traversed, in 1890, 4,047,617; in 1900, 4,886,736; in 1910, 5,601,702.

Control: Company is controlled by the Chicago & North Western Railway Co., which owns a majority of its capital stock, viz.: $5,380,000 preferred and $9,540,000 common.

Management: OFFICERS: Marvin Hughitt, Chairman; Jas. T. Clark, Pres.; Samuel A. Lynde, Vice-Pres. and Asst. Sec.; Edw. M. Hyzer, Vice-Pres. and Gen. Counsel; A. W. Trenholm, Vice-Pres. and Gen. Mgr.; John D. Caldwell, Sec.; Arthur S. Pierce, Treas. and Asst. Sec. DIRECTORS: Marvin Hughitt, Harold S. Vanderbilt, Chauncey M. Depew, D. P. Kimball, Zenas Crane, W. K. Vanderbilt, W. K. Vanderbilt, Jr., Oliver Ames, James T. Clark, Fred'k W. Vanderbilt, Samuel Carr, E. M. Hyzer. Annual meeting, first Friday after third Thursday in October. MAIN OFFICE, St. Paul, Minn. NEW YORK OFFICE, 111 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	.....	38.5%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	.....	5.8
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	.....	15.5
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	.....	18.0
Manufactures	.....	.....	.....	.....	.....	.....	.....	.....	.....	15.0
Merchandise and Miscel	.....	.....	.....	.....	.....	.....	.....	.....	.....	7.2

Total revenue tonnage, year ended June 30, 1916, 10,082,061 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	1,705	66	337	272	12,218	67%	97,086	625,176	251	$1.68	2.27c	.88c
1908	1,725	85	343	274	12,762	65	108,079	538,396	233	1.69	1.98	.89
1909	1,734	85	343	275	12,763	64	112,562	550,958	245	1.72	1.95	.90
1910	1,739	85	334	296	11,942	64	129,075	615,864	251	1.89	1.92	.91
1911	1,743	85	337	300	12,133	66	133,758	672,232	274	1.88	1.92	.90
1912	1,745	120	364	323	11,775	63	126,648	625,893	249	1.73	2.06	.87
1913	1,747	157	377	323	12,902	64	134,250	722,952	276	1.87	2.13	.86
1914	1,748	183	390	344	12,256	64	152,566	740,357	307	2.06	2.03	.88
1915	1,753	223	374	335	11,739	65	143,913	762,107	332	2.30	1.98	.86
1916	1,753	223	379	340	13,038	66	145,325	900,705	355	2.35	2.04	.81
10-Year Average	1,739	131	358	308	12,353	65%	128,362	675,464	277	$1.92	2.03c	.88c

Yard tracks and sidings, June 30, 1916, 633 miles.

Comment: This property reported a sharp increase in its freight density during the fiscal year 1916, and also showed considerable improvement in the average freight train load. Freight rates, however, continued to decline with the result that train mile earnings were only moderately better than during the previous year. As usual, the property depended mostly on agricultural products for its tonnage, but manufactures and miscellaneous articles represented a substantial amount of the business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Tota Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$8,169	$1,106	$893	$1,999	$3,277	$2,893	$3,025	$372	$2,653	$986	63%	$1,667	$1,223
1908	7,458	941	888	1,829	3,123	2,506	2,600	366	2,234	1,015	54	1,219	1,211
1909	7,799	948	910	1,858	3,235	2,706	2,777	370	2,407	1,102	54	1,305	1,204
1910	8,680	1,125	1,011	2,136	3,550	2,994	3,076	393	2,683	1,179	57	1,504	1,200
1911	9,233	1,128	1,071	2,199	3,922	3,112	3,192	419	2,773	1,151	58	1,622	1,197
1912	8,674	965	1,030	1,995	4,003	2,676	2,811	449	2,362	1,167	51	1,195	1,197
1913	9,728	1,264	1,253	2,517	4,288	2,923	3,055	476	2,579	1,274	51	1,305	1,195
1914	10,293	1,495	1,306	2,801	4,426	3,066	3,209	557	2,652	1,495	44	1,157	1,194
1915	10,177	1,116	1,413	2,529	4,377	3,271	3,470	585	2,885	1,620	44	1,265	1,190
1916	11,133	1,335	1,380	2,715	4,677	3,741	4,001	583	3,418	1,705	50	1,713	1,194
10-Year Average	$9,134	$1,142	$1,116	$2,258	$3,888	$2,988	$3,122	$457	$2,665	$1,269	53%	$1,396	$1,200

Note: Above table is based on average mileage directly operated for each year. "Margin of Safety" is the proportion of surplus income left over after payment of fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$19,516,225	$17,836,513	$18,008,537	$16,988,193	$15,135,426	$16,092,851	$15,095.022
Maintenance of way	2,340,883	1,956,803	2,612,610	2,208,294	1,684,548	1,965,394	1,956,500
Maintenance of equipment	2,419,137	2,476,957	2,283,926	2,188,946	1,796,694	1,863,984	1,758,143
All other operating expenses	8,198,817	7,673,838	7,736,034	7,490,221	6,789,697	6,839,213	6,174,483
Net operating revenues	$6,557,388	$5,728,915	$5,375,966	$5,100,732	$4,664,477	$5,424,260	$5,205,896
Operating ratio	66.4%	67.9%	70.2%	70%	69.1%	66.2%	65.5%
Other income	456,580	355,495	233,405	235,803	240,673	139,768	142,596
Total net income	$7,013,968	$6,084,410	$5,609,371	$5,336,535	$4,905,150	$5,564,028	$5,348,492
Taxes accrued	1,022,053	1,026,210	973,283	832,263	782,846	730,808	682,832
Balance for charges	$5,991,915	$5,058,200	$4,636,088	$4,504,272	$3,122,304	$4,833,220	$4,665,660
Fixed charges	2,988,888	2,839,115	2,614,473	2,225,339	2,037,701	2,016,835	2,050,375
Surplus over charges	$3,003,027	$2,219,085	$2,021,615	$2,278,933	$2,084,603	$2,816,385	$2,615.285
Dividends paid	2,087,117	2,086,910	2,086,910	2,086,910	2,086,910	2,086,910	2,086,910
Balance	$915,910	$132,175	* $65,295	$192,023	* $2,307	$729,475	$528.375
Earned on stock: Preferred	26.67%	19.7%	17.95%	20.24%	18.51%	25.01%	22.23%
Common	11.90%	7.7%	6.60%	8.03%	6.97%	10.92%	9.85%

* Deficit.

Note: Fixed charges include interest on bonds and rentals. Rentals aggregated $387,160 and interest charges, $1,826,264 in 1913; $641,603 and $2,052,901, respectively, in 1914; $673,696, $2,152,313 in 1915; and $756,784 and $2,215,377 in 1916.

Profit and Loss Account, year ended June 30, 1916; Credit balance, June 30, 1915, $3,973,702; credit balance transferred from income account, $915,910; profit on road and equipment sold, $13,634; unrefundable overcharges, $20,522; donations, $15,600; miscellaneous credits, $18,308; total, $4,957,676. Contra: Dividend appropriations of surplus, $6,307; loss on retired road and equipment, $296,316; miscellaneous debits, $8,111; credit balance carried to balance sheet, $4,646,942. Total, $4,957,676.

Comment: For the fiscal year ended June 30, 1916, the Chicago, St. Paul, Minneapolis & Omaha made a very satisfactory income exhibit. Both gross and net revenues reached new high totals, and the surplus available for charges was far higher than that reported in the previous year. Only a nominal increase occurred in the fixed charges of the company, and therefore the surplus for dividends was amply sufficient to justify the disbursements which were made on the common stock. The position of the property since the close of the fiscal year has still further improved.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$19,964	52%	$17,928	48%	$1,437	$39,329	$4,027	$35,302	8.4%	$462	7%	$761	7%	72%	37%
1908	19,751	53	17,368	47	1,802	38,921	3,591	35,330	7.4	458	7	753	7	62	.....
1909	17,208	51	16,452	49	.....	33,660	1,166	32,494	8.5	455	7	749	7	64	9
1910	17,147	51	16,403	49	.....	33,550	1,128	32,422	9.5	453	7	747	7	70	30
1911	17,108	50	17,269	50	.....	34,377	298	34,079	9.4	452	7	745	7	72	36
1912	17,108	46	20,113	54	.....	37,221	112	37,109	7.6	452	7	745	7	62	.....
1913	17,069	44	21,521	56	.....	38,590	118	38,472	8	451	7	744	7	65	13
1914	17,059	43	22,501	57	.....	39,563	120	39,443	8.1	451	7	743	7	61	.....
1915	17,009	43	22,438	57	.....	39,447	120	39,327	8.8	449	7	741	7	65	9
1916	17,010	42	23,609	58	.....	40,619	121	40,498	9.9	450	7	744	7	74	41
10-Year Average	$17,643	48%	$19,560	52%	$324	$37,527	$1,080	$36,447	8.6%	$453	7%	$747	7%	68%	21%

Above table is based on average miles operated for each year. Net income on net capital is the percentage of total net income, before deducting taxes, per mile of road, on the net capitalization as shown in the table.

Note: No change was made in the stock outstanding during the years 1909-1916, but the above mileage figures are reduced by reason of the fact that the amount of stock owned by the company itself has not been included in the above exhibit after 1908. In prior years this stock was included in the "outstanding" column and offset in the "securities owned" column. There has therefore been only a slight difference in the net result. The investments include Minnesota Transfer Co. 5s, Minneapolis Eastern 5s, etc. The Chicago & North Western owns $9,540,000 common and $5,380,000 preferred, out of a total issue of $18,559,086 common and $11,259,859 preferred.

Comparative Condensed Balance Sheet as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$74,901,849	$73,292,108	$74,593,418	$72,461,152	$68,138,142	$65,765,382
Working assets	4,831,220	3,275,830	8,172,996	9,619,108	10,559,613	8,156,540
Deferred debit items	644,701	596,331	624,797	508,871	318,450	242,567
Accrued income not due	.....	.....	.....	.....	.....	.....
Total	$80,377,770	$77,164,269	$83,391,211	$82,589,131	$79,016,205	$74,164,489
Liabilities:						
Capital stock	$29,818,946	$29,818,998	$34,050,127	$34,050,127	$34,050,127	$34,050,127
Funded debt	41,387,000	39,337,000	39,387,634	37,598,046	35,098,046	30,098,046
Working liabilities	1,854,296	1,485,145	1,938,667	2,771,227	1,982,865	2,298,824
Accr'd liabilities not due	2,160,037	2,086,450	2,031,808	1,934,320	1,816,835	1,705,590
Deferred credit items	313,199	265,624	1,885,549	1,643,391	1,441,510	1,124,593
Appropriated surplus	197,350	197,350	.....	.....	.....	.....
Profit and loss surplus	4,646,942	3,973,702	4,097,426	4,592,020	4,626,822	4,887,309
Total	$80,377,770	$77,164,269	$83,391,211	$82,589,131	$79,016,205	$74,164,489

Comment: There was a moderate increase in the outstanding debt of the Omaha System during the fiscal year 1916. The total capitalization of the company, however, as measured on the mileage basis is not heavy, and it will be noted that during the last ten years net income on net capital has been continuously maintained at a high figure. For the year just closed, this net income was equivalent to nearly 10%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Chic., St. Paul & Minn. first 6s	M&N	My 1918	(1st) 178	$4,371	$2,665	$27	91%	Very high	Very high	Aaa.
2. St. Paul & Sioux C. first 6s.	A&O	Ap 1919	(1st) 611	9,935		208	91%	"	"	Aaa.
3. North Wiscon. Ry. first 6s	J&J	Ja 1930	(1st) 177	3,220		20	91%	"	High	Aaa.
4. Chic., St. P., M. & Omaha cons. 6s	J&D	Je 1930	(1st) 707	13,448	2,410	675	72%	"	Very high	Aaa.
5. Chic., St. P., M. & Omaha cons. 3½s			(2d) 976				72%	"	"	Aaa.
6. Superior Short Line 5s	M&S	Je 1930	(1st) term			43	72%	"	"	Aaa.
7. Chic. St. P., M. & Omaha, debenture 5s	M&S	Mr 1930	Not mtg.	.....	1,735	320	High	High	"	Aa.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages, 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,000,000; outstanding $778,000 (closed). Dated May 9, 1878; due May 1, 1918. Int. at C. & N. W. office, New York. Coupon $500 and $1,000. Assumed by Chi., St. Paul, Minn. & Omaha Ry. Sinking fund, $30,000 per annum from land sales to purchase bonds; not callable; exchangeable for No. 4 at par. First lien, 177.60 miles, Elroy to St. Croix River near Hudson, Wis.; also on land grants and equipment. Underlie Nos. 4-5, which provide for retirement. Legal for Savings Banks in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth., $7,000,000; outstanding, $6,070,000. Dated July 1, 1879; due April 1, 1919. Int. paid at C. & N. W. office, New York. Coupon, $1,000. Assumed by C., St. Paul, Minn. & Omaha Ry. First lien, 611.24 miles, as follows: St. Paul, Minn., to Le Mars, Ia., 241.49 miles; Lake Crystal to Elmore, Minn., 43.69 miles; Heron Lake to Pipestone, Minn., 55.10 miles; Trent to Salem, S. D., 98 miles; Luverne, Minn., to Doon, Ia., 28 miles; Ponca *via* Sioux City to Omaha, 139.39 miles; branches, 5.57 miles. Underlie Nos. 4-5, which provide for retirement. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth., $10,000 per mile; outstanding, $572,000. Dated Jan. 1, 1880; due Jan. 1, 1930. Int. paid at C. & N. W. office, New York. Coupon, $1,000. Assumed by C., St. Paul, Minn. & Omaha Ry. First lien, 177.51 miles, Bayfield to St. Croix River, Wis. Underlie Nos. 4-5, which provide for retirement at maturity. Exchangeable for No. 4 at par. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

4 and 5. Auth., $30,000,000; outstanding, $17,533,000 6s and $3,734,000 3½s. Dated June 1, 1880; due June 1, 1930. Int. paid at C. & N. W. office, New York. Coupon, $1,000. First lien on 706.87 miles, as follows: St. Paul, Minn., to Lake St. Croix, Wis., 15.40 miles; Hudson to Ellsworth, 24.82 miles; Merillion to Marshfield, Wis., 38.67 miles; Fairchild to Mondovi, Wis., 36.75 miles; Emerald to Weston, 36.37 miles; Eau Claire to Spooner, 81.51 miles; Trego to Superior, 61.70 miles; Tuscobia to Park Falls, 76.25 miles; Chippewa Falls to Yellow River, 49.28 miles; Madelia to Fairmount, Mont., 29.38 miles; Bingham Lake to Currie, Mont., 38.63 miles; Salem to Mitchell, S. D., 32.73 miles; Ponca to Wynot, Neb., 29.06 miles; Emerson to Norfolk, Neb., 46.50 miles; Wakefield to Crofton, 49.14 miles; Wayne to Bloomfield, Neb., 43.14 miles; branches, 17.54; also second lien on 976.35 miles, being the mileage covered by first lien by Nos. 1, 2, 3 and 6. Nos. 1 and 3 are exchangeable into No. 4 at par at holder's option. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

6. Auth. and outstanding, $1,500,000. Dated June 1, 1895; due June 1, 1930. Int. at C. & N. W. office, New York. Coupon, $1,000. Assumed by C., St. Paul, Minn. & Omaha Ry. First lien on terminals at Duluth and Superior and about 10 miles of main track and 33 miles of side track in these cities. Underlie Nos. 5-6. Legal for S. B. in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

7. Auth., $15,000,000; outstanding, $11,200,000. Dated Mar. 1, 1912; due Mar. 1, 1930. Int. Mar. and Sept. at company's office in New York. Not a mortgage, but no new mortgage except for extensions shall be created without giving these bonds equal security. Legal for S. B. in N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000; reg. $1,000, etc.; C. & R. interchangeable. $2,000,000 issued in 1915 are stamped "Federal Income Tax not assumed by company."

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Chicago, St. P., M. & Omaha Ry. preferred.. Non-cumulative; has prior right to 7%; but common is never to receive more than preferred. Par, $100.	7% F&A	$6,423	$1,396	$450	68%	Very high	Very high	Aa.
2. Chic., St. Paul, M. & Omaha common..... Par, $100.	7% F&A	10,587	946	744	22%	High	"	A.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Auth., $20,000,000; issued, $12,646,834, of which $1,386,974 is held in treasury, leaving $11,259,859 outstanding. Of latter, Chicago & North Western Railway owns $5,380,000.

2. Auth., $30,000,000; issued $21,403,294, of which $2,844,207 is held in treasury, leaving $18,559,087 outstanding. Of latter, Chicago & North Western Railway owns $9,540,000.

Note: Full dividends have been paid on preferred at 7% rate for many years. On common: 1897 and 1898, 2% each; 1899, 3½%; 1900 and 1901, 5% each; 1902, 8%; 1903 and 1904, 6% each; 1905 to date, 7% each. Transfer Office, 111 Broadway, New York. Both issues listed on New York Stock Exchange.

Investment Position: The investment ratings of all of the bond issues of the Chicago, St. Paul, Minn., & Omaha Railway are high. Relatively to its earning power, the property is lightly bonded and in recent years had displayed decided stability. The preferred stock issue also stands on a strong investment plane, while the common stock is assured of full dividends in all normal years.

CHICAGO, PEORIA & ST. LOUIS RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Illinois laws, Nov. 29, 1909, and on Jan. 1, 1913, took over the property of the Chicago, Peoria & St. Louis Railway. The latter company was incorporated under Illinois laws Jan. 2, 1900, as successor of the Chicago, Peoria & St. Louis R.R. of Illinois and the St. Louis, Chicago & St. Paul Ry. of Illinois.

Location: The directly operated lines consisted on June 30, 1916, of 255.47 miles as follows: Main line, Pekin to Granite City, Ill., 179.20 miles; Havana to Jacksonville, Ill., 41.88 miles; Lockhaven to Grafton, Ill., 8.40 miles; other branches, 4.84 miles; trackage rights, 20.15 miles. The company owns the entire stock of the Alton Terminal Ry. and 25% of the stock of the Peoria & Pekin Union Ry.

Receivership: On July 31, 1914, Bluford Wilson and William Cotter were appointed receivers of the property, default having been made June 1, on the new gen. and ref. 4½% bonds. A reorganization is now pending.

Management: Bluford Wilson and Wm. Cotter, Recs. Officers: Bluford Wilson, Pres.; W. C. Hurst, Vice-Pres.; H. W. Berger, Sec.; F. J. Wilson, Treas. Directors: Bluford Wilson, H. W. Berger, P. B. Warren, William Cotter, W. C. Hurst, H. L. Child. Office, Springfield, Ill.

Classification of Freight Tonnage (Years Ending June 30)

	1906	1907	1908	1909	1910	1911	1912	1914	1915	1916
Products of Agriculture....	.....	.....	.....	18.06%	14.22%	16.41%	15.89%	16.06%	16.24%	14.89%
Products of Animals.....	.....	.....	.....	1.81	1.19	1.62	1.53	1.31	1.18	1.02
Products of Mines	.....	.....	.....	42.04	44.44	36.69	42.30	40.08	39.63	42.50
Products of Forests.....	.....	.....	.....	10.84	12.02	15.01	12.43	16.23	14.89	11.91
Manufactures.....	.....	.....	.....	10.69	10.37	12.31	10.66	10.63	11.00	13.37
Miscellaneous.....	.....	.....	.....	16.56	17.76	17.96	17.19	15.69	17.06	16.31

Total revenue tonnage, in 1909, 2,028,469 tons; in 1910, 2,422,424 tons; in 1911, 2,140,058 tons; in 1912, 2,070,108 tons. In 1912, 513,274 tons were soft coal, as compared with 455,208 tons in 1911. 2,086,267 in 1914. Tonnage figures are not available for 1913. Total tonnage for 1915 (12 months), 2,029,167; for 1916, 2,345,911.

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TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1906	255	....	47	38	3,186	75%	74,464	851,371	310	$1.36	1.92c	.57c
1907	255	....	46	38	2,842	73	73,753	885,594	342	1.50	1.89	.57
1908	255	....	45	36	2,676	73	65,048	706,168	365	1.59	1.81	.61
1909	255	....	44	34	2,560	75	68,656	766,645	369	1.58	1.81	.60
1910	255	....	44	34	2,549	75	65,994	958,046	393	1.68	1.78	.57
1911	255	....	44	34	2,600	75	65,991	860,391	362	1.67	2.11	.65
1912	255	....	44	34	2,539	74	62,683	854,139	353	1.68	2.11	.58
1914	255	....	52	41	2,447	75	54,812	910,112	361	1.53	2.24	.54
1915	255	....	51	41	2,147	77	41,402	744,250	336	1.65	2.34	.65
1916	255	....	51	36	1,969	78	48,541	817,701	383	1.85	2.32	.66
10-Year Average	255	....	47	37	2,551	75%	62,134	835,442	357	$1.61	2.03c	.60c

Yard tracks and sidings, June 30, 1916, 81.76 miles.

Note: No full report was issued for the fiscal year 1913, and therefore the operating statistics for that year are omitted. The averages are based on the ten years shown, out of the eleven-year period.

Comment: The operating results of this company underwent some improvement in the year 1916, but nevertheless the freight tonnage reported was light and the freight train load was small for a company of this general character. The company reported practically no change in average freight rates, but was able to show a moderate improvement in train mile earnings. As usual the freight tonnage was well diversified, but the growth in tonnage was not substantial enough to greatly strengthen the position of the property.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1906	$6,549	$1,058	$1,204	$2,262	$3,742	$545	$606	$213	$393	$700	.....	$307*	.....
1907	6,559	869	1,319	2,188	3,403	968	982	179	803	724	10%	79	.....
1908	5,796	924	1,382	2,306	2,968	522	633	204	429	837	.....	408*	.....
1909	6,125	807	1,471	2,278	3,205	642	658	202	456	917	.....	461*	.....
1910	6,929	1,090	1,299	2,389	3,435	1,105	1,133	211	911	474	48	437	.....
1911	6,927	985	1,416	2,401	3,699	827	994	204	790	633	20	157	.....
1912	6,611	932	1,354	2,286	3,676	649	733	198	535	613	.....	78*	.....
1914	6,575	1,276	1,568	2,844	3,778	47*	7	283	276*	1,126	.....	1,402*	.....
1915	6,266	1,072	1,254	2,326	3,212	728	756	258	498	844	.....	346*	.....
1916	6,874	927	1,368	2,295	3,312	1,267	1,312	247	1,065	653	39	412	.....
10-Year Average	$6,521	$994	$1,364	$2,358	$3,443	$720	$781	$220	$561	$752	.....	$191*	.....

* Deficit.

Note: Above table is based on the average mileage directly operated for each year. No full income account was furnished for the year 1913, and therefore the averages for that year are omitted. Margin of safety is the proportion of surplus left over after providing for all charges. For example, in 1916 the "balance for charges" was (per mile) $1,065; fixed charges amounted to $653 per mile, or 61%, leaving $412 per mile, a "margin of safety" of 39%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1912	1911	1910	1909
Gross revenues	$1,752,800	$1,597,909	$1,676,617	$1,688,867	$1,766,300	$1,766,968	$1,564,833
Maintenance of way	236,325	273,311	325,286	237,769	251,266	278,011	205,753
Maintenance of equipment	348,812	319,848	399,854	345,012	361,168	331,202	374,914
All other operating expenses	844,642	819,156	963,371	940,175	943,157	875,904	820,264
Net operating revenues	$323,021	$185,594	*$11,894	$165,911	$210,709	$281,851	$163,902
Operating ratio	88.4%	88.4%	100.7%	90.2%	88.1%	84%	89.5%
Other income	11,653	7,201	13,734	21,100	42,726	6,979	4,017
Total net income	$334,674	$192,795	$1,840	$187,011	$253,436	$228,830	$167,919
Taxes accrued	63,015	65,863	*72,265	50,505	52,031	53,786	51,401
Balance for charges	$271,659	$126,932	*$70,425	$136,506	$201,405	$175,044	$116,518
Fixed charges	166,472	215,226	287,103	156,425	161,207	122,988	233,721
Surplus	$105,187	*$88,289	*$357,528	*$19,918	$40,198	$112,055	*117,202

* Deficit.

Note: For comparative purposes, the fixed charges in above statement were shown in full up to 1909, and after that to 1914 the amounts charged include only the items which were actually paid. The interest on the first consolidated 5s was defaulted at the end of 1909. In 1914, the charges of the new company are shown in full.

Receivers' Profit and Loss Account, for the year ended June 30, 1916: Credit balance transferred from income account, $105,187; profit on road and equipment sold, $811; miscellaneous credits, $2,142; total, $108,140. Contra: Debit balance at beginning of year, $77,218; loss on retired road and equipment, $482; credit balance at close of year, $30,440; total, $108,140.

Company's Profit and Loss Account, for the year ended June 30, 1916: Miscellaneous credits, $9,773; debit balance at close of year, $766,912; total, $776,685. Contra: Debit balance at beginning of year, $617,146. Loss on retired road and equipment, $19,648. Miscellaneous debits, $139,891; total, $776,685.

Comment: While this company reported some improvement in its gross and net revenues during the fiscal year 1916, yet this growth was not sufficient to place the company on a very strong basis. The light fixed charges were of course covered and for the first time in several years the company reported a final surplus.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1904	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1905	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1906	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910	$28,996	54%	$25,160	46%	.....	$54,156	Nom.	$54,156	2.1%	.....	.....	.....	.....	.....	.....
1911	28,996	54	25,580	46	.....	54,576	"	54,156	1.9	.....	.....	.....	.....	.....	.....
1912	15,690	51	15,090	49	.....	30,780	"	30,780	2.4	.....	.....	.....	.....	.....	.....
1914	15,686	42	21,667	58	.....	37,353	"	37,353	.....	.....	.....	.....	.....	.....	.....
1916	15,686	43	20,871	57	.....	36,557	.....	36,557	3.6	.....	.....	.....	.....	.....	.....
5-Year Average	$21,011	49%	$21,673	51%	.....	$42,684	.....	$42,600	1.8%	.....	.....	.....	.....	.....	.....

Note: In above table, figures for 1912 are those originally proposed prior to the reorganization of 1913. Those shown for 1914 are the actual figures as finally adopted.

No balance sheet was furnished by the receivers for the year ended June 30, 1915, and therefore the year 1915 is omitted from the above table. As the property is to be reorganized, a financial statement is now of little practical value.

June 30, 1914: Property investment, $9,550,963. Working assets, $416,857; profit and loss deficit, $474,318; total assets, $11,332,883. Capital stock, $4,000,000; funded debt, $5,525,000; working liabilities, $613,437.

Condensed Balance Sheet, as of June 30, 1916

Assets:	Receiver's Account	Company Account	Liabilities:	Receiver's Account	Company Account
Property investment	$41,241	$8,535,361	Capital stock	.....	$4,000,000
Working assets	350,253	835,612	Funded debt	.....	5,322,000
Deferred debits	108,017	6,958	Working liabilities.....	$383,994	495,211
Profit and loss deficit.....	.....	766,912	Accrued liabilities, not due.	65,567	.....
			Deferred credits	19,510	327,632
			Profit and loss profit.....	30,440	.....
Total	$499,511	$10,144,843	Total	$499,511	$10,144,843

Comment: There were practically no capitalization changes in the Chicago, Peoria & St. Louis property during the fiscal year ended June 30, 1916. The property is lightly capitalized as measured on the mileage basis, but the volume of business is small and therefore the percentage of net income on net capital continues to be small.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Chic., Peoria & St. L. Ry. prior lien 4½s	M&S	Mr 1930	(1st) 234	$8,550	$561	$352	37%	Mod.	Poor	Ca.
2. Chic., Peoria & St. L. R. R. gen. and refund. 4½s.....	J&D	D 1939	(2d) 234	12,100	209	352	.....	Small	"	C.
3. Equip. 6s	A&O	Var.	Var.	.....		95	.....	Fair	"	Ba.

For Key to Rating, see page 19. For Reference Notes, see next page.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $2,000,000. Dated Mar. 1, 1900; due Mar. 1, 1930. Int. paid at Liberty National Bank, New York. Callable at 107½ at option of company. These bonds were undisturbed in the reorganization, and are assumed by the new company. First lien on 234.32 miles, including main line from Pekin to Granite City, Ill., and branches to East St. Louis, Jacksonville, and Grafton, Ill. Underlie No. 2, which provides for retirement. Defaulted, Sept. 1, 1914.

2. Auth., $15,000,000; outstanding, $2,000,000; in treasury, $850,000. Dated Dec. 1, 1909; due Dec. 1, 1939. Int. paid at Liberty Nat. Bank, New York. Coupon, $1,000. Follow No. 1 on same property. Of those issued, $1,100,000 bore only 3% interest for first six years. Issue defaulted, June 1, 1914.

3. Series A, 6s; original issue, $590,000; dated April 1, 1913; due $59,000 annually to April 1, 1923; now outstanding, $413,000. Int. paid April and Oct. 1 in New York. First lien on equipment costing $704,500.

Protective Committee: For No. 1: Sidney C. Borg, Chairman; Henry E. Cooper, Thomas Denny, Robert Struthers, Jr.; Secretary, J. N. Babcock, 37 Wall Street, New York.
For No. 2: F. J. Lisman, Chairman; Alfred Shepherd; Secretary, Graham Adams, 30 Broad Street, New York.

Capital Stock: Auth. and outstanding, $4,000,000; par $100. Was held in voting trust to 1915, consisting of Geo. F. Baker, Jr., Chas. F. Warren, Al. Shepherd. Transfer agent, Liberty National Bank, New York.

CHICAGO, ROCK ISLAND & PACIFIC RAILWAY COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Illinois and Iowa, June 2, 1880, as successor of the original Chicago, Rock Island & Pacific R.R. and its various subsidiary lines. In 1902, control of the Burlington, Cedar Rapids & Northern Ry. and of the Rock Island & Peoria Ry. were acquired and in 1903 absorbed into the main system. In 1904, the Choctaw, Oklahoma & Gulf R.R. was leased for 999 years and all its stock acquired. In 1910, the Chicago, Rock Island & El Paso Ry. was formally absorbed. Other companies controlled include the Keokuk & Des Moines Ry., White and Black River Valley, Peoria & Bureau Valley, Consolidated Indiana Coal Co., Rock Island, Arkansas & Louisiana R.R., and the St. Paul & Kansas City Short Line R.R. Also has a joint interest in the Rock Island-Frisco Terminal Ry. (with the St. Louis & San Francisco); in the Peoria Ry. Terminal Co., and other terminal properties.

Location: The directly operated lines of the system embraced, on June 30, 1916, 8,024.13 miles, including main line from Chicago to Colorado Springs, Col., the general system radiating throughout the States of Iowa, Illinois, Minnesota, Kansas, Oklahoma, Colorado, Arkansas, Texas, etc. Population of these States in 1890, 12,311,903; in 1900, 13,573,697; in 1910, 19,557,189.

Receivership and Reorganization: On April 20, 1915, receivers were appointed for the property, owing to the inability of the company to finance short-term notes, etc. A general reorganization is now pending under which the present bond issues remain undisturbed with the exception of the $20,000,000 debenture 5s which are to be exchanged for a like amount of new 6% preferred stock (cumulative up to 5%). Common stockholders upon paying an assessment of $40 per share receive new common stock share for share and $40 in new 7% preferred stock (cumulative up to 5%). The 5% arrears in interest on the debentures are to be paid in cash.

The proposed plan in detail is as follows:

A new company will be formed with an authorized capital stock of $125,000,000, issuable as follows:

$30,000,000 7% preferred stock, of which $29,743,889 will be issued at par to holders of present common stock who pay the proposed assessment of $40 per share;

$20,000,000 6% preferred stock, all of which will be issued to the holders of the debenture 5% bonds of the present company;

$75,000,000 common stock, of which $74,359,722.50 shall be exchanged, share for share, for the present common stock, on payment of the $40 per share assessment.

The funds derived from the assessment will pay off or acquire $18,188,000 current obligations, including $7,500,000 of two-year collateral trust notes, $2,500,000 Central Trust Co. loan, $1,600,000 Hayden, Stone & Co. loan and $6,588,000 Receivers' Certificates. The balance of $11,555,889 will be employed to settle other claims, including those of the Receiver, pay costs of reorganization and provide additional funds for the company.

All the bond issues and divisional obligations of the company will remain undisturbed, and will be assumed by the new company, with the exception of the $20,000,000 debenture 5s, provided for as above.

For all later developments, consult our Investors Service.

Management: OFFICERS: Jacob M. Dickinson, Rec.; J. G. Shedd, Chairman; (Vacancy) Pres.; J. E. Gorman, 1st Vice-Pres.; A. C. Ridgway, 2d Vice-Pres.; Geo. H. Crosby, Vice-Pres., Sec. and Treas.; J. J. Quinlan, Vice-Pres., Asst. Sec. and Asst. Treas. DIRECTORS: N. L. Amster, W. Emlen Roosevelt, W. J. Matheson, Chas. Hayden, J. W. Burdick, E. F. Carry, W. B. Thompson, C. G. Dawes, Nathaniel French, E. D. Hulbert, J. R. Morron, J. G. Shedd. Annual meeting, second Thursday in October. MAIN OFFICE, Chicago, Ill. NEW YORK OFFICE, 14 Wall Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	25.43%	26.37%	25.00%	22.13%	25.88%	25.46%	27.00%	26.13%	30.94%	26.60%
Products of Animals.....	7.23	7.92	7.76	7.08	7.68	7.63	6.96	7.14	6.60	6.66
Products of Mines.....	30.42	27.82	29.30	31.93	29.46	31.56	30.98	33.13	31.15	32.25
Products of Forests.....	11.87	12.26	12.57	12.34	11.59	10.44	10.06	9.07	8.22	8.61
Manufactures.....	17.55	17.92	18.14	19.55	18.41	17.93	18.37	17.87	16.85	19.75
Merchandise and Miscel...	7.50	7.71	7.23	6.97	6.98	6.98	6.63	6.66	6.24	6.13

Total revenue tonnage for 1909, 17,145,657 tons; 1910, 19,167,179 tons; 1911, 19,118,358 tons; 1912, 18,969,251 tons; 1913, 21,101,989 tons; 21,488,826 tons in 1914; 22,521,285 in 1915; 24,433,071 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	7,780	289	1,343	878	44,217	69%	93,215	550,268	267	$1.83	2.27c	.95c
1908.....	7,970	289	1,386	899	42,747	66	110,670	504,384	255	1.82	1.89	.94
1909.....	8,026	289	1,410	897	40,728	65	118,694	518,393	265	1.90	1.88	.94
1910.....	8,044	472	1,486	984	43,194	64	126,360	567,792	257	1.84	1.91	.92
1911.....	8,026	471	1,573	1,034	45,634	64	125,821	587,890	270	1.93	2.00	.92
1912.....	8,036	471	1,554	1,073	45,217	63	116,896	572,329	278	1.85	1.98	.89
1913.....	8,048	471	1,608	1,106	48,564	65	122,228	646,611	297	1.96	2.01	.89
1914.....	8,205	476	1,678	1,163	50,143	65	119,446	624,446	306	1.94	1.92	.86
1915.....	8,330	477	1,674	1,155	49,160	67	114,778	655,693	321	2.02	1.91	.87
1916.....	8,098	443	1,613	1,135	51,338	68	121,770	739,575	344	2.19	1.96	.87
10-Year Average	8,056	415	1,533	1,032	46,094	66%	116,988	596,738	286	$1.93	1.97c	.91c

Yard tracks and sidings, year ending on June 30, 1916, 2,301 miles.

Comment: During the year ended June 30, 1916, the passenger and freight density of the Rock Island system increased very substantially and the train load was moved up to a higher figure than ever before reported. It will be noted also there was practically no change in freight or passenger rates. The train mile earnings made an unusually favorable showing. As usual, the tonnage of the property was well diversified, and the proportion of high grade freight such as manufactures and miscellaneous articles represented a larger total than ever before.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$7,742	$1,125	$923	$2,018	$3,227	$2,467	$2,563	$215	$2,348	$1,224	48%	$1,124	$529
1908.....	7,338	1,044	939	1,983	3,327	2,027	2,080	225	1,855	1,253	32	602	493
1909.....	7,623	1,128	936	2,064	3,251	2,308	2,352	283	2,079	1,311	37	768	489
1910.....	8,232	1,327	1,051	2,378	3,598	2,256	2,288	358	1,930	1,338	31	592	465
1911.....	8,533	1,214	1,166	2,380	3,732	2,421	2,443	337	2,106	1,431	32	675	490
1912.....	8,053	1,057	1,033	2,090	3,729	2,234	2,323	343	1,980	1,501	24	479	463
1913.....	8,867	1,228	1,252	2,480	4,044	2,343	2,471	366	2,105	1,601	24	504	460
1914.....	8,313	1,077	1,197	2,274	3,942	2,097	2,119	404	1,715	1,670	3	45	†
1915.....	8,517	1,137	1,417	2,554	3,871	2,092	2,252	403	1,849	1,937	.....	88*	.....
1916.....	9,301	1,299	1,562	2,861	3,875	2,565	2,667	441	2,226	1,861	16	365	.....
10-Year Average	$8,252	$1,164	$1,148	$2,312	$3,660	$2,280	$2,356	$338	$2,018	$1,512	25%	$506	$339

* Deficit. † Dividend of $1,871,762 ($227 per mile) paid from surplus.

Note: Above table is based on the average mileage directly operated each year. "Margin of safety" is the proportion of surplus income left over after providing for all charges prior to dividends, including interest, rentals, etc.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$75,315,710	$70,915,429	$68,208,113	$71,364,935	$64,712,853	$68,487,473	$66,220,579
Maintenance of way	10,518,065	9,468,977	8,838,586	9,885,324	8,493,346	9,738,016	10,673,387
Maintenance of equipment	12,648,260	11,807,657	9,820,703	10,072,854	8,302,467	9,359,749	8,455,746
All other operating expenses	31,376,808	32,244,981	32,340,658	32,545,924	29,963,661	29,958,918	28,940,236
Net operating revenues	$20,772,577	$17,393,814	$17,208,166	$18,860,833	$17,953,359	$19,431,790	$18,151,210
Operating ratio	72.39%	75.5%	74.8%	73.6%	72.3%	71.6%	72.6%
Other income	823,755	* 340,976	168,321	1,029,795	686,792	345,477	223,232
Total net income	$21,596,332	$17,052,838	$17,376,487	$19,890,628	$18,640,151	$19,777,267	$18,374,442
Taxes accrued	3,567,851	3,353,919	3,315,632	2,946,438	2,752,861	2,708,651	2,876,701
Balance for charges	$8,028,481	$13,698,919	$14,060,855	$16,944,190	$15,887,290	$17,068,616	$15,497,741
Fixed charges	15,071,199	14,433,596	13,610,234	12,885,835	12,036,894	11,625,902	10,749,860
Surplus over charges	$2,957,282	* $734,677	$450,621	$4,058,355	$3,850,396	$5,442,714	$4,747,881
Dividends paid	.....	.....	1,871,762	3,743,525	3,743,760	3,930,948	3,743,272
Balance	$2,957,282	* $734,677	*$1,421,141	$314,830	$106,636	$1,511,766	$1,004,609
Earned on stock	3.94%	.....	0.60%	5.42%	5.13%	7.26%	6.34%

* Deficit.

Note: Foregoing statement covers operations of Chicago, Rock Island & Pacific Railway Company and has no relation to the defunct Rock Island (holding) Company. The charges, dividends and surplus shown are those of the Railway. Fixed charges in 1916 included interest, $12,312,198; joint facility and other rentals, $2,522,333; hire of equipment, $275,155.

Profit and Loss Account, year ended June 30, 1916: Surplus for year ended June 30, 1916, $2,957,282; profit on land and securities sold, $50,351; interest prior to current fiscal year on advances for construction and purchase of property, $106,551; inventory adjustment proportion applicable to period, prior to June 30, 1915, $89,851; recovery of a portion of losses charged off in previous years by realization of investment, $42,952; sundry adjustments, etc., $38,598; debit balance, June 30, 1916, $10,707,555; total, $13,993,140. Contra: Debit balance, June 30, 1915, $12,530,963. Tracks removed, $32,644; structures sold, removed and destroyed, $34,781; equipment sold and destroyed, $991,818; adjustment in the property account of the C., R. I. & E. P. Ry. Co., prior to current fiscal year, $276,480; reserve for charges to June 30, 1915, less recoveries in respect of agreement and guarantees abrogated by the receiver, $61,976; other miscellaneous adjustments not affecting current year, $64,478.

Comment: The Rock Island property went into receivers' hands during the year 1915, but under the receivership the operating results have shown steady improvement. Both gross and net receipts for the year ended June 30, 1916, were far in excess of any ever before reported, and the enlarged fixed charges were easily earned with a substantial surplus over.

The reorganization plan of the Rock Island property involves some moderate decrease in the fixed charges, and supplies the company with a substantial amount of much needed working capital. The outlook for the property in view of its present prosperity is therefore unusually favorable.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	$10,808	28%	$28,130	72%	$3,076	$42,014	$6,594	$35,420	7.2%	.....	.....	$529	5½%	.....	54%
1908	10,673	28	27,908	72	3,877	42,458	7,610	34,848	5.6	.....	.....	493	5	.....	18
1909	10,655	27	28,630	73	3,817	43,102	7,168	35,934	6.6	.....	.....	489	5	.....	36
1910	10,548	26	32,068	74	1,860	44,476	3,264	41,212	5.5	.....	.....	465	5	.....	22
1911	10,544	26	32,358	74	2,355	45,257	3,106	42,151	5.8	.....	.....	490	5¼	.....	29
1912	10,490	21	35,054	79	1,940	47,484	2,410	45,074	5.2	.....	.....	463	5¼	.....	3
1913	10,491	21	35,312	79	845	46,648	2,820	43,828	5.6	.....	.....	460	5¼	.....	9
1914	10,126	20	36,604	80	833	47,563	1,838	45,725	4.7	.....	.....	*	.....	.....	.....
1915	8,990	22	34,735	78	797	44,522	62	44,460	5.1	.....	.....	.....	.....	.....	.....
1916	9,262	20	36,247	80	710	46,219	90*	46,129	5.8	.....	.....	.....	.....	.....	.....
10-Year Average	$10,259	24%	$32,704	76%	$2,011	$44,974	$3,496	$41,478	5.7%	.....	.....	$339	3.6%	.....	33%

* $227 per mile paid from surplus.

Note: Above table is based on the average mileage directly operated for each year. The stock column covers the total stock issue of the Railway; the bond column includes all net amounts outstanding of bonds and equipment trusts, but not the loans payable; rentals represent the leaseholds, as capitalized. Securities owned represent those held unpledged, including marketable securities. For 1916 this figure represents those issued or assumed unpledged other securities amounting to $19,197,802 book value not segregated between pledged and unpledged.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$362,368,793	$358,856,597	$361,126,500	$316,296,227	$305,155,441	$301,641,792
Working assets	15,431,468	14,278,433	26,127,892	41,061,844	44,838,193	31,522,139
Deferred debit items...	4,497,311	2,050,976	23,963	6,463,377	4,259,083	3,551,876
Accrued income not due.	46,965	65,247	4,677,494	913,464	656,657	507,640
Profit and loss deficit...	10,707,555	12,530,963	.....	.....	.....	.....
Total	$393,052,092	$387,782,216	$391,907,923	$364,734,912	$354,909,374	$337,223,447
LIABILITIES:						
Capital stock	$75,000,000	$75,000,000	$75,000,000	$75,000,000	$75,000,000	$75,000,000
Funded debt	293,526,702	289,442,210	288,334,530	257,815,600	251,189,600	230,162,000
Working liabilities	13,872,158	14,516,852	12,986,485	11,759,639	8,364,495	9,258,441
Accr'd liabilities not due	4,344,312	4,404,751	4,213,744	3,723,320	3,743,093	3,244,512
Deferred credit items...	6,244,552	4,354,035	2,574,984	2,767,134	1,949,734	2,485,823
Appropriated surplus ..	64,368	64,368	64,368	64,368	64,368	64,368
Profit and loss surplus.	.....	.....	8,733,812	13,604,851	14,598,084	17,008,303
Total	$393,052,092	$387,782,216	$391,907,923	$364,734,912	$354,909,374	$337,223,447

Comment: During the fiscal year ended June 30, 1916, there were no important capitalization changes on the Rock Island System, but the new reorganization plan now pending proposes considerable readjustment. While the funded debt cannot be reduced to any great extent, the company will provide itself with new capital through an issue of new preferred stock. The new company will enter into control of the property at a very favorable period as the prospects at the present time are that the present heavy earning power will be permanently maintained.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Chic., R. I. & Pcf. Railroad first 6s	J&J	Jl 1917	(1st) 765	$16,360	$2,018	$93	95%	Very high	Very high	Aaa.
2. Chic., R. I. & Pcf. Railway general 4s	J&J	Ja 1988	(1st) 2,489 (2d) 765	18,925	1,925	301	84%	"	"	Aa.
3. Bur. C. R. & Nor. cons. first 5s	A&O	Ap 1931	(1st) 998 (2d) 303	8,455		68	88%	"	"	Aaa.
4. Cedar R. I. Falls & N. W. first 5s	A&O	O 1921	(1st) 292	6,530		12	88%	"	"	Aaa.
5. Minn. & St. L. first 7s	J&D	Je 1927	(1st) 12	12,500		1	88%	"	"	Aaa.
6. Rock Ild. & Peoria cons. first 6s	J&J	Jl 1925	(1st) 113	4,000		3	88%	"	High	Aa.
7. Choctaw, Okla. & Gulf first 5s	J&J	O 1919	(1st) 351	15,670	1,621	34	88%	High	"	Aa.
8. Choctaw & Memp. first 5s	J&J	Ja 1949	(1st) 282	12,500		22	88%	"	"	Aa.
9. Little Rock Bridge first 6s.	J&J	Jl 1919	(1st) Bdge	.....		1	88%	"	"	Aa.
10. Choctaw, Okla. & Gulf consol. 5s	M&N	My 1952	(1st) 335 (2d) 633	5,600		33	88%	"	"	A.
11. Chic., R. I. & Pcf. Railway gold 4s, series O to P	M&N	Seri'lly to My 1918	(Stk. coll.)	.....		15	88%	"	Good	Aa.
12. Chic., R. I. & Pcf. Railway first and refunding 4s	A&O	Ap 1931	(see text)	.....	1,432	469	67%	Good	Very high	Baa.
13. Chic. & R. I. Ele. first 5s	A&O	O 1924	(Gtd.)	.....		3	75%	"	Fair	Ba.
14. Cons. Indiana Coal first s.f. 5s	J&D	Je 1935	(coal lands)	.....		16	75%	"	"	Ba.
15. Rock Ild. Ark. & La. first 4½s	M&S	Mr 1931	(1st) 361	35,600		72	75%	"	High	Ba.
16. St. Paul & K. C. Short Line first 4½s	F&A	F 1941	(1st) 183	67,800	963	69	75%	"	"	Ba.
17. Chic., R. I. & Pcf. Railway deben. 5s	J&J 15	Ja 1932	Not mtg.	.....		(Text)	52%	Fair	Fair	text
18. Equipment trusts	Var.	Var.	(see text)	.....		76	75%	Good	"	A.
19. Receivers' Ctfs	"	"	"	(see text)		(Text)	.....	"	.....	Aa.
20. Chic., R. I. Pcf. Ry. 2-yr. notes	F&A16	F 1917	(Coll.)	.....		"	.....	Poor	Poor	text

Note: Average income available is the annual average surplus available for charges (per mile of system), after deducting all operating expenses and taxes. The factor of safety is the proportion of this available income left over after deducting charges. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19-21. For Reference Notes on Bond issues, see next page.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $12,500,000. Dated May 1, 1877; due July 1, 1917. Int. paid at First National Bank, New York. Coupon, $1,000; reg., $5,000. Assumed by present C. R. I. & Pcf. Railway. First lien, 765.39 miles, as follows: Chicago to Council Bluffs, 500.46 miles; Davenport to Knoxville, Ia., 144.12 miles; Wilton to Muscatine, 11.97 miles; Newton to Monroe, 17.02 miles; Atlantic to Audubon, Ia., 25.12 miles; lesser branches, 73.57 miles. Underlie Nos. 2 and 12, which provide for retirement. Legal for Savings Banks in Me., Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth., $100,000,000; outstanding, $61,581,000. No more of these bonds are to be sold, all further issues to be deposited under No. 12. Dated Jan. 1, 1898; due Jan. 1, 1988. Int. paid at First National Bank, New York. Coupon, $1,000; reg., $1,000 and $5,000. First lien on 2,396 miles, as follows: So. Omaha, Neb., to Colorado Springs, 562.63 miles; Washington, Ia., to Terral, Okla., 643.75 miles; Des Moines to Winterset, 42.60 miles; Nelson, Neb., to Fairbury Junc., 51.60 miles; Cameron, Mo., to Leavenworth Bridge, 53.19 miles; Edgerton Junc. to near Atchison, Kans., 29.24 miles; McFarland to Belleville, Kans., 103.19 miles; Herington to Salina, Kans., 49.30 miles; North Enid to Billings, Okla., 26.75 miles; Chickasha to Mangum, Okla., 97.78 miles; Anadarko to Lawton, Okla., 36.45 miles; Herington to Liberal, Kans., 262.67 miles; Bucklin to Dodge City, Kans., 26.57 miles; Altamont to St. Joseph and Elwood to Jansen, Neb., 198.10 miles; Horton to North Topeka, 48.09 miles; Gowrie to Sibley, 109.72 miles; branches, 54.37 miles; also a first collateral lien on 93.09 miles, from near Terral to Fort Worth, Texas; also second lien on 765.39 miles, following No. 1; also first lien on lease of Keokuk & Des Moines Railway, covering 162.31 miles, and on the lease of the Peoria & Bureau Valley R.R., covering 46.99 miles. Underlie No. 12, which provide for refunding, etc. Legal for S. B. in Me., Mo. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

3. Outstanding, $11,000,000; $1,905,000 additional are reserved to retire No. 4, and $6,500,000 are deposited under No. 12. Dated April 1, 1884; due April 1, 1934. Int. paid at First National Bank, New York. Coupon, $1,000; reg., $5,000. Assumed by C. R. I. & Pcf Ry. First lien on 998.44 miles as follows: Rosemont to Inver Grove, Minn., 108.93 miles; Bennett to Davenport, Ia., 29.92 miles; Lake Park, Ia., to Watertown, 164.08 miles; Ellsworth to Sioux Falls, 42.34 miles; Traer to Holland, Ia., 24.16 miles; Worthington to Hardwick, Ia., 34.79 miles; Iowa City to Montezuma and to Clinton, Ia., 149.36 miles; Burlington to Plymouth Junc., Ia., 219.52 miles; Lynn Junc. to Postville, Ia., 94.12 miles, and smaller branches; also second lien on 303.85 miles, following No. 4 and No. 5. Underlie No. 12, which provide for refunding. Legal for S. B. in Me., Mo. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

4. Auth., $4,000,000; outstanding, $1,905,000 (closed). Dated June 23, 1881; due Oct. 1, 1921. Int. paid at First National Bank, New York. Coupon, $1,000. Assumed by C. R. I. & Pcf. Ry. First lien, 291.50 miles, Holland, Ia., *via* Dows to Worthington, Minn., 182.64 miles; Dows to Estherville, 108.87 miles. Underlie No. 3 and to No. 12, which provide for retirement. Legal for S. B. in Me., Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

5. Outstanding, $150,000. Dated Feb. 1, 1877; due June 1, 1927. Int. paid at First National Bank, New York. Coupon, $500 and $1,000. Assumed by C. R. I. & Pcf. Ry. First lien, 12.34 miles, Albert Lea, Minn., to Ia.-Minn. State line. This mileage was leased by the Burlington, Cedar Rapids & Northern Ry. from the Minneapolis & St. Louis Ry. for 999 years, rental being the guaranty of these $150,000 bonds, which are part of a total issue of $1,100,000. The $950,000 bonds not guaranteed, however, are secured on other mileage, and are not an obligation of this company. (See Minneapolis & St. Louis Ry. analysis). Underlie Nos. 3 and 12. Legal for S. B. in Me. and Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

6. Auth., $600,000; outstanding, $450,000 (closed). Dated July 1, 1885; due July 1, 1925. Int. paid at First National Bank, New York. Coupon, $1,000; reg., $5,000. Assumed by C. R. I. & Pcf. Ry. First lien, 112.86 miles, from Rock Island to Peoria, and from Milan to Cable, Ill. Underlie No. 12, which provide for retirement. Legal for S. B. in Me. and Mo. Normal income tax deducted from interest.

7. Auth. and outstanding, $5,500,000. Dated Oct. 3, 1894; due Oct. 1, 1919. Int. paid at First National Bank, New York, and at Girard Trust Co., Phila. Coupon, $1,000. Assumed by C. R. I. & Pcf. Ry. First lien, 350.57 miles, from Elk City, Okla., to Arkansas State line and from Tecumseh to Asher, Okla. Underlie Nos. 10 and 12, latter providing for retirement. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

8. Auth., $3,750,000; outstanding, $3,525,000 (closed). Dated Jan. 2, 1899; due Jan. 1, 1949. Int. paid at First National Bank, New York and at Girard Trust Co., Phila. Coupon, $1,000. Assumed by Choctaw, Oklahoma & Gulf R.R. and guaranteed as to interest by C. R. I. & Pcf. Ry. First lien, 282.32 miles, from near Hopefield, Ark., to Ark.-Okla. State line; also on terminals at Memphis and bridge over Mississippi River. Underlie No. 10, which provide for retirement. Legal for S. B. in Mo. Listed on Phila. Stock Exchange. Interest paid without deduction for normal income tax.

9. Auth., $375,000; outstanding, $95,000 (closed). Dated June 29, 1899; due July 1, 1919. Int. paid at First National Bank, New York. Coupon, $1,000. Sinking fund, $20,000 per annum, to be called at 105 and int. until June 1, 1918. Assumed by Choctaw, Oklahoma & Gulf R.R. and guaranteed as to interest by C. R. I. & Pcf. Ry. First lien on bridge over Arkansas River at Little Rock, Ark. Underlie No. 10. Interest paid without deduction for normal income tax. Market: Mellor & Petry, Philadelphia.

10. Auth., $30,000,000; outstanding, $5,411,000; further amounts can only be issued for refunding purposes, and must be deposited under No. 12 (below). Dated May 1, 1902; due May 1, 1952. Int. paid at First National Bank, New York, or at Girard Trust Co., Phila. Coupon, $1,000. Assumed by C. R. I. & Pcf. Ry. First lien on 335.12 miles, as follows: Elk City, Okla., to Texas State line, line, 40.02 miles; Haileyville Junc. to Ardmore, Okla., 117.65 miles; Geary, Okla., to Anthony, Ks., 121.03 miles; Ingersoll to Alva, Okla., 15.56 miles; Hot Springs to Benton, 34.97 miles; Butterfield to Malvern, 5.27 miles; also second lien on 633.20 miles, following Nos. 7, 8, and 9. Additionally secured on leases of the company, covering 62.67 miles. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

11. Auth., $24,000,000; now outstanding, $2,988,000. Dated May 1, 1902; due $1,494,000 annually on May 1, to May 1, 1918. Int. paid at First National Bank, New York. Coupon, $1,000. Callable at 101½ and int. on any interest date. First collateral lien on entire preferred and common stock of Choctaw, Oklahoma & Gulf R.R. Co. Underlie No. 12, which provides for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

12. Auth., $163,000,000; outstanding, $111,140,000; of which $94,941,000 were held by public June 30, 1916. Dated April 1, 1904; due April 1, 1934. Int. paid at First National Bank, New York. Coupon, $500 and $1,000. First lien on 793.14 miles, as follows: St. Louis via Stradsburg Junc. to Leeds, Mo., 283.90 miles; Liberal, Kan., to Texhoma, Okla., 60.66 miles; Enid to Watonga and Geary to Anadarko, Okla., 105.08 miles; Lawton to Waurika, Okla., 40.52 miles; Guthrie to Chandler, 39.30 miles; Chickasha to Lindsay, 24.77 miles; Lawton to Chattanooga, Okla., 21.02 miles; Searcey to De Valls Bluff, Ark., 37.59 miles; Bravo, Tex., to Santa Rosa, N. M., 111.5 miles; also smaller branches; also on terminal property at St. Paul, Minn. A first collateral lien on 364.70 miles. Also a second lien on 3,505.13 miles, following Nos. 2, 3 and 6; also a collateral second lien on 93.09 miles following No. 2; by third lien on 1,069.24 miles, following Nos. 2, 4 and 5; also a second lien on the lease of the Keokuk & Des Moines Ry. Further secured by a deposit of $10,000,000 of No. 2; $1,369,000 Peoria Ry. Terminal Co. 1st and ref. 4½s and other collateral. The issue provides for refunding of the prior liens. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

13. Auth., $1,000,000; outstanding, $400,000; due $50,000 serially from Oct. 1, 1904, to Oct. 1, 1924. Int. paid at First Trust & Savings Bank, Chicago. Coupon, $1,000. Assumed by C. R. I. & Pcf. Ry. Callable at par. First lien on realty, docks, and grain elevator at Chicago. Normal income tax deducted from interest.

14. Outstanding, $2,500,000. Dated June 1, 1905; due June 1, 1935. Int. paid at Guaranty Trust Co., New York. Sinking fund, 5 cents per ton on all coal mined; bonds drawn at par if not purchasable. Int. is guar. by C. R. I. & Pcf. Ry. on $2,500,000. First lien on 22,000 acres of coal land in Sullivan County, Ind., Franklin County, Ill., and Dallas County, Ia., located on the lines of the Chicago & Eastern Ill. R. R. and the C. R. I. & Pcf. Ry. In above table int. on guaranteed bonds only included. Interest defaulted June 1, 1915. Normal income tax deducted from interest.

15. Auth., $30,000,000; outstanding, $12,965,000. Dated, Mar. 1, 1910; due Mar. 1, 1934. Int. paid at First National Bank, New York. Coupon and reg., $100, $500 and $1,000. Callable at 105 and int. on 60 days' notice. Guar. prin. and int. by C. R. I. & Pcf. Ry. First lien, 363.86 miles, as follows: Haskell, Okla., to Eunice, La., 265.04 miles; Tinsman to Crossett, Ark., 43.27 miles; branches, 55.55 miles. Additional amounts of those unissued may be sold for new construction at $30,000 per mile, and $8,545,000 are reserved for additions and betterments. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

16. Auth., $30,000,000; outstanding, $12,400,790. Dated Feb. 1, 1911; due Feb. 1, 1941. Int. paid at First Nat. Bank, New York, and at Speyer Bros., London. Coupon, $500, $1,000, £100 and £200. Callable at 105 and int. on 60 days' notice. Guar. prin. and int. by C., R. I., & Pcf. Ry. by endorsement. First lien on 183.22 miles, Des Moines to Mason City, Iowa, and Allerton to Carlisle, Iowa. Of unissued amount, $10,000,000 may be sold for further construction at cost, and $7,600,000 are reserved for additions and betterments. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

17. Auth. and outstanding, $20,000,000. Dated Jan. 17, 1912; due Jan. 15, 1932. Int. paid Jan. and July 15, at New York, London, Berlin, Paris and Amsterdam. Callable at 105 on 60 days' notice. Not a mortgage, but any new mortgage created by company on its property, must equally secure these bonds. Listed on New York Stock Exchange. Interest not paid Jan. 15, 1916. Coupon and reg., $1,000.

Note: Under the proposed reorganization plan these debentures are to be exchanged for a like amount of 6% preferred stock with accrued interest paid in cash. Principal was declared due and payable Nov. 30, 1916.

18. Series A, 4½s; dated Feb. 1, 1907; due $25,000 each F. and A. 1, to Feb. 1, 1917; now outstanding, $325,000. Int. paid F. and A. at First National Bank, New York. First lien on equipment costing $7,844,358. Series C, 4½s; dated April 1, 1909; due $265,000 each A. and O. to Oct. 1, 1919. Original issue $5,300,000; now outstanding. $1,590,000. Int. paid A. and O. 1 at First National Bank, New York. First lien on equipment costing $5,994,789. Series D, 4½s dated May 2, 1910; due $225,000 each M. and N. 1 to May 1, 1925. Original issue, $6,750,000; now unmatured, $3,825,000. Int. paid M. and N. 1 at First National Bank, New York. First lien on equipment, costing $7,740,253. Series E, 5s; dated Jan. 1, 1911; due $5,000 each J. and J. 1 to Jan. 1, 1921. Original issue, $100,000; now unredeemed, $40,000;. Secured by lease with U. S. Express Co. on 10 steel express cars. Series F, 4½s; dated Aug. 1, 1911; due $12,000 each F. and A. 1 to Aug. 1, 1926. Original issue, $360,000; now unmatured, $240,000. Int. paid F. and A. 1 at First National Bank, New York. First lien on equipment costing $400,252. Series G, 4½s; dated July 1, 1912; due $170,000 each J. and J. 1 to July 1, 1927. Original issue, $5,100,000; now unmatured, $3,570,000. Int. paid J. and J. 1, at First National Bank, New York. First lien on equipment costing $5,557,788. Series H, 5s, dated July 1, 1913; due $441,000 each July 1, to July 1, 1923. Original issue, $4,410,000; now unmatured, $3,087,000. Int. paid J. and J. 1 at First National Bank, New York. First lien on equipment costing $5,521,348. Equipment 5s; dated Sept. 1, 1915; due, $36,000 each M. and S. to Mar. 1, 1925, and $34,641 Sept. 1, 1925. Int. paid M. and S. 1, at First National Bank, Chicago. Original issue, $718,641; now outstanding, $646,641. First lien on equipment costing $845,460. Interest paid without deduction for normal income tax on all issues. All coupons, $1,000. In all cases amounts outstanding are those of Jan. 30, 1916.

19. Receivers' Certificates: In several series as follows: $1,494,000 5s; dated Apr. 30, 1916; due Apr. 30, 1917; $1,494,000 5s; dated Apr. 29, 1916; due Apr. 29, 1917; $2,500,000 5s; dated Jan. 3, 1916; due Jan. 3, 1917; $500,000 6s; dated Sept. 16, 1915; due Mar. 16, 1917; $600,000 6s; dated Apr. 1, 1916; due Apr. 1, 1917; total all issues, $6,588,000. Int. paid at 14 Wall Street, New York. Coupon, $1,000, and multiples. Secured prior to the lien of the refunding 4s of 1934 (No. 12). Normal income tax deducted from interest.

Note: Under the proposed reorganization plan, these receiver's certificates are to be paid off in cash.

20. Auth. and issued, $7,500,000. Dated Feb. 16, 1914; due Feb. 16 1,917. Int. paid F. and A. 16 at First Nat'l Bank, New York. Coupon, $1,000. Callable at 102 and interest on 60 days' notice. Secured by deposit of $9,989,000 refunding 4s (No. 12), $1,780,000 St. Paul & K. C. Short Line 4½s (No. 16), and $1,965,000 Rock Island, Ark. & La, 4½s (No. 15). Normal income tax deducted from interest.

Note: Under the proposed reorganization plan these notes are to be paid off in cash.

Joint Guarantees: The C., R. I. & Pcf. Ry. jointly guarantees with the St. Louis & San Francisco Railroad $3,390,000 5% bonds of the Rock Island-Frisco Terminal Ry., and jointly with the Colorado & Southern guarantees the equipment notes of the Trinity & Brazos Valley Ry., and is pledged to pay one-half the principal of $8,760,000 first mortgage 4s of the latter company, these bonds being all deposited under the Colorado & Southern refunding mortgage. The Rock Island portion of interest and principal on Trinity & Brazos equipment trusts is not being paid by receiver who has also disavowed an agreement with the Colorado & Southern under which the Rock Island was to pay one-half the cost of constructing the Brazos line or $5,517,301. The Rock Island with other companies also jointly guarantees the bonds of various terminal properties whose facilities it uses. Guarantees interest on $600,000 first 5s of the White & Black River Valley Ry. and prin. and int. of $453,600 Rock Island, Arkansas & Louisiana R.R. 4% notes due 1939.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Chicago, Rock Island & Pacific Railway stock..	See text	$9,262	$506	None	.....	Mod.	Good	Note

Note: Under the proposed plan, this stock will be exchanged for a like amount of new common stock, but holders must first pay the assessment of $40 per share, for which they will receive 7% preferred stock. The latter issue will be entitled to a fair rating, but the rating on the new common stock will remain speculative for some time to come.

REFERENCE NOTE ON STOCK ISSUE

Auth., $75,000,000; outstanding, $74,877,200, of which $517,478 is in treasury. Of the issued stock $71,353,500 was formerly deposited under the collateral 4% bonds, due 2002, of the Chicago, Rock Island & Pacific RR. (which, however, is now released), par $100. The unissued balance of $122,800 is held by the company against $114,100 stock of Burlington, Cedar Rapids Ry. still outstanding, and $8,700 of the stock of the Rock Island & Peoria Ry. still outstanding. Under the terms of the merger of these latter properties, the Chicago, Rock Island & Pacific Railway guarantees dividends at 6% per annum on these outstanding shares. Par, $100. Dividends have been paid in recent years, as follows on the Railway stock: 1891, 3%; 1892 to 1894, 3½%; 1895 and 1896, 2% each; 1897, 2½%; 1898, 4%; 1899 to 1901, 5½% each; 1902, 5%; 1903, 6¼%; 1904, 8%; 1905 and 1906, 6¼% each; 1907, 5½%; 1908, 1909 and 1910, 5%; 1911 and 1912, 5¼% each; 1913, 2½%; 1914, 2½%, latter paid from surplus; none since. Listed on New York Stock Exchange.

Proposed Recapitalization: Under the proposed reorganization plan, submitted to security holders in November, 1916, reorganized company will have: (1) An authorized issue of $30,000,000 7% preferred stock, of which $29,743,889 will be issued to present common stockholders on payment of an assessment of $40 per share. Callable at 105. Dividends on this issue are cumulative up to 5% with preference over the 6% preferred stock (described below) as to dividends to the extent of 1% in any fiscal year, but after setting aside such 1% in any fiscal year both classes of preferred shall share equally in any further dividends paid thereon. (2) An issue of $20,000,000 6% preferred stock, cumulative up to 5% is authorized to be issued in exchange for a like amount of debenture 5s. Callable at 102. (3) New common stock to the amount of $74,359,723 of an authorized issue of $75,000,000 is to be issued in exchange for a like amount of old common.

COMPANIES CONTROLLED BY CHICAGO, ROCK ISLAND AND PACIFIC RAILWAY.

KEOKUK & DES MOINES RAILWAY

Origin: Incorporated under laws of Iowa, December 19, 1873. The company was leased to the Chicago, Rock Island & Pacific Railway Co., from Oct. 1, 1878, to the expiration of its charter, the rental being 25% of gross earnings with a minimum guaranty equal to the interest on the outstanding bonds. On July 1, 1915, the receiver of the lessee company, on authority from the court, renounced the lease and payments thereunder. The road is now separately operated by the receiver.

Location: Line of road, Keokuk to Des Moines, 162.31 miles. Leased, 1.81 miles. Trackage, 5.06 miles. Sidings, 22.57 miles.

Management: Officers: G. E. Gorman, Pres., Chicago, Ill.; Geo. H. Crosby, Vice-Pres., Treas. and Asst. Sec., Chicago, Ill.; F. W. Sargent, Sec., Des Moines, Iowa; Carl Nyquist, Asst. Sec. and Asst. Treas., Chicago. Annual meeting, first Thursday in October. Offices, 14 Wall Street, New York; Chicago, Ill., and Des Moines, Iowa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$661,920	$177,296	$186,487	$187,712	$177,307	$179,608
Operating expenses	429,100	.....	.....	.....	.....	.....
Taxes	59,662	396	147	.....	345	269
Fixed charges	250,818	137,950	137,500	137,500	137,500	137,500
Surplus	(def.) $77,660	$38,950	$48,840	$50,212	$39,462	$41,839
Dividends paid	.....	38,110	49,543	53,354	38,110	38,110
Balance	(def.) $77,660	$840	(def.) $703	(def). $3,142	$1,352	$3,729

Note: Figures prior to 1916 show income derived from lease of property. The lease has been abrogated and the road is now separately operated by receiver of C. R. I. & P Ry. Figures for 1916 are operating returns.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $28,072; debit balance carried to balance sheet, $199,472; total, $227,544. Contra: Debit balance at beginning of year, $149,884; debit balance transfered from income, $77,660; total, $227,544.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$6,721,290	$6,720,253	$6,720,253	$6,720,253	$6,720,253	$6,720,253
Working assets	166,567	39,383	6,928	7,863	13,456	16,601
Accrued income not due.	10,269	.....	34,375	34,375	34,375	34,375
Profit and loss deficit...	199,472	149,884	150,724	150,020	146,878	148,230
Total	$7,097,598	$6,909,520	$6,912,280	$6,912,511	$6,914,962	$6,919,459
LIABILITIES:						
Capital stock	$4,125,000	$4,125,000	$4,125,000	$4,125,000	$4,125,000	$4,125,000
Funded debt	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000
Working liabilities	108,632	142	2,905	3,136	5,587	9,815
Accrued liabilities	91,387	34,375	34,375	34,375	34,375	34,644
Deferred credit items..	23,579	3	.....	.....	.....	.....
Total	$7,097,598	$6,909,520	$6,912,280	$6,912,511	$6,914,962	$6,919,459

Bonded Debt: $2,750,000 Keokuk & Des Moines Ry. first mtge. 45-year gold 5s, due Oct. 1, 1923; interest April 1 and Oct. 1, at First National Bank, New York, N. Y. Coupon bonds, $100, $500 and $1,000, registerable as to principal. Interest was formerly guaranteed by Chicago, Rock Island & Pacific Railway, but on July 1, 1915 the Receiver renounced the lease. Trustee, Farmers' Loan & Trust Co., New York. Secured on entire line of the company, consisting of 162.31 miles, Keokuk to Des Moines, Iowa. Listed on New York Stock Exchange. Normal income tax deducted from interest. Rating, Caa.

Capital Stock: Auth. and outstanding, $2,600,400 common and $1,524,600 preferred. Par, $100. Chicago, Rock Island & Pacific Ry. Co. owns 14,879 shares of common stock and 5,751 of preferred stock. Preferred stock is entitled to dividends up to 8¼% per annum if earned, after payment of interest on the bonds, and is entitled to share pro rata with the other stock of the company "in any excess of net earnings or income over 8% per annum." Dividends on preferred stock 1¼% Aug. 1, 1908; 1% May 1, 1909; 2½% April 1, 1910; 2½% each in 1911 and 1912; 3½ in 1913; 3¼% in 1914, and 2½% in 1915; none in 1916. TRANSFER AGENT, F. A. Smith, 14 Wall Street, New York, N. Y. Both classes of stock listed on New York Stock Exchange.

PEORIA & BUREAU VALLEY RAILROAD

Origin: Incorporated under laws of Illinois, Feb. 12, 1853. Company is leased in perpetuity to the Chicago, Rock Island & Pacific Co., at an annual rental of $125,000.

Location: Line of road, Peoria to Bureau Junction, Ill. 46.99 miles; 26.44 miles of sidings. Road is directly operated by lessee.

Management: OFFICERS: G. E. Gorman, Pres., Geo. H. Crosby, Vice-Pres., Sec. and Treas., New York, N. Y. Annual meeting, first Thursday in October. OFFICE, 14 Wall Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$125,103	$123,049	$123,011	$122,916	$125,277	$125,310
Taxes	1,217	1,212	.....	.....	3,564	4,956
Surplus	$123,886	$121,837	$123,011	$122,916	$121,713	$120,354
Dividends paid	135,000	120,000	120,000	120,000	120,000	120,000
Other deductions	2,636	.....	2,484	.....	.....	.....
Balance	(def.)$13,750	$1,837	$527	$2,916	$1,713	354

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $133,625; miscellaneous credits, $119; total, $133,744. Contra: Debit balance transferred from income, $13,750; credit balance carried to balance sheet, $119,994; total, $133,744.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$1,566,600	$1,566,600	$1,566,600	$1,566,600	$1,566,600	$1,566,600
Working assets	1,434	15,266	13,372	12,801	9,865	9,486
Accrued income not due.	52,083	52,083	52,083	52,083	52,083	52,083
Total	$1,620,117	$1,633,949	$1,632,055	$1,631,484	$1,628,548	$1,628,169
LIABILITIES:						
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Working liabilities	123	324	267	224	214	372
Accrued liabil. not due..	.....	.....	.....	.....	.....	1,166
Profit and loss surplus.	119,994	133,625	131,788	131,260	128,344	126,631
Total	$1,620,117	$1,633,949	$1,632,055	$1,631,484	$1,628,548	$1,628,169

Capital Stock: Authorized and outstanding, $1,500,000. Par, $100. Dividends, Feb. 10 and Aug. 10, at First National Bank, New York; books close in advance. Dividends paid in 1908, 9%; 1909 to 1915, inclusive, 8% per annum, 9% in 1916. TRANSFER AGENTS, F. A. Smith, New York; Geo. H. Crosby, Chicago, Ill.

WHITE & BLACK RIVER VALLEY RAILWAY

Operates 62.26 miles, Brinkley to Jacksonport, Ark., and branches. Leased to Choctaw, Oklahoma & Gulf R.R. until 1980, at rental equaling interest on bonds. Lease assumed by C. R. I. & Pcf. Ry., which operates the property.

Management: OFFICERS: E. G. Thompson, Pres. and Treas.; C. C. Rose, Vice-Pres.; S. W. Reyburn, Sec. Annual meeting, second Tuesday in March. OFFICE, Little Rock, Ark.

Bonded Debt: Auth., $800,000; outstanding, $600,000. Dated June 30, 1900; due July 1, 1980. Int. paid J. and J. at First National Bank, New York. Int. guar. by Choctaw, Okla. & Gulf R.R., and guarantee assumed by Chic. R. I. & Pacific Ry. First lien, 62.26 miles, Brinkley to Jacksonport, and Wiville to Gregory, Ark. Coupon, $1,000. Interest paid without deduction for normal income tax. Net Rating, Ba.

Capital Stock: $400,000; par $100. No dividends. Of the outstanding stock, $399,100 is deposited with the Union Trust Co. of Little Rock, Ark., as trustee under the terms of the lease.

ROCK ISLAND, STUTTGART & SOUTHERN RAILWAY

Incorporated under laws of Arkansas, Jan. 20, 1913, succeeding the Stuttgart & Rice Belt R.R. Line of road, Mesa to Stuttgart, Ark. Miles of road, 21.22. Leased for 999 years from Feb. 1, 1914, to Chicago, Rock Island & Pacific Railway, which operates the property and owns the stock. Rental covers guaranty of bond interest.

Management: OFFICERS: Thos. S. Buzbee, Pres ; A. C. Ridgway, Vice-Pres.; A. E. Walker, Vice-Pres.; Geo. B. Pugh, Sec. and Treas.; Geo. H. Crosby, Asst. Sec. and Asst. Treas. OFFICES, Stuttgart, Ark., and Chicago.

Bonded Debt: $180,000 first 5s; dated Dec. 1, 1913; due Dec. 1, 1934. Int. paid J. and D. 1 at Chicago. Auth., $1,000,000. First lien on entire property. Interest guaranteed under lease. Rating B.

Capital Stock: Auth. and issued, $300,000; par $100. All owned by Chicago, Rock Island & Pacific Ry. Co.

CHICAGO, TERRE HAUTE & SOUTHEASTERN RAILWAY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years.

For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Indiana laws in November, 1910, as successor, through reorganization, of the Southern Indiana Railway and the Chicago Southern Railway. These properties were first acquired by the Chicago, Terre Haute & Southeastern Ry Co. of Illinois, and were then transferred to the present company. The new company also took title to the Bedford Belt Railway, which had formerly been leased to the Southern Indiana Ry.

Location: The operated lines of the company consist of 372.85 miles, as follows: Main lines, from Chicago Heights, Ill., to Westport, Ind., 298.02 miles; from Blackhawk to Sullivan, Ind., 18.52 miles; from Bedford to Oolitic, Ind., 4.19 miles. Branches, 39.35 miles; trackage rights, 12.77 miles. At Chicago Heights the line forms a connection with the Baltimore & Ohio Chicago Terminal Co. and extends southwardly to a point on the Illinois-Indiana State line; thence it extends southeasterly through coal territory in Vermillion and Vigo counties, Ind., to the City of Terre Haute. Southeast of Terre Haute it passes through the Linton and Clinton coal fields to Bedford, Ind. An easterly extension to Westport, Ind., gives connection with the Michigan division of the C. C. C. & St. Louis.

Management: OFFICERS: M. J. Carpenter, Pres.; E. K. Boisot, Vice-Pres.; W. F. Peter, Sec.; F. J. Lawlor, Treas.; W. N. Rockwell, Compt. DIRECTORS: M. J. Carpenter, E. K. Boisot, J. S. Field, A. W. Howard, F. O. Wetmore, Chas. Porter, J. T. Beasley. Annual meeting, first Thursday in October, in Chicago, Ill. MAIN OFFICE, Grand Central Station, Chicago, Ill.

Classification of Freight Tonnage (Years Ending June 30)

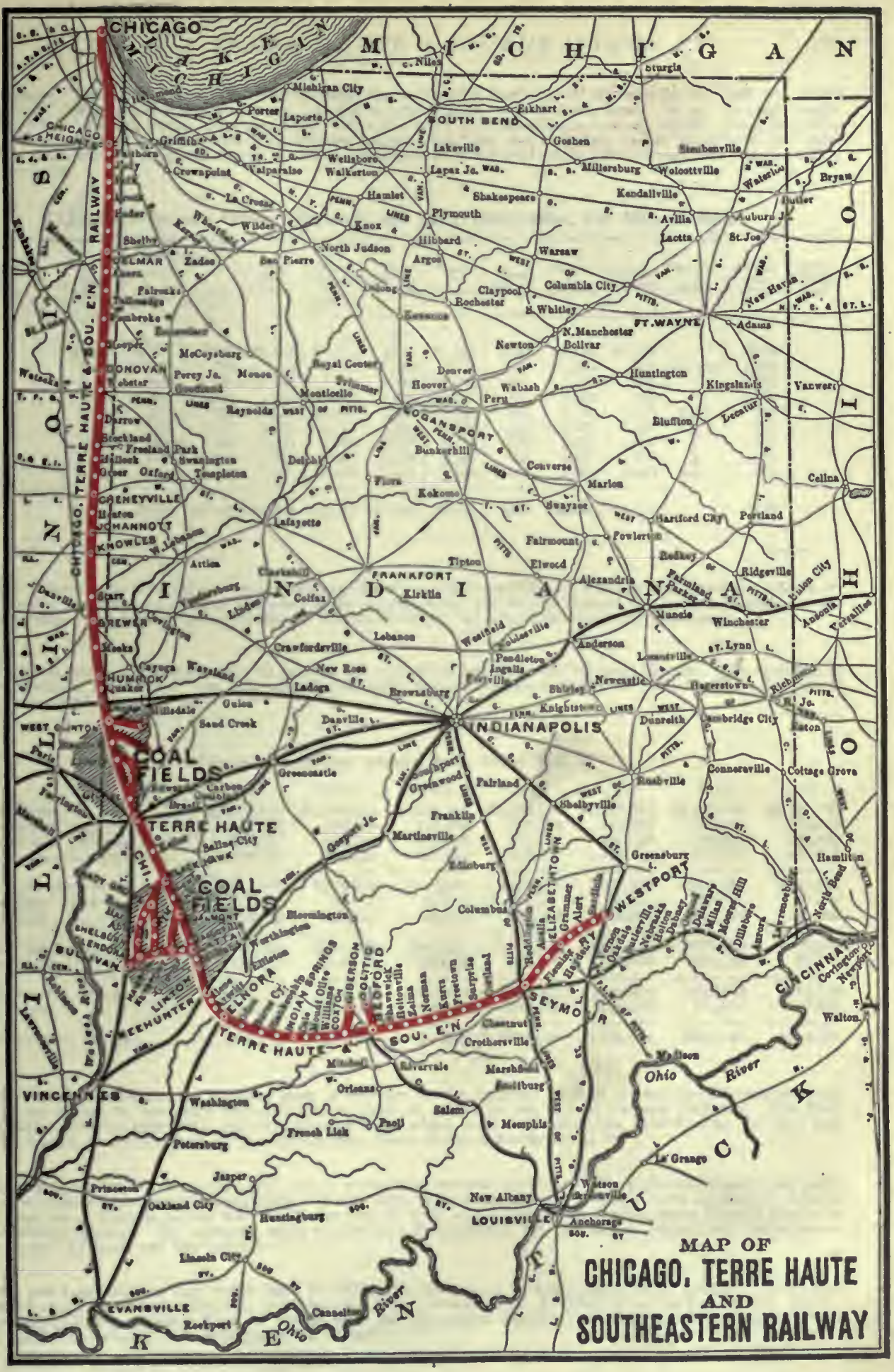
	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	.....	4.40%	3.77%	3.67%	2.59%	2.7%	2.78%
Products of Animals.....	.....	.....	.....	.....	.41	.45	.43	.39	.4	.33
Products of Mines.....	.....	.....	.....	.....	84.69	87.29	86.50	88.66	90.2	90.41
Products of Forests.....	.....	.....	.....	.....	2.02	1.66	2.00	2.12	1.3	1.33
Manufactures.....	.....	.....	.....	.....	5.85	4.22	4.25	3.21	2.6	2.58
Miscellaneous.....	.....	.....	.....	.....	2.63	2.61	3.15	3.03	2.8	2.57

Total revenue tonnage, in 1910, 4,591,477 tons; in 1911, 4,174,040 tons; in 1912, 3,151,339 tons; 3,245,563 tons in 1913; 3,776,839 tons in 1914; 3,758,846 tons in 1915; 4,395,208 tons in 1916. Of the total tonnage, in 1913, bituminous coal amounted to 2,470,541 tons; 3,057,539 tons in 1914; 3,100,701 tons in 1915; 3,669,065 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	...	..	..	..	....	...	.....	.....	...	.....	.....	....
1908.....	347	..	51	31	5,897	82%	27,063	380,479	323	$1.72	1.96c	.75c.
1909.....	233	10	46	28	5,599	84	36,154	540,476	300	2.08	1.90	.81
1910.....	233	10	65	31	6,500	86	38,675	705,084	...	....	1.93	.57
1911.....	351	16	66	29	6,517	88	30,471	856,540	500	2.20	1.92	.59
1912.....	351	16	63	29	7,512	86	29,415	712,587	500	2.22	1.98	.63
1913.....	362	16	66	37	9,297	87	30,124	764,705	620	2.65	1.93	.61
1914.....	373	17	73	44	9,386	88	34,644	887,354	669	2.71	1.57	.58
1915.....	373	17	73	51	9,359	89	37,377	910,965	740	2.81	1.36	.57
1916.....	373	17	73	59	9,137	90	45,753	1,096,114	795	3.09	1.14	.56
9-Year Average	333	15*	64	38	7,689	87%	34,408	761,589	556*	$2.44*	1.74c.	.63c.

* Average of 8 years.


CHICAGO
MICHIGAN
INDIANA
ILLINOIS
OHIO
KENTUCKY
CHICAGO, TERRE HAUTE & SOU. E'N RAILWAY
SOUTH BEND
INDIANAPOLIS
FT. WAYNE
LOGANSPORT
FRANKFORT
TERRE HAUTE
COAL FIELDS
COAL FIELDS
WESTPORT
TERRE HAUTE & SOU. E'N
LOUISVILLE
EVANSVILLE
VINCENNES
Ohio River
MAP OF
CHICAGO, TERRE HAUTE
AND
SOUTHEASTERN RAILWAY

Comment: The operating results of the Chicago, Terre Haute & Southeastern Railway for the fiscal year ended June 30, 1916, underwent sharp improvement, and the freight density reached a very heavy figure. Average freight train load was also much higher than previously, while the train mile earnings increased heavily notwithstanding the fact that there was no improvement in average freight rates, and was a distinct decline in average passenger rates. As usual the company did mainly a soft-coal business and over 90% of its total tonnage was represented by mining products.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$3,714	$731	$700	$1,431	$1,572	$711	$1,650	$240	$1,410	$1,529	.....	$119*	.....
1909	5,105	677	779	1,456	1,840	1,809	2,351	357	1,994	561	See note	1,433	.....
1910	6,170	896	1,062	1,958	2,071	2,141	3,101	357	2,744	356	"	2,388	.....
1911	5,681	596	1,254	1,850	2,142	1,689	2,351	302	2,049	493	"	1,556	.....
1912	5,206	769	881	1,650	2,039	1,517	2,465	297	2,168	1,825	26%	343	.....
1913	5,330	918	1,112	2,030	2,118	1,182	2,537	331	2,206	1,921	13	285	.....
1914	5,796	847	1,644	2,491	2,270	1,035	2,315	370	1,945	1,807	7	138	.....
1915	5,861	768	1,305	2,073	2,250	1,538	2,250	361	1,889	1,835	3	54	.....
1916	6,777	959	1,462	2,421	2,439	1,917	2,769	360	2,409	1,835	24	574	.....
9-Year Average	$5,515	$796	$1,133	$1,929	$2,082	$1,504	$2,421	$331	$2,090	$1,351	.....	$739	.....

*Deficit

Note: Above table is based on average mileage directly operated each year. Prior to 1912 company was in receivers' hands, and the fixed charges as shown in the column above are simply those of the Indiana Southern under the receivership. The income figures of the old Chicago Southern Ry. are not available for those years.

Margin of safety is the proportion of surplus left over after providing for all fixed charges. For example, in 1916 the "balance for charges" per mile was $2,409; fixed charges consumed $1,835, or 76%, leaving a balance of $754, a "margin of safety" of 24%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$2,527,760	$2,186,018	$2,158,911	$1,929,551	$1,827,361	$1,993,989	$1,436,733
Maintenance of way	357,695	286,609	315,929	332,289	269,944	209,115	199,253
Maintenance of equipment	545,327	486,720	613,308	402,569	309,255	430,098	247,433
All other operating expenses	909,764	839,103	846,691	766,772	715,851	731,363	495,016
Net operating revenues	$714,974	$573,586	$382,983	$427,921	$532,285	$602,804	$495,031
Operating ratio	71.70%	73.8%	82.3%	77.9%	70.9%	69.8%	65.5%
Other Income	318,039	265,593	480,351	490,352	332,964	222,205	227,869
Total net income	$1,033,013	$839,179	$863,334	$918,273	$865,249	$825,009	$722,900
Taxes accrued	134,296	134,641	138,000	120,000	104,400	106,146	83,142
Balance for charges	$898,717	$704,538	$725,334	$798,273	$760,849	$718,863	$639,758
Fixed charges	684,386	684,385	674,048	695,145	640,448	172,716	82,897
Surplus over charges	$214,331	$20,153	$51,246	$103,128	$120,401	$546,147	$556,861

Note: In above exhibits, the earnings prior to 1912 are for the Southern Indiana Ry. and the Chicago Southern Ry. combined, except for the years 1909 and 1910 in Table B, which do not include Chicago Southern. The fixed charges shown above in 1909, 1910, and 1911 are only those which were paid under the receivership. In 1912 and since, the charges shown are those of the new Chicago, Terre Haute & Southeastern Ry.

Comment: During the fiscal year 1916, a very substantial increase occurred in the gross revenues of the property, and as maintenance and operating costs advanced only moderately, the net revenues were far higher than in the previous year. Outside income was also better than in 1915, and therefore the surplus above charges equaled a very substantial amount. The company made no dividend disbursement, but the liberal surplus reported substantially increased its profit and loss account.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $239,250; credit balance transferred from Income, $214,331; profit on road and equipment sold, $18,050; miscellaneous credits, $6,931; total credits, $478,562. Contra: Loss on retired road and equipment, $36,225; miscellaneous debits, $595; credit balance carried to balance sheet, $441,742; total, $478,562.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1911	$12,250	19%	$50,532	81%	$1,800	$64,582	$19	$64,563	3.6%	.....	.....	.....	.....	.....	.....
1912	12,250	19	52,297	81	320	64,867	1,073	63,794	3.8	.....	.....	.....	.....	.....	.....
1913	11,878	18	55,931	82	420	68,229	812	67,417	3.8	.....	.....	.....	.....	.....	.....
1914	11,528	17	57,391	83	1,338	70,257	1,353	68,904	3.4	.....	.....	.....	.....	.....	.....
1915	11,528	17	57,509	83	1,446	70,483	1,381	69,102	3.3	.....	.....	.....	.....	.....	.....
1916	11,528	17	57,268	83	1,389	70,185	1,381	68,804	4.3	.....	.....	.....	.....	.....	.....
6-Year Average	$11,827	18%	$55,154	82%	$1,119	$68,100	$1,003	$67,097	3.6%	.....	.....	.....	.....	.....	.....

Note: Above table is based on the average mileage directly operated each year. "Net income on net capital" is the percentage of total net income per mile before deducting taxes or other charges.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912
Property investment	$26,869,973	$26,908,785	$26,628,759	$24,331,561	$14,447,531
Working assets	1,111,892	885,857	1,054,469	770,062	895,773
Deferred debit items	1,229,308	965,246	621,220	457,360	65,960
Total	$29,211,173	$28,759,888	$28,304,448	$25,558,983	$15,409,264
Liabilities:					
Capital stock	$4,300,000	$4,300,000	$4,300,000	$4,300,000	$4,300,000
Funded debt	21,361,000	21,451,000	21,407,000	20,247,000	10,469,375
Working liabilities	1,781,648	1,769,715	1,650,031	411,088	270,330
Accrued liabilities not due	263,157	258,592	289,737	337,322	96,822
Deferred credit items	1,063,626	741,331	425,577	94,841	.....
Surplus	441,742	239,250	232,103	168,732	272,737
Total	$29,211,173	$28,759,888	$28,304,448	$25,558,983	$15,409,264

Note: The balance sheet for 1912 did not include the bonds of the old company, amounting in all to $7,887,000, which have now been assumed. The increase in debt in 1914 was due to the creation of time loans, secured by treasury bonds. "Working assets" in 1916 included $359,342 in cash.

Comment: There were practically no changes of importance in the financial statement of this property during the fiscal year 1916. As measured on a mileage basis, the net capitalization appears high, but in recent years the company has been carrying this capitalization successfully, and at present is reporting a larger percentage earned on it than ever before. The company is also slowly increasing its profit and loss surplus.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Bedford Belt first 5s	J&J	Jl 1938	(1st) term.	.....	$2,090	$34	60%	High	Good	A.
2. Southern Indiana first 4s	F&A	F 1951	(1st) 243	$30,500		808	60%	Good	Fair	Ba.
3. Chic., Terre Haute & Southeastern first ref. 5s	J&D	D 1960	(1st) 114 (2d) 243	11,750	1,248	570	54%	Fair	"	B.
4. Equipment trust 5s	A&O	(see text)	Equip.	.....	678	80	88%	Good	"	Baa.
5. Chic., Terre Haute & Southeastern inc. 4-5s	M&S	D 1960	(2d) 114 (3d) 243	.....	598	.....	.....	Small	.....	C.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes, for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $350,000; outstanding, $250,000. Dated June 30, 1898; due July 1, 1938. Int. paid at First Nat. Bank, Chicago. Coupon, $1,000. Assumed. First lien on 4.19 miles from Bedford to Oolitic, Ind., and on terminals at Bedford, Ind. Provided for by No. 3. Normal income tax deducted from interest.

2. Auth., $7,537,000; outstanding, $7,534,000 (closed). Dated Feb. 1, 1901; due Feb. 1, 1951. Int. paid at New York, Phila., and Boston. Coupon, $1,000. Assumed. First lien on 242.81 miles, as follows: Terre Haute to Seymour, Ind., 121.42 miles; Chicago Junc., Ill., to Indiana-Illinois State line, 28.46 miles; Seymour to Westport, Ind., 26.45 miles; McKeen to Chicago Junc., Ill., 7.45 miles; Blackhawk to Sullivan, Ind., 18.52 miles; and various branches aggregating 40.51 miles; second collateral lien on 4.19 miles, following No. 1. Underlie Nos. 3 and 5, with provision by former for retirement. Normal income tax deducted from interest.

3. Auth., $20,000,000; outstanding, $4,244,000; also, $1,979,000 held by company and pledged. Dated Dec. 1, 1910; due Dec. 1, 1960. Int. paid at Bankers' Trust Co., New York. Coupon and reg., $1,000. Callable as a whole at 107½ and int. on any int. date, on 60 days' notice. First lien on 114.24 miles of road between Chicago Heights, Ill., and the Indiana-Illinois State line; also a first lien on 671 50-ton coal cars and 19 locomotives, there being a prior lien of $100,000 against five of the latter; second mortgage on 242.81 miles, following No. 2; third lien on 4.19 miles, following No. 2; also secured on various equipment. Underlies No. 5. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. In two series: Issue of April 1, 1913: Original amount, $810,000; now outstanding, $530,000; due $40,000 each April and Oct. to April 1, 1922, inc.; $45,000 Oct. 1, 1922, and April 1, 1923. Coupon, $1,000. First lien on 900 steel hopper cars and 13 caboose cars. Int., A. and O. 1. Issue of July 1, 1913: Original amount, $100,000; now outstanding, $60,000; due $10,000 annually to July 1, 1923. Int. Jan. and July. Coupon, $1,000. First lien on 7 locomotives. Interest paid without deduction for normal income tax on both series.

5. Auth., $6,500,000; outstanding, $6,336,055. Dated Dec. 1, 1910; due Dec. 1, 1960. Int. paid at New York and Chicago. Callable as whole at par and int. on 60 days' notice. Voting power: one vote for each $100 par value. Lien by direct mortgage on entire property, stocks, bonds, and rights of the company, including 361.24 miles of road, described in No. 3 and subject thereto. Interest rate 4% non-cumulative until Dec. 1, 1912; 5% cumulative thereafter. 2% paid in 1912 and 1913; 1¼% in 1914; none since. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and issued, $4,300,000; par $100. Entire issue held in voting trust until Dec. 24, 1920. trustees being Roy C. Osgood, Frank F. Taylor, and Geo. A. Jackson.

THE CINCINNATI, NEW ORLEANS & TEXAS PACIFIC RAILWAY CO.

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Ohio laws, Sept. 8, 1881. The company leased the Cincinnati Southern Railway for 25 years from Oct. 12, 1881, at an annual rental of $800,000 for the first five years; $900,000 for the second five years; $1,000,000 for the third five years; $1,090,000 for the fourth five years, and $1,250,000 for the last five years ending Oct. 12, 1906. In 1901, however, the lease was modified and extended for fifty years from Oct. 12, 1906, the rental being changed from July 12, 1902, to Oct. 12, 1906, to $1,050,000 per annum, the excess of $200,000 per annum to be deferred as it accrued and to be paid quarterly at the rate of $40,000 per year with interest on deferred payments at 3%. The rental rate under the renewal (beginning Oct. 12, 1906) is $1,050,000 yearly for the first 20 years, $1,100,000 annually for the second 20 years, and $1,200,000 for the last 20 years.

Location: Lines operated consist of 335.46 miles, extending from Cincinnati to Chattanooga, and 1.81 miles of trackage rights; total operated, 337.27. The Cincinnati Southern Railway was built by the city of Cincinnati, the cost of construction being provided by the city through the issue of municipal bonds. It was completed in February, 1880. Lines are in Kentucky and Tennessee. Population of these States in 1890, 3,623,153; in 1900, 4,167,790; in 1910, 4,474,694.

In addition to this directly operated property, the Cincinnati, New Orleans & Texas Pacific controls, through stock ownership, the Cincinnati, Burnside & Cumberland River Ry., and the Harriman & Northeastern R.R. See on following pages.

Control: The Cincinnati, New Orleans & Texas Pacific Railway is controlled by stock ownership by the Southwestern Construction Company, which is itself controlled jointly by the Southern Railway and the Cincinnati, Hamilton & Dayton Railway. It forms part of the "Queen & Crescent Route" between Cincinnati and New Orleans.

Management: OFFICERS: Fairfax Harrison, Pres.; T. C. Powell, Vice-Pres.; Charles Patton, Treas.; F. S. Wynn, Sec. DIRECTORS: Fairfax Harrison, Oscar G. Murray, W. C. Procter, M. R. Waite, Daniel Willard, John M. Davis, Thos. Carr Powell, Clifford B. Wright. Annual meeting, third Tuesday in November. MAIN OFFICE, Cincinnati, Ohio. NEW YORK OFFICE, 120 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	11.46%	12.37%	12.26%	11.05%	12.70%	14.10%	13.0%	10.44%
Products of Animals	.....	.....	2.23	1.87	1.90	2.09	2.08	2.15	2.2	2.34
Products of Mines	.....	.....	24.93	22.60	24.32	26.52	27.04	22.33	23.2	23.50
Products of Forests	.....	.....	26.62	28.01	27.35	25.75	25.68	29.09	27.2	27.57
Manufactures and Miscel.	.....	.....	34.76	35.15	34.17	34.59	32.50	32.33	34.4	36.15

Total revenue tonnage, 1910, 5,062,538 tons; 1911, 4,906,920 tons; 1912, 5,241,311 tons; 1913, 5,631,134 tons; 5,373,066 tons in 1914; 4,742,748 tons in 1915; 5,615,138 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	336	41	174	86	10,266	77%	209,956	2,550,365	396	$2.47	2.25c.	.75c.
1908	336	67	211	84	10,019	76	199,108	2,307,329	341	2.20	2.32	.76
1909	336	67	210	85	10,936	77	195,887	2,326,771	378	2.42	2.15	.77
1910	336	69	204	85	10,731	79	219,611	2,878,015	439	2.62	2.09	.73
1911	335	71	211	85	10,561	77	237,290	2,781,109	422	2.43	2.10	.76
1912	335	75	231	111	10,514	77	247,118	2,975,840	420	2.41	2.11	.75
1913	335	91	240	110	10,293	77	258,626	3,200,102	437	2.49	2.13	.75
1914	337	119	241	108	10,347	76	287,264	3,286,598	411	2.44	2.11	.75
1915	337	125	243	110	10,060	76	245,923	2,921,473	418	2.28	2.04	.73
1916	337	128	225	108	9,305	78	257,632	3,495,353	478	2.63	2.05	.73
10-Year Average	336	85	219	97	10,303	77%	235,842	2,872,295	414	$2.44	2.13c.	.75c.

Yard tracks and sidings, June 30, 1916, 255 miles. Of the total mileage operated, as shown above, practically all is leased from the Cincinnati Southern Railway, which is owned by the city of Cincinnati.

Comment: The operating exhibit of this property during the fiscal year 1916 was of a very gratifying nature. It will be noted that the freight density rose to far higher figures than ever before, while there was also a substantial increase in the volume of passenger business. The freight train load reached a new high figure and train mile earnings were the best reported since 1910. As usual freight tonnage of the property was well diversified and the proportion of manufactures and miscellaneous articles repesented more than a third of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividenda Paid.
		Way.	Equipment.										
1907	$25,005	$3,934	$5,288	$9,222	$10,370	$5,413	$6,222	$641	$5,581	$4,243	24%	$1,338	$744
1908	23,455	1,953	5,909	7,862	10,079	5,514	6,822	656	6,166	4,358	29	1,808	744
1909	23,258	2,374	4,466	6,840	8,248	8,170	8,600	706	7,894	4,338	45	3,556	800
1910	27,103	2,948	4,752	7,700	8,810	10,593	11,465	741	10,724	4,164	61	6,560	811
1911	27,479	3,004	5,721	8,725	9,582	9,172	10,485	755	9,730	3,775	61	5,955	808
1912	29,120	3,004	6,464	9,468	9,904	9,748	10,689	806	9,883	4,065	59	5,818	1,348
1913	31,180	3,155	7,254	10,409	10,596	10,175	11,807	1,026	10,781	4,057	62	6,724	1,348
1914	32,263	3,313	8,148	11,461	11,407	9,395	10,784	1,092	9,692	4,012	58	5,680	1,340
1915	27,959	2,748	6,850	9,598	10,602	7,759	9,077	1,165	7,912	4,156	47	3,756	1,340
1916	32,818	3,241	8,028	11,269	11,260	10,289	12,064	1,128	10,936	4,246	61	6,690	1,340
10-Year Average	$27,964	$2,967	$6,288	$9,255	$10,086	$8,623	$9,802	$872	$8,930	$4,141	51%	$4,789	$1,062

Note: Above table is based on average mileage directly operated for each year, whether such mileage is owned, leased or otherwise controlled.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$11,059,541	$9,421,245	$10,863,243	$10,437,292	$9,756,266	$9,205,405	$9,079,471
Maintenance of way	1,092,408	926,001	1,116,637	1,057,059	1,006,493	1,006,435	987,742
Maintenance of equipment	2,705,302	2,308,581	2,745,835	2,429,958	2,165,571	1,916,375	1,592,075
All other operating expenses	3,794,668	3,572,865	3,844,098	3,549,435	3,318,338	3,193,380	2,951,056
Net operating revenues	$3,467,163	$2,613,798	$3,156,673	$3,400,810	$3,265,864	$3,089,215	$3,548,598
Operating ratio	68.6%	72.25%	70.9%	67.4%	66.5%	66.4%	60.9%
Other income	598,460	445,179	477,606	554,435	313,991	423,658	291,986
Total net income	$4,065,623	$3,058,977	$3,634,279	$3,955,245	$3,579,855	$3,512,893	$3,840,594
Taxes accrued	380,147	392,721	368,150	345,600	271,600	254,484	249,554
Balance for charges	$3,685,476	$2,666,256	$3,266,129	$3,609,645	$3,308,255	$3,258,409	$3,591,040
Fixed charges	1,430,853	1,400,602	1,351,787	1,357,092	1,361,090	1,353,019	1,393,507
Surplus over charges	$2,254,623	$1,265,654	$1,914,342	$2,252,553	$1,947,165	$1,905,390	$2,197,533
Dividends paid	122,670	122,670	451,570	451,570	451,570	272,670	272,670
Other deductions	1,004,291	799,941	1,324,564	1,024,649	579,342	606,671	1,475,958
Balance	$1,127,662	$343,043	$138,208	$776,334	$916,253	$1,026,029	$448,895
Earned on stock: Preferred	92%	52%	78%	92%	79%	77%	80%
Common	71%	38%	59%	76%	61%	59%	65%

Note: Fixed charges include rental to city of Cincinnati ($1,235,823 in 1916), interest on equipment trusts, miscellaneous interest and rentals.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $6.106,060; credit balance transferred from income, $1,127,662; delayed income credits, $8,797; miscellaneous credits, $12,022; total, $7,254,541. Contra: $328,900; delayed income debits, $313,454; miscellaneous debits, $2,148; credit balance carried to balance sheet, $6,610,039; total, $7,254,541.

Comment: The income statement of the Cincinnati, New Orleans and Texas Pacific for the year ended June 30, 1916, reflected great prosperity. Both gross and net revenues of the property increased very sharply, and as there was practically no change in the fixed charges, the surplus available for dividends reached a very high total. The company disbursed the usual liberal amounts in dividends and carried forward a surplus never before equaled.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$14,880	58%	$10,962	42%	$73,449	$99,291	$3,050	$96,241	6.5 %	$298	5%	$446	5%	78%	57%
1908	15,267	58	11,295	42	73,448	100,010	3,047	96,963	7	298	5	446	5	84	71
1909	16,230	66	8,311	31	73,372	97,916	3,047	94,869	9.1	354	5	446	5	90	84
1910	16,279	76	5,374	24	73,301	94,954	3,047	91,907	12.5	365	5	446	5	94	93
1911	16,280	75	5,879	25	73,432	95,591	3,049	92,542	11.3	364	5	444	5	94	92
1912	16,280	76	5,000	24	73,380	94,660	3,049	91,611	11.7	364	5	984	11	94	82
1913	16,280	80	4,119	20	73,298	93,697	3,119	90,578	13	364	5	984	11	95	85
1914	16,182	83	3,223	17	73,082	92,487	3,742	88,745	12.2	364	5	976	11	94	82
1915	16,181	87	2,350	13	73,084	91,615	3,663	87,952	10.2	364	5	976	11	90	72
1916	16,182	70	6,825	30	73,343	96,350	4,423	90,921	13.1	364	5	976	11	95	85
10-Year Average	$16,001	72%	$6,334	28%	$73,319	$95,657	$3,321	$92,333	10.6 %	$350	5%	$712	8%	93%	84%

Note: Company has no direct mortgage debt. Bonded debt column above covers equipment obligations only. Rentals as capitalized represent the rental charge to the city of Cincinanti. No recent capital changes, but the officials of the city of Cincinnati have authorized $500,000 bonds for construction of terminals to be issued at rate of $100,000 per annum, and this road will undertake to pay the interest on the bonds and a sinking fund of 1% per annum. Thus far $100,000 only have been issued. Interest is not to exceed 4%.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$20,235,760	$11,038,556	$10,983,157	$10,591,743	$10,532,714	$9,886,889
Working assets	4,445,246	3,553,447	3,877,875	4,378,366	3,764,672	2,705,136
Deferred debit items	224,727	183,528	312,402	198,120	242,528	1,255,532
Accrued income not due	18,976	10,248	11,751	10,697	10,502	6,208
Total	$24,924,709	$14,785,779	$15,185,185	$15,178,926	$14,550,416	$13,853,765
Liabilities:						
Capital stock	$5,453,400	$5,453,400	$5,453,400	$5,453,400	$5,453,400	$5,453,400
Funded debt	2,300,000	792,000	1,086,000	1,380,000	1,674,000	1,968,000
Working liabilitles	1,008,387	1,277,763	1,288,654	1,255,729	1,023,651	1,092,436
Accrued liabilities not due	669,925	665,802	628,338	598,431	529,589	473,171
Deferred credit items	993,416	490,754	509,533	522,569	780,652	691,708
Appropriated surplus	7,889,542	.....	144,006	56,512	93,074	98,155
Profit and loss	6,610,039	6,106,060	6,075,254	5,912,285	4,996,050	4,076,895
Total	$24,924,709	$14,785,779	$15,185,185	$15,178,926	$14,550,416	$13,853,765

Note: Working assets in 1916 included $3,067,488 in cash. Increase in funded debt due to issue of additional equipment trusts.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Equipment Trusts "C," 4½s	M&N	My 1921	Equip. Lien	.....	$5,263	$1,120*	79%	High	Good	Aaa.
2. Equipment Trusts "D," 4½s	J&D	Je 1926	"	.....			79%	"	"	Aaa.

For Key to Bond Ratings, see page 19. * Embraces both principal and interest due per annum.

Note: In showing average amount of Income available for interest on above issues the taxes and rentals to the city of Cincinnati are first deducted. This amounts to $3,667 per mile, leaving amount shown as above.

REFERENCE NOTES ON EQUIPMENT ISSUES

1. Auth. (originally), $1,000,000; outstanding, $450,000. Dated May 15, 1911; due $50,000 each May and Nov. 15, to May 15, 1921. Int. paid May and Nov. 15, at Bankers' Trust Co., New York. Coupon, $1,000. Interest paid without deduction for normal income tax.

2. Auth., $1,800,000; outstanding, $1,710,000; dated June 1, 1916; due $90,000 each June and Dec. 1 to June 1, 1926. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien on equipment costing, $2,084,500, of which the company paid $284,500 in cash. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Cinn., New Or. & Tex. Pcf. preferred. No voting power, 5% cumulative. Par $100. Outstanding, $2,453,400.	5%QuMr	$7,181	$4,789	$364	92%	Very high	Good	Aaa.
Cinn., New Or. & Tex. Pcf. common. Par $100. Outstanding, $3,000,000.	See text	9,000	4,425	976*	78%	Good	"	Aa.

* For 11% dividend.

Note: Auth., $3,000,000 preferred and $3,000,000 common; outstanding, $2,453,400 preferred and all the common; par, $100. Majority of common stock (67%) owned by Southwestern Construction Co., which is controlled jointly by the Cincinnati, Hamilton & Dayton Ry., and the Southern Ry. Dividend on preferred paid at full rate since 1902; on common, 5% from 1907 to 1911; 6% regular and 5% extra from 1912 to 1916; in Dec., 1916, paid 3½% extra, instead of usual 2½%. Transfer Office, Cincinnati, Ohio. Both issues listed on Cincinnati Stock Exchange.

COMPANIES CONTROLLED BY CINCINNATI, NEW ORLEANS & TEXAS PACIFIC RAILWAY

CINCINNATI, BURNSIDE & CUMBERLAND RIVER RAILWAY

Origin: Incorporated in Aug., 1905, under Kentucky laws as successor to Burnside & Cumberland River Railway. Controlled through stock ownership by Cincinnati, New Orleans & Texas Pacific Railway.

Location: Line of road, Burnside Junc. to Burnside Landing, 1.35 miles, connecting the Cincinnati Southern Ry. way with the Cumberland River, and also forming a belt railway at Burnside. Uses equipment of C., N. O. & T. P. Ry.

Management: Officers: T. C. Powell, Pres.; H. Baker, Vice-Pres. and Gen. Mgr.; Chas. Patton, Treas.; A. Telford, Sec. General Office, Ludlow, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$25,619	$26,193	$38,923
Operating expenses	16,423	15,944	16,875
Net earnings	$9,196	$10,249	$12,058
Total net income	9,649	10,860	13,038
Charges	4,489	5,378	5,591
Balance	$5,160	$5,482	$7,488

Capital Stock: Auth. and issued, $110,000; par, $100. A 10% dividend was paid from profit and loss account in 1915. Entire stock owned by Cincinnati, New Orleans & Tex. Pac. Ry. No bonded debt.

HARRIMAN & NORTHEASTERN RAILROAD COMPANY

Origin: Incorporated under Tennessee laws, Dec. 4, 1895, as successor to Harriman Coal & Iron Co. Operates 20.7 miles, from Harriman to Petros, Tenn. Of the total operated, 19.7 miles are owned, with 1 mile of trackage rights, 14.64 miles sidings. Equipment: Locomotives, 3; cars, 210.

Management: Officers: Fairfax Harrison, Pres.; T. C. Powell, Vice-Pres.; Chas. Patton, Treas.; F. S. Wynn, Sec. Directors: Fairfax Harrison, W. B. Winslow, C. E. A. McCarthy, S. P. Sparks, T. C. Powell, C. E. Hendrick, H. B. Spencer, H. M. Winslow, F. S. Wynn. General Office, Harriman, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$101,918	$99,577	$106,796	$114,305	$118,167	$119,326	$99,334
Maintenance of way	24,084	20,387	12,430	19,777	18,492	23,598	24,563
Maintenance of equipment	14,676	12,355	16,369	10,151	12,566	13,806	13,924
Net earnings	$34,469	$38,800	$45,981	$54,418	$56,909	$54,492	$36,054
Other income	23,917	14,633	2.078	2,600	1,860	777	.....
Total net income	$58,386	$53,433	$48,059	$57,018	$58,769	$55,269	$36,054
Fixed charges	*35,982	*31,120	47,773	46,235	28,790	28,459	28,709
Surplus	$22,404	$22,313	$286	$10,783	$29,979	$26,811	$17,345
Earned on stock	3.73%	3.72%	.....	1.8%	5%	4.48%	2.89%

* Includes taxes and appropriations from income.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $82,930; credit balance transferred from income, $22,404; miscellaneous credits, $275; total, $105,609. Contra: Dividend appropriation of surplus, $18,000; credit balance carried to balance sheet, $86,627; loss on retired road and equipment, $736; miscellaneous debits, $246; total, $105,609.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,086,799	$1,090,265	$1,100,770	$940,778	$897,429	$903,100
Working assets	58,410	45,254	56,833	76,884	48,811	77,219
Deferred debit items.....	20,384	36,082	41,519	10,126	1,556	2,772
Total	$1,165,593	$1,171,601	$1,199,122	$1,027,788	$947,796	$983,091
LIABILITIES:						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	396,200	408,000	420,000	300,000	300,000	300,000
Working liabilities	18,580	15,755	25,856	25,354	7,103	9,249
Accrued liabilities not due	22,417	27,261	33,230	1,722	1,936	1,576
Deferred credit items....	14,910	16,182	19,629	10,814	3,868	7,410
Appropriated surplus	26,859	21,473	21,439	13,610	.....	.....
Profit and loss surplus...	86,627	82,930	78,968	76,288	34,889	64,856
Total	$1,165,593	$1,171,601	$1,199,122	$1,027,788	$947,796	$983,091

Comment: This property has shown little growth in volume of business during recent years, but the earnings have been of a stable nature, and the company has generally succeeded in earning a moderate surplus above its interest requirements. The bond issue is not a large one and can be regarded as fairly secure. The outstanding equipment trusts are evidently well protected.

Bonded Debt: (1) $300,000 Harriman & Northeastern R.R. first 6s; dated Jan. 1, 1896; due Jan. 1, 1921. Interest paid Jan. and July at Central Trust Co., New York. Coupon, $100, $500, $1,000. Callable at par. First lien on 19.7 miles, Harriman Junc. to Petros, Tenn. (2) $102,000 Equipment Trust 5s; dated June 15, 1914, matures $6,000 semi-annually to 1924; int. payable June and Dec. Secured on 200 steel coal cars. Normal income tax deducted from interest. Net Rating, Ba.

Capital Stock: Authorized and outstanding, $600,000; par, $100. All owned by Cincinnati, New Orleans & Texas Pacific Ry. Dividends of 3% paid in 1915 and 1916.

COAL & COKE RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past eight years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated May 14, 1902, under laws of West Virginia and in the following year absorbed the Charleston Clendennin & Sutton R.R., operating from Charleston to Otter, W. Va. The company has what is virtually a lease of the properties of the Davis Colliery Co., and the latter is conducted as the coal department of the Railway company. The Davis Colliery Co. owns about 25,000 acres of coal lands and coal mining rights in the Roaring Creek coal fields in Randolph and Barbour counties, W. Va. The Roaring Creek & Belington R.R. is now operated as part of the Coal & Coke Railway. In addition to the above, the company controls or owns coal lands in Upshur, Lewis, Gilmer, and Braxton counties, W. Va., its total holdings aggregating 100,000 acres.

Location: The lines of the Coal & Coke Railway now in operation are as follows: Elkins to Charleston, 175.6 miles; Belington to Mable, 16.1 miles; Sutton Branch, 6.5 miles; total, 198.2 miles. The company connects with the Baltimore & Ohio at Belington; with the Western Maryland at Roaring Creek Junc. and Elkins; with the Kanawha & Michigan at Charleston.

Management: OFFICERS: R. C. Kerens, Pres.; Arthur Lee, Vice-Pres.; C. M. Hendley, Sec. and Treas.; I. K. Dye, Gen. Mgr. DIRECTORS: J. T. Davis, R. C. Kerens, Davis Elkins, Arthur Lee, G. E. Price, C. M. Hendley. Annual meeting, second Tuesday in August. MAIN OFFICE, Elkins, W. Va. BRANCH OFFICES, Baltimore, Philadelphia, and Columbus, O.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture. ..	....	....	....	3.20%	4.91%	3.19%	2.06%	2.00%	1.91%	1.64%
Products of Animals	.....	.	.....	.40	.31	.34	.26	.23	.25	.26
Products of Mines	.....	.....	.....	60.89	66.29	69.93	72.97	78.57	82.97	80.89
Products of Forests	.....	.....	.....	29.76	21.79	19.32	15.76	12.26	8.42	9.81
Manufactures..	....	.....	.....	3.80	3.21	3.70	5.11	4.16	4.04	5.21
Miscellaneous	....	....	....	1.95	3.49	3.52	3.84	2.78	2.41	2.19

Total revenue tonnage, 1909, 775,044 tons; 1910, 949,132 tons; 1911, 1,022,286 tons; 1912, 1,275,938 tons; 1,425,467 tons in 1913; 1,603,488 tons in 1914; 1,662,940 tons in 1915; 1,936,132 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	...	....	..	..	.....	...	.....	.....	...	.....	.....	....
1908	...	....	..	..	.....	...	.....	.....	...	.....	.....	....
1909	191	....	30	23	2,099	69%	32,468	264,872	228	$1.88.	2.00c.	.95c.
1910	191	....	30	23	2,155	62	30,527	380,959	319	1.87	2.75	.77
1911	198	....	30	24	2,094	59	32,459	357,275	288	1.89	2.70	.77
1912	199	....	30	24	2,186	63	35,233	473,008	304	1.97	2.81	.73
1913	198	....	30	28	2,188	75	42,608	524,571	284	1.97	2.85	.69
1914	197	....	32	27	2,153	75	38,974	596,220	286	1.48	2.71	.63
1915	197	....	32	28	2,136	77	33,007	690,692	304	1.48	2.81	.55
1916	197	....	32	28	2,107	80	32,544	771,890	525	2.07	2.77	.58
8-Year Average	196	....	31	26	2,140	70%	34,728	507,436	317	$1.84	2.68c.	.71e.

Yard tracks and sidings, June 30, 1916, 45 miles. Weight of rails, 60, 70, and 85 pounds.

Comment: During the fiscal year 1916, the freight density on the Coal & Coke Railway substantially improved, and the average freight train load rose to a very high figure. As has been characteristic of recent years, products of mines represented the bulk of the company's freight business, and although average freight rates were low, it is evident by the increase in train mile earnings, that this type of business has been profitable.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$3,755	$562	$845	$1,407	$1,188	$1,160	$1,164	$220	$944	$1,268	.....	$324*	.....
1910	4,622	669	1,043	1,712	1,381	1,529	1,750	220	1,530	1,419	7%	111	.....
1911	4,761	684	931	1,615	1,441	1,705	1,849	212	1,637	1,445	12	192	.....
1912	5,567	765	874	1,639	1,727	2,201	2,187	211	1,976	1,598	19	378	.....
1913	6,302	947	1,088	2,035	2,039	2,228	2,869	212	2,657	1,564	41	1,093	.....
1914	5,024	944	1,242	2,186	1,910	928	2,376	256	2,120	1,664	21	456	.....
1915	5,310	954	1,206	2,160	2,154	996	1,783	317	1,466	1,669	.....	203*	.....
1916	5,877	1,092	1,436	2,528	1,834	1,515	2,113	343	1,770	1,621	8	149	.....
8-Year Average	$5,152	$827	$1,083	$1,910	$1,709	$1,533	$2,011	$249	$1,762	$1,531	13%	$231	.....

*Deficit

Note: Margin of safety is the proportion of surplus left over after providing for fixed charges. For example, the fixed charges in 1916 amounted to $1,621, thus consuming 92% of the available surplus, and leaving a "margin of safety" of 8%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,157,723	$1,046,099	$989,716	$1,247,870	$1,117,958	$942,753	$882,792
Maintenance of way	215,121	187,899	186,049	187,481	152,351	135,358	127,723
Maintenance of equipment	282,804	237,540	244,590	215,508	193,975	184,414	199,135
All other operating expenses	361,383	424,460	376,207	403,798	333,650	285,324	263,813
Net operating revenues	$298,415	$196,200	$182,870	$441,083	$437,972	$337,657	$292,121
Operating ratio	78.15%	80.62%	81.5%	64.7%	60.9%	64.1%	66.9%
Other income	117,727	155,138	285,232	127,072	(def.) 2,773	28,575	70,024
Total net income	$416,142	$351,338	$468,102	$568,155	$435,199	$366,232	$362,145
Taxes accrued	67,513	62,510	50,462	42,000	42,000	42,000	42,000
Balance for charges	$348,629	$288,828	$417,640	$526,155	$393,199	$324,232	$320,145
Fixed charges	319,298	328,741	327,851	309,739	317,195	286,148	298,922
Surplus over charges	$29,331	def.$39,913	$89,789	$216,416	$76,004	$38,084	$21,223
Earned on preferred	0.3%	.....	0.9%	2.16%	.76%	.38%	.21%

Note: Fixed charges in 1916 included interest on bonds, $207,450; rentals, $2,300; other interest, $109,547.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $145,471. Credit balance transferred from income, $29,331. Miscellaneous credits, $513. Total, $175,315. Contra: Loss on retired road and equipment, $51,112; credit balance carried to balance sheet, $124,203. Total, $175,315.

Comment: Both gross and net revenues increased substantially on the Coal & Coke Railway during the fiscal year 1916. There was, however, a falling off in the outside income, and therefore the balance available for charges,

while showing an improvement over 1915, did not equal the figures reported in 1913 or 1914. However, the fixed charges of the property were fully covered, and a moderate surplus carried forward.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.	Bonds Outstanding and Per Cent of Whole.	Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$101,250 82%	$22,859 18%	.....	$127,109	.....	$127,109	.9%	.....	.....	.....	.....	.....	.....
1910	104,712 82	23,049 18	.....	127,761	.....	127,761	1.4	.....	.....	.....	.....	.....	.....
1911	101,010 80	24,993 20	.....	126,003	.....	126,003	1.5	.....	.....	.....	.....	.....	.....
1912	100,503 82	21,647 18	.....	122,150	.....	122,150	1.8	.....	.....	.....	.....	.....	.....
1913	101,010 82	21,715 18	.....	122,725	.....	122,725	2.3	.....	.....	.....	.....	.....	.....
1914	101,523 82	21,887 18	.....	123,410	.....	123,410	1.9	.....	.....	.....	.....	.....	.....
1915	101,523 83	21,415 17	.....	122,938	.....	122,938	1.5	.....	.....	.....	.....	.....	.....
1916	101,523 82	25,685 18	.....	127,208	.....	127,208	1.6	.....	.....	.....	.....	.....	.....
8-Year Average	$102,007 82%	$22,906 18%	.....	$124,913	.....	$124,913	1.5%	.....	.....	.....	.....	.....	.....

Note: Above table is based on average mileage directly operated for each year. Net income on net capital is the percentage of total net income shown on net capitalization per mile, before deducting taxes and other charges.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$26,326,502	$25,254,293	$25,127,758	$26,211,707	$25,793,741	$25,654,019
Working assets	1,334,816	1,599,520	1,606,077			
Deferred debit items	705,804	37,143	17,480	271,639	502,120	512,779
Accrd. income not due	.....	.....	.....			
Profit and loss deficit	.....	.....	.....	.....	120,526	200,014
Total	$28,367,122	$26,890,956	$26,751,315	$26,483,346	$26,416,387	$26,366,812
Liabilities:						
Capital stock	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000
Funded debt	5,060,000	4,218,755	4,311,780	4,299,553	4,307,897	4,948,614
Working liabilities	2,741,969	2,523,644	2,250,840			
Accrd. liabilities not due	51,112	.....	1,023			
Deferred credit items	389,838	3,086	2,287	2,088,377	2,108,490	1,418,198
Appropriated surplus	.....	.....	.....			
Profit and loss surplus	124,203	145,471	185,385	95,416	.....	.....
Total	$28,367,122	$26,890,956	$26,751,315	$26,483,346	$26,416,387	$26,366,812

Note: Working liabilities in 1916 included bills payable of $1,697,852.

Comment: There was a moderate increase in the funded debt of the Coal & Coke Railway during the year ended June 30, 1916. As measured on a mileage basis, the capitalization of this property is very high, and the net income on net capital continues to range at a low figure. The proportion of bond issues in the capitalization, however, is very small, and thus the property is able to carry capitalization without its becoming a burden. However, while the chief outstanding bond issue seems to be fairly well protected, there seems little prospect of any dividend disbursements on the large issue of outstanding stock.

TABLE D.—Bond Record and Ratings (Based on 8-Year Results, Per Mile on Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Coal & Coke Ry. first 5s	A&O	Ap 1919	(see text)	.....	$1,762	$1,030	41%	High	Good	Ba.
2. Equipment Trusts, Series "B"	F&A	F 1917	"	.....		8	41%	"	"	A.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes, for the eight years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages, 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $5,000,000; outstanding, $4,059,000. Dated April 1, 1904; due April 1, 1919. Int. paid at Davis Trust Co., Elkins, W. Va., and at Mercantile Trust & Deposit Co., Baltimore. Coupon, $1,000. Direct first lien on

entire property of company 182.1, including coal lands, leases, real estate, etc., subject to $30,000 Charleston, Clendennin & Sutton R.R. first 5s, due Oct. 1, 1944, on 63.6 miles. Listed on Baltimore Stock Exchange. Interest paid without deduction for normal income tax.

2. Series B, 5s, dated Feb. 1, 1907; due $30,000 annually on Feb. 1, to 1917. Int. paid at Fidelity Trust Co., Baltimore. Now outstanding, $30,000. Interest paid without deduction for normal income tax. Covers equipment costing over $300,000.

Capital Stock: Authorized and outstanding, $10,000,000 5% non-cumulative preferred and $10,000,000 common; par, $100. Listed on Baltimore Stock Exchange. TRANSFER AGENT, C. M. Hendley, Washington, D. C.

COLORADO MIDLAND RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Colorado laws, Oct. 11, 1897, as successor by reorganization to the Colorado Midland Railroad Co. In addition to its own lines, the company leases, jointly with the Denver & Rio Grande R.R., the Rio Grande Junction Ry. (operating from Rifle to Grand Junction, Col.), and until recently owned $737,500 stock of the latter out of a total of $2,000,000. Also owns nearly all the stock of the Utah Midland Ry., amounting to $250,000. This stock holding was, however, sold at $55 per share at auction on Nov. 12, 1912 (and acquired by Denver & Rio Grande), with $513,000 of the Colorado Midland Company's own bonds at 16%. These securities had been deposited under the company's notes due July 1, 1912, which were not paid at maturity.

The Denver & Rio Grande owns a half interest in the stock of the Colorado Midland. The other half was held by the Colorado & Southern Railway, which in 1912 arranged to sell same to Messrs. Blair & Co.

Location: The operated lines consist of 337.64 miles, as follows: Colorado Springs to New Castle, Col., 221.92 miles; Basalt to Aspen, 19.37 miles; Cardiff to Spring Gulch, Col., 15.01 miles; Arkansas Junc. to Leadville, 4.80 miles; Rio Grande Junction Ry. (leased), 62.08 miles; trackage rights, 14.46 miles.

Receivership: On Dec. 13, 1912, Geo. W. Vallery, the President, was appointed receiver. The interest due since Jan. 1, 1913, on the first mortgage bonds of the company is now in default.

Protective Committee: J. N. Wallace, Chairman; J. N. Jarvie, H. Bronner, B. A. Sands, F. L. Leland, Clark Williams, W. DeL. Kountze. Secretary, C. E. Siglar. Depositary, Central Trust Co., New York.

Management: OFFICERS: Geo. W. Vallery, Pres.; H. L. Hobbs, Treas.; W. S. Wing, Aud. DIRECTORS: Geo. W. Vallery, Henry T. Rogers, Samuel C. Mathews, Edwin Gould, Winslow S. Pierce, E. T. Jeffery, Chas. H. Schlacks. MAIN OFFICE: Denver, Col.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	12.09%	8.33%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	4.25	4.68
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	63.64	62.51
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	3.07	2.80
Manufactures	.....	.....	.....	.....	.....	.....	.....	.....	11.68	16.34
Miscellaneous	.....	.....	.....	.....	.....	.....	.....	.....	5.27	5.34

Total revenue tonnage, years ended June 30: 1916, 654,043 tons; 1915, 662,227 tons; 1914, 707,871 tons; 1913, 702,645 tons; 1912, 757,307 tons; 1911, 779,828 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Milea Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	336	....	60	48	1,698	76%	45,080	369,333	220	$2.29	2.19c.	1.50c.
1908	338	....	66	48	1,712	72	46,444	319,527	225	2.25	2.32	1.47
1909	338	....	66	48	1,756	71	47,103	322,129	220	2.33	2.28	1.94
1910	338	....	66	48	1,713	72	50,504	301,929	214	2.41	2.24	1.65
1911	338	....	66	48	1,671	72	40,165	245,180	200	2.11	2.40	1.67
1912	338	....	65	48	1,664	76	32,302	296,829	215	2.20	2.45	1.40
1913	338	....	65	46	1,481	77	29,499	293,779	209	2.13	2.64	1.41
1914	338	....	65	45	1,616	76	28,603	278,800	211	1.91	2.83	1.42
1915	338	....	65	45	1,569	78	23,719	263,232	206	2.10	2.65	1.49
1916	338	....	63	46	1,549	79	21,834	279,688	240	2.02	2.43	1.28
10-Year Average	338	....	65	47	1,643	75%	36,525	297,043	216	$2.18	2.44c.	1.52c.

Yard tracks and sidings, June 30, 1916, 122.98 miles.

Comment: The Colorado & Midland reported a slight improvement in its freight density during the year 1916, but there was a falling off in the train mile earnings resulting mainly no doubt from lower average freight rates. The company reported a moderate improvement in its coal revenue tonnage, but this tonnage was not heavy enough to make the operations of the company profitable.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$7,304	$999	$907	$1,906	$3,407	$1,991	$2,127	$263	$1,864	$1,323	29%	$541	.....
1908	6,511	955	833	1,788	3,154	1,569	1,740	304	1,436	1,370	5	66	.....
1909	6,841	939	1,034	1,973	3,465	1,403	1,525	269	1,256	1,395	.....	139*	.....
1910	6,924	912	1,176	2,088	3,538	1,298	1,409	327	1,082	1,474	.....	392*	.....
1911	5,664	850	1,163	2,013	2,920	731	842	272	570	1,362	.....	792*	.....
1912	5,420	736	1,201	1,937	2,672	811	928	270	658	1,401	.....	743*	.....
1913	5,409	800	1,213	2,013	2,892	504	548	282	266	836	.....	570*	.....
1914	5,212	1,013	1,263	2,276	2,841	95	125	320	195*	221	.....	416*	.....
1915	5,061	850	1,144	1,994	2,565	502	556	325	231	265	.....	34*	.....
1916	4,487	765	1,081	1,846	2,418	223	322	287	35	229	.....	194*	.....
10-Year Average	$5,883	$882	$1,101	$1,983	$2,987	$913	$1,012	$292	$720	$988	.....	268*	.....

*Deficit

Note: Above table is based on the average mileage directly operated, including leased lines and traffic rights.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$1,516,758	$1,698,780	$1,748,073	$1,828,335	$1,830,165	$1,914,657
Maintenance of way	258,651	287,456	342,491	270,462	248,665	287,365
Maintenance of equipmt.	365,233	386,805	426,855	409,896	338,802	393,260
All other oper. expenses	817,265	866,915	960,266	977,470	967,498	986,750
Net oper. revenues	$75,609	$157,604	$18,461	$170,507	$275,200	$247,282
Operating ratio	95%	90.7%	98.9%	90.7%	85%	87.1%
Other income	33,380	30,465	23,744	14,592	39,115	37,443
Total net income	$108,989	$188,069	$42,205	$185,099	$314,315	$284,725
Taxes accrued	96,862	109,710	108,000	95,477	91,200	91,800
Balance for charges	$12,127	$78,359	def. $65,795	$89,622	$223,115	$192,925
Fixed charges	77,393	89,569	74,889	282,439	474,537	460,641
Deficit	$65,266	$11,210	$140,684	$192,817	$251,422	$267,716

Profit and Loss Account, year ended June 30, 1916: Debit balance, June 30, 1915, $618,287, debit balance transferred from income account, $65,266; loss on retired road and equipment, $316; total, $683,869. Contra: Unrefundable overcharges, $56; debit balance transferred to balance sheet, $683,813. Total, $683,869.

Comment: Both gross and net revenues tended to decline on the Colorado & Midland Railway during the fiscal year 1916. As has been the case for several years, the company reported a very small surplus after paying taxes and, of course, failed to earn any proportion of its fixed charges. This property has now been in receivers' hands for over four years, and there seems little prospect of a reorganization in the near future.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$29,762	52%	$27,241	48%	$1,438	$61,441	$5,506	$55,935	3.6%	.....	.....	.....	.....	.....	.....
1908	29,585	52	27,786	48	4,802	62,173	6,200	55,973	3	.....	.....	.....	.....	.....	.....
1909	29,585	52	27,825	48	6,355	63,765	6,153	57,612	2.6	.....	.....	.....	.....	.....	.....
1910	29,585	52	27,912	48	7,852	65,349	6,250	59,099	2.4	.....	.....	.....	.....	.....	.....
1911	29,585	52	28,014	48	5,239	62,838	6,352	56,486	1.5	.....	.....	.....	.....	.....	.....
1912	29,585	52	28,201	48	4,796	62,582	6,536	56,046	1.7	.....	.....	.....	.....	.....	.....
1913	29,585	52	28,201	48	5,274	63,060	4,991	58,069	.9	.....	.....	.....	.....	.....	.....
1914	29,586	52	28,201	48	4,431	62,218	4,991	57,227	.2	.....	.....	.....	.....	.....	.....
1915	29,586	52	28,201	48	4,466	62,253	4,991	57,262	1.0	.....	.....	.....	.....	.....	.....
1916	29,586	52	28,201	48	2,538	60,325	5,000	55,325	.6	.....	.....	.....	.....	.....	.....
10-Year Average	$29,603	52%	$27,978	48%	$5,019	$62,600	$5,697	$56,903	1.8%	.....	.....	.....	.....	.....	.....

Note: Above statement is based on the average mileage operated each year. The rental items represent the amount of rental paid for the joint use of the Rio Grande Junc. Ry. which is leased.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$17,820,045	$17,840,854	$17,860,218	$17,884,623	$17,900,719	$17,922,329
Working assets	1,995,902	1,957,541	1,989,662	2,008,631	2,678,570	2,608,582
Deferred debit items...	6,273	21,278	31,298	29,827	33,173	31,226
Profit and loss deficit...	683,713	618,287	600,733	457,787	287,713	36,103
Total	$20,505,933	$20,437,960	$20,481,911	$20,381,868	$20,900,176	$20,598,240
LIABILITIES:						
Capital stock	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
Funded debt	9,532,000	9,532,000	9,532,000	9,532,000	9,532,000	9,469,000
Working liabilities	882,082	833,227	789,226	719,249	1,198,080	965,570
Accrd. liabilities not due	12,264	43,934	119,302	88,803	133,365	125,173
Deferred credit items..	79,587	28,779	41,383	41,816	36,731	38,497
Total	$20,505,933	$20,437,960	$20,481,911	$20,381,868	$20,900,176	$20,598,240

Comment: There were no capitalization changes in the Colorado & Midland Ry. during the fiscal year 1916. The capitalization of the property as measured on a mileage basis is high in view of the very nominal earning power of the company.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING.		Net Rating.
								Security.	Salability.	
1. Colorado Midland first 50-year 4s.....	J&J	Jl 1947	(1st) 261	$36,500	$720	$1,120	.....	Poor	Poor	In Default

REFERENCE NOTE ON BOND ISSUE

1. Auth., $10,000,000; outstanding, $9,532,000. Dated July 1, 1897; due July 1, 1947. Int. payable at 26 Liberty St., New York (in default since Jan. 1, 1913). Coupon, $1,000. First lien on entire lines owned, consisting of 261.10 miles, including the main line from Colorado Springs to New Castle, with branches to Aspen, Leadville and Spring Gulch. Interest payable without deduction for normal income tax. Listed on New York and London Stock Exchanges.

Note: On Nov. 13, 1912, $513,000 of the above treasury bonds were sold at auction at 16%, with $737,500 Rio Grande Junction Ry. stock at 55%; these securities having been deposited under the company's notes, due July 1, 1912, which were not met at maturity. The company has thus disposed of practically all of its treasury bonds and also its stock holdings in the Rio Grande Junction Ry. It still makes use of this property through its lease, however.

Capital Stock: Authorized and outstanding, $6,000,000 4% non-cumulative preferred and $4,000,000 common, of which there are in the treasury of the company $578,700 preferred and $1,045,200 common. Par, $100. The Denver & Rio Grande R.R. holds a half-interest in the outstanding stock. The Colorado & Southern also held a half interest which it arranged to sell in 1912, but litigation prevented delivery.

CORNWALL RAILROAD

Origin: Incorporated in Pennsylvania in 1850; absorbed the Cornwall & Mount Hope Railroad in 1886.

Location: Operates 12.67 miles, Lebanon to Mount Hope, Pa. Main tonnage consists of ores transported in connection with Lackawanna Iron & Steel Co., etc. Sidings, 13.51 miles. Equipment: Locomotives, 7; passenger and freight cars, 172.

Control: The Lackawanna Iron & Steel Co. has a 20-year lease of the Cornwall Railroad, and controls and operates the property.

Management: OFFICERS: A. M. Patch, Pres.; E. A. S. Clarke, Vice-Pres.; C. H. McCullough, Jr., Vice-Pres.; H. C. Shirk, Sec.; J. W. Yake, Treas. and Aud. DIRECTORS: S. P. Light, A. M. Patch, H. C. Shirk, E. A. S. Clarke, Moses Taylor. Annual meeting, second Monday in January. MAIN OFFICE, Lebanon, Pa.

Tonnage: For the year 1916: Products of agriculture, 0.44%; mines, 73.93%; forests, 1.08%; manufactures, 13.48%; miscellaneous, 11.07%. Total tonnage, 1,191,314; total revenue tonnage, 1915, 667,182 tons; 1914, 892,036 tons; 1913, 1,297,421 tons; 1912, 1,055,003 tons.

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TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	..	.	.	..	....	....	.....	.....	....	.....	.....	.....
1908	13	6	6	6	150	74%	71,000	206,528	174	$2.40	1.90c	3.20c
1909	13	6	6	6	166	72	94,296	165,237	158	2.09	1.72	3.48
1910	13	6	6	10	162	78	99,000	334,000	229	3.42	1.78	3.82
1911	13	6	6	10	162	78	87,179	264,679	200	3.23	1.58	3.88
1912	13	6	6	10	162	81	82,542	213,616	183	4.30	2.23	4.26
1913	13	6	6	10	162	81	96,991	324,548	214	4.40	2.05	4.63
1914	13	6	6	10	162	77	96,161	272,944	173	3.23	2.01	3.94
1915	13	6	6	10	162	75	89,246	191,871	134	2.49	1.95	3.86
1916	13	6	7	10	162	75	78,203	305,408	211	4.11	1.97	4.22
9-Year Average	13	6	6	9	161	77%	88,291	253,203	186	$3.30	1.91c.	3.92c.

Yard tracks and sidings, 13.51 miles.

Comment: The Cornwall Railroad heavily increased the freight density during the fiscal year 1916, and also added to its average freight train load very substantially. Average freight rates were higher than usual, and train mile earnings also improved. The property, which is a small one, depends largely on mining products for its freight tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$9,056	$1,039	$1,139	$2,178	$3,435	$3,443	$3,531	$335	$3,196	$167	95%	$3,029	$4,000
1909	8,181	1,021	1,238	2,259	3,075	2,847	2,915	304	2,611	249	90	2,362	3,077
1910	15,669	1,741	1,836	3,577	3,887	8,205	8,242	474	7,768	935	88	6,833	5,539
1911	12,946	1,571	1,492	3,063	3,803	6,020	6,082	437	5,645	463	93	5,182	6,154
1912	15,135	1,248	1,761	3,009	4,276	7,850	7,899	544	7,355	825	89	6,530	6,154
1913	18,527	1,658	1,748	3,406	4,684	10,437	10,505	596	9,909	1,721	83	8,188	8,615
1914	13,650	1,501	1,742	3,246	4,365	6,039	6,082	568	5,514	1,438	74	4,076	3,076
1915	9,861	1,232	1,131	2,366	3,831	3,661	3,837	433	3,401	601	82	2,800	2,800
1916	16,978	1,389	1,821	3,210	4,613	9,155	9,285	523	8,762	2,453	72	6,309	5,540
9-Year Average	$13,334	$1,378	$1,546	$2,924	$4,003	$6,407	$6,486	$468	$6,018	$984	85%	$5,034	$4,995

Note: Above table is based on average mileage operated each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges (per mile) amounted to $8,762; fixed charges consumed $2,453, or 28%, leaving $6,309, a "margin of safety" of 72%. As this road has no bond issues, the fixed charges are made up entirely of miscellaneous items.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$220,725	$128,189	$177,448	$240,851	$196,750	$168,291	$203,697
Maintenance of way	18,065	16,018	19,553	21,558	16,226	20,429	22,640
Maintenance of equipment	23,675	14,748	22,643	22,719	22,877	19,400	23,868
All other operating expenses	59,965	49,790	56,745	60,889	55,605	50,236	50,524
Net operating revenues	$119,020	$47,633	$78,507	$135,685	$102,042	$78,226	$106,665
Operating ratio	46%	62.8%	55.8%	43.8%	48.2%	53.5%	47.6%
Other income	1,683	2,253	561	876	638	845	489
Total net income	$120,703	$49,886	$79,068	$136,561	$102,681	$79,071	$107,154
Taxes accrued	6,805	5,634	7,389	7,743	7,070	5,687	6,168
Balance for charges	$113,898	$44,252	$71,679	$128,818	$95,611	$73,384	$100,986
Fixed charges	31,885	7,857	18,686	22,372	10,717	6,019	12,384
Surplus over charges	$82,013	$36,395	$52,993	$106,446	$84,894	$67,365	$88,602
Dividends paid	72,000	36,395	40,000	112,000	80,000	80,000	72,000
Balance	$10,013	.....	$12,963	def. $5,554	$4,894	def. $12,635	$16,602
Earned on Stock:	10.3%	4.5%	6.6%	13.3%	10.6%	8.4%	11.1%

Note: There is no bonded debt, and fixed charges, as shown above, cover hire of equipment and a small amount of rentals.

Comment: Gross revenues during the year 1916 reached a relatively high figure on the Cornwall Railroad, and as operating costs did not sharply advance the net income available for charges was better than for any year since 1913. After paying fixed charges, the surplus was amply sufficient to justify the disbursement of 9% dividends on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$61,540	100%	.....	...	.....	$61,540	.....	$61,540	5.7 %	.....	.....	$4,000	6½%	.....	.....
1909	61,540	100	.....	...	.....	61,540	.....	61,540	5	.....	.....	3,077	5	.....	.....
1910	61,540	100	.....	...	.....	61,540	.....	61,540	13.4	.....	.....	5,539	9	.....	.....
1911	61,540	100	.....	...	.....	61,540	.....	61,540	5.9	.....	.....	6,154	10	.....	.....
1912	61,540	100	.....	...	.....	61,540	.....	61,540	12.9	.....	.....	6,154	10	.....	.....
1913	61,540	100	.....	...	.....	61,540	.....	61,540	17.1	.....	.....	8,615	14	.....	.....
1914	61,538	100	.....	...	.....	61,538	.....	61,538	9.9	.....	.....	3,076	5	.....	25%
1915	61,538	100	.....	...	.....	61,538	.....	61,538	6.2	.....	.....	2,800	4.5	.....	.....
1916	61,538	100	.....	...	.....	61,538	.....	61,538	15.1	.....	.....	5,540	9	.....	.....
9-Year Average	$61,540	100%	.....	...	.....	$61,540	.....	$61,540	10.5 %	.....	.....	$4,995	8.1%	.....	.....

Note: Above table is based on the average mileage directly operated. The entire capitalization is embraced in the stock issue. There are no bonds or other permanent debts.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$847,111	$839,365	$844,666	$892,189	$843,384	$889,138	$889,138
Working assets	85,417	69,524	70,836	55,244	66,929	47,399	54,377
Deferred debit items	103	310	517				
Total	$932,631	$909,199	$916,019	$947,433	$910,313	$936,537	$943,515
Liabilities:							
Capital stock	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000
Working liabilities	17,715	5,490	210	2,981	10,228	52,047	46,391
Accrued liabilities not due	8,785	7,590	8,084	49,721			
Deferred credit items	200	200	200	200			
Appropriated surplus	10,701	10,701	10,701	10,701	10,701	.....	.....
Profit and loss surplus	95,230	85,218	96,824	83,830	89,384	84,490	97,124
Total	$932,631	$909,199	$916,019	$947,433	$910,313	$936,537	$943,515

Comment: There were no capitalization changes in this property in the year 1916. The company has no bonded debt, and the outstanding stock as measured on the mileage basis, appears relatively heavy. However, the earning power of the property has always been substantial, and this capitalization has been carried without any great difficulty.

TABLE E.—Stock Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Rate of Dividend.	Amount Outstanding.	Average Income Available.	Dividend Requirement.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Cornwall R. R. Stock	(see text)	$61,538	$5,024	$3,076*	49%	High	Fair	Baa.

* For 5%.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the nine years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

Capital Stock: Auth. and outstanding, $800,000; par, $100. Dividends in recent years as follows: 1900 and 1901, 8% each; 1903, 2%; 1906, 10%; 1907, 13%; 1909, 5%; 1910, 9%; 1911 and 1912, 10% each; 1913, 14%; 1914, 5%; 1915, 6%; 1916, 9%. In 1902, a stock dividend of 100% was paid, increasing the issue from $400,000 to $800,000. The company has no bonded debt. Transfer Office, Lebanon, Pa.

COUDERSPORT & PORT ALLEGANY RAILROAD

Origin: Incorporated May 16, 1882, in Pennsylvania. Acquired Coudersport & Pine Creek R.R. in 1896.

Location: Operates line from Port Allegany to Ulysses, 39 miles. Equipment: Locomotives, 5; passenger and freight cars, 84.

Management: OFFICERS: Jas. L. Knox, Pres.; Henry Hamlin, Vice-Pres.; A. B. Mann, Sec.; R. A. Knox, Treas. DIRECTORS: B. A. McClure, J. W. Wells, F. D. Knox, H. Hamlin, J. Forrest, Frank Rumsey, J. L. Knox, B. A. McClure, F. G. Reese, R. A. Olmsted. OFFICE: Coudersport, Pa. Annual meeting, first Monday in October.

Tonnage, year ended June 30, 1916: Products of agriculture, 4.54%; animals, 3.86%; mines, 6.95%; forests, 49.51%; manufactures, 7.92%; miscellaneous, 27.22%. Total revenue tonnage, 237,110 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	44	....	6	6	62	66%	33,723	98,490	169	$1.21	2.29c	1.82c
1909	44	....	5	6	61	65	27,909	95,558	166	1.18	2.91	1.80
1910	44	....	5	8	61	66	28,960	137,729	199	1.35	2.99	1.80
1911	44	....	6	7	59	63	30,512	112,432	200	1.69	2.91	1.61
1912	44	....	6	6	56	63	32,410	109,727	200	1.62	2.90	1.62
1913	44	....	6	6	56	63	29,948	103,234	202	1.52	2.85	1.62
1914	41	....	5	6	62	60	31,240	117,307	198	1.54	2.90	1.44
1915	39	....	5	6	78	63	29,562	137,588	221	1.55	2.90	1.37
1916	39	....	5	6	78	65	29,203	155,891	248	1.75	2.90	1.37
9-Year Average	43	....	5	6	64	64%	30,385	118,662	200	$1.49	2.84c	1.60c

Yard tracks and sidings, 8 miles.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$2,759	$626	$129	$755	$1,093	$911	$911	$49	$862	$282	68%	$584	$409
1909	2,693	491	90	581	961	1,151	1,151	46	1,105	278	75	827	545
1910	3,079	639	145	784	1,108	1,187	1,187	43	1,144	279	76	865	545
1911	2,868	607	141	748	1,061	1,059	1,059	56	1,003	278	72	725	477
1912	2,807	549	113	662	1,042	1,103	1,105	57	1,048	278	73	770	443
1913	2,662	578	129	707	1,062	893	912	51	861	278	68	583	511
1914	2,834	610	143	753	1,301	780	786	59	727	299	59	428	439
1915	3,010	679	162	841	1,647	523	525	57	468	314	33	154	....
1916	3,299	646	214	860	1,372	1,067	1,068	68	1,000	314	68	686	77
9-Year Average	$2,890	$603	$141	$743	$1,183	$964	$967	$54	$913	$288	66%	$625	$383

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$128,673	$117,394	$116,208	$117,133	$124,530	$126,191	$135,476
Maintenance of way	25,193	26,472	25,010	25,413	26,336	26,712	28,139
Maintenance of equipment	8,357	6,307	5,851	5,662	2,282	6,192	6,381
All other operating expenses	53,513	64,228	53,333	46,742	47,350	46,710	48,742
Net operating revenues	$41,610	$20,387	$32,014	$39,316	$48,562	$46,577	$52,214
Operating ratio	67%	82.6%	72.5%	66%	61%	59%	61%
Other income	48	74	219	828	274	.....	.....
Total net income	$41,658	$20,461	$32,233	$40,144	$48,836	$46,577	$52,214
Taxes accrued	2,647	2,225	2,429	2,243	2,498	2,445	1,904
Balance for charges	$39,011	$18,236	$29,804	$37,901	$46,338	$44,132	$50,310
Fixed charges	12,250	12,250	12,250	12,250	12,245	12,251	12,250
Surplus over charges	$26,761	$5,986	$17,554	$25,651	$34,089	$31,881	$38,060
Dividends paid	3,000	.....	18,000	22,500	19,500	21,000	24,000
Appropriations for impmts., etc	.....	5,701	30,387	.....	.....	.....	.....
Balance	$23,761	$285	* $30,733	$3,151	$14,589	$10,881	$14,060
Earned on stock	8.92%	1.86%	5.85%	8.55%	11.36%	10.62%	12.68%

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $89,959; credit balance transferred from income, $23,761; total, $113,720. Contra: Credit balance carried to balance sheet, $113,720.

Comment: Gross revenues on this property in 1916 were far better than in 1915, although not quite equaling the results of 1910. However, the fixed charges on this property are very light and therefore the company finds little difficulty in reporting a substantial surplus. In the year 1916 the surplus equaled nearly 9% on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$6,810	60%	$5,568	40%	.....	$12,378	.....	.....	7.4%	.....	.....	$409	6%	.....	.....
1909	6,810	60	5,568	40	.....	12,378	.....	$12,378	9.3	.....	.....	545	8	.....	.....
1910	6,810	60	5,568	40	.....	12,378	.....	12,378	9.6	.....	.....	545	8	.....	.....
1911	6,810	60	5,568	40	.....	12,378	.....	12,378	8.6	.....	.....	477	7	.....	.....
1912	6,810	60	5,568	40	.....	12,378	.....	12,378	8.9	.....	.....	443	6½	.....	.....
1913	6,810	60	5,568	40	.....	12,378	.....	12,378	7.4	.....	.....	511	7½	.....	.....
1914	7,317	55	5,976	45	.....	13,293	.....	13,293	5.9	.....	.....	439	6	.....	.....
1915	7,692	55	6,282	45	.....	13,974	.....	13,974	3.8	.....	.....	.....	.....	.....	.....
1916	7,692	55	6,282	45	.....	13,974	.....	13,974	7.6	.....	.....	77	1	.....	.....
9-Year Average	$7,062	58%	$5,772	42%	.....	$12,834	.....	$12,891*	7.6%	.....	.....	$383	5.5%	.....	.....

* 8-year average.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$660,218	$662,195	$674,570	$648,108	$653,824	$652,758	$636,875
Working assets	36,007	13,121	.....	24,628	19,069	8,480	7,867
Total	$696,225	$675,316	$674,570	$672,736	$672,893	$661,238	$644,742
Liabilities:							
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	245,000	245,000	245,000	245,000	245,000	245,000	245,000
Working liabilities	1,600	.....	.....	.....	.....	.....	.....
Accrued liabilities not due	5,614	7,214	5,614	5,614	5,614	5,614	.....
Appropriated surplus	30,291	33,143	32,382	.....	.....	.....	.....
Surplus	113,720	89,959	91,574	122,122	122,279	110,624	99,742
Total	$696,225	$675,316	$674,570	$672,736	$672,893	$661,238	$644,742

Comment: There were no capitalization changes in the property during 1916. It will be noted that the company is lightly capitalized, and that although its earning power is also light, the net income on net capital has continuously ranged at substantial figures.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Coudersport & Port Allegany first 5s	J&J 15	Je 1936	(1st) 39	$6,282	$913	$312	66%	High	Good	Ba.

Note: "Average income available" is the average net income available per mile for interest charges, after deducting taxes for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Auth. and outstanding, $245,000. Dated June 15, 1896; due June 15, 1916; extended to June 15, 1936. Int. paid at Commonwealth Trust Co., Harrisburg, Pa. Coupon, $100 and $1,000. First lien on 45 miles, as follows: Port Allegany to Ulysses, Pa., 39 miles. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $300,000; par, $100. Dividends in recent years as follows: 1900, 10%; 1901 and 1902, 12% each; 1903, 10%; 1904, 7%; 1905, 9%; 1906, 14%; 1907, 13%; 1908, 6%; 1909 and 1910, 8% each; 1911, 7%; 1912, 6½%; 1913, 7½%; 1914, 6%; 1% Oct. 4, 1915. Payments made quarterly January. Transfer Office, Coudersport, Pa.

THE DELAWARE AND HUDSON COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated April 23, 1883, as the Delaware & Hudson Canal Company; name changed to Delaware & Hudson Company, April 28, 1899. The company formerly operated the Delaware & Hudson Canal, extending from Honesdale, Pa., to Rondout, N. Y., but this was sold in June, 1899, and the cost of the property charged off. Within the past ten years the company has merged a number of its controlled properties, including the Adirondack Railway, the Schenectady & Duanesburg R.R., the New York & Canada R.R., the Cherry Valley, Sharon & Albany R.R., etc. The Albany & Susquehanna, Albany & Vermont, Chateaugay & Lake Placid, Cooperstown & Susquehanna Valley, Rensselaer & Saratoga, and Saratoga & Schenectady companies are controlled or leased, but directly operated. The Greenwich & Johnsonville, Napierville Junction, the Quebec, Montreal & Southern, and Schoharie Valley companies are controlled but separately operated. Also operates the Wilkesbarre Connecting R.R., a line of 7 miles, from Buttonwood to Hudson, Pa., placed in operation in 1915, which connects with the Pennsylvania R.R.

Location: Directly operated lines consist of 909.07 miles, as follows: Lines owned: Saratoga Springs to North Creek, N. Y., 56.68 miles; Nineveh to Jefferson Junc., Pa., 22.01 miles; Lookout Junc. to Honesdale Junc., 27.62 miles; Carbondale to Green Ridge, 15.32 miles; Cherry Valley Junc. to Cherry Valley, 21.04 miles; Glenville to Coons, N. Y., 9.68 miles; Schenectady to Ballston, 14.12 miles; Charlotte Crossing to Davenport Center, N. Y., 3.96 miles; Greenwich to Greenwich Junc., N. Y., 10.20 miles; Whitehall to Rouses Point, N. Y., and branches, 125.71 miles; Albany & Susquehanna R.R., Albany to Binghamton, N. Y., and branches, 142.59 miles; Rensselaer & Saratoga R.R., Albany to Whitehall, N. Y., and branches, 198.41 miles; Chateaugay & Lake Placid Ry., Bluff Point to Lake Placid, N. Y., 79.44 miles; Union R.R., Green Ridge to Hudson, Pa., and branches, 28.60 miles; Cooperstown & Susq. Valley Ry., Cooperstown Junc. to Cooperstown, N. Y., 19.48 miles; Ticonderoga R.R., Ticonderoga to Ticonderoga Junc., N. Y., .92 mile; total leased, 469.44 miles. Trackage rights, 104.18 miles. In addition, the Delaware & Hudson Company leases the Rome & Clinton R.R., and the Utica, Clinton & Binghamton R.R., but these companies are sub-leased to and operated by the New York, Ontario & Western Ry. Mileage is chiefly in New York State. Population of New York State in 1890, 5,998,853; in 1900, 7,268,894; in 1910, 9,113,614.

Coal Properties: The company has for many years been a large producer and carrier of anthracite coal. In 1915 the coal mined by its coal-mining department was stated as 8,100,767 tons as compared with 7,400,695 tons in 1914. Title to the coal properties is held either directly or through stock ownership by the Hudson Coal Company, and in conformity with the Hepburn Law a contract was made with the Hudson Coal Company in June, 1909, whereby that company purchases outright at the mines all coal produced by the coal properties controlled.

Traction Properties: The Delaware & Hudson Company owns the entire capital stock of the United Traction Company (controlling the Hudson Valley Railway Co.), the Plattsburg Traction Co., and the Troy & New England Ry. Co.; and also one-half of the capital stock of the Schenectady Railway Co. (For full information regarding these companies, see "Moody's Analyses of Public Utilities and Industrials.")

Allied Boat Lines: Company controls the Champlain Transportation Co. and the Lake George Steamboat Co. In 1916 the Interstate Commerce Commission authorized the company to retain ownership in these properties.

Management: OFFICERS: L. F. Loree, Pres.; Robert M. Olyphant, Chairman Executive Com.; Chas. A. Peabody, Vice-Pres.; C. S. Sims, 2d Vice-Pres. and Gen. Mgr.; W. H. Williams, 3d Vice-Pres.; Chas. A. Walker, Treas.; F. M. Olyphant, Sec. DIRECTORS: R. M. Olyphant, Chauncey M. Depew, W. H. Williams, Geo. I. Wilber, Chas. A. Peabody, Chas. S. Weston, L. F. Loree, W. S. Opdyke, R. S. Lovett, Cornelius Vanderbilt, Robert C. Pruyn, Archibald D. Russell, Henry W. DeForest. Annual meeting, second Tuesday in May. MAIN OFFICE, 32 Nassau Street, New York.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907–1912 and June 30, 1913–1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	4.47%	4.50%	5.76%	5.21%	5.10%	5.34%	4.88%	5.39%	5.7%	4.5%
Products of Animals	1.22	1.10	1.21	.93	1.11	1.24	1.16	.86	.9	.8
Products of Mines	68.39	69.31	62.70	64.79	65.56	62.83	64.12	63.52	64.8	64.9
Products of Forest	4.52	4.48	5.48	4.76	4.41	5.32	5.23	5.39	4.6	5.0
Manufactures	13.57	12.54	14.22	13.89	14.05	14.23	13.24	15.15	15.7	16.6
Merchandise and Miscel.	7.83	7.98	10.63	10.42	9.77	11.04	11.37	9.69	8.3	8.2

Total revenue tonnage in 1909, 17,817,464 tons; 1910, 18,825,328 tons; 1911, 19,887,973 tons; 1912, 19,319,161 tons; 20,443,250 tons in year ended June 30, 1913; 19,976,154 tons in 1914; 19,906,057 tons in 1915; 22,623,328 tons in 1916.

The chief items of tonnage on this road are anthracite and bituminous coal. For the year 1911 there were transported 9,295,307 tons of anthracite and 2,095,052 tons of bituminous; in 1912, anthracite, 8,009,596 tons; bituminous, 2,494,643; in year ended Dec. 31, 1913, anthracite, 8,911,989 tons; bituminous, 2,406,953 tons; in year ended June 30, 1915, anthracite, tonnage, 9,591,200 tons; bituminous tonnage, 1,843,481 tons; in year ended June 30, 1916, anthracite tonnage, 9,851,123 tons; bituminous tonnage, 2,716,043 tons.

Public Utilities

If you are interested in any way in the securities of Gas, Electric Light, Electric Traction, Telephone and Telegraph or Power Companies, the "Public Utilities and Industrials" Edition of "MOODY'S ANALYSES OF INVESTMENTS" will prove indispensable. This whole field is covered in the same comprehensive and accurate way that Steam Railroads are covered in the Railroad Edition. In fact, the two volumes constitute a complete Service for the Banker and Investor. Separately, the editions sell at $15 each; in combination, they are supplied at $25, when ordered in advance.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	845	330	462	480	22,459	83%	162,893	2,971,679	452	$2.33	2.14c	.66c
1908 "	845	344	484	477	22,298	82	150,277	2,525,548	398	2.27	2.12	.71
1909 "	843	344	459	477	21,972	82	159,991	2,834,815	415	2.36	2.10	.67
1910 "	843	344	447	475	21,594	82	167,301	2,914,802	432	2.43	2.06	.68
1911 "	878	368	447	470	20,878	83	165,730	2,974,404	467	2.57	2.04	.68
1912 "	878	368	452	470	20,515	84	*176,565	3,221,937	502	2.64	2.02	.66
1913 June 30	854	368	467	395	20,396	84	182,027	3,545,185	531	2.82	1.99	.66
1914 "	881	381	466	385	19,830	83	172,018	3,259,737	532	2.81	2.06	.67
1915 "	886	387	491	458	19,644	82	141,950	3,063,258	556	2.96	2.17	.69
1916 "	886	387	488	457	19,579	83	146,582	3,711,969	655	3.32	2.20	.66
10-Year Average	864	362	466	454	20,917	83%	162,533	3,102,333	494	$2.65	2.09c	.69c

* On basis of 847 miles of passenger traffic in 1912. Above mileage does not include Cooperstown & Charlotte Valley R.R., 23 miles, reported separately.

Yard tracks and sidings, June 30, 1916, 641.96 miles.

Comment: For the year ended June 30, 1916, the Delaware & Hudson Company reported a heavy increase in its freight density, and also a great improvement in its train load. Notwithstanding the fact that average freight rates fell to a new low figure, the train mile earnings were better than ever before. The company as usual depended primarily on coal for its freight tonnage, and in 1916 this item of tonnage equaled nearly 65% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907 Dec. 31	$23,877	$2,174	$2,765	$4,939	$8,998	$9,940	$13,086	$673	$12,413	$4,742	62%	$7,671	$4,514
1908 "	21,894	1,677	2,627	4,304	8,491	9,099	12,235	835	11,400	5,182	55	6,218	4,634
1909 "	23,162	1,583	3,082	4,665	8,927	9,570	11,970	844	11,126	4,964	55	6,162	4,539
1910 "	24,237	1,848	3,371	5,219	9,249	9,769	12,651	966	11,685	5,362	54	6,323	4,539
1911 "	24,398	1,695	3,486	5,181	9,350	9,867	12,030	811	11,219	5,723	49	5,496	4,356
1912 "	25,604	2,210	3,680	5,890	10,132	9,582	12,274	1,099	11,175	4,904	56	6,271	4,356
1913 June 30	28,102	2,184	4,205	6,389	10,774	10,939	15,189	1,137	14,052	5,881	58	8,171	4,479
1914 "	26,209	1,996	4,126	6,122	11,256	8,831	11,698	1,258	10,440	5,770	45	4,670	4,342
1915 "	25,623	1,828	4,176	6,004	10,592	9,027	13,388	1,213	12,175	5,922	51	6,253	4,317
1916 "	29,268	2,386	4,759	7,145	11,345	10,778	14,582	1,266	13,316	6,750	49	6,566	4,317
10-Year Average	$25,237	$1,958	$3,628	$5,586	$9,911	$9,740	$12,910	$1,010	$11,900	$5,520	53%	$6,380	$4,439

Note: Above table is based on average mileage directly operated for each year, including leased as well as owned lines. Margin of safety is the proportion of surplus income left over after providing for interest, rentals, and all other charges.

Comparative Income Account, Years Ended Dec. 31, 1911-12; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911
Gross revenues	$25,931,482	$22,701,454	$23,075,727	$23,926,939	$22,480,103	$21,421,817
Maintenance of way	2,113,551	1,619,182	1,758,090	1,864,867	1,940,353	1,488,757
Maintenance of equip	4,216,582	3,699,840	3,635,231	3,590,932	3,230,742	3,060,739
All other oper. expenses	10,051,436	9,384,670	9,168,584	7,840,026	8,895,684	8,008,464
Net oper. revenues	$9,549,913	$7,997,762	$8,513,822	$10,631,114	$8,413,324	$8,863,857
Operating ratio	63.2%	64.8%	63.1%	55.6%	62.6%	59.6%
Other income	3,370,040	3,864,214	1,791,919	2,340,683	2,363,644	1,521,900
Total net income	$12,919,953	$11,861,976	$10,305,741	$12,971,797	$10,776,968	$10,385,757
Taxes accrued	1,121,629	1,074,995	1,108,607	971,031	964,735	712,183
Balance for charges	$11,798,324	$10,786,981	$9,197,134	$12,000,766	$9,812,233	$9,673,574
Fixed charges	5,980,774	5,246,738	5,083,375	5,022,227	4,306,144	4,435,893
Surplus over ch'ges	$5,817,550	$5,540,243	$4,113,759	$6,978,539	$5,506,089	$5,237,681
Dividends paid	*	3,825,234	3,825,234	3,825,234	3,825,270	3,825,270
Balance	$5,817,550	$1,715,009	$288,525	$3,153,305	$1,680,819	$1,412,411
Earned on stock	13.66%	13.04%	9.68%	16.42%	12.96%	12.32%

* Paid from surplus.

Note: Fixed charges include rentals of leased lines (a large item), interest on bonds, equipment, notes, etc. Fiscal year ends Dec. 31. "Net operating revenues," as shown above, is net for railroad alone.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915, $16,883,996; credit balance transferred from income, $5,817,550; delayed income credits, $9,066; unrefundable overcharges, $327; miscellaneous credits, $27,582; total, $22,738,521. Contra: Dividend appropriations of surplus, $3,825,234; debt discount, commissions, etc., extinguished through surplus, $368,640; miscellaneous appropriations of surplus, $12,410; loss on retired road and equipment, $14,395; miscellaneous debits, $28,232; credit balance carried to balance sheet, $18,489,610; total, $22,738,521.

Comment: The income statement of the Delaware & Hudson for the year ended June 30, 1916, was a very satisfactory one. Both gross and net revenues underwent a large advance, although there was some falling off in outside income. However, the surplus available for charges and dividends reached very heavy figures. While fixed charges again increased, they were actually earned almost twice over. The surplus on the stock equaled 13 2/3%.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$50,177	57%	$37,961	43%	$55,063	$143,201	$38,110	$105,091	12.4 %	.....	.....	$4,514	9%	.....	41%
1908 "	50,177	47	55,575	53	44,914	150,666	27,649	123,017	10	.....	.....	4,634	9	.....	26
1909 "	50,416	43	66,909	57	49,259	166,584	27,981	138,603	8.6	.....	.....	4,539	9	.....	26
1910 "	50,418	43	66,524	57	48,519	165,461	28,431	137,030	9.2	.....	.....	4,539	9	.....	28
1911 "	48,400	42	66,486	58	46,081	160,976	30,769	130,207	9.2	.....	.....	4,356	9	.....	20
1912 "	48,400	42	66,254	58	46,338	161,001	30,852	130,149	9.4	.....	.....	4,356	9	.....	31
1913 June 30	49,770	42	67,831	58	44,729	162,330	39,008	123,322	12.3	.....	.....	4,479	9	.....	45
1914 "	48,244	41	70,738	59	43,604	162,586	37,576	125,010	9.4	.....	.....	4,342	9	.....	7
1915 "	47,972	41	70,339	59	44,716	163,027	33,264	129,763	10.4	.....	.....	4,317	9	.....	31
1916 "	47,972	40	70,878	60	45,285	164,135	*30,535	133,600	10.9	.....	.....	4,317	9	.....	34
10-Year Average	$49,196	44%	$63,950	56%	$46,851	$159,907	$32,418	$127,579	10.1 %	.....	.....	$4,439	9%	.....	30%

* Based on securities held unpledged.

Note: Bonds outstanding in above exhibit include all direct obligations, including debentures, equipments, notes, etc. Rental column includes all guarantees of interest and dividends on leased lines, same being capitalized at 5%.

Comparative Condensed Balance Sheet, as of Dec. 31, 1911-1912: June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$128,409,486	$127,234,375	$120,146,608	$120,470,208	$121,589,996	$117,461,756
Working assets	8,994,073	6,480,444	9,001,739	8,255,640	8,082,429	7,597,935
Deferred debit items...	6,043,575	5,867,627	8,716,683	5,660,780	1,824,946	2,138,930
Accrued income not due	236,034	200,764	289,941	398,305	.....	.....
Total	$143,683,168	$139,783,210	$138,154,971	$134,784,933	$131,497,371	$127,198,621
Liabilities:						
Capital stock	$42,503,000	$42,503,000	$42,503,000	$42,503,000	$42,503,000	$42,503,000
Funded debt	62,798,000	62,320,000	62,320,000	57,928,000	58,171,000	58,375,000
Working liabilities	9,030,754	7,678,027	6,805,268	7,748,848	7,309,359	4,591,404
Accrd. liabilities not due	2,933,584	2,780,129	3,550,662	3,549,866	1,562,251	1,481,389
Deferred credit items...	929,875	609,711	532,495	562,797	.....	.....
Appropriated surplus ..	6,998,345	7,008,347	6,991,358	157,764	6,751,837	6,761,230
Profit and loss surplus.	18,489,610	16,883,996	15,452,188	22,334,658	15,199,924	13,486,598
Total	$143,683,168	$139,783,210	$138,154,971	$134,784,933	$131,497,371	$127,198,621

Note: Above balance sheets for 1913 to 1916 are those submitted to Interstate Commerce Commission and not to stockholders. On Dec. 31, 1915, in statement to stockholders, company reported stocks and bonds owned of $28,644,317.

Comment: There were practically no changes in the capitalization figures of the Delaware & Hudson Company during the year ended June 30, 1916. There was, however, a further moderate increase in results and something of a decline in the amount of investments owned. As a result the net capitalization is now higher than in 1915, but the earning power is such as to easily carry this capitalization. Last year the net income on net capital equaled nearly 11%.

It will be noted that during the past ten years there has been a considerable expansion in the bonded debt per mile of the company, while the capital stock outstanding has shown no increase. The bonded debt now represents about 60% of the aggregate of stock and bonds, as compared with only 43% ten years ago. This change has naturally resulted in larger fixed charges, but the earning power of the company has kept pace with these increases. The company has a splendid record as a dividend payer.

Stocks and Bonds Owned on Jan. 1, 1916, were as follows:

Shares	*Stocks*	*Par Value*
30,000	The Chateaugay & L. P. Ry. Co. (Pref.)	$3,000,000.00
750	The Chateaugay & L. P. Ry. Co. (Com.)	75,000.00
8,000	The Rens. & Sara. R.R. Co.	800,000.00
4,500	The Alb. & Sus. R.R. Co.	450,000.00
1,041	The Champlain Trans. Co.	52,050.00
4	The Del. & Hudson Co.	400.00
124,996	United Traction Co.	12,499,600.00
100	The North N. Y. Dev. Co.	10,000.00
1,000	Plattsburgh Traction Co.	100,000.00
20,500	Schenectady Ry. Co.	2,050,000.00
2,250	Green. & Johnv. Ry. Co.	225,000.00
3,608	Chateaugay Ore & Iron Co. (1st Pfd.)	360,800.00
3,198½	Chateaugay Ore & Iron Co. (2d Pfd.)	319,850.00
12,500	Chateaugay Ore & Iron Co. (Com.)	1,250,000.00
10,000	The Quebec, M. & S. Ry. Co.	1,000,000.00
12,000	Napierville Junc. Ry. Co.	600,000.00
450	The Cooperstown & Char. Vy. Ry.	45,000.00
1909	The Champlain Trans. Co.	95,450.00
75	The Troy Union R.R. Co.	7,500.00
1,799.80	Troy & N. England Ry. Co.	179,980.00
70,000	The Hudson Coal Co.	3,500,000.00
1,000	Wilkes-Barre Con. R.R. Co.	50,000.00
826	Wilkes-Barre Con. R.R. tem. rcpts.	41,300.00
	Miscellaneous stocks	659,844.20

No.	*Bonds*	*Par Value*
45	The Ft. William Henry Hotel Co., 1st Mtge.	$45,000.00
1	The Fort William Henry Hotel Co. Inc. Deb.	$272,000.00
8	Carbondale Gas Co.	8,000.00
48	Plattsburgh Traction Co. 1st Mtge.	24,000.00
712	The Albany & Sus. R.R. (1st Mtge).	3,556,000.00
320	Troy & N. England Ry. Co.	160,000.00
28	The Bluff Pt. L. Imp. (1st Mtge.)	28,000.00
1	The Bluff Pt. L. Imp. Inc. Deb.	250,000.00
25	Chateaugay Ore & Iron Co. 1st mtge.	250,000.00
87	Chateaugay Ore & Iron Co., 1st mtge.	87,000.00
1	The Champlain Transportation Co., 1st Inc. Deb.	250,000.00
1	Lake George S.S. Co., 2d Inc. Deb.	20,000.00
150	Glens Falls, San. Hill & Fort Ed. St. Ry., 1st mtge.	100,000.00
100	Glens Falls, San. Hill & Fort Ed. St. Ry., 2d mtge.	50,000.00
215	Stillwater & Mech. St. Ry. cons. mtge.	202,500.00
95	Stillwater & Mech. St. Ry., 1st mtge.	47,500.00
	Bonds & mtges. on real estate	716.08

Total book value of stocks, $23,419,521; of bonds, $5,124,796.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Del. & Hudson, Penn. div. first 7s	M&S	S 1917	(1st) 47	$106,500		$385	96%	Very high	Very high	Aaa.
2. Adirondack Ry. first 4½s.	M&S	Mr 1942	(1st) 60	16,600	$11,900	50	96%	"	High	Aaa.
3. Schenec. & Duan. first 6s	M&S	S 1924	(1st) 14	35,710		33	96%	"	"	Aaa.
4. Del. & Hud. first & ref. 4s.	M&N	My 1943	(sec note)	.....	11,515	1,455	87%	"	Very high	Aaa.
5. Bluff Point L. Imp. first 4s.	J&J	Ja 1940	(1st) Realty	.....		13	75%	"	Good	Aa.
6. Chateaugay O. & I. Ref. 4s.	J&J	Ja 1942	"	.....		59	75%	"	"	Aa.
7. Hudson Coal Co. deben. 4s.	M&N	My 1917	Not mtg.	.....		12	75%	"	"	Aa.
8. Hudson Coal Co. deben. 4s.	M&N	My'17-'18	"	.....						
9. Albany & Susq. first 3½s.	A&O	Ap 1946	(1st) 143	45,000	10,060	254	75%	"	Very high	Aaa.
10. Rens. & Sar. first cur. 7s.	M&N	My 1921	(1st) 135	15,000		154	75%	"	"	Aaa.
11. Utica, Clint. & B. first 5s.	J&J	Jl 1939	(1st) 31	26,000		44	75%	"	High	Aaa.
12. Equipment trusts, 4½s.	J&J	Jl 1922	.....	.....		1,224	*75%	"	"	Aaa.
13. Del. & Hud. conv. 5s.	A&O	O 1935	Not mtg.	.....		815	75%	"	"	Aa.

* Includes sinking fund.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $5,000.000. Dated Sept. 1, 1877; due Sept. 1, 1917. Int. paid at office of company in New York. Coupon, $1,000; reg., $5,000. First lien, 47.30 miles, as follows: Penn.-N. Y. State line to Jefferson Junc., Pa., 4.36 miles; Carbondale to Green Ridge, 15.32 miles; Lookout Junc. to Honesdale, 27.62 miles; also on coal lands and other realty in Luzerne, Wayne, and Susquehanna Counties, Pa. Underlie No. 4, which provides for retirement. Legal for Savings Banks in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth., $2,000,000; outstanding, $1,000,000 (closed). Dated Mar. 1, 1892; due Mar. 1, 1942. Int. paid at D. & H. office, New York. Coupon, $1,000. Guar. prin. and int. by D. & H. Co. First lien, 60.08 miles, Saratoga to North Creek, and Thurman to Warrensburg, N. Y. Underlie No. 4. which provide for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

3. Auth. and outstanding, $500,000. Dated Sept. 1, 1874; due Sept. 1, 1924. Int. paid at D. & H. office, New York. Coupon, $100, $500 and $1,000. Guar. as to int. by D. & H. Co., by endorsement. First lien, 13.79 miles, Schenectady to Duanesburgh, N. Y. Underlie No. 4, which provide for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

4. Auth., $50,000,000; outstanding, $32,204,000. Dated May 1, 1908; due May 1, 1943. Int. paid at office of company, New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000. Callable at 107½ and int., on and after May 1, 1918, on 13 weeks' notice. Sinking fund, 1% of outstanding bonds per annum, bonds not called. First lien, 220.14 miles, as follows: Whitehall to Rouses Point, N. Y., 112.93 miles; Canada Junc. to Mooers Junc., 12.78 miles; South Junc. to Ausable Forks, 18.87 miles; Ft. Ticonderoga to Baldwin, 4.77 miles; Cherry Valley Junc. to Cherry Valley, 21.04 miles; Glenville to Coons, 9.68 miles; Nineveh to N. Y.-Penna. State line, 17.65 miles; branches, 22.42 miles; also secured by second lien on 121.09 miles which are covered by Nos. 1, 2, and 3; also secured by first lien on leasehold interests covering 441.79 miles additional and 57.01 miles of trackage rights. Legal for S. B. in Conn., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $300,000. Dated Jan. 1, 1890; due Jan. 1, 1940. Int. paid at D. & H. office, New York. Coupon, $1,000. The D. & H. owns $28,000 of these bonds. First lien on realty at Bluff Point, Lake Champlain, N. Y. Guar. prin. and int. by D. & H. Co. Normal income tax deducted from interest.

6. Auth., $1,550,000; outstanding, $1,300,000. Dated Jan. 1, 1902; due Jan. 1, 1942. Int. paid at D. & H. office, New York. Coupon and reg., $1,000. Callable at 105. Guar. prin. and int. by D. & H. Co. Interest paid without deduction for normal income tax.

7. Auth., $1,600,000; now outstanding, $75,000; dated May 1, 1901; due May 1, 1917. Int. paid at D. & H. office, New York. Reg., $1,000. Guar. prin. and int. by D. & H. Co. Normal income tax deducted from interest.

8. Auth., $1,850,000; now outstanding, $200,000; dated May 1, 1902; due $100,000 annually to May 1, 1918. Int. paid at D. & H. office, New York. Reg., $1,000. Guar. prin. and int. by D. & H. Co. Normal income tax deducted from interest.

9. Auth., $10,000,000; outstanding, $6,444,000 (closed). Dated April 1, 1906; due April 1, 1946. Int. at D. & H. office, New York. Coupon, $1,000. These bonds were convertible into capital stock of D. & H. Co., until April 1, 1916, at rate of $500 in stock for each $1,000 bond. Guar. prin. and int. by D. & H. Co., by endorsement. First lien, 142.59 miles, Albany to Binghamton, N. Y. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

10. Auth. and outstanding, $2,000,000. Dated May 1, 1871; due May 1, 1921. Int. paid at D. & H. office, New York. Coupon and reg., $1,000. Int. guaranteed by D. & H. Co. First lien, 135.28 miles, as follows: Troy to Ballston Spa, 25.82 miles; Saratoga Springs to Whitehall, 40.39 miles; Whitehall to N. Y.-Ver. State line, 6.63 miles; Rutland, Vt., to Eagle Bridge, N. Y., 62.44 miles. Legal for S. B. in Cal., Conn., Maine, Mich., Minn., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

11. Auth. and outstanding, $800,000. Dated July 1, 1889; due July 1, 1939. Int. paid at N. Y. Trust Co., New York. Coupon, $1,000. First lien, 31 miles, Utica to Randallville, N. Y. This road is leased to D. & H. Co. in perpetuity at guarantee of principal and interest on bonds and dividends on stock (see below), but is operated by N. Y. O. & W. Ry. (which see). Interest paid without deduction for normal income tax.

12. Auth., $10,000,000; outstanding, $9,643,000; retired, $357,000. Dated June 1, 1907; due July 1, 1922. Int. paid at New York. Coupon, $1,000. Sinking fund, $650,000 per annum, to purchase these or other legal bonds; total sum in fund on Dec. 31, 1915, $5,556,503. A first lien on equipment costing $11,000,000. Interest paid without deduction for normal income tax. Listed on New York Stock Exchange. Legal for S. B. in N. H. and R. I.

13. Auth. and outstanding, $14,451,000. Dated Oct. 1, 1915; due Oct. 1, 1935. Interest paid at D. & H. office, New York. Coupon and reg., $500 and $1,000; interchangeable. Callable as a whole on Oct. 1, 1922, or any interest date thereafter, at 105 and interest, on 90 days' notice. Convertible from Oct. 1, 1917, to Oct. 1, 1927, into capital stock of the company at the rate of $1,500 par value of bonds for ten shares of stock (with adjustment of interest and dividends). If called, bonds may be converted up to 30 days prior to redemption date. Not secured by mortgage, but a direct obligation of the company. Listed on New York Stock Exchange. Legal for S. B. in N. H. and R. I. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Albany & Susquehanna guaranteed stock.... Par $100. Outstanding, $3,500,000.	12.45% J&J	$24,470		$490	82%	Very high	Very high	Aaa.
2. Albany & Vermont R.R. gtd. stock ..... Par $100. Outstanding, $600,000.	3% M&N	50,000		20	82%	"	"	Aa.
3. Rensselaer & Saratoga gtd. stock..... Par $100. Outstanding, $10,000,000.	8% J&J	66,238	$7,829	903	82%	"	"	Aaa.
4. Rome & Clinton R.R. gtd. stock ..... Par $100. Outstanding, $350,000.	6½% J&J	27,000		25	82%	"	"	Aa.
5. Utica, Clin. & Bing. gtd. stock..... Par $100. Outstanding, $850,000.	See text	27,400		11	82%	"	"	Aa.†
6. Del. & Hudson Co. stock..... Par $100. Outstanding, $42,503,000.	9% Qu. Mch.	47,972	6,380	4,317	32%	"	"	A.

* Average before deducting dividend guarantees, but after deducting all interest charges and other rentals.
† On guaranteed portion.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Road leased to Delaware & Hudson Co. in perpetuity, rental being interest on bonds and 12.45% per annum on stock. See below.

2. Road leased in perpetuity to Delaware & Hudson Co., rental being 3% on stock and $2,000 per annum organization expense. See following pages.

3. Road leased to Delaware & Hudson Co. in perpetuity, rental being interest on bonds and 8% on stock. See following pages.

4. Road leased in perpetuity to Delaware & Hudson Co., but operated by N. Y., Ont. & Western Ry. under contract to 1921. Rental, $22,375 per annum, and taxes; equalling 6¼% on stock. See under its own heading.

5. Road leased to Delaware & Hudson Co. at annual rental of $61,500, and subleased to New York, Ontario & Western Ry. It controls 10 miles of street lines in addition to its railway, the former being leased to the Utica & Mohawk Valley Ry. at a rental of $15,000. On $200,000 of the stock 5% dividends are paid and guaranteed by the Delaware & Hudson Co. On the balance, the dividend rate is 3¾% per annum. See under its own heading.

6. Auth., $55,711,500; outstanding, $42,503,000. TRANSFER OFFICE, 32 Nassau St., New York.

Dividends: From the date of its organization, the company declared a total of 226 cash dividends aggregating 686%, or $118,334,286. The yearly rates and amounts are shown in the following statement:

Years	Rate %	Amount	Years	Rate %	Amount	Years	Rate %	Amount
1826.....	2	$30,000	1859.....	7	$525,000	1890.....	7	$1,715,000
1827.....	2	30,000	1860.....	7	525,000	1891.....	7	2,100,000
1828.....	1	15,000	1861.....	6½	487,500	1892.....	7	2,100,000
1829–31.....	Nil.	.....	1862.....	7	525,000	1893.....	7	2,100,000
1832.....	3½	51,950	1863.....	5	375,000	1894.....	7	2,187,500
1833.....	7	115,671	1864.....	20	1,500,000	1895.....	7	2,450,000
1834–38.....	Nil.	.....	1865.....	20	1,875,000	1896.....	7	2,450,000
1839.....	7	134,092	1866.....	16	1,600,000	1897.....	5	1,750,000
1840.....	7	134,092	1867.....	16	1,600,000	1898.....	5	1,750,000
1841.....	8½	163,146	1868.....	14	1,400,000	1899.....	5	1,750,000
1842.....	9	172,980	1869.....	10	1,500,000	1900.....	5	1,740,000
1843.....	8	153,760	1870.....	10	1,500,000	1901.....	7	2,425,855
1844.....	8	153,760	1871.....	10	1,500,000	1902.....	7	2,415,497
1845.....	9	211,420	1872.....	10	1,500,000	1903.....	7	2,408,497
1846.....	16	445,904	1873.....	10	1,500,000	1904.....	7	2,754,350
1847.....	20	576,600	1874.....	10	2,000,000	1905.....	7	2,866,675
1848.....	18	661,162	1875.....	10	2,000,000	1906.....	7	2,867,174
1849.....	16	730,360	1876.....	9	1,800,000	1907.....	9	3,815,437
1850.....	14	809,248	1877–80.....	Nil.	.....	1908.....	9	3,816,000
1851.....	8	546,000	1881.....	4½	900,000	1909.....	9	3,820,545
1852.....	8	576,000	1882.....	7	1,400,000	1910.....	9	3,825,180
1853.....	9	648,000	1883.....	7	1,400,000	1911.....	9	3,825,270
1854.....	11	792,000	1884.....	7	1,522,500	1912.....	9	3,825,270
1855.....	12	864,000	1885.....	6	1,410,000	1913.....	9	3,825,270
1856.....	12	881,280	1886.....	5	1,175,000	1914.....	9	3,825,270
1857.....	10	748,800	1887.....	5	1,225,000	1915.....	9	3,825,270
1858.....	7	525,000	1888.....	6	1,470,000	1916.....	9	3,825,270
			1889.....	7	1,715,000			

Besides the above cash dividends, the following distributions of stock, aggregating $6,643,500, have been made: 1845; 25%, $480,500; 1856, 4%, $288,000; 1864, 16 2/3%, $1,250,000; 1865, 14 2/7%, $1,250,000; 1868, 20%, $2,000,000; 1890, 5 3/5%, $1,375,000.

Investment Position: All of the bond obligations of the Delaware & Hudson Company, whether direct company issues or guarantees, stand on a very high investment plane; as is indicated by the record of the company for a long series of years. The guaranteed stock issues, where fully guaranteed under leases, are also on a high credit basis. The company's own capital stock presents a remarkable dividend exhibit, and in all normal years should be assured of its present rate of 9%.

COMPANIES CONTROLLED BY DELAWARE & HUDSON COMPANY

ALBANY AND SUSQUEHANNA RAILROAD

Incorporated under New York laws, April 19, 1851; first operated 35 miles in 1863. Line of road, Albany to Binghamton, N. Y., 142.59 miles, of which 95.33 miles is double track. Sidings, 155.48 miles. Leased Feb. 24, 1870, for term of charter to Delaware & Hudson Co., rental being interest on bonds, dividends of 7% on stock until 1902, and 9% thereafter. In 1906, however, the Courts decided that the stockholders were entitled to the saving effected through the refunding of the old 7% bonds at 3½%, and that during the life of these bonds (to 1946), the stockholders are to receive 3.25% additional to the regular 9% each year. Property is directly operated.

Management: OFFICERS: A. W. Butler, Pres.; G. W. Murray, Vice-Pres.; W. L. M. Phelps, Sec. and Treas. Annual meeting, third Tuesday in October. MAIN OFFICE, Albany, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$788,697	$786,429	$802,155	$787,530	$787,598	$787,904
Taxes, etc.	4,309	4,324	.....	.....	5,821	6,466
Fixed charges	351,545	350,000	350,000	351,893	350,000	350,000
Surplus	$432,843	$432,105	$452,155	$435,637	$431,777	$431,438
Dividends paid	428,750	428,750	428,750	435,750	435,750	435,750
Other deductions	.....	.....	9,168	.....	.....	.....
Balance	$4,093	$3,355	$14,237	(def.) $113	(def.) $3,973	(def.) $4,312

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$14,246,257	$14,200,767	$14,200,767	$14,200,767	$14,200,767	$14,200,767
Working assets	9,768	51,081	48,607	36,138	36,093	39,841
Accrued income not due	87,500	87,500	87,500	87,500	.....	.....
Total	$14,343,525	$14,339,348	$14,336,874	$14,324,405	$14,236,860	$14,240,608
LIABILITIES:						
Capital stock	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000
Funded debt	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Working liabilities	861	777	.....	2,000	3,268	3,044
Accrd. liabilities not due	87,500	87,500	89,158	88,927	.....	.....
Profit and loss surplus.	755,164	751,071	747,716	733,478	733,592	737,564
Total	$14,343,525	$14,339,348	$14,336,874	$14,324,405	$14,236,860	$14,240,608

Bonded Debt: $10,000,000 Albany & Susquehanna R.R. first 3½s; dated April 1, 1906; due April 1, 1946; int. paid April and Oct. at D. & H. Co., office, New York. Coupon and reg., $1,000. Guar. prin. and int. by D. & H. Co., and convertible into D. & H. Co. stock until April 1, 1916, on basis of $1,000 for 5 shares of stock. First lien on entire property. For rating, see D. & H. Co. bond table, page 304.

Capital Stock: Authorized and issued, $3,500,000; par, $100. Dividends, 9% per annum, "regular" and 3.25% extra each year, making 12.25% per annum; on Nov. 30, 1909, an extra dividend of 30% was paid to cover arrears on the "extra" disbursement. TRANSFER AGENT, C. H. Booth, 32 Nassau St., New York. For rating, see D. & H. Co. guaranteed stock table, page 305.

ALBANY & VERMONT RAILROAD

Incorporated under New York laws, Oct. 17, 1859, succeeding the Albany, Vermont & Canada R.R. Line of road, Albany to Waterford Junc., N. Y., 12.18 miles, of which 11.15 miles is second track. Leased in perpetuity from June 12, 1860, to Rensselaer & Saratoga R.R.; lease assigned to D. & H. Co., which operates the property. Rental, $20,000 per annum, equalling 3% on stock and $2,000 organization expenses.

Management: OFFICERS: E. C. Gale, Pres.; Le Grand C. Cramer, Vice-Pres.; S. S. Bullions, Sec. and Treas. Annual meeting, third Tuesday in October. OFFICE, Troy, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$20,200	$20,200	$20,616	$20,200	$20,200	$20,000
Taxes accrued, etc.	186	185	.....	.....	503	471
Fixed charges	1,378	1,278	1,651	1,771	800	828
Surplus	$18,636	$18,737	$18,965	$18,429	$18,897	$18,701
Dividends paid	18,000	18,000	18,000	18,000	18,000	18,000
Balance	$636	$737	$965	$429	$897	$701

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$605,000	$605,000	$605,000	$605,000	$605,000	$605,000
Working assets	12,775	12,139	11,402	10,436	10,007	9,110
Total	$617,775	$617,139	$616,402	$615,436	$615,007	$614,110
LIABILITIES:						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Profit and loss surplus..	17,775	17,139	16,402	15,436	15,007	14,110
Total	$617,775	$617,139	$616,402	$615,436	$615,007	$614,110

Capital Stock: Authorized and issued, $600,000; par $100. Dividends, 3% per annum, payable May and Nov. 15, at United National Bank, New York. No bonded debt. For Rating, see D. & H. Co. stock table, page 305.

CHATEAUGAY AND LAKE PLACID RAILWAY

Incorporated under New York laws July 10, 1903, as a consolidation of the Chateaugay R.R., the Chateaugay Ry. and the Saranac & Lake Placid Railway. Line of road, Bluff Point to Lake Placid, N. Y., 79.44 miles. Sidings, 38.05 miles. Leased to D. & H. Co. for 99½ years from July 1, 1903, rental being the surplus earnings of the property. Property is directly operated by lessee.

Management: OFFICERS: S. M. Weed, Pres.; L. F. Loree, Vice-Pres.; C. S. Sims, Vice-Pres.; W. H. Williams, Vice-Pres.; G. H. Parker, Vice-Pres.; C. A. Walker, Treas; F. M. Olyphant, Sec.; W. H. Davies, Compt. OFFICE, 32 Nassau St., N. Y. Annual meeting, second Wednesday in June at Lyon Mt., N. Y.

Income Account, year ended June 30, 1916: Net income from lease, $126,741; net after charges, $85,037; dividend on preferred stock (2.83%) $85,037.

Capital Stock: Auth. and issued, $3,000,000 preferred and $450,000 common; par, $100. D. & H. Co. owns all preferred and $75,000 common. No bonded debt.

COOPERSTOWN & CHARLOTTE VALLEY RAILROAD

Incorporated under laws of New York, April 30, 1888, as a consolidation of the old company of same name with the West Davenport R.R. Line of road, Charlotte Crossing to Davenport Centre, N. Y., 3.96 miles. Leased, 19.79 miles; sidings, 3.13 miles. Also operates the Cooperstown & Susquehanna Valley R.R. under lease (see below). Controlled through stock ownership by D. & H. Co.

Management: OFFICERS: L. F. Loree, Pres.; C. S. Sims and W. H. Williams, Vice-Pres.; C. A. Walker, Treas.; F. M. Olyphant, Sec. Annual meeting last Tuesday in December. MAIN OFFICE, 32 Nassau St., New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$53,956	$53,097	$57,345	$61,556	$60,415	$63,953
Maintenance of way	19,087	11,595	3,767	26,362	9,971	7,987
Maint. of equipment	5,000	2,451	1,984	3,316	3,816	1,686
All other oper. expenses	38,700	37,009	35,074	38,359	32,751	32,844
Net oper. revenue	(def.) $8,831	$2,042	$16,520	(def.) $6,481	$13,877	$21,436
Other income	587	682	672	706	272	(def.) 113
Total net income	(def.) $8,244	$2,724	$17,192	(def.) $5,775	$14,149	$21,323
Taxes	3,984	4,667	3,304	2,872	3,335	2,800
Fixed charges	11,547	11,046	11,043	(cr.) 8,647	11,120	11,597
Surplus	(def.) $23,775	(def.) $12,989	$2,845	.....	(def.) $306	$6,926

Note: This property has recently been showing a rather heavy net deficit, and its gross revenues have inclined to fall during recent years. Its value to the Delaware & Hudson Company, however, is probably sufficient to warrant the latter to take care of the issue of Cooperstown & Susquehanna Valley 1st 5s, the interest on which is guaranteed by the Cooperstown & Charlotte Valley Railroad. (See below.)

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$111,382	$85,934	$75,143	$75,643	$71,040	$71,040
Deferred debit items	934	1	1,089	413	.....	.....
Profit and loss deficit	4,602	4,602	4,612	4,612	4,612	4,608
Total	$116,918	$90,537	$80,844	$80,667	$75,652	$75,648
LIABILITIES:						
Capital stock	$45,000	$45,000	$45,000	$45,000	$45,000	$45,000
Funded debt	66,501	40,934	.....	.....	26,040	26,040
Working liabilities	28	28	.....	.....	38	38
Accrd. liabilities not due	5,389	4,575	32,936	5,949	1,667	1,667
Deferred credit items	.....	.....	2,908	29,718	2,907	2,903
Total	$116,918	$90,537	$80,844	$80,667	$75,652	$75,648

Capital Stock: Authorized and issued, $45,000; par, $100; all owned by D. & H. Co. No.bonds.

COOPERSTOWN & SUSQUEHANNA VALLEY RAILROAD

Incorporated under New York laws, Feb. 25, 1865. Line of road, Cooperstown to Charlotte Crossing, N. Y., 19.79 miles. Sidings, 3.13 miles. Leased for 99 years from April 15, 1891, to Cooperstown & Charlotte Valley R. R., rental being interest on bonds. Property is operated by D. & H. Co. for account of lessee.

Management: OFFICERS: L. F. Loree, Pres.; C. S. Sims, Vice-Pres.; W. H. Williams, Vice-Pres.; C. A. Walker, Treas.; C. H. Booth, Asst. Treas.; F. M. Olyphant, Sec.; W. B. Schofield, Asst. Sec.; W. H. Davies, Compt. Annual meeting, third Tuesday in December.

Bonded Debt: $200,000 Cooperstown & Susquehanna Valley 1st 5s; dated May 1, 1888; due May 1, 1918; int. paid May and Nov. 1 at Cooperstown (N. Y.) National Bank. Int. guar. by Cooperstown & Charlotte Valley R. R. First lien on entire property. Denom., $100, $200, $300 and $500. Normal income tax deducted from interest.
Net Rating, Ba.

Capital Stock: Authorized, $350,000; outstanding, $307,400; par, $100. No dividends.

GREENWICH & JOHNSONVILLE RAILWAY

Incorporated under New York laws, Sept. 10, 1879, and in 1903 absorbed the Battenkill R.R. Operates 21.15 miles from Schuylerville to Johnsonville, N. Y. Sidings, 4.35 miles. Formerly operated 10.02 miles additional from Greenwich to Salem Junction, but this has been directly absorbed by Delaware & Hudson Co. Locomotives, 3; freight cars, 11; passenger cars, 5.

Management: OFFICERS: I. C. Blandy, Pres.; C. S. Sims and W. H. Williams, Vice-Pres.; C. A. Walker, Treas.; F. M. Olyphant, Sec. DIRECTORS: L. F. Loree, W. H. Williams, C. A. Walker, F. M. Olyphant, C. S. Sims, C. E. Burr, Jas. MacMartin, I. C. Blandy, C. C. VanKirk. Annual meeting, third Saturday in June at Greenwich, N. Y. OFFICE, 32 Nassau St., N. Y..

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$128,318	$115,222	$114,552	$132,891	$114,012	$117,484	$124,045
Maintenance of way	14,370	14,955	16,647	24,259	21,385	13,300	21,141
Maintenance of equipment	6,485	5,578	3,771	7,226	9,468	6,441	2,861
All other operating expenses	38,656	34,146	35,379	32,432	31,213	36,337	38,681
Net earnings	$68,807	$60,543	$58,755	$68,984	$51,946	$61,205	$61,362
Total net income	73,748	65,238	61,549	71,790	55,813	62,521	62,419
Fixed charges	* 43,385	39,976	44,434	37,426	34,598	48,867	51,487
Balance	$30,363	$25,262	$17,115	$34,364	$21,215	$13,654	$10,932
Dividends	†	13,500	13,500	13,500	13,500	9,000	9,000
Earned on stock	13.5%	11.2%	7.6%	15.2%	9.42%	6.01%	4.90%

* Includes $4,929 taxes.

† Dividend paid from surplus in 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $70,964; credit balance transferred from income, $30,363; miscellaneous credits, $245; total, $101,572. Contra: Dividend appropriations of surplus, $13,500; credit balance carried to balance sheet, $87,695; miscellaneous debits, $377; total, $101,572.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$797,199	$793,929	$793,802	$746,735	$700,533	$738,108
Working asets	84,682	167,837	156,236	161,166	143,710	154,663
Accrued income not due	5,131	.....	.....	.....	.....	.....
Deferred debit items	6,835	3,284	2,954	58,621	6,315	5,951
Total	$893,847	$965,050	$952,992	$966,522	$850,558	$898,722
LIABILITIES:						
Capital stock	$225,000	$225,000	$225,000	$225,000	$225,000	$225,000
Funded debt	517,360	500,000	617,360	592,360	538,630	546,860
Working liabilities	59,535	167,408	49,349	88,913	52,187	78,993
Accrued liabilities not due	.....	345	.....	.....	934	1,260
Deferred credit items	4,257	1,333	2,081	88	1,059	5,876
Profit and loss surplus	87,695	70,964	59,202	60,161	33,018	40,733
Total	$893,847	$965,050	$952,992	$966,522	$850,558	$898,722

Bonded Debt: $400,000 Greenwich & Johnsonville Ry. 1st 4st; dated Jan. 1, 1904; due Jan. 1, 1924. Interest paid J. & J. at Guaranty Trust Co., New York. Coupon, $1,000. First lien, 21.43 miles, Schuylerville to Johnsonville, N. Y. Legal for savings banks in Cal., Conn., Fla., Maine, Mich., Minn., N. H., N. J., N. Y., Wis. Normal income tax deducted from interest. Net Rating, A.

Capital Stock: Authorized and outstanding, $225,000; par $100. All owned by Delaware & Hudson Co. Dividends paid from 1904 to 1911, inclusive, 4% per annum; 1912, 1913, 1914, 1915, 1916, 6% each.

NAPIERVILLE JUNCTION RAILWAY

Incorporated under New York laws in 1906. Line of road, Rouses Point, N. Y., to St. Constant Junc., Can., 27.06 miles, connecting with the Canadian Pacific and Grand Trunk systems. Controlled through stock ownership by D. & H. Co., but separately operated.

Management: OFFICERS: L. F. Loree, Pres.; W. H. Williams and C. S. Sims, Vice-Prests.; C. A. Walker, Treas.; A. L. Currie, Sec.; W. H. Davis, Comp. Annual meeting, second Monday in May. OFFICE, Montreal, Que. NEW YORK OFFICE, 32 Nassau St.

Income Account, year ended June 30, 1916. Gross operating revenues, $129,417; net operating revenues, $70,941; total net income, $72,767; taxes and charges, $18,227; balance, $54,540; dividends, $30,000; surplus, $24,540; total surplus, $280,247.

Capital Stock: Authorized and Issued, $600,000; par, $100. All owned by D. & H. Co. Dividends in 1914, 3½%; in 1915, 3%; 1916, 5%. No bonded debt.

QUEBEC, MONTREAL & SOUTHERN RAILWAY

Incorporated under Canadian laws July 13, 1906, succeeding the Quebec Southern Ry. and the South Shore Ry. Line of road, St. Lambert to Fortierville, Que., 109.69 miles; Belleville Junc. to Noyan Junc., Que., 81.09 miles; connection with Napierville Junc. Ry. at St. Constant Junc., 1.40 miles; total operated, 192.18 miles. Controlled by D. & H. Co. through stock ownership, but separately operated. Equipment: Locomotives, 13; passenger and freight cars, 1,549.

Management: OFFICERS: L. F. Loree, Pres.; W. H. Williams and C. S. Sims, Vice-Prests.; A. L. Currie, Sec.; C. A. Walker, Treas. Annual meeting, first Wednesday in September. OFFICE, Montreal, Que., and 32 Nassau St., New York.

Income Account, year ended June 30, 1916: Gross revenues, $383,654; operating expenses, $471,140; operating deficit, $87,486; other income, $231,492; total net income, $144,006; taxes, rentals and other charges, $268,348; final deficit, $124,342.

Capital Stock: Authorized, $2,000,000; outstanding, $1,000,000; par $100. All owned by D. & H. Co. No bonded debt.

RENSSELAER AND SARATOGA RAILROAD

Incorporated under New York laws, April 14, 1832; first opened March 19, 1836; absorbed the Saratoga & Whitehall R.R. and the Troy, Salem & Rutland R.R. in 1868; on Aug. 10, 1906, absorbed the Glens Falls R.R. Line of road, Troy to Ballston, N. Y., 25.48 miles; Lake Station to Whitehall, 47.02 miles; East Bridge, N. Y., to Rutland, Vt., 62.44 miles; Fort Edward to Lake George, 15.12 miles; Watervliet to Green Island, N. Y., 1.08 miles; total 151.14 miles. Leased in perpetuity to D. & H. Co. from May 1, 1871, rental covering all interest and lease obligations, 8% per annum on stock and $1,000 per year organization expenses. Lessee directly operates the property.

Management: OFFICERS: Le Grand C. Cramer, Pres.; E. C. Gale, Vice-Pres.; S. S. Bullions, Sec. and Treas. Annual meeting, first Monday in June. OFFICE, Troy, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$944,697	$937,302	$945,399	$944,600	$944,600	$944,200
Taxes, etc.	.....	7,279	.....	.....	12,208	11,929
Fixed charges	150,674	140,000	153,262	160,734	140,000	140,000
Surplus	$794,023	$790,023	$792,137	$783,866	$792,392	$792,271
Dividends paid	800,000	800,000	800,000	800,000	800,000	800,000
Balance	(def.) $5,977	(def.) $9,977	(def.) $7,863	(def.) $16,134	(def.) $7,608	(def.) $7,729

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$12,047,000	$12,070,000	$12,000,000	$12,000,000	$12,000,000	$12,000,000
Working assets	429,960	424,937	71,581	97,432	72,198	75,805
Total	$12,476,960	$12,494,937	$12,071,581	$12,097,432	$12,072,198	$12,075,805
LIABILITIES:						
Capital stock	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
Funded debt	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Working liabilities	.....	12,000	2,000	19,988	4,000	.....
Accrued liabilities not due	423,333	423,333	.....	.....	.....	.....
Profit and loss surplus	53,627	59,604	69,581	77,444	68,198	75,805
Total	$12,476,960	$12,494,937	$12,071,581	$12,097,432	$12,072,198	$12,075,805

Bonded Debt: $2,000,000 Rensselaer & Saratoga R.R. first 7s; dated May 1, 1871; due May 1, 1921. Int. paid May & Nov. 1. Coupon and reg., $1,000. Int. guar. by D. & H. Co. under lease. For rating and details, see D. & H. Co. bond table, page 304.

Capital Stock: Authorized and issued, $10,000,000; par $100. The D. & H. Co. owns $800,000. Dividends 8% per annum, guar. by D. & H. Co. TRANSFER OFFICE, 32 Nassau St., New York. For rating, see D. & H. Co stock table, page 305.

RUTLAND & WHITEHALL RAILROAD

Incorporated under laws of Vermont, Nov. 13, 1848. Line of road, Castleton, Vt., to New York State line, 6.75 miles. Leased in perpetuity from Feb. 1, 1870, to Rensselaer & Saratoga R.R.; lease assigned to D. & H. Co., which operates the property. Rental, $15,342 per annum, equaling 6% on stock.

Management: OFFICERS: L. F. Loree, Pres.; G. H. V. Allen, Vice-Pres.; F. E. Allen, Treas., and clerk. Annual meeting, first Thursday in January. OFFICE, Fair Haven, Vt.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$15,492	$15,342	$15,342	$15,492	$15,492	$15,492
Surplus	15,342	15,342	15,342	15,342	15,342	.....
Dividends paid	15,342	15,342	15,342	15,342	15,342	15,342

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$255,700	$255,700	$255,700	$255,700	$255,700	$255,700
Total	$255,700	$255,700	$255,700	$255,700	$255,700	$255,700
LIABILITIES:						
Capital stock	$255,700	$255,700	$255,700	$255,700	$255,700	$255,700
Total	$255,700	$255,700	$255,700	$255,700	$255,700	$255,700

Capital Stock: Authorized and issued, $255,700; par $100. Dividends paid, 6% per annum, guar. by D. & H. Co. No bonded debt. Rating A.

SARATOGA & SCHENECTADY RAILROAD

Incorporated under laws of New York, Feb. 16, 1881. Line of road, Saratoga to Schenectady, 21.65 miles. Leased in perpetuity from June 1, 1860, to Rensselaer & Saratoga; lease assigned to D. & H. Co. Rental, $31,750 per annum. Lessee operates the property.

Management: OFFICERS: Le Grand C. Cramer, Pres.; E. C. Gale, Vice-Pres.; S. S. Bullions, Sec. and Treas. Annual meeting, first Monday in June. OFFICE, Troy, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$31,950	$31,950	$32,087	$31,950	$31,950	$31,950
Fixed charges	848	738	261	1,191	413	410
Surplus	$31,102	$31,212	$31,826	$30,758	$31,537	$31,540
Dividends paid	31,500	31,500	31,500	31,500	31,500	31,500
Balance	(def.) $398	(def.) $288	$326	(def.) $741	$37	$40

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $6,070. Contra: Debit balance transferred from income, $398; credit balance carried to balance sheet, $5.672; total, $6,070.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$455,000	$455,000	$455,000	$455,000	$455,000	$455,000
Working assets	32,172	1,070	1,358	1,032	1,774	1,736
Total	$487,172	$456,070	$456,358	$456,032	$456,774	$456,736
LIABILITIES:						
Capital Stock	$450,000	$450,000	$450,000	$450,000	$450,000	$450,000
Working liabilities	31,500	.....	.....	.....	.....	.....
Profit and loss	5,672	6,070	6,358	6,032	6,774	6,736
Total	$487,172	$456,070	$456,358	$456,032	$456,774	$456,736

Capital Stock: Auth. and issued, $450,000; par $100. Dividends, 7% per annum, payable J. and J. 15, at United National Bank, Troy, N. Y. TRANSFER AGENT, S. S. Bullions, Troy, N. Y. Net Rating, Aa.

SCHOHARIE VALLEY RAILWAY

Incorporated under New York laws, March 9, 1880, succeeding the former company of same name. Line of road, Schoharie to Schoharie Junc., 4.38 miles. Controlled by D. & H. Co. through stock ownership, but independently operated.

Management: OFFICERS: C. Vroman, Pres.; A. H. Wood, Sec., Treas., and Mgr. DIRECTORS: Above and D. J. Vroman, E. E. Vroman, M. V. Wood, E. W. Borst, N. Borst. Annual meeting, second Monday in April. OFFICE, Schoharie, N. Y.

Bonded Debt: $28,000 Schoharie Valley first 5s; dated Jan. 1, 1900; due Jan. 1, 1930. Int. paid J. and J. 1. at First Nat. Bank, Cobleskill, N. Y. Coupon, $1,000. Sinking fund, $1,000 per annum to retire bonds First lien on entire road

Capital Stock: Auth. and Issued, $100,000; par, $100.. Dividends, 1909 and 1910, 5%; 1911, 8%; 1912 to date, 6%.

TICONDEROGA RAILROAD

Incorporated under New York laws, Dec. 31, 1899. Line of road, Ticonderoga to Ticonderoga Junc., N. Y., 0.92 mile. Sidings, 3.39 miles. Operated by D. & H. Co. under agreement to pay taxes, interest, 5% dividends, if earned, and $1,000 for annual sinking fund.

Management: OFFICERS: P. W. Clement, Pres.; C. H. Harrison, Treas.; H. G. Smith, Sec. Annual meeting in March. OFFICE, Rutland, Vt.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1911
Rental income	$3,300	$4,300	$5,250	$4,300	$4,300
Taxes, etc.	.....	.....	.....	.....	1,115
Fixed charges	3,195	2,672	2,750	3,300	2,800
Surplus	$105	$1,628	$2,500	$1,000	$385
Dividends paid	1,500	1,500	1,500	.....	1,500
Other deductions	.....	1,683	1,000	1,000	(def.) 1,115
Balance	(def.) $1,395	(def.) $1,555	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1911
Property investment	$84,000	$84,000	$83,000	$82,000	$60,000
Deferred debit items	900	900	900	.....	20,000
Profit and loss deficit	14,254	12,859	11,304	.....	.....
Total	$99,154	$97,759	$95,204	$82,000	$80,000
LIABILITIES:					
Capital stock	$30,000	$30,000	$30,000	$30,000	$30,000
Funded debt	30,000	30,000	30,000	30,000	30,000
Working liabilities	15,154	13,759	12,204	.....	8,054
Appropriated surplus	24,000	24,000	23,000	22,000	.....
Profit and loss surplus	.....	.....	.....	.....	11,946
Total	$99,154	$97,759	$95,204	$82,000	$80,000

Bonded Debt: $30,000 Ticonderoga R.R. first 6s; dated Jan. 1, 1891; due Jan. 1, 1921. Int. paid Jan. 1, at D. & H. Co. office. Coupon, $1,000. First lien on the property.

Capital Stock: Auth. and issued, $11,500 preferred and $18,500 common; par, $100. Dividends, 5% per annum on both issues, payable Feb. 1. TRANSFER AGENT, H. G. Smith, 32 Nassau St., New York.

THE DELAWARE, LACKAWANNA & WESTERN RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Pennsylvania laws, March 19, 1849, as the Liggetts Gap R.R., name changed to Lackawanna & Western R.R., April 14, 1851. April 30, 1853, was consolidated with the Delaware & Cobbs Gap R.R., and title changed to Delaware, Lackawanna & Western R.R. Later, other small roads were absorbed, and also a large number of leased lines. In 1909, the Bangor & Portland Ry. and the Hanover & Newport R.R. were absorbed.

Location: The directly operated lines of the company on Dec. 31, 1915, were 980.55 miles, embracing a main line from Hoboken, N. J., to Buffalo, with branches to Ithaca, Oswego, N. Y., Northumberland, Pa., and many other points. Of the above mileage, 236.12 miles were owned, 683.32 miles leased and 61.11 mile controlled by stock ownership. The leased lines include Morris & Essex R.R., Morris & Essex Extension R.R., Newark & Bloomfield R.R., Passaic & Delaware R.R., Passaic & Delaware Extension R.R., Warren R.R., Chester R.R., Valley R.R., Cayuga & Susquehanna R.R., New York, Lackawanna & Western Ry., Utica, Chenango & Susquehanna Valley Ry., Greene R.R., Oswego & Syracuse R.R., Syracuse, Binghamton & New York R.R., and Lackawanna R.R. of N. J. Lines controlled and operated include Sussex R.R., Lackawanna & Montrose R.R., Hopatcong R.R., Erie & Central New York R.R. Also leases the Hoboken Ferry Co. The operated mileage is chiefly in New York, New Jersey and Pennsylvania. Population of these States in 1890, 12,700,800; in 1900, 15,454,708; in 1910, 19,315,557.

Coal Properties: The company owns in fee simple extensive coal lands in Lackawanna and Luzerne counties, Penn., estimated to contain 400,000,000 tons of unmined anthracite coal. Formerly, the coal produced was directly distributed by the company, but in compliance with the recent decision of the U. S. Supreme Court, the operation of the properties was divorced from the railroad company through the formation of the Delaware, Lackawanna & Western Coal Sales Co., with which a contract has been made for the sale of all the coal produced at the mines of the company. (See latter company under its own heading in "Moody's Analyses of Public Utilities and Industrials.")

Management: OFFICERS: Wm. H. Truesdale, Pres.; E. E. Loomis, Vice-Pres.; P. J. Flynn, Vice-Pres.; W. S. Jenney, Vice-Pres. and Gen. Counsel; Arthur D. Chambers, Sec. and Treas.; R. B. Scofield, Asst. Sec. and Asst. Treas. DIRECTORS: Wm. Rockefeller, Henry A. C. Taylor, Geo. F. Baker, H. R. Taylor, M. Taylor Pyne, E. E. Loomis, M. H. Dodge, Wm. H. Moore, William Fahnestock, Geo. F. Baker, Jr., William H. Truesdale, John F. Talmage, Harold S. Vanderbilt, Beekman Winthrop. Annual meeting, Tuesday preceding last Friday in February. GENERAL OFFICE, 90 West St., New York.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907–1912 and June 30, 1913–1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	8.54%	7.14%	7.43%	7.75%	8.76%	9.65%	9.70%	9.78%	11.4%	12.1%
Products of Animals.....	2.23	2.20	1.62	1.50	1.68	1.81	1.56	1.67	2.1	2.0
Products of Mines.....	60.15	64.84	61.90	60.00	60.22	58.87	60.64	59.92	59.4	56.2
Products of Forests.....	2.32	1.65	3.10	2.90	2.92	2.91	2.89	2.79	2.6	2.6
Manufactures.....	10.63	9.34	12.28	14.37	13.42	14.85	15.91	14.96	14.1	17.2
Merchandise and Miscel...	16.13	14.83	13.67	13.48	13.00	11.91	9.30	10.88	10.4*	9.9

* Includes all L. C. L. traffic.

Total revenue tonnage in 1899, 12,608,507 tons; in 1908, 18,199,155 tons; in 1909, 20,391,134 tons; in 1910, 21,750,510 tons; in 1911, 21,732,254 tons; in 1912, 22,896,326 tons; in 1913, 24,833,188 tons; in 1914, 23,434,281 tons; in 1915, 22,464,066 tons; in 1916, 26,458,931 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	770	480	728	849	28,581	72%	611,446	4,529,671	490	$2.82	1.43c	.76c
1908 "	770	480	751	884	28,292	74	609,386	4,001,377	484	2.64	1.37	.78
1909 "	815	480	747	874	28,598	74	604,611	4,057,113	521	2.86	1.38	.78
1910 "	815	480	770	862	29,408	73	615,448	4,256,566	567	2.92	1.45	.77
1911 "	836	508	759	908	29,816	72	611,176	4,224,025	583	2.98	1.51	.76
1912 "	923	541	756	907	29,851	73	547,763	4,041,439	602	3.00	1.53	.74
1913 June 30	958	541	772	787	29,652	73	575,448	4,466,373	641	3.18	1.55	.69
1914 "	960	635	761	865	28,659	72	580,562	4,255,513	652	3.20	1.56	.70
1915 "	959	639	758	948	29,309	71	556,747	4,352,066	672	3.51	1.54	.73
1916 "	955	652	733	828	29,107	73	565,800	5,245,820	735	3.87	1.57	.72
10-Year Average	876	543	754	881	29,127	73%	587,839	4,342,996	595	$3.10	1.49c	.74c

Yard tracks and sidings, Dec. 31, 1915, 1,027 miles. Of the total mileage of main line operated, 236 miles is directly owned, and the balance is leased or otherwise controlled. In addition to the above 955 miles, on which the accompanying earnings are based, the company controls and now directly operates 26 miles more, making 981 miles in all.

Comment: Great prosperity was reflected in the operating exhibit of the Delaware, Lackawanna & Western for the year ended June 30, 1916. The freight density reached far higher figures than ever before, and both train mile earnings and the average freight train load underwent substantial improvement. The company's tonnage was more widely diversified during the past year than usual, the proportion of high-grade freight undergoing a large increase.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907 Dec. 31....	$48,395	$6,461	$4,846	$11,307	$16,667	$20,423	$27,039	$379	$26,660	$8,687	67%	$17,973	$6,805
1908 "	42,928	4,342	6,166	10,508	13,679	18,741	26,118	1,676	24,442	6,937	72	17,505	6,805
1909 "	42,718	4,047	5,886	9,933	13,068	19,717	27,344	1,343	26,001	7,037	73	18,964	7,155
1910 "	44,236	4,668	6,179	10,847	14,457	18,932	24,771	1,864	22,907	6,631	71	16,276	7,397
1911 "	43,764	4,958	6,893	11,851	14,358	17,555	23,053	2,195	20,858	6,716	68	14,142	7,211
1912 "	40,698	5,034	6,640	11,674	14,487	14,537	21,097	1,920	19,177	6,433	66	12,744	6,532
1913 June 30...	42,294	5,264	6,415	11,679	14,713	15,902	21,079	1,825	19,254	7,005	64	12,249	6,293
1914 "	41,478	5,431	6,426	11,857	14,832	14,789	20,563	2,188	18,375	7,632	58	10,743	6,909
1915 "	44,885	4,989	7,215	12,204	16,379	16,302	20,292	2,201	18,091	6,753	63	11,338	8,805
1916 "	51,657	4,788	7,519	12,307	18,595	20,755	24,221	2,315	21,906	6,943	68	14,963	8,842
10-Year Average	$44,306	$4,998	$6,419	$11,417	$14,924	$17,765	$23,558	$1,791	$21,767	$7,077	67%	$14,690	$7,275

Note: Above table is based on average mileage operated for each year, whether owned, leased or otherwise controlled. Margin of safety is the proportion of surplus left over after providing for all fixed charges. For example, in 1916, the "balance for charges" was (per mile), $21,906; fixed charges required $6,943 per mile, or 32%, leaving $14,963, a "margin of safety" of 68%.

Comparative Income Account, Years Ended December 31, 1911, and 1912; June 30, 1913, to 1916

	1916	1915	1914	1913	1912	1911
Gross revenues	$49,332,243	$43,042,992	$39,819,284	$40,518,045	$37,564,511	$36,586,563
Maintenance of way.....	5,572,871	4,784,780	5,213,785	5,043,138	4,646,175	4,144,940
Maintenance of equipment	7,180,602	6,919,327	6,168,919	6,145,292	6,128,762	5,762,903
All other operat. expenses	17,758,432	15,707,334	14,238,705	14,094,802	13,371,486	12,410,809
Net operat. revenues.	$19,820,338	$15,631,551	$14,197,875	$15,234,813	$13,418,088	$14,267,911
Operating ratio	59.8%	63.7%	64.3%	62.4%	64.3%	61%
Outside operations	•	•	418,109	528,375	561,622	408,705
Other income	3,310,713	3,828,208	5,124,148	4,376,307	5,334,354	4,595,781
Total net income.....	$23,131,051	$19,459,759	$19,740,132	$20,193,495	$19,314,064	$19,272,397
Taxes accrued	2,210,734	2,110,473	2,100,000	1,748,340	1,771,980	1,834,640
Balance for charges.	$20,920,317	$17,349,286	$17,640,132	$18,445,155	$17,542,084	$17,437,757
Fixed charges	6,630,801	6,475,946	7,326,901	6,710,959	5,779,315	5,605,087
Surplus over charges	$14,289,516	$10,873,340	$10,313,231	$11,734,196	$11,762,769	$11,832,670
Dividends paid	8,444,080	8,444,080	6,632,620	6,028,800	6,028,800	6,028,800
Appropriations for improvements, etc. ...	2,056,742	1,385,231	1,445,245	1,961,984	1,720,698	2,200,628
Balance	$3,788,694	$1,044,029	$2,235,366	$3,743,412	$4,013,271	$3,603,242
Earned on stock.....	28.93%	25.72%	24.35%	32.25%	38.76%	38.76%

• Outside operations included in gross and net revenues.

Note: Fixed charges include interest and rentals of leased lines and miscellaneous items. Other income includes investments, receipts from coal earnings, etc.

The percentage, as shown, of amounts earned on stock is after deducting appropriations for improvements in each year. For current monthly earnings and all later news, consult our Special Service.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $37,909,643; credit balance transferred from income account, $3,788,694; profit on road equipment sold, $52,353; unrefundable overcharges, $5,906; miscellaneous credits, $1,990,687; total, $43,747,283. Contra: Loss on retired road and equipment, $84,271; miscellaneous debits, $18,577; credit balance carried to balance sheet, $43,644,435; total, $43,747,283.

Comment: Gross and net revenues on this property underwent very large increases during the year ended June 30, 1916. There was a falling off, however, in investment income, but the surplus available for dividends after payment of the usual fixed charges was nevertheless far higher than ever before. The company reported earnings of nearly 29% on its present enlarged stock issue. As usual 20% was paid during the year.

It will be noted that in 1916 the gross revenues per mile well exceeded those of ten years previously, being no less than $51,657. Operating and maintenance costs in the meantime have risen, as have also taxes. But fixed charges per mile have tended to decline, and therefore the company has been able to maintain a high margin of safety through the entire decade.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907 Dec. 31	$34,026	90%	$3,983	10%	$133,978	$171,987	$23,709	$148,278	18.2 %	.....	.....	$6,805	20%	.....	63%
1908 "	34,026	100	.....	...	134,029	168,055	23,730	144,325	18.2	.....	.....	6,805	20	.....	62
1909 "	37,236	99	392	1	126,635	164,263	27,815	136,448	20	.....	.....	7,155	20	.....	63
1910 "	37,236	99	392	1	126,635	164,263	33,739	130,524	19	.....	.....	7,397	20	.....	55
1911 "	36,216	99	383	1	124,519	161,118	24,229	136,889	16.8	.....	.....	7,211	20	.....	50
1912 "	32,803	99	347	1	123,263	156,413	22,180	134,233	15.7	.....	.....	6,532	20	.....	49
1913 June 30	37,907	99	334	1	122,159	160,400	22,122	138,278	15.2	.....	.....	6,293	20	...	49
1914 "	44,039	99	333	1	122,895	167,267	23,298	143,969	14.3	.....	.....	6,909	20	.....	36
1915 "	44,084	99	334	1	130,052	174,470	27,460	147,010	13.8	.....	.....	8,805	20	.....	22
1916 "	44,343	99	335	1	124,821	169,499	28,333	141,166	17.2	.....	.....	8,842	20	.....	41
10-Year Average	$38,192	98%	$683	2%	$126,899	$165,774	$25,662	$140,112	16.8 %	.....	.....	$7,275	20%	.....	50%

Present figures are based on 955 miles, as compared with 770 miles in 1908; the Bangor & Portland property having been merged, and other lines constructed or acquired. The bonded debt represents the bonds assumed of the Bangor & Portland road ($320,000). Rentals represent all leased line obligations, but not rents for joint facilities. Investments owned include bonds and stocks in treasury. The latter include $7,163,300 stocks and bonds of leased lines. Rentals of leased lines in 1915 amounted to $6,063,815, and included the following: Morris & Essex R.R., New York, Lackawanna & Western, Lackawanna R.R. of N. J., Syracuse, Binghamton & New York R.R., etc.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912 and June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment....	$137,678,344	$134,011,037	$108,670,324	$105,175,414	$59,313,976	$55,485,228
Working assets.....	15,029,599	11,198,762	26,124,000	23,907,549	20,440,120	19,515,360
Deferred debit items...	430,455	1,296,214	9,910,599	7,019,578	3,743,709	3,126,925
Total	$153,138,398	$146,506,013	$144,704,923	$136,102,541	$83,497,805	$78,127,513
Liabilities:						
Capital stock	$42,347,720	$42,347,720	$42,347,720	$36,385,920	$30,347,720	$30,347,720
Funded debt	320,000	320,000	320,000	320,000	320,000	320,000
Working liabilities	3,997,657	3,909,632	5,455,865	7,220,430	5,699,848	6,143,207
Accrd. liabilities not due	6,097,687	5,481,746	3,663,393	2,675,331	3,029,439	3,047,143
Deferred credit items..	838,175	652,876	466,274	445,391	386,678	289,292
Appropriated surplus..	55,892,724	55,884,396	56,496,881	56,966,945	14,198,218	12,477,520
Profit and loss surplus..	43,644,435	37,909,643	35,954,790	32,088,524	29,515,902	25,502,631
Total	$153,138,398	$146,506,013	$144,704,923	$136,102,541	$83,497,805	$78,127,513

Note: The Property Investment account, as shown above, includes securities, advances in proprietary companies, unpledged securities, etc. Above balance sheet for 1915 is that submitted to the Interstate Commerce Commission. The statement to stockholders of Dec. 31, 1915, showed total investments in treasury of $31,053,502. These included $17,172,000 par value of leased-line stocks and bonds, as follows: Lackawanna R.R. of N. J., stock, $167.300; Morris & Essex R.R. bonds, $9,364,000; Morris & Essex Extension R.R. stock, $42,300; Newark & Bloomfield R.R. stock, $1,575,350; N. Y. Lack. & Western Ry. stock, $70,400; N. Y., Lack. & Western bonds, $2,000,000; Syracuse, Binghamton & N. Y. R.R. stock, $2,155,700; and several small issues of minor leased roads.

Comment: There were no important changes in the capitalization exhibit of the Delaware, Lackawanna & Western during the year ended June 30, 1916. As measured on the mileage basis, however, there was some decline in the net capitalization, as rental charges fell off and the amount of investments owned tended to increase. The capitalization as a whole appears high per mile, but the remarkable earning power of the property enables it to carry this capitalization with great ease. In 1916 the net income on net capital exceeded 17%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Morris & Essex first rcf. 3½s	J&D	D 2000	(cons) 118	$214,450		$903	90%	Very high	Very high	Aaa.
2. N. Y., Lacka. & W. first 6s..	J&J	Ja 1921	(1st) 214	56,000		734	90%	"	"	Aaa.
3. N. Y., Lacka. & W. const. 5s	F&A	Ag 1923	(2d) 214	23,000		255	90%	"	"	Aaa.
4. N. Y., L. & W.Term. Imp. 4s.	M&N	My 1923	(3d) 214	23,000	$21,767	201	90%	"	"	Aaa.
5. Oswego & Syracuse cons. 5s.	M&N	My 1923	(1st) 35	19,000		34	90%	"	"	Aaa.
6. Warren R.R. first ref. 3½s..	F&A	Ag 2000	(1st) 19	73,370		50	90%	"	"	Aaa.
7. Bangor & Portland R. R. 6s.	J&J	Ja1930–36	(see text)	8,420		20	90%	"	High	Aaa.

For Reference Notes on Bond Issues, see next page.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21. For bonds of N. Y. & Hoboken Ferry Co., see "Moody's Anaylses of Public Utilities and Industrials.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $35,000,000; outstanding, $25,305,500. Dated Dec. 1, 1900; due Dec. 1, 2000. Int. paid paid at D. L. & W. office, 90 West St., New York. Coupon, $1,000. Guar. prin. and int. by D. L. & W. R.R. by endorsement. First lien on 118.09 miles; also secured upon $1,441,800 of the stock of the Sussex R.R. Legal for S. B. in Conn., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $12,000,000. Dated Dec. 31, 1880; due Jan. 1, 1921. Int. paid at D. L. & W. office, 90 West St., New York. Coupon, $1,000. Guar. prin. and int. by D. L. & W. R.R. First lien, 214.44 miles, as follows: Binghamton to International Bridge, 207.14 miles; branch to Buffalo, etc., 7 miles; also on terminals at Buffalo. Underlie Nos. 3 and 4. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $5,000,000. Dated Aug. 1, 1883; due Aug. 1, 1923. Int. paid at D. L. & W. office, New York. Coupon, $1,000. Guar. prin. and int. by D. L. & W. R.R. by endorsement. Second lien, 214.44 miles, following No. 2 (above). Legal for S. B. in Minn., N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $5,000,000. Dated May 1, 1890; due May 1, 1923. Int. paid at D. L. & W. office, New York. Coupon, $1,000. Guar. prin. and int. by D. L. & W. R.R. by endorsement. Third lien, 214.44 miles, following Nos. 2 and 3. Legal for S. B. in Minn., N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth., $1,000,000; outstanding, $668,000. Dated May 1, 1883; due May 1, 1923. Int. paid at D. L. & W. office, New York. Coupon, $1,000. Guar. prin. and int. by D. L. & W. R.R. by endorsement. Originally a second lien on 34.98 miles, from Oswego to Syracuse, which were covered by first lien of $438,000 Oswego & Syracuse first 7s, which matured in 1907, and which were purchased by D. L. & W. R.R. and held as treasury asset. Legal for S. B. in Minn., N. H., R. I. Interest paid without deduction for normal income tax.

6. Auth., $2,000,000; outstanding, $1,394,000. Dated Aug. 1, 1900; due Aug. 1, 2000. Int. paid at D. L. & W. R.R. First lien, 19 miles, New Hampton Junc. to Delaware River, N. J. Guar. prin. and int. by D. L. & W. R.R. by endorsement. Legal for S. B. in Conn., Maine, Mass., N. H., N. J., N. Y., Mich., Minn., Wis. Interest paid without deduction for normal income tax.

7. Auth. and outstanding, $150,000 first 6s, dated Jan. 1, 1880; due Jan. 1, 1930; $100,000 second 6s, dated Jan. 1, 1882; due Jan. 1, 1932; $70,000 third 6s, dated Jan. 1, 1886; due Jan. 1, 1936. Coupon, $1,000 each. Int. paid at D. L. & W. R.R. office, New York. Assumed by D. L. & W. R.R. Secured by first, second, and third lien on 38.39 miles, Portland to Bath, Pa., and Nazareth Junc. to Martins Creek. Firsts are legal for S. B. in Conn., Fla., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Seconds and thirds are legal in N. H. Normal income tax deducted from interest.

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TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Morris & Essex R.R. guaranteed stock..... Road leased to D. L. & W. in perpetuity at rental of 7% on stock and interest on bonds. Outstanding, $15,000,000. Par $50.	7% J&J	$126,050		$1,070	83%	Very high	Very high	Aaa.
2. Morris & Essex Extension R.R. gtd. stock... Leased under agreement at guarantee of 4% on stock. Outstanding, $221,000. Par $100.	4%M&N	111,500		9	83%	"	"	Aaa.
3. Newark & Bloomfield R.R. gtd. stock..... Leased to D. L. & W. to 1967 at rental of 6% on stock. Outstanding, $1,600,000. Par $50.	6% A&O	40,000		98	83%	"	"	Aaa.
4. Passaic & Delaware R.R. gtd. stock..... Leased to D. L. & W. for full corporate existence at rental of 5% on stock. Outstanding, $111,050. Par $50.	5%	7,900		6	83%	"	"	Aaa.
5. Passaic & Delaware Ext. R.R. gtd. stock.... Operated under agreement at 4% on stock. Outstanding, $100,000. Par $100.	4%	13,500		4	83%	"	"	Aaa.
6. Warren R.R. guaranteed stock..... Leased to D. L. & W. for corporate existence at rental of 7% on stock and interest on bonds. Outstanding, $1,800,000. Par $50.	7% A&O 15	94,750		128	83%	"	"	Aaa.
7. Valley R.R. guaranteed stock..... Leased to D. L. & W. for corporate existence at rental of 5% on stock and interest on bonds. Outstanding, $750,000. Par $100.	5% J&J	68,180		39	83%	"	"	Aaa.
8. Cayuga & Susq. R.R. gtd. stock..... Leased to D. L. & W. for corporate existence at rental of $54,600 per year. Outstanding, $589,110. Par $30.	9% J&J	14,000	$17,732	56	83%	"	"	Aaa.
9. New York, Lack. & West. guaranteed stock.. Leased to D. L. & W. in perpetuity at rental of 5% on stock and interest on bonds. Outstanding, $10,000,000. Par $100.	5% Qu J	46,510		510	83%	"	"	Aaa.
10. Utica, Chenango & Sus. Val. R.R. gtd. stock. Leased to D. L. & W. in perpetuity at rental of 6% on stock. Outstanding, $4,000,000. Par $100.	6% M&N	41,237		245	83%	"	"	Aaa.
11. Greene R.R. guaranteed stock..... Leased to D. L. & W. R.R. for corp. exist. at rental of 6% on stock. Outstanding, $200,000. Par $100.	6% J&D	25,000		12	83%	"	"	Aaa.
12. Oswego & Syracuse R.R. gtd. stock..... Leased to D. L. & W. for corporate existence at rental of 9% on stock and int. on bonds. Outstanding, $1,320,400. Par $50.	9% F&A 20	37,725		121	83%	"	"	Aaa.
13. Lackawanna R.R. of N. J. guaranteed stock. Leased in perpetuity to D., L. & W. at rental of 4% on stock. Outstanding, $10,750,000. Par $100.	4% Qu JAJO	398,510		438	83%	"	"	Aaa.
14. Syracuse, Bing. & N. Y. guaranteed stock. Par $100. Leased to 2006 at 12% per annum. Outstanding, $2,500,000.	12% Qu Feb.	30,865		306	83%	"	"	Aaa.
15. Delaware, Lack. & Western R.R. stock..... Full voting power. Par $50. Outstanding, Dec. 31, 1915, $42,277,000.	20% Qu & An.	44,343	14,690	8,842*	40%	"	"	Aaa.

* For 20% dividend on $42,277,000.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. MORRIS & ESSEX R.R. Line of road, Hoboken to Phillipsburg, Denville to West End Tunnel, N. J., 118.99 miles. Stock is legal for Savings Banks in N. H. Auth., $15,000,000, all outstanding in hands of public. Listed on New York Stock Exchange.

2. MORRIS & ESSEX EXTENSION R.R. Junction line with Morris & Essex R.R. at Paterson, N. J., 1.92 miles. Stock is legal for S. B. in N. H. Of the $221,000 outstanding, the D. L. & W. R.R. owns $42,300.

3. NEWARK & BLOOMFIELD R.R. Line of road, Newark Junction to Montclair, N. J., 4.24 miles. D. L. & W. R.R. owns $1,575,350 of $1,600,000 outstanding stock.

4. PASSAIC & DELAWARE R.R. Line of road, Summit to Bernardsville, N. J., 14.11 miles. D., L. & W. R.R. owns $109,350 of $111,050 outstanding stock.

5. PASSAIC & DELAWARE EXTENSION R.R. Line of road, Bernardsville to Gladstone, N. J., 7.41 miles. None of this issue of $100,000 is owned by the D., L. & W. R.R.

6. **WARREN R.R.** Line of road, New Hampton Junction to Delaware River, N. J., 18.82 miles. D., L. & W. R.R. owns $10,000 of $1,800,000 stock outstanding. Stock is legal for S. B. in N. H.

7. **VALLEY R.R.** Line of road, Pennsylvania State Line to Binghamton, N. Y., 11.1 miles. D., L. & W. R.R. owns $5,000 of $750,000 outstanding stock. Stock is legal for S. B. in N. H.

8. **CAYUGA & SUSQUEHANNA R.R.** Line of road, Susquehanna River near Owego to Ithaca, N. Y., 34.44 miles. Stock legal for S. B. in N. H. The D., L. & W. R.R. does not own any of the $589,110 stock outstanding.

9. **NEW YORK, LACKAWANNA & WESTERN RY.** Line of road, Binghamton to International Bridge, 207.17 miles; Cayuga extension, .5 miles; Buffalo City Branch, 6.77 miles; total, 214.44 miles. D., L. & W. R.R. owns $70,400 of $10,000,000 outstanding stock. Stock legal for S. B. in N. H.

10. **UTICA, CHENANGO & SUSQUEHANNA VALLEY RY.** Line of road, Greene to Utica, N. Y., 75.66 miles; Richfield Junction to Richfield Springs, 21.75 miles; total, 97.41 miles. D., L. & W. R.R. owns $20,600 of $4,000,000 outstanding stock. Stock legal for S. B. in N. H.

11. **GREENE R.R.** Line of road, Chenango Forks to Greene, N. Y., 8.1 miles. Stock is legal for S. B. in N. H. Of the $200,000 stock outstanding, D., L. & W. R.R. owns $500.

12. **OSWEGO & SYRACUSE R.R.** Line of road, Oswego to Syracuse, N. Y., 34.98 miles. Stock legal for S. B. in N. H. Of the $1,320,400 stock outstanding, the D., L. & W. R.R. owns $500.

13. **LACKAWANNA R.R. CO. OF N. J.** Line of road, Junction to Morris & Essex, near Lake Hopatcong, to Delaware River, 27.44 miles. Stock issued in 1911 to D., L. & W. R.R. stockholders as a special stock dividend. The D., L. & W. R.R. owns $167,300 of the $10,750,000 outstanding.

14. **SYRACUSE, BINGHAMTON & NEW YORK R.R.** Line of road, Geddes to Binghamton, 80.95 miles. D., L. & W. R.R. owns $2,155,700 of issue. In a suit brought by minority stockholders, this lease was declared unfair by Justice Giegerich of the N. Y. Supreme Court, in Nov., 1916, and unless the decision is reversed, the D., L. & W. must give up or modify the lease.

15. Auth., $42,277,000. Issue increased in 1909 from $26,200,000 to $30,277,000, by a 15% stock dividend. In July, 1909, a 50% extra cash dividend was paid, the stockholders being given the option to subscribe for stock of D., L. & W. Coal Co., at rate of 25% of their holdings. In Dec., 1911, a 35% dividend in stock of Lackawanna R.R. Co. of N. J. was distributed. In 1913, issue was increased to $42,277,000 by subscription of stockholders at par. Dividends aggregating over $133,000,000 have been paid on this stock in the last 60 years. The rates have been as follows: 1854 and 1855, 6% each; 1856, 3%; 1862, 10%; 1863, 20%; 1864, 15%; 1865, 5%; 1866 to 1870 inclusive, 10% each; 1872, 10%; 1873, 5%; 1874, 12½%; 1875, 10%; 1876, 7½%; 1880, 3%; 1881, 6¾%; 1882 to 1884, 8% each; 1885, 7¼%; 1886 to 1903, inclusive, 7% each; 1904, 7% regular and 10% extra; 1905 to 1908 inclusive, 10% regular and 10% extra; 1909, 85%, including 75% extra, of which one-half was allowed to be used for subscribing to D., L. & W. Coal Co. stock at par; 1910, 10% regular with 10% extra; 1911, 10% regular and 45% extra; 1912, 1913, 1914, 1915 and 1916, 10% regular and 10% extra. In addition to above cash dividends, the following distributions of stocks have been made: 1856, 3% in Warren R.R. stock; 1857, 3% in Warren R.R. stock; 1860, 24% in D., L. & W. stock; 1861, 6% in Warren R.R. stock; 1863, 10% in D., L. & W. R.R. stock; 1864, 70% in D., L. & W. R.R. stock; 1866, 10% in D., L. & W. RR. stock; 1870, 6% in Morris & Essex R.R. stock; 1909, 15% in D., L. & W. R.R. stock; 1911, 35% in Lackawanna R.R. stock; in 1913, subscription rights at par for $12,000,000 additional stock. TRANSFER AGENT, W. Preston, 90 West Street, New York. Listed on New York Stock Exchange.

COMPANIES CONTROLLED BY DELAWARE, LACKAWANNA AND WESTERN R.R. (SEPARATELY OPERATED)

LACKAWANNA AND MONTROSE RAILROAD

Incorporated under laws of Penn., Sept. 30, 1889. Line of road, Alford to Montrose, Pa., 10.48 miles. Sidings, 1.42 miles. Controlled by stock ownership, by D. L. & W. R.R. Co.

Management: OFFICERS: T. E. Clarke, Pres.; E. E. Loomis, Vice-Pres.; A. D. Chambers, Sec. and Treas. DIRECTORS: Above and W. H. Truesdale, P. J. Flynn, W. S. Jenney, C. E. Tobey, E. M. Rine, R. A. Phillips, D. R. Reese, W. J. Parke, J. R. Cooley. OFFICE, 90 West Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1912	1911
Gross revenue	$32,728	$33,685	$33,886	$30,981	$30,923
Maintenance of way	7,407	7,655	10,423	6,761	8,396
Maintenance of equipment	4,806	4,541	4,179	1,629	342
All other operating expenses	21,051	19,873	19,750	17,787	18,699
Net operating revenue	(def.) $536	$1,616	(def.) $466	$4,804	$3,486
Other income	453	493	454	275	221
Total net income	(def.) $83	$2,109	(def.) $12	$5,079	$3,707
Taxes	543	215	495	495	495
Fixed charges	5,172	4,908	4,834	4,628	4,622
Surplus	(def.) $5,798	(def.) $3,014	(def.) $5,341	$44	(def.) $1,410
Balance	(def.) $5,798	(def.) $3,014	(def.) $5,341	$44	(def.) $1,410

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$132,848	$131,380	$131,172	$131,296	$131,297	$131,297
Working assets	.....	2,832	6,061	11,593	24,065	24,178
Profit and loss deficit	2,690	.....	.....	.....	.....	.....
Total	$135,538	$134,212	$137,233	$142,889	$155,362	$155,475

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$130,500	$130,000	$130,500	$130,500	$130,500	$130,500
Working liabilities	4,527	89	88	925	109	201
Accrd. liabilities not due	511	515	.....	.....	881	858
Deferred credit items..	.....	.....	523	.....	.....	.....
Profit and loss surplus.	.....	3,108	6,122	11,464	23,872	23,916
Total	$135,538	$134,212	$137,233	$142,889	$155,362	$155,475

Capital Stock: Auth., $150,000; outstanding, $130,500; par, $50. D., L. & W. R.R. owns a majority of issue. No bonded debt.

SUSSEX RAILROAD

Incorporated under laws of New Jersey, Feb. 5, 1853. Line of road, Morris & Essex Junc. near Stanhope to Franklin, N. J., and from Lafayette to Branchville, N. J., 30.55 miles. Sidings, 8.86 miles. Controlled by stock ownership by D., L. & W. R.R. Locomotives, 1; freight cars, 4; passenger cars, 3; service cars, 2.

Management: OFFICERS: P. J. Flynn, Pres.; W. H. Truesdale, Vice-Pres.; A. D. Chambers, Sec. and Treas. DIRECTORS: P. J. Flynn, R. D. Chambers, W. H. Truesdale, E. E. Loomis, M. T. Pyne, W. S. Jenney, G. E. Hustis, R. B. Scofield, C. L. Blair, F. H. Gibbons, E. J. Phillips. OFFICE, 90 West Street, New York.

Comparative Income Account, Years Ended Dec. 31

	* 1916	* 1915	1913	1912	1911	1910	1909
Gross revenues	$178,427	$167,479	$197,306	$177,499	$173,607	$187,117	$186,536
Net earnings	4,047	def. 3,517	24,387	17,699	29,943	57,409	56,996
Total net income.....	7,763	157	27,574	19,948	33,708	60,689	59,916
Fixed charges	31,743	† 12,309	37,125	39,274	41,603	45,502	62,103
Balance	def. 23,980	def. 12,152	def. 9,550	19,326	7,801	‡ 15,187	2,187
Other deductions	5,767	3,881	.....	.....	.....	.....	32,772
Surplus	def. 29,747	def. 16,033	def. 9,550	19,326	7,801	‡ 15,187	34,950

* Years ended June 30. † Includes taxes, $9,624. ‡ Surplus.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$1,962,384	$1,958,416	$1,956,440	$1,954,806	$1,955,102	$1,955,423
Working assets	.....	.....	.....	.....	4,601	36,069
Total	$1,962,384	$1,958,416	$1,956,440	$1,954,806	$1,959,703	$1,991,492
LIABILITIES:						
Capital stock	$1,638,600	$1,638,600	$1,638,600	$1,638,600	$1,638,600	$1,638,600
Working liabilities	.....	46,123	28,710	3,488	.....	.....
Accrd. liabilities not due	80,760	6,690	9,974	10,662	12,127	15,272
Appropriated surplus ..	51,316	45,548	41,668	39,334	39,295	38,862
Profit and loss surplus.	191,708	221,455	237,488	262,722	269,681	298,758
Total	$1,962,384	$1,958,416	$1,956,440	$1,954,806	$1,959,703	$1,991,492

Capital Stock: Auth. and issued, $1,638,600; par, $100. Last dividend, 2% in 1909. D. L. & W. R.R. owns majority of issue. No bonded debt.

THE DENVER & RIO GRANDE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Colorado and Utah laws, Aug. 1, 1908, as a consolidation of the old Denver & Rio Grande R.R. (which was itself formed in 1886, succeeding at that time the Denver & Rio Grande Ry.) and the Rio Grande Western Railway, the latter having been first acquired in 1901. The Denver & Rio Grande Railroad has since the consolidation of 1908, acquired by merger several smaller constituent companies, including the Utah Central Ry., the San Pete Valley Ry., etc. The company also controls the Utah Fuel Co. through oiwnership of its entire capital stock.

Location: The directly operated lines of the Denver & Rio Grande R.R. embrace 2,576.75 miles, including lines from Denver, Colo., to Ogden, Utah, with branches; Pueblo to Trinidad, Colo., with branches; Cucharas to Creede. Colo., Salida to Grand Junction, Mears Junc. to Silverton, Col., Thistle Junc. to Marysville, Utah, etc. Mileage chiefly in Colorado and Utah. Population of these States in 1890, 627,103; in 1900, 816.449; in 1910, 1,172,-375. In addition to its directly operated lines the company controls the Rio Grande Southern R.R., and jointly with the Colorado Midland Ry. leases the Rio Grande Junction Ry. It also holds an important interest in the Colorado Midland.

MISSOURI PACIFIC INTEREST: On June 30, 1916, $17.295,000 common and $9,805,000 preferred stock of the Denver and Rio Grande was owned by the Missouri Pacific Ry.

WESTERN PACIFIC RY.: This company, which has constructed a western extension of the Denver & Rio Grande system from Salt Lake City to San Francisco, was formerly controlled by stock ownership by the Denver & Rio Grande, which guaranteed the interest on its first mortgage bonds, and owned its entire issue of second mortgage bonds. This property has now been reorganized after receivership as the Western Pacific Railroad, in which the Denver & Rio Grande has no interest, though litigation in regard to the alleged guarantee by the Denver & Rio Grande of the old company's bonds is now pending. For details, see statement of Western Pacific Railroad.

Management: OFFICERS: H. U. Mudge, Pres.; Kingdon Gould, Vice-Pres.; A. E. Sweet, Vice-Pres.; Jas. Russell, Gen. Mgr.; John P. Howland, Sec.; John B. Andrews, Asst. Sec.; Thos. H. Marshall, Treas., and Jesse White, Asst. Treas. DIRECTORS: Geo. J. Gould, Edward T. Jeffery, Kingdon Gould, Arthur Coppell, Finley J. Shepard, H. A. Mudge, Benj. B. McAlpin, Edgar L. Marston, Edward D. Adams, Benjamin F. Bush, Edward L. Brown. Annual meeting, third Tuesday in October. MAIN OFFICE, Denver, Col. NEW YORK OFFICE, 165 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	3.97%	3.64%	3.82%	3.60%	3.86%	4.86%	5.40%	5.45%	6.45%	4.33%
Products of Animals.....	1.66	1.43	1.27	1.14	1.07	1.21	1.40	1.60	1.77	1.77
Products of Mines.....	79.86	82.36	83.67	84.29	84.24	82.61	79.90	80.93	80.03	80.88
Products of Forests.....	3.78	2.80	2.39	2.33	2.21	2.29	2.80	2.17	2.04	2.05
Manufactures.....	6.86	5.93	5.51	5.54	5.54	5.52	6.30	5.94	5.61	6.30
Merchandise and Miscel...	3.87	3.31	3.84	3.10	3.08	3.51	4.20	3.91	4.00	4.67

Total revenue tonnage in 1909, 10,714,331 tons; in 1910, 12,943,086 tons; in 1911, 13,162,823 tons; in 1912, 12,338,095 tons; in 1913, 11,571,318 tons; 11,230,397 tons in 1914; 10,103,382 tons in 1915; 12,639,069 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	2,500	73	533	367	14,100	72%	101,045	452,446	236	$2.45	1.96c	1.35c
1908	2,490	82	533	367	15,606	71	102,513	433,210	248	2.49	2.00	1.33
1909	2,534	82	550	371	15,626	73	94,537	458,262	249	2.48	2.00	1.31
1910	2,541	101	580	370	18,669	74	111,486	532,320	259	2.58	1.86	1.28
1911	2,553	113	580	470	18,515	74	99,820	545,624	259	2.37	2.01	1.24
1912.....	2,551	159	580	468	18,388	75	99,247	563,158	265	2.54	1.93	1.21
1913.....	2,555	178	616	446	18,761	74	102,318	592,803	305	2.87	2.03	1.19
1914.....	2,583	189	617	446	18,326	74	96,342	549,767	337	3.10	2.01	1.20
1915	2,571	209	619	389	18,409	73	89,557	521,871	383	3.34	1.93	1.19
1916.....	2,572	209	583	391	17,750	73	117,037	651,905	472	3.64	1.58	1.09
10-Year Average } ..	2,546	140	579	409	17,415	73%	101,390	530,137	301	$2.79	1.93c	1.24c

Of the total mileage operated, 1,791 miles is standard gauge and 786 miles narrow (3-foot) gauge.

Comment: During the year ended June 30, 1916, both passenger and freight density underwent a very decided improvement on the Denver & Rio Grande property. The average freight train load was also far higher than usual, while the train mile earnings, notwithstanding lower freight and passenger rates, reached a new high level. As usual, the company depended mainly on the products of mines for its freight tonnage, this character of tonnage last year representing over 80% of the business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$8,563	$940	$1,176	$2,116	$3,184	$3,263	$3,360	$280	$3,080	$1,409	54%	$1,671	$915
1908.....	8,158	883	1,268	2,151	3,066	2,941	3,280	300	2,980	1,464	51	1,516	915
1909	8,421	998	1,410	2,408	3,464	2,552	2,939	301	2,638	1,432	46	1,206	905
1910	9,273	1,059	1,497	2,556	3,663	3,054	3,540	324	3,216	2,033	37	1,183	975
1911.....	9,162	1,029	1,731	2,760	3,501	2,901	3,625	337	3,288	2,316	30	972	487
1912.....	9,126	1,255	1,696	2,951	3,707	2,468	3,143	344	2,799	2,405	14	394	.....
1913.....	9,571	1,388	1,776	3,164	3,508	2,899	3,384	371	3,013	2,194	27	819	.....
1914.....	8,969	1,314	1,644	2,958	3,244	2,767	3,250	391	2,859	2,318	19	541	.....
1915	8,488	989	1,553	2,542	3,017	2,929	3,449	397	3,052	2,500	18	552	.....
1916.....	9,677	986	1,628	2,614	3,116	3,947	4,377	424	3,953	2,468	38	1,485	.....
10-Year Average }	$8,941	$1,084	$1,538	$2,622	$3,347	$2,972	$3,435	$347	$3,088	$2,054	33%	$1,034	$420

Note: "Margin of safety" is the proportion of surplus income left over after deduction of all charges, including interest on permanent and floating debts, sinking funds, etc. For example, the "balance for charges" (per mile) in 1916 was $3,953; fixed charges consumed $2,468 per mile, or 62%, leaving $1,485 per mile, a "margin of safety" of 38%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$24,888,577	$21,821,884	$23,150,903	$24,446,470	$23,280,403	$23,391,771	$23,563,437
Maintenance of way	2,536,790	2,541,539	3,393,968	3,545,938	3,201,866	2,627,895	2,690,602
Maintenance of equipment	4,189,310	3,992,351	4,245,325	4,538,251	4,326,860	4,119,189	3,804,120
All other operating expenses	8,013,310	7,755,781	8,378,903	8,962,983	9,478,417	9,238,253	9,289,248
Net operating revenues	$10,149,167	$7,532,213	$7,132,707	$7,399,298	$6,273,260	$7,406,434	$7,779,467
Operating ratio	59.2%	65.5%	69.2%	69.7%	73%	68.2%	67%
Other income	1,107,615	1,335,610	1,262,934	1,247,938	1,745,455	1,849,406	1,537,871
Total net income	$11,256,782	$8,867,823	$8,395,641	$8,647,236	$8,018,715	$9,255,840	$9,317,338
Taxes accrued	1,091,461	1,020,606	1,009,144	948,739	877,000	859,621	823,515
Balance for charges	$10,165,321	$7,847,217	$7,386,497	$7,698,497	$7,141,715	$8,396,219	$8,493,823
Fixed charges	6,349,232	6,428,487	5,986,122	5,604,317	6,014,795	5,913,175	5,485,656
Surplus over charges	$3,816,089	$1,418,730	$1,400,375	$2,094,180	$1,126,920	$2,483,044	$3,008,167
Dividends paid	.....	.....	.....	.....	.....	1,244,495	2,488,990
Other deductions	2,587,399	484,090	344,816	636,808	120,000	120,000	120,000
Balance	$1,228,690	$934,640	$1,055,559	$1,457,372	$1,006,920	$1,118,549	$399,177
Earned on stock: Preferred	7.7%	1.88%	2.12%	2.93%	2.26%	4.75%	8.12%
Common	3.5%	.....	.....	.....	.....	.....	4.08%

Note: Fixed charges, in 1916, include rental of yards and terminals, hire of equipment, and interest on direct funded debt, including interest on adjustment 7s.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $8,970,651; credit balance transferred from income account, $1,228,690; unrefundable overcharges, $447; donations, $6,712; miscellaneous credits, $10,662; total, $10,217,162. Contra: Redemption of equipment bonds, $12,000; loss on retired road and equipment, $38,103; surplus appropriated for investment in physical property, $6,922; advance surveys, $18,695; settlement of litigation, $5,174; miscellaneous debits, $2,018; credit balance carried to balance sheet, $10,134,250; total, $10,217,162.

Comment: A very pronounced improvement in shown in the income exhibit of the Denver and Rio Grande for the fiscal year ended June 30, 1916. Both gross and net earnings reached higher figures than for many years past, and although there was some falling off in the outside income the balance available for fixed charges was very high. The fixed charges themselves tended to decline slightly, and therefore the final surplus for dividends rose to the high figure of 7.7% on the preferred stock. No attempt was made to resume payments of dividends during the year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$33,500	52%	$31,527	48%	$2,032	$67,059	$14,520	$52,539	6.4%	$915	5%	.....	.....	46%	.....
1908	33,514	50	33,660	50	.....	67,174	14,768	52,406	6.3	915	5	.....	.....	40	.....
1909	33,062	45	40,401	55	.....	73,463	10,029	63,434	4.7	903	5	.....	.....	25	.....
1910	34,545	44	44,280	56	.....	78,825	11,609	67,216	5.3	975	5	.....	.....	19	.....
1911	34,383	43	46,192	57	.....	80,575	11,602	68,973	5.2	487	2½	.....	.....	50	.....
1912	34,410	42	47,678	58	.....	82,088	11,640	70,448	4.5	.....	.....	.....	.....	.....	.....
1913	34,356	40	51,268	60	.....	85,624	2,816	82,808	4.1	.....	.....	.....	.....	.....	.....
1914	33,984	40	51,801	60	.....	85,785	2,902	82,883	3.9	.....	.....	.....	.....	.....	.....
1915	34,142	40	52,224	60	.....	86,366	4,359	82,007	4.2	.....	.....	.....	.....	.....	.....
1916	34,127	42	47,965	58	.....	82,092	4,356	77,736	5.6	.....	.....	.....	.....	.....	.....
10-Year Average	$34,002	44%	$44,700	56%	$203	$78,905	$8,860	$70,045	4.9%	$420	2¼%	.....	.....	59%	.....

Note: Bonded debt, as shown above, includes the company's own and assumed obligations, but not any issues of separately operated controlled lines. Investments owned included at the book value the various issues held. Among the latter is now the Utah Central stock, the Rio Grande Junction Ry. stock, the Western Pacific stock, and second mortgage bonds, etc. The Western Pacific investment has since been wiped out in the reorganization of the latter company. In the 1913, 1914, 1915 and 1916 exhibit above, the pledged securities are not included.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$228,217,779	$228,510,393	$216,643,450	$201,086,988	$195,987,024	$195,600,198
Working assets	7,380,425	8,825,873	16,397,197	13,981,708	12,238,047	13,095,646
Deferred debit items	15,550,305	9,573,626	11,016,701	24,247,971	17,683,699	10,840,886
Total	$251,148,509	$246,909,892	$244,057,348	$239,316,667	$225,908,770	$219,536,730

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$87,779,800	$87,779,800	$87,779,800	$87,779,800	$87,779,800	$87,779,800
Funded debt	134,717,346	134,812,449	133,803,000	130,991,000	121,626,463	117,831,000
Working liabilities	3,097,096	2,770,332	3,667,398	3,917,424	3,411,390	3,325,932
Accrd. liabilities not due	1,215,335	1,606,712	1,540,246	1,557,752	1,456,594	1,359,933
Deferred credit items..	7,592,644	7,132,569	6,317,495	5,150,936	3,767,901	2,508,133
Appropriated surplus ..	6,612,038	3,837,378	3,110,658	2,731,840	1,932,533	1,650,769
Profit and loss surplus.	10,134,250	8,970,651	7,828,751	7,187,915	5,934,089	5,081,163
Total	$251,148,509	$246,909,892	$244,057,348	$239,316,667	$225,908,770	$219,536,730

Note: In above balance sheet for 1915, the securities held in treasury are included in the funded debt, and offset on the asset side. Working assets included $4,220,769 in cash in 1916. "Property investment," 1915 and 1916 apparently include investments formerly carried in working assets as "marketable securities" or "loans and bill receivable." Impossible to ascertain exact amount so transposed.

Comment: There were practically no capitalization changes in the Denver & Rio Grande during the fiscal year 1916. As measured on the mileage basis, the average net capitalization was considerably lower than previously for the reason that certain formerly assumed obligations were not included in the figures. It will be noted that a gratifying improvement took place in the percentage of net income on net capital.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Den. & Rio Grande 1st cons. 4s	J&J	Ja 1936	(1st) 1,647	$24,590	$3,088	$640	79%	Very high	Very high	A.
2. Den. & Rio Grande first cons. 4½s	J&J	Ja 1936					79%	"	"	A.
3. Den. & Rio Grande Imp. 5s	J&D	Je 1928	(2d) 1,655	5,060	2,448	145	72%	High	"	Baa.
4. Rio Grande W. first tr. 4s	J&J	Jl 1939	(1st) 421	30,080		295	72%	"	"	A.
5. Rio Grande West. first con. & col. tr. 4s	A&O	Ap 1949	(1st) 278 (2d) 421	21,574		235	72%	"	"	Ba.
6. Den. & Rio Gr. first ref. 5s	F&A	Ag 1955	(see text)	(see text)	1,773	640	64%	Fair	Good	Ba.
7. Den. & Rio Gr. adj. 7s	(see text	Ap 1932	"		1,133	272	77%	Mod.	.....	B.
8. Equipment trust, Series B 5s	M&S	(see text)	.....	.....		30	77%	Good	Good	Aa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1 and 2. Auth., $42,000,000; outstanding, $35,570,000 4s, of which $1,445,000 are in treasury (closed), $6,382,000 4½s (closed). Date of 4s, July 15, 1886; date of 4½s, Jan. 1, 1898; due Jan. 1, 1936. Int. paid at National Park Bank, New York. Coupon, $500 and $1,000. First lien on 1,646.83 miles, as follows: Denver to Rifle, Col., 386.92 miles; Pueblo to Alamoso, 132.66 miles; Salida to Crevasse, 227.80 miles; Leadville to Dillon, 36.28 miles; Cucharas to Trinidad, Col., 41.94 miles; Alamosa to Silverton, Col., 245.42 miles; Alamosa to Wagon Wheel Gap, Col., 60.34 miles; Walsenburg to Maitland, Col., 4.85 miles; Leadville to Dillon, Col., 36.28 miles; Glenwood Springs to Aspen, Col., 42.48 miles; Mears Junc. to Alamosa, Col., 73.44 miles; Poncha Junc. (Salida) to Monarch, Col., 15.66 miles; Gunnison to Floresta, Col., 32.31 miles; Crested Butte to Anthracite, Col., 10.71 miles; Sapinero to Lake City, Col., 35.84 miles; Montrose to Ouray, Col., 35.70 miles; Delta to Somerset, Col., 43.06 miles; Antonio, Col., to Espanola, N. M., 91.82 miles; Carbon Junc. (Durango), Col., to Farmington, N. M., 47.66 miles; and branches aggregating 81.94 miles. Underlie Nos. 3, 6 and 7, with provision by No. 6 to retire. Legal for Savings Banks in Mo., R. I. Listed on New York, London and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

3. Auth., $5,000 per mile; outstanding, $8,335,000 (closed). Dated June 1, 1888; due June 1, 1928. Int. paid at National Park Bank, New York. Coupon, or reg., $500. Assumed by Denver & Rio Grande R.R. Second lien on 1,646.83 miles, following Nos. 1 and 2. Underlie Nos. 6 and 7, with provision by former to retire. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

4. Auth., $16,000,000; outstanding, $15,200,000 (closed), of which $10,000 are in treasury. Dated July 1, 1889; due July 1, 1939. Int. paid at Guaranty Trust Co., New York Coupon, $1,000; reg., $1,000 and multiples. Assumed by Denver & Rio Grande R.R. First lien on 421.27 miles, as follows: From Cravasse, Col., to Ogden, Utah, 314.61 miles; Colton to Scofield, Utah, 15.97 miles; Thistle to Manti, Utah, 61.63 miles; Bingham Junc. to Bingham, Utah, 14.23 miles; Wasatch to Midvale, Utah, 6.83 miles; and spurs, 8.05 miles. Underlie Nos. 5, 6 and 7, with provision by No. 6 to retire. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

5. Auth., limited to $16,475,000; outstanding, $16,475,000, of which $1,395,000 are in treasury. Dated April 1, 1899; due April 1, 1949. Int. paid at Guaranty Trust Co., New York. Redeemable at par on any interest date on six months' notice. Assumed by Denver & Rio Grande R.R. First lien on 277.72 miles, as follows: Mounds to Sunnyside, Utah, and spurs, 17.86 miles; Scofield to Clear Creek, Utah, 5.57 miles; Provo to Heber, Utah, 26 miles; Welby to Garfield, Col., 15.94 miles; Manti to Marysville, Utah, 70.88 miles; Salina to Nioche, Utah, 20 miles; Springville to Silver City, Utah, 43.75 miles; Nephi to Manti, Utah, 42.13 miles; various spurs and branches, 23.30 miles; second lien on 423 miles, following No. 4. Also secured by deposit of entire stock ($10,000,000) of Utah Fuel Co. Underlies No. 6, which provides for retirement, and No. 7. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000; reg., $1,000 and multiples.

6. Auth., $150,000,000; outstanding, $33,039,000. Dated Aug. 1, 1908; due Aug. 1, 1955. Int. paid at Bankers' Trust Co., New York, and at Berlin. Redeemable as whole at 110 and int. on ninety days' notice. Sinking fund: $120,000 annually on or before Aug. 1, 1913, and on or before Aug. 1 in each year thereafter, to be used for the purchase of these bonds or underlying bonds at not exceeding 105 and int. First lien on 196.90 miles, as follows: Texas Creek to West Cliffe, Col., 25.49 miles; Maitland to Big Four Mines, Col., 9.43 miles; Moffat to Crestone, 11.44 miles; Wagon Wheel Gap to Creede, Col., 9.59 miles; Espanola to Santa Fe, N. M., 33.97 miles; and Pagosa Junc. to Pagosa Springs, Col., 30.85 miles; and branch, 3.36 miles; Reliance Junc. to Ojo, 5.41 miles; Taos Junc. to La Madera, 16.43 miles; Spring Canyon Junc. to Standard, 5.13 miles; Salt Lake City to Park City, Utah, 29.23 miles; spurs, 16.57 miles; second lien on 277.72 miles, following No. 5; third lien on 2,086.10 miles, as follows: On 1,647 miles, following No. 3, and on 421 miles, following No. 4; also secured by deposit of $1,221,150 out of $2,000,000 capital stock of the Rio Grande Junc. Ry., and $149,200 (par value) capital stock of the Rio Grande & Southwestern R.R. Underlies No. 7. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

7. Auth., $25,000,000; outstanding, $10,000,000. Dated May 1, 1912; due April 1, 1932. Int. paid at New York, London, Berlin, Paris, and Amsterdam, if earned, but cumulative. Coupon, $1,000. Redeemable at 115 and interest on any interest date on ninety days' notice in lots of not less than $50,000. Second lien on 196.90 miles, following No. 6; third lien on 277.72 miles, following No. 6; fourth lien on 2,086.10 miles, following No. 6; second lien on securities described in No. 6, but subject thereto; also secured by deposit of $737,150 additional stock of Rio Grande Junc. Ry. Interest paid without deduction for normal income tax.

8. Auth., $1,500,000; outstanding, $150,000. Dated Sept. 1, 1907; due $75,000 semi-annually on Mar. and Sept. 1, each year, to Aug. 31, 1917. Int. paid at Blair & Co., New York. Redeemable at 101 and interest on four weeks' notice. First lien on equipment, costing $1,790,700. Interest paid without deduction for normal income tax. Coupon, $1,000.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Denver & Rio Grande R.R. preferred..... 5% non-cumulative. Par $100. Outstanding, $49,775,670.	None	$19,311	$1,036	.....	.....	See below	High	Caa.
Denver & Rio Grande R.R. common..... Par $100. Outstanding, $38,000,000. Shares with preferred in further dividends after receiving 5%.	None	14,746	.....	.....	.....	"	"	Ca.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUES

Auth., $50,000,000 preferred and $38,000,000 common; par, $100. Dividends have been paid on preferred as follows in recent years: 1899 and 1900, 4%; 1901 to Jan. 15, 1911, 5% per annum. None since. Transfer Office, 165 Broadway, New York. Listed on New York, Amsterdam and London Stock Exchanges.

RIO GRANDE JUNCTION RAILWAY

Origin: Incorporated under laws of Colorado, June 25. 1899, and opened for traffic Nov. 16, 1890. Leased until Jan. 1, 1940, to Denver & Rio Grande R.R. and Colorado Midland R.R., rental being 30% of gross earnings of each company over the lines, the minimum rental to be the interest on the outstanding bonds, which are guaranteed jointly and severally by the lessees.

Location: Line of road, Rifle to Grand Junction, Col., 62.08 miles, forming the connecting link between the eastern and western main lines of the Denver & Rio Grande system. Sidings, 11.49 miles.

Management: Officers: E. T. Jeffery, Pres.; H. U. Mudge, Vice-Pres.; E. R. Murphy, Sec.; T. H. Marshall, Treas. Directors: E. T. Jeffery, H. U. Mudge, J. B. Andrews, E. U. Clarke, T. H. Marshall, H. McAlister, Jr., A. S. Hughes. Annual meeting, third Tuesday in October. Office, Denver, Col.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910	1909
Net rental income.	$281,707	$307,950	$315,949	$323,455	$297,394	$295,314	$310,219	$296,760
Fixed charges	†102,094	†102,358	100,000	100,000	100,000	100,000	100,000	100,000
Surplus	$179,613	$205,592	$215,949	$223,455	$197,394	$197,314	$210.219	$196,760
Dividends paid	*	*	*	*	100,000	100,000	100,000	100,000
Balance	$179,613	$205,592	$215,949	$223,455	$97,394	$97,314	$110.219	$96,760
Net per mile.....	4,543	4,850	5,099	5,217	4,796	4,795	5,001	4,790

* In March, 1915, three dividends of $100,000 each were paid to cover the years 1913, 1914 and 1915. These were charged in the profit and loss account. Dividend in 1916 paid from profit and loss (see next page).

† Includes taxes.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $800,382; credit balance transferred from income, $179,613; donations, $5,705; total, $985,700. Contra: Dividend appropriations of surplus, $100,000; loss on retired road and equipment, $200; credit balance carried to balance sheet, $885,500; total, $985,700.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$4,046,324	$4,040,819	$4,040,449	$4,040,449	$3,999,300	$3,999,300
Working assets	841,276	762,493	858,059	693,158	373,996	470,588
Total	$4,887,600	$4,803,312	$4,898,508	$4,733,607	$4,373,296	$4,469,888
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Working liabilities	2,100	2,825	1,925	50,225	50,225	51,275
Deferred credit items..	.....	105	2,163	290	.....	.....
Profit and loss surplus..	885,500	800,382	894,420	683,092	323,071	418,613
Total	$4,887,600	$4,803,312	$4,898,508	$4,733,607	$4,373,296	$4,469,888

TABLE D.—Bond Record and Ratings (Based on 8-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Rio Grande Junction Ry. Co. 1st mtge. gold 5s	J&D	Dec. 1, 1939	(1st) 62	$32,250	$4,897	$1,611	67%	High	Good	A.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Auth. and outstanding, $2,000,000. Dated Dec. 1, 1889; due Dec. 1, 1939. Coupon, $1,000. Registerable as to principal. Guar. prin. and int. jointly and severally by the Denver & Rio Grande R.R. Co. and the Colorado Midland Ry. Co. First lien on 62.08 miles from Rifle Creek to Grand Junction, Colo. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and issued, $2,000,000, of which Denver & Rio Grande owns $1,958,300; par $100. Dividends of 5% were regularly paid from 1907 to 1912, inclusive, but were omitted in 1913. In March, 1915, three 5% dividends were paid to cover the years, 1913, 1914 and 1915; 5% in 1916. In Nov., 1912, the Denver & Rio Grande interests purchased at 55% the $737,150 stock of this company formerly owned by the Colorado Midland Ry.

RIO GRANDE SOUTHERN RAILROAD COMPANY

Origin: Incorporated under laws of Colorado, Oct. 30, 1889; road opened for traffic, Feb. 1, 1902. Controlled by Denver & Rio Grande R.R. through stock ownership.

Location: Lines operated extend from Ridgway to Durango, Col., 162.6 miles; branches, 12.4 miles; leased from Calumet Fuel Co., 4.79 miles; total, 179.79 miles. Sidings, 25.82 miles. Gauge, 3 feet. EQUIPMENT: locomotives, 17; passenger, freight, and company cars, 54.

Management: OFFICERS: E. T. Jeffery, Chairman of Board; H. U. Mudge, Pres.; Jay Gould, Vice-Pres.; J. B. Andrews, Sec.; T. H. Marshall, Treas. DIRECTORS: Arthur Coppell, Geo. J. Gould, H. U. Mudge, Jay Gould, E. T. Jeffery, Kingdon Gould, S. C. Matthews. Annual meeting, third Monday in October. MAIN OFFICE, Denver, Col.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Miles operated	180	180	180	180	180	180	180
Gross earnings	$562,622	$555,772	$646,021	$664,179	$510,271	$559,733	$546,520
Net earnings	173,609	182,976	221,120	228,917	36,650	199,179	160,730
Total net income.....	176,962	186,200	224,325	232,181	31,935†	208,939	173,240
Fixed charges	*240,851	*235,056	238,187	227,230	226,488	231,127	237,232
Net income per mile.....	*966	1,034	1,246	1,289	.....	1,160	963

* Includes $34,626 taxes in 1915 and $38,346 in 1916. † Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $292; debit balance carried to balance sheet, $316,097; total, $316,389. Contra: Debit balance at beginning of year, $252,475; debit balance transferred from income, $63,889; miscellaneous debits, $25; total, $316,389.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$9,100,854	$9,102,039	$9,101,582	$9,100,972	$9,097,950	$9,097,190
Working assets	138,573	147,702	156,295	152,415	245,124	319,345
Deferred debit items...	1,280	501	836	605	548	134,942
Profit and loss deficit..	316,097	274,501	204,417	91,682	82,540	.....
Total	$9,556,804	$9,502,717	$9,463,130	$9,345,574	$9,426,162	$9,551,477

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$4,510,000	$4,510,000	$4,510,000	$4,510,000	$4,510,000	$4,510,000
Funded debt	4,509,000	4,510,000	4,510,000	4,510,000	4,510,000	4,510,000
Working liabilities	409,084	362,483	312,719	298,699	374,088	250,210
Accrd. liabilities not due	21,390	17,511	17,429	14,732	17,135	16,951
Deferred credit items...	7,301	2,695	12,953	12,143	14,939	21,623
Appropriated surplus ..	100,029	100,028	100,029	.....	.....	101,490
Profit and loss surplus..	.....	.....	.....	.....	.....	141,203
Total	$9,556,804	$9,502,717	$9,463,130	$9,345,574	$9,426,162	$9,551,477

TABLE D.—Bond Record and Ratings (Based on 7-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Rio Grande So. first 4s.....	J&J	Jl 1940	(1st) 180	$25,000	$950	$1,002	.....	Mod.	Poor	Ca.*

* That portion of issue guaranteed by Denver & Rio Grande is in a little better investment position.

1. Auth., $5,000,000; outstanding, $4,509,000. Dated July 1, 1890; due July 1, 1940; int. paid at Maitland, Coppell & Co., New York. Coupon, $1,000. First lien on entire property of company. Of total issue, $2,277,000 are guaranteed by Denver & Rio Grande R.R., and of these guaranteed bonds, $1,777,000 are held by Denver & Rio Grande R.R. Int. rate was originally 5%, but was reduced by agreement of bondholders. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

Capital Stock: Auth., $5,000,000; outstanding, $4,510,000; par $100. Denver & Rio Grande R.R. owns $3,579,737.

DETROIT & MACKINAC RAILWAY COMPANY

Origin: Incorporated under laws of Michigan, Dec. 29, 1894, as successor to the Detroit, Bay City & Alpena R.R., which was sold under foreclosure. The Au Sable & Northwestern Ry. was merged in 1914.

Location: Operated lines extend from Bay City, along the west shore of Lake Huron, to Cheboygan, near Mackinaw City, with various branches. The total mileage of main lines and branches operated June 30, 1916, was 387.12 miles, consisting of main Bay City to Cheboygan, 195.02 miles and branches, 192.10 miles. Mileage is all in State of Michigan. Population of Michigan in 1890, 2,093,889; in 1900, 2,420,982; in 1910, 2,810,173.

Management: OFFICERS: Henry K. McHarg, Pres.; James D. Hawks, Vice-Pres. and Gen. Mgr.; Geo. M. Crocker, Vice-Pres.; C. B. Colebrook, Sec. and Treas. DIRECTORS: James D. Hawks, Henry K. McHarg, H. K. McHarg, Jr., James B. Mabon, Walton Ferguson. Annual meeting, last Tuesday in October. MAIN OFFICE, Detroit, Mich.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	2.58%	2.76%	2.44%	1.95%	4.12%	6.27%	4.76%	4.25%	5.62%	5.10%
Products of Animals.....	1.18	1.34	1.30	1.31	1.19	1.25	1.57	1.37	1.62	1.81
Products of Mines.....	37.02	32.77	16.82	17.78	22.93	19.45	22.72	26.53	30.33	37.27
Products of Forests.....	47.55	49.16	52.01	55.72	55.53	48.11	44.71	42.05	33.04	26.44
Manufactures.....	4.40	5.67	8.04	10.80	6.71	9.61	12.28	14.91	20.97	19.67
Merchandise and Miscel...	7.27	8.30	18.89	11.44	9.52	15.27	13.96	10.89	8.42	9.71

Total freight tonnage in 1909, 1,189,742 tons; in 1910, 1,228,700 tons; in 1911, 1,079,596 tons; in 1912, 1,083,713 tons; 1,072,183 tons in 1913; 1,087,778 tons in 1914; 900,870 tons in 1915; 1,009,494 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	344	....	32	46	1,645	72%	40,041	355,510	312	$1.68	2.06c	.77c
1908.....	348	....	32	46	1,631	71	40,015	314,401	281	1.58	2.05	.77
1909.....	347	....	32	46	1,618	70	38,192	241,314	263	1.84	2.14	.96
1910.....	349	....	33	46	1,612	70	40,504	267,567	283	1.90	2.10	.93
1911.....	348	....	33	46	1,600	67	41,258	264,552	292	1.84	2.21	.86
1912.....	361	....	32	46	1,584	67	41,454	265,398	283	1.88	2.21	.88
1913.....	411	....	35	46	1,772	66	34,625	233,897	222	1.64	2.38	.85
1914.....	400	....	35	49	1,847	66	35,201	231,521	278	1.87	2.39	.86
1915.....	393	....	35	45	1,698	65	31,508	176,552	257	1.82	2.45	1.00
1916.....	383	....	35	45	1,656	67	34,535	202,344	272	1.95	2.35	1.01
10-Year Average	368	....	33	46	1,666	68%	37,733	255,306	274	$1.94	2.23c	.89c

Yard tracks and sidings, 117 miles. There are no equipment trusts.

Comment: The Detroit & Mackinac Railway reported some improvement in its volume of business during the year 1916, and although the figures were not as good as those of a few years ago, they resulted in substantially strengthening the position of the property.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$3,812	$724	$768	$1,492	$1,444	$876	$876	$236	$640	$370	42%	$270	$138
1908	3,411	414	543	957	1,365	1,089	1,142	231	911	469	49	442	137
1909	3,311	530	534	1,064	1,230	1,017	1,063	246	817	444	46	373	137
1910	3,528	573	564	1,137	1,377	1,014	1,147	297	850	275	68	575	136
1911	3,389	502	584	1,086	1,285	1,018	1,113	292	821	277	66	544	424
1912	3,456	558	605	1,163	1,318	975	1,031	282	749	277	63	472	409
1913	3,023	405	425	830	1,230	963	1,084	*252	832	242	71	590	*359
1914	3,026	369	489	858	1,274	894	1,054	265	789	240	70	549	369
1915	2,741	345	509	854	1,166	721	872	210	662	266	60	396	248
1916	3,061	347	542	889	1,194	978	1,142	255	887	256	71	631	385
10-Year Average	$3,276	$477	$556	$1,033	$1,288	$955	$1,052	$257	$795	$312	61%	$483	$274

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,172,427	$1,077,317	$1,207,018	$1,242,327	$1,248,102	$1,177,099	$1,231,244
Maintenance of way	132,937	135,505	147,398	166,415	201,752	174,532	199,824
Maintenance of equipment	207,414	200,025	195,753	174,768	218,290	203,439	196,889
All other operating expenses	457,233	458,205	509,729	505,513	478,071	444,428	452,740
Net operating revenues	$374,843	$283,582	$354,138	$395,631	$348,989	$354,700	$381,791
Operating ratio	68%	73.6%	70.7%	68.2%	72%	70%	69%
Other income	62,578	59,280	67,323	49,704	22,175	32,861	18,380
Total net income	$437,421	$342,862	$421,461	$445,335	$372,164	$387,561	$400,171
Taxes accrued	97,506	82,491	105,904	103,518	101,805	101,591	103,584
Balance for charges	$339,915	$260,371	$315,557	$341,817	$270,359	$285,970	$296,587
Fixed charges	98,139	104,453	95,925	99,593	100,134	124,050	118,578
Surplus over charges	$241,776	$155,918	$219,632	$242,224	$170,225	$161,920	$178,009
Dividends paid	147,500	97,500	147,500	147,500	147,500	147,500	47,500
Other deductions	102,683	62,758	56,328	94,959	22,490	14,420	42,041
Balance	*$8,407	*$4,340	$15,804	*$235	$235	.....	$88,468
Earned on preferred	25.4%	16.4%	23.1%	25.5%	17.9%	17.2%	18.9%
Earned on common	9.7%	5.4%	8.1%	9.7%	6.1%	5.7%	6.5%

* Deficit. Other income in 1916 was chiefly net profit from rental of equipment.

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $9,230; miscellaneous credits, $108. Contra: Debit balance from income account, $8,407. Credit balance at close of year, $931.

Comment: The income statement of the Detroit & Mackinac Railway during the year ended June 30, 1916, made a much better exhibit than in 1915. The company also benefited to some extent by increasing its outside income, and therefore the balance available for charges was much better than in the previous year. Fixed charges tended to decline with the result that the surplus left over was equal to more than 25% on the outstanding preferred stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$8,575	54%	$7,384	46%	.....	$15,959	.....	$15,959	5.5%	$138	5%	.....	.....	50%	.....
1908	8,477	56	6,609	44	.....	15,086	.....	15,086	7.6	137	5	.....	.....	69	.....
1909	8,501	56	6,628	44	.....	15,129	.....	15,129	7	137	5	.....	.....	67	.....
1910	8,453	56	6,590	44	.....	15,043	.....	15,043	7.6	136	5	.....	.....	70	.....
1911	8,477	56	6,610	44	.....	15,087	.....	15,087	7.4	137	5	$287	5%	75	30%
1912	8,172	56	6,230	44	.....	14,402	.....	14,402	7.2	132	5	277	5	72	19
1913	7,178	56	5,596	44	.....	12,774	.....	12,774	7.5	116	5	243	5	80	49
1914	7,375	56	5,750	44	.....	13,125	.....	13,125	8	119	5	250	5	78	42
1915	7,506	56	5,852	44	.....	13,358	.....	13,358	6.5	121	5	127	2½	69	54
1916	7,702	56	6,005	44	.....	13,707	.....	13,707	8.3	124	5	261	5	80	49
10-Year Average	$8,012	56%	$6,325	44%	.....	$14,367	.....	$14,367	7.3%	$130	5%	$145	2.7½%	73%	24%

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$6,010,621	$5,969,640	$5,941,322	$5,666,976	$5,735,681	$5,686,990
Working assets	123,373	106,326	136,963	119,474	163,835	143,099
Deferred debit items...	844	847	451	454	453	367
Total	$6,134,838	$6,076,813	$6,078,736	$5,786,904	$5,899,969	$5,830,456
LIABILITIES:						
Capital stock	$2,950,000	$2,950,000	$2,950,000	$2,950,000	$2,950,000	$2,950,000
Funded debt	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Working liabilities	151,242	207,177	264,416	205,424	108,694	75,404
Accrd. liabilities not due	54,851	53,475	59,246	60,294	57,879	55,947
Deferred credit items..	8,136	4,456	5,597	.....	.....	.....
Appropriated surplus ..	669,678	561,705	499,477	271,186	483,161	449,105
Profit and loss surplus..	931	.....	.....	.....	235	.....
Total	$6,134,838	$6,076,813	$6,078,736	$5,786,904	$5,899,969	$5,830,456

Comment: There were no capitalization changes in this property during the year ended June 30, 1916. As measured on the mileage basis, the road is very lightly capitalized, and although the volume of business is not heavy the company finds little difficulty in carrying this capitalization.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Det. & Mackinac first lien 4s.	J&D	Je 1995	(1st) 404	$2,600	$795	$110	86%	High	High	**Aa.**
2. Det. & Mackinac mortgage 4s	J&D	Je 1995	(2d) 404	3,094	685	130	80%	"	"	**Baa.**

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,500,000; outstanding, $1,050,000; in treasury, $450,000. Dated May 1, 1895; due June, 1995; int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on 404.44 miles, including line from Bay City to Cheboygan, Mich., 195.02 miles, and various branches. Underlie No. 2. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth., $2,500,000; outstanding, $1,250,000. Dated May 1, 1895; due June 1, 1995. Int. paid at J. P. Morgan & Co., New York. Secured subject to No. 1 on same property. Callable at par and interest on any interest date. Of the total authorized issue of $2,500,000, $500,000 are held as a free treasury asset, and $750,000 have been exchanged for preferred stock and retired. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME AND DETAILS OF ISSUE.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	BASIS FOR RATING. Equity.	BASIS FOR RATING. Salability.	Net Rating.
Detroit & Mackinac Ry. preferred ..... 5% non-cumulative. Outstanding, $950,000. Full voting power. Par $100.	5% J&J	$2,480	$483	$124	74%	High	Good	**Baa.**
Detroit & Mackinac Ry. common..... Full voting power. Par $100. Outstanding, $2,000,000.	See text J&J	5,222	359	261	27%	Fair	"	**Ba.**

For Key to Stock Ratings, see page 21.

Auth., $1,000,000 preferred and $2,000,000 common; outstanding, $950,000 preferred and all the common. Preferred stock has preference as to 5% non-cumulative dividends, but not to assets. Full rate has been paid on preferred since 1903. On common, 5% from 1911 to 1914; 2½% in 1915; 5% in 1916. TRANSFER AGENTS: J. P. Morgan & Co., New York. Listed on New York Stock Exchange.

DETROIT, TOLEDO & IRONTON RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Delaware laws, Feb. 20, 1914, as a reorganization of the Detroit, Toledo & Ironton R.R. Latter was successor in 1905 of Detroit Southern R.R., and acquired control of Ann Arbor R.R. by purchase of over 70% of the capital stock of the latter. Default was made in February, 1908, on the consolidated mortgage bonds of the company, and receivers were appointed; control of the Ann Arbor property was relinquished in November, 1910.

Location: Lines extend from Tecumseh, Mich., to Jackson, Ohio, 273.35 miles; Delray to Dundee, Mich., 39.6 miles; Bloom to Ironton, Ohio, 30.81 miles, with branches from Kingman to Sedalia, Jackson to Cornelia, etc., 52.5 miles; trackage rights, 45.03 miles. Total operated, 441.29 miles. In May, 1916, leased the Toledo-Detroit R.R., 22 miles from West Toledo to Detroit. Population of Michigan and Ohio in 1890, 5,766,205; in 1900, 6,578,527; in 1910, 7,577,294.

Management: OFFICERS: James M. Kurn, Pres.; F. H. Osborn, Vice-Pres.; E. C. Davis, Sec. and Treas. DIRECTORS: James M. Kurn, Wm. C. Osborn, Otto T. Bannard, Sidney C. Borg, F. H. Ecker, Harry Forsyth, F. H. Osborn. Annual meeting, first Monday in March. OFFICE, Detroit, Mich.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	5.96%	7.04%	4.04%	5.34%	4.88%	4.74%	4.78%	6.14%	5.73%	4.56%
Products of Animals.....	1.16	1.12	.98	1.07	1.04	1.17	1.07	1.19	1.37	.96
Products of Mines.....	63.77	62.08	64.09	53.98	61.96	62.93	63.23	62.64	55.83	49.23
Products of Forests.....	8.39	7.80	5.32	9.33	8.47	7.69	6.25	7.32	6.74	5.61
Manufactures.....	15.94	17.32	20.35	25.57	20.93	20.27	21.48	18.91	16.13	36.96
Merchandise and Miscel...	4.78	4.64	4.32	4.71	2.72	3.21	3.19	3.80	14.20	2.68

Total revenue tonnage year ended June 30, 1909, 2,223,236 tons; 1910, 2,461,615 tons; 1911, 2,593,707 tons; 1912, 2,651,744 tons; 2,571,269 tons in 1913; 2,369,693 tons in 1914; 2,448,909 tons in 1915; 3,244,848 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	438	....	92	34	6,919	68%	26,183	751,764	407	$1.70	1.43c	.44c
1908.....	438	....	90	34	6,833	85	20,342	679,429	421	1.21	1.64	.41
1909.....	441	....	60	34	4,336	83	20,698	737,114	429	1.25	1.69	.39
1910.....	441	....	72	33	4,223	83	20,184	848,661	350	1.04	1.75	.36
1911.....	441	....	84	33	4,203	82	20,216	901,747	310	1.05	1.79	.37
1912.....	441	....	84	33	4,167	84	20,972	851,262	428	1.41	1.73	.39
1913.....	441	....	64	32	3,943	83	19,475	782,768	474	1.54	1.64	.40
1914.....	441	....	64	26	3,646	82	18,005	698,058	439	1.47	1.71	.41
1915.....	441	....	64	26	3,562	85	20,596	796,769	477	1.56	1.78	.48
1916.....	441	....	68	25	3,345	86	19,986	760,668	582	2.23	1.83	.57
10-Year Average	440	....	74	31	4,518	82%	20,666	780,824	432	$1.45	1.70c	.42c

Yard tracks and sidings, June 30, 1916, 154.40 miles.

Comment: The Detroit, Toledo & Ironton Company did not increase its freight and passenger density during the year 1916, but there was a very substantial improvement in the average freight train load. Average freight rates also increased substantially with the result that train mile earnings were far in excess of those ever before reported. The freight tonnage of the property was widely diversified during the past year, the proportion of high grade freight being far above the average for the decade.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$4,832	$723	$936	$1,659	$1,909	$1,264	$1,268	$176	$1,092	$1,940	.....	$848*	.....
1908.....	3,706	604	949	1,553	1,865	288	968	191	777	2,090	.....	1,313*	.....
1909.....	3,458	642	486	1,128	1,774	556	643	177	466	2,020	.....	1,554*	.....
1910.....	3,644	775	649	1,424	1,964	256	349	185	164	2,237	.....	2,073*	.....
1911.....	4,049	998	547	1,545	2,409	95	138	205	67*	2,654	.....	2,721*	.....
1912.....	3,996	762	526	1,288	2,287	421	474	148	326	2,748	.....	2,422*	.....
1913.....	3,794	757	1,064	2,021	2,167	394*	343*	156	499*	2,739	.....	3,238*	.....
1914.....	3,498	1,639	1,302	2,941	2,448	1,891*	1,843*	172	2,015*	1,790	.....	3,805*	.....
1915.....	4,008	526	625	1,151	2,549	308	415	139	276	575	.....	299*	.....
1916.....	5,016	520	654	1,174	2,479	1,363	1,446	165	1,281	537	58%	744	.....
10-Year Average	$3,999	$811	$774	$1,585	$2,186	$228	$351	$171	$180	$1,934	.....	$1,754*	.....

* Deficit.

Note: "Margin of safety" is the proportion of surplus left over after payment of fixed charges. For example, in 1916 the "balance for charges" per mile was $1,281; fixed charges per mile amounted to $537, or 42%, leaving $744 per mile, a "margin of safety" of 58%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$2,212,231	$1,767,561	$1,542,734	$1,673,286	$1,762,326	$1,785,465	$1,607,032
Maintenance of way	229,427	231,830	722,851	422,046	336,358	440,103	341,796
Maintenance of equipment	288,619	275,478	574,430	467,201	232,043	241,340	286,077
All other operating expenses	1,093,048	1,124,135	1,079,552	955,584	1,008,468	1,062,563	866,098
Net operating revenues	$601,137	$136,118	*$834,099	*$173,545	$185,457	$41,459	$113,061
Operating ratio	72.8%	92.3%	154.1%	.....	89.5%	97.7%	93%
Other income	36,773	46,927	21,303	22,304	23,804	19,680	40,871
Total net income	$637,910	$183,045	*$812,796	*$151,241	$209,261	$61,139	$153,932
Taxes accrued	72,967	61,315	75,739	68,870	65,244	90,334	81,755
Balance for charges	$564,943	$121,730	* $888,535	*$220,111	$144,017	*$29,195	$72,177
Fixed charges	237,006	253,864	789,308	1,207,646	1,209,887	1,170,792	986,475
Deficit	sur.$327,937	$132,134	$1,677,843	$1,427,757	$1,065,869	$1,199,987	$914,298

Note: Fixed charges prior to 1914 are the full charges of the old company. In 1916 the charges include $112,120 in hire of equipment items.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $28,986; credit balance transferred from income, $327,937; miscellaneous credits, $1,295; total, $358,218. Contra: Loss on retired road and equipment, $8,644; miscellaneous debits, $1,481; credit balance carried to balance sheet, $348,093; total, $358,218.

Comment: Both gross and net revenues on this property underwent very marked improvement during the fiscal year ended June 30, 1916. It will be noted that whereas in the previous year only a small surplus was left over available for fixed charges, in the year just closed the company earned its total fixed charges far more than twice over. The position of the property at the present time gives very good promise for the future. Current earnings are being maintained at or above the high levels reported during the past year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1906	$57,339	57%	$43,982	43%	.....	$101,321	$11,696	$89,625	1.4%	.....	.....	.....	.....	.....	.....
1907	57,077	57	43,198	43	.....	100,275	11,649	88,626	1.4	.....	.....	.....	.....	.....	.....
1908	57,077	57	43,198	43	.....	100,275	11,649	88,626	1.1	.....	.....	.....	.....	.....	.....
1909	58,957	58	42,700	42	.....	101,657	11,782	89,875	.7	.....	.....	.....	.....	.....	.....
1910	56,689	57	40,980	43	.....	97,669	11,782	85,887	.4	.....	.....	.....	.....	.....	.....
1911	56,689	58	42,015	42	.....	98,704	11,780	86,924	.2	.....	.....	.....	.....	.....	.....
1912	56,689	57	43,144	43	.....	99,833	11,780	88,053	.5	.....	.....	.....	.....	.....	.....
1913	56,689	49	59,673	51	.....	116,362	11,780	104,582	.....	.....	.....	.....	.....	.....	.....
1914	28,345	59	19,818	41	.....	48,163	864	47,299	.....	.....	.....	.....	.....	.....	.....
1915	28,345	58	20,859	42	.....	49,204	864	48,340	.8	.....	.....	.....	.....	.....	.....
1916	28,345	57	21,386	43	.....	49,731	864	48,867	3.0	.....	.....	.....	.....	.....	.....
10-Year Average	$48,491	56%	$37,696	44%	.....	$86,187	$8,479	$77,708	.3%	.....	.....	.....	.....	.....	.....

Note: Figures prior to 1914 are those of the old company.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$21,654,020	$21,316,046	$20,472,516	$48,541,822	$48,486,810	$48,442,372
Working assets	1,129,390	803,521	807,396	465,418	456,352	439,285
Deferred debit items	130,588	112,556	79,497	153,041	81,631	30,028
Contingent assets	.....	.....	.....	1,904,138	1,887,843	1,877,452
Profit and loss deficit	.....	.....	419,648	7,652,277	6,100,178	4,986,004
Total	$22,913,998	$22,232,123	$21,779,057	$58,716,696	$57,012,814	$55,775,141
Liabilities:						
Capital stock	$12,500,000	$12,500,000	$12,500,000	$25,000,000	$25,000,000	$25,000,000
Funded debt	9,431,500	9,199,000	8,740,000	26,315,561	25,530,680	25,076,900
Working liabilities	546,766	409,680	492,231	5,390,595	4,432,568	3,713,972
Accrd. liabilities not due	42,822	26,803	29,254	218,404	207,651	219,243
Deferred credit items	44,817	67,654	17,572	19,546	85,563	19,090
Contingent liabilities	.....	.....	.....	1,772,590	1,756,352	1,745,936
Profit and loss surplus	348,093	28,986	.....	.....	.....	.....
Total	$22,913,998	$22,232,123	$21,779,057	$58,716,696	$57,012,814	$55,775,141

Comment: There were no important capitalization changes in the Detroit, Toledo & Ironton property for the year ended June 30, 1916. The company succeeded, however, in presenting a stronger financial statement than in previous years and it will be noted, added very substantially to its surplus account. The road since its reorganization has had a relatively light capitalization and the management is now succeeding in carrying this capital without difficulty. The position of the first mortgage bond issue created at the time of the reorganization is steadily becoming stronger.

TABLE D.—Bond Record and Ratings (Based on 2-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Det. Tol. & Ironton first 5s..	J&J	Mr 1964	(1st) 398	.....	$77S*	$122	84%	Good	Fair	Baa.
2. Det. Tol. & Ironton adj. 5s..	A&O	Mr 1954	(2d) 398	.....	656	See note	.....	Fair	.....	Caa.
3. Equipment trust 6s.....	Var.	Var.	Equip.	.....		30	High	Good	Good	A.

* Average income available is the two-year average covering the operations of the new company. While the figures for prior years are available, during the long receivership no attempt was made to show any real surplus for fixed charges, practically the entire earnings of the company having been each year appropriated for maintenance and improvement purposes. Thus, in 1914, the receiver spent $2,941 per mile for maintenance, whereas about $1,200 per mile would be the normal expenditure under ordinary traffic conditons. For Key to Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Authorization not limited; outstanding, $1,075,000. Dated Mar. 1, 1914; due Mar. 1, 1964. Int. paid Jan. and July 1, at New York Trust Co. Coupon, $1,000. Callable at 105 on 60 days' notice. First lien on 397.57 miles, including 272.20 miles from Tecumseh, Mich., to Jackson, Ohio; 39.60 miles, Delray to Dundee, Mich.; 31.00 miles, Kingman to Sedalia, O.; 30.60 miles, Bloom to Ironton, O.; 18.65 miles, Jackson to Cornelia, O.; 5.26 miles, Lisman Junc. to Dean, O. Underlies No. 2. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $8,000,000. Dated Mar. 1, 1914; due Mar. 1, 1954. Int. not cum. until Dec. 31, 1918; cumulative thereafter. Coupon, $100 and $1,000. Callable as a whole on 60 days' notice as follows: to April, 1915, at 70% of face value; to April, 1916, at 75%; to April, 1917, at 80%; to April, 1918, at 85%; to April, 1919, at 90%; thereafter at par. Bonds carry voting power until March, 1919, or until interest has been paid in full for two consecutive years. Thus far, no interest payments have been made. Follow No. 1 on same property. Normal income tax deducted from interest.

3. Equipment trust 6s. Dated April 15, 1914; due $50,000 each April and Oct. 15, to Oct. 15, 1917. Int. paid April and Oct. 1 at New York Trust Co., New York. Coupon, $1,000. Original issue, $250,000; now unredeemed, $100,000. Interest paid without deduction for normal income tax. Equipment trust 6s; dated Nov. 1, 1915; due $6,600 each May and Nov. to Nov. 1, 1925. Int. paid May and Nov. at New York Trust Co., New York. Coupon, $500. Original amount, $132,000; now outstanding, $118,800. Callable on 60 days' notice. First lien on 200 box cars. Interest paid without deduction for normal income tax.

Capital Stock: Auth., $6,000,000 4% non-cumulative preferred and $6,500,000 common; par $100. Outstanding, $5,989,998 preferred and all the common.

DETROIT & TOLEDO SHORE LINE RAILROAD

Origin: Incorporated under the laws of Michigan, Mar. 28, 1898, under the name of the Pleasant Bay Ry.; title changed as above April 14, 1899. Controlled by Grand Trunk Western Ry. and Toledo, St. Louis & Western Ry., through ownership of 50% each of its capital stock. Road first opened for traffic in September, 1903. Miles of second track, 20.90; sidings, 36.22 miles.

Location: Line of road from Toledo, O., to Delray, Mich., with various branches and trackage rights, making 80.80 miles in all.

Management: Officers: W. L. Ross, Pres.; Toledo, O.; H. S. Kelley, Vice-Pres., Montreal, Que.; George W. Alexander, Sec. and Treas.; J. P. Main, Gen. Mgr.; L. F. Lang, Aud., Detroit, Mich. Directors: J. S. MacKie, New York; A. B. Atwater, Detroit, Mich.; W. L. Ross, B. C. Stevenson, Toledo, O.; H. S. Kelley, E. J. Chamberlin, Montreal. Annual meeting, first Monday in October. Office, Detroit, Mich.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	5.5%	3.8%	4.1%	4.2%	5.3%	5.8%	5.4%	3.5%	4.4%	3.85%
Products of Animals.....	.2	.4	1.1	.6	.3	.2	.2	.1	.2	.10
Products of Mines	73.7	75.8	70.1	69.6	70.1	70.5	70.6	74.3	74.1	70.80
Products of Forests.....	3.4	3.4	3.2	4.1	3.5	3.9	3.5	3.4	2.8	3.40
Manufactures	7.4	6.9	8.9	8.3	10.6	10.7	9.3	5.6	6.5	10.28
Merchandise and Miscel...	9.8	9.7	12.5	13.2	10.1	8.9	11.0	13.1	12.0	11.57

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	*Fgt. to all Traffic.	*Passenger Density	Freight Denaity.	Average Freight Train Load (Tons).	Train Mile Earnings.	*Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	79	20	9	.....	140	100%	.....	1,852,955	837	$4.64	.....	.55c
1908	79	20	13	.....	250	99.7	.....	1,977,594	683	3.84	.....	.56
1909	79	20	13	.....	250	99.8	.....	1,811,693	652	3.51	.....	.54
1910	74	20	13	.....	249	99.7	.....	2,193,376	752	4.04	.....	.54
1911	76	20	13	.....	249	99.7	.....	2,358,823	791	4.20	.....	.53
1912	79	20	16	.....	249	99.7	.....	2,754,048	837	4.53	.....	.54
1913	79	20	19	.....	253	99.6	.....	3,136,422	812	4.44	.....	.55
1914	79	20	22	.....	253	99.1	.....	3,242,740	839	5.06	.....	.60
1915	79	21	22	.....	253	99.5	.....	3,045,248	847	5.18	.....	.61
1916	80	21	22	.....	253	99.2	.....	3,446,531	917	5.61	.....	.61
10-Year Average	78	20	16	.....	240	99.6%	.....	2,581,943	797	$4.51	.....	.56c

* This railroad is not operated for passenger traffic.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$10,257	$1,065	$482	$1,547	$4,934	$3,776	$3,806	$457	$3,349	$2,067	38%	$1,282	.....
1908	11,119	1,349	1,363	2,712	3,365	5,042	5,083	505	4,578	3,212	30	1,366	$623
1909	9,736	1,565	780	2,345	3,348	4,043	4,066	496	3,570	2,550	29	1,020	623
1910	12,346	1,543	741	2,284	3,929	6,133	6,162	657	5,505	3,010	45	2,495	1,170
1911	12,565	1,522	684	2,206	4,133	6,226	6,272	605	5,667	3,227	43	2,440	1,503
1912	14,891	1,379	733	2,112	4,752	8,027	8,073	631	7,442	4,449	40	2,993	1,446
1913	17,146	1,840	962	2,802	5,293	9,051	9,111	845	8,266	4,795	42	3,471	1,446
1914	19,548	1,840	1,599	3,439	6,284	9,825	9,863	848	9,015	5,976	34	3,039	1,446
1915	18,622	1,874	1,465	3,339	6,057	9,226	9,253	851	8,402	5,353	36	3,049	1,446
1916	21,068	1,659	1,197	2,856	6,128	12,084	12,128	991	11,137	5,592	50	5,546	1,410
10-Year Average	$14,730	$1,564	$1,000	$2,564	$4,822	$7,344	$7,382	$689	$6,693	$4,023	40%	$2,670	$1,204

Note: Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $11,137; fixed charges per mile, consumed 50% of this, or $5,592 per mile, leaving $5,546, a "margin of safety" of 50%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenue	$1,705,324	$1,470,483	$1,544,330	$1,354,559	$1,176,396	$954,941	$913,624
Maintenance of way	134,349	148,066	145,352	145,378			
Maintenance of equipment	96,970	115,773	126,318	76,064	542,277	481,883	459,751
All other operating expenses	496,386	478,499	496,466	418,213			
Net operating revenue	$977,619	$728,145	$776,194	$714,904	$634,119	$473,158	$453,873
Operating ratio	42.7%	50.5%	49.7%	47.2%	46.1%	50.4%	50.3%
Other income	4,782	2,816	3,006	4,846	3,615	3,495	2,106
Total net income	$982,401	$730,961	$779,200	$719,750	$637,734	$476,653	$455,979
Taxes accrued	80,280	67,227	66,976	66,755	49,856	46,017	48,632
Balance for charges	$902,121	$663,734	$712,224	$652,995	$587,878	$430,636	$407,347
Fixed charges	452,928	422,912	472,133	378,805	351,468	245,664	223,023
Surplus over charges	$449,193	$240,822	$240,091	$274,190	$236,410	$184,972	$184,324
Dividends paid	114,240	114,240	114,240	114,240	114,240	114,240	85,680
Balance	$334,593	$126,582	$125,851	$159,950	$122,169	$70,732	$98,644
Earned on stock	30.8%	16.8%	16.8%	19.6%	16.4%	12.9%	12.8%

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $314,478; credit balance transferred from income account, $334,953; total, $649,431. Contra: Credit balance carried to balance sheet, $649,431; total, $649,431.

Comment: This property, which forms a freight line between Delray and Toledo, Ohio, and a connecting link the Grand Trunk Western Railway and the Toledo, St. Louis & Western, has reported steady progress in earning power during the past few years. It is every year becoming a more profitable investment to its owners.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$18,076	38%	$28,962	62%	.....	$47,038	.....	$47,038	8.1 %	.....	.....	.....	.....	.....	.....
1908	18,076	38	28,962	62	.....	47,038	.....	47,038	10.8	.....	.....	$623	4%	.....	68%
1909	18,076	38	28,962	62	.....	47,038	.....	47,038	8,6	.....	.....	623	4	.....	39
1910	19,297	38	30,919	62	.....	50,216	.....	50,216	12.2	.....	.....	1,170	6	.....	53
1911	18,789	38	30,105	62	.....	48,894	.....	48,894	12.8	.....	.....	1,503	8	.....	38
1912	18,076	38	28,962	62	.....	47,038	.....	47,038	17.2	.....	.....	1,446	8	.....	52
1913	18,076	38	28,962	62	.....	47,038	.....	47,038	19.4	.....	.....	1,446	8	.....	58
1914	18,076	32	37,975	68	.....	56,051	$8,119	47,932	16.5	.....	.....	1,446	8	.....	52
1915	18,076	32	37,975	68	.....	56,051	.....	56,051	20.6	.....	.....	1,446	8	.....	53
1916	17,630	32	37,037	68	.....	54,667	.....	54,667	22.2	.....	.....	1,410	8	.....	75
10-Year Average	$18,225	36%	$31,882	64%	.....	$50,107	$812	$49,295	15%	.....	.....	$1,111	6.2%	.....	49%

Note: For record of extra dividend paid from surplus, see below.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property Investment	$4,474,814	$4,464,646	$4,411,870	$4,254,016	$3,926,973	$3,876,448
Working assets	1,317,735	783,262	790,525	830,015	547,009	450,645
Deferred debit items	82,229	60,563	76,563	48,888	65,971	73,014
Total	$5,874,768	$5,308,471	$5,278,958	$5,132,919	$4,539,953	$4,400,107
Liabilities:						
Capital stock	$1,428,000	$1,428,000	$1,428,000	$1,428,000	$1,428,000	$1,428,000
Funded debt	3,000,000	3,000,000	2,918,000	2,288,000	2,288,000	2,288,000
Working liabilities	267,118	203,266	228,898	321,318	213,779	181,406
Accrued liabilities	10,397	8,600	8,524	9,507	7,500	7,656
Deferred credit items	519,522	354,127	421,960	308,238	169,371	69,603
Appropriated surplus	.....	.....	.....	.....	285,827	232,525
Profit and loss surplus	649,431	314,478	273,576	777,856	174,476	192,917
Total	$5,874,768	$5,308,471	$5,278,958	$5,132,919	$4,539,953	$4,400,107

Comment: In relation to its earning power, this property is very lightly capitalized. It will be noted that during the past ten years the net income on net capital has continuously ranged at high figures, and in 1916 was no less than 22.2%. The bond issue is entitled to a strong investment rating, entirely independent of the guarantee feature.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Det. & Tol. Sh. L. first 4s	J&J	Jn 1953	(1st) 48	$62,500	$6,693	$1,500	78%	High	Fair	Aa.

REFERENCE NOTE ON BOND ISSUE

Note: "Average income available" is the annual average surplus, after payment of taxes, for ten years ended June 30, 1916. The ratings are based, not only on the guarantees, but also on the earning power of the property, its financial position, etc. For full information, see Introduction. For Key to Bond Ratings, see pages 19-21.

1. Auth. and outstanding, $3,000,000. Dated Jan. 1, 1903; due Jan. 1, 1953. Int. paid Jan. and July 1, at Bankers' Trust Co., New York. Coupon and registered, $1,000; coupon bonds may be registered as to principal or exchanged for fully registered issues. Guar. prin. and int. by endorsement, by the Grand Trunk Western Ry Co., and the Toledo, St. Louis & Western R.R. Co. First lien on 47.6 miles, Toledo, O., to Delray, Mich. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $1,500,000; outstanding, $1,428,000; par $100. The stock is owned jointly by the Grand Trunk Western Ry., and the Toledo, St. Louis & Western R.R. companies. Dividends have been paid as follows: 4% each in 1908 and 1909; 6% in 1910; 8% each in 1911, 1912, 1913, 1914, 1915, 1916; and an extra dividend of 8% in 1912; in 1914, an extra dividend of $630,000 (44.11%) from accumulated surplus, and in 1915, an extra dividend of 6%.

THE DULUTH & IRON RANGE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Minnesota laws, Dec. 21, 1874; sections of the road opened in 1884, 1886, 1888, 1893 and 1910.

Location: Operates 287.77 miles, as follows: Duluth to Winton, Minn., with various extensions, spurs, and branches into the Mesaba ore deposits. All mileage is owned except less than one mile operated under traffic rights.

Control: The Minnesota Iron Company owns the entire capital stock of the Duluth & Iron Range R.R. The Federal Steel Co. controls the Minnesota Iron Co., and is itself controlled by the United States Steel Corporation.

Management: OFFICERS: F. E. House, Pres. and Gen. Mgr.; J. H. McLean, 1st Vice-Pres.; J. H. Hearding, 2nd Vice-Pres.; H. Johnson, Sec.; F. C. Marshall, Treas. DIRECTORS: Thos. Murray, E. H. Gary, J. A. Farrell, Geo. L. Reis, J. H. McLean, F. E. House, H. Johnson. MAIN OFFICE, Duluth, Minn. NEW YORK OFFICE, 71 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	.28%	.21%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	.02	.02
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	89.75	93.39
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	9.05	5.58
Manufactures and Miscel.	.....	.....	.....	.....	.....	.....	.....	.....	.90	.80

Revenue Tonnage: The tonnage is mainly ores. Total tonnage, 11,959,219 in 1916; 8,207,169 in 1915; 11,218,034 in 1914.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Trsin Mile Earnings.	Aversge Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	230	74	90	28	5,359	94%	60,421	2,409,851	598	$5.26	1.91c	1.06c
1909	225	74	94	28	5,753	93	53,635	2,719,622	672	5.90	1.80	1.06
1910	232	70	106	28	5,163	97	62,050	3,694,763	660	6.61	1.98	1.07
1911	263	70	106	28	5,895	94	60,213	2,443,440	637	5.88	1.99	1.08
1912	274	70	102	26	5,818	94	47,589	2,374,292	595	5.40	1.95	.97
1913	272	71	102	28	5,760	96	50,071	3,153,829	690	4.71	1.93	.79
1914	282	71	112	28	6,691	94	52,563	2,778,426	721	4.85	1.93	.78
1915	282	71	111	29	6,536	92	40,464	2,064,672	730	4.53	1.88	.76
1916	281	71	114	25	6,810	93	43,632	3,064,250	799	4.78	2.02	.71
9-Year Average	260	71	104	28	5,976	94%	52,293	2,744,794	678	$5.32	1.93c	.92c

Yard tracks and sidings, June 30, 1916, 184.16 miles.

Comment: A sharp increase occurred in the volume of freight business in this property in the fiscal year 1916, and the average train load was raised to a new high figure. Although freight rates tended to decline, train mile earnings were better than in any year since 1912, and are now ranging nearly up to the average for the decade. The property it will be noted depends almost entirely on products of mines for its tonnage, this item of tonnage representing over 93% of the total business done in 1916.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operst'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$26,989	$3,085	$2,704	$5,789	$5,971	$15,229	$15,831	$1,094	$14,737	$4,804	67%	$9,933	$15,652
1909	30,439	3,554	2,444	5,998	5,282	19,159	19,229	1,233	17,996	5,220	71	12,776	19,333
1910	41,087	4,791	2,906	7,697	7,317	26,073	26,665	1,882	24,783	5,449	78	19,334	12,931
1911	27,994	3,280	2,462	5,742	7,195	15,057	16,523	1,299	15,224	3,184	79	12,040	15,400
1912	24,396	3,379	2,238	5,617	5,051	13,728	14,703	1,124	13,579	4,134	69	9,445	9,854
1913	26,183	3,277	2,500	5,777	6,444	13,962	15,166	1,422	13,744	4,089	70	9,655	9,926
1914	23,115	3,253	2,768	6,021	6,245	10,849	12,374	1,244	11,130	2,831	75	8,299	7,979
1915	17,089	2,766	2,470	5,236	4,545	7,306	8,485	1,038	7,447	2,587	65	4,860	2,125
1916	23,104	2,647	3,109	5,756	6,018	11,330	12,502	1,480	11,022	2,057	81	8,965	5,338
9-Year Average	$26,711	$3,337	$2,622	$5,959	$6,229	$14,744	$15,720	$1,313	$14,407	$3,817	73%	$10,590	$10,949

Note: Above table is based on average mileage directly operated for each year. "Margin of safety" is the proportion of surplus income left over after providing for all fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$6,492,193	$4,824,605	$6,512,463	$7,121,719	$6,684,437	$7,362,573
Maintenance of way	743,740	781,014	917,388	891,543	925,159	862,676
Maintenance of equipment	873,513	697,278	780,475	679,920	613,194	647,475
All other operat. expenses	1,691,088	1,283,315	1,761,056	1,752,645	1,493,983	1,629,392
Net operat. revenues	$3,183,852	$2,062,998	$3,053,544	$3,797,611	$3,652,101	$4,223,030
Operating ratio	51%	57.2%	53.1%	46.7%	45.4%	42.6%
Other income	329,149	332,511	436,022	327,648	366,471	122,582
Total net income	$3,513,001	$2,395,500	$3,489,566	$4,125,259	$4,018,572	$4,345,612
Taxes accrued	415,749	292,624	350,917	386,673	308,038	341,566
Balance for charges	$3,097,252	$2,102,876	$3,138,649	$3,738,586	$3,710,534	$4,004,046
Fixed charges	578,155	730,857	789,351	1,112,407	1,132,301	837,557
Surplus over charges	$2,519,097	$1,372,028	$2,340,298	$2,626,179	$2,578,233	$3,166,489
Dividends paid	*	600,000	2,250,000	2,700,000	2,700,000	4,050,000
Other deductions	271,238	178,015	240,727	.....	.....	.....
Balance	$2,247,859	$594,013	(def.) $150,429	(def.) $73,821	(def.) $121,767	(def.) $883,511

* Dividend was charged in profit and loss account in 1916.

Note: Fixed charges in 1916 consisted of sinking fund and interest on debt, hire of equipment, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $2,606,502; credit balance from income account, $2,247,859; miscellaneous credits, $370; total, $4,854,731. Contra: Dividends, $1,500,000; loss on retired road and equipment, $1,960; miscellaneous debits, $29; credit balance to balance sheet, $3,352,742; total, $4,854,731.

Comment: Gross revenues on the Duluth & Iron Range property for the fiscal year ended June 30, 1916, were far better than in 1915, but did not quite equal those of 1914. Net receipts also underwent a very substantial improvement with the result that the surplus above the light fixed charges, was unusually heavy, and almost equaled the average for the good years 1913 and 1914. The company paid during the year dividends of 50% on its outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....		.....		.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$14,434	23%	$48,965	77%	.....	$63,399	$8,240	$55,159	28.8%	.....	.....	$15,652	120%	.....	.....
1909	13,333	21	50,000	79	.....	63,333	8,052	55,281	35	.....	.....	19,333	175	.....	.....
1910	12,924	21	48,412	79	.....	61,336	8,271	53,065	50.3	.....	.....	12,931	100	.....	.....
1911	11,408	20	45,980	80	.....	57,388	8,045	49,343	33.7	.....	.....	15,400	135	.....	.....
1912	10,950	19	46,170	81	.....	57,120	1,821	55,299	25	.....	.....	9,854	90	.....	.....
1913	11,029	19	48,349	81	.....	59,378	.....	59,378	26	.....	.....	9,926	90	.....	.....
1914	10,638	19	46,635	81	.....	57,273	.....	57,273	22	.....	.....	7,979	75	.....	.....
1915	10,626	19	46,580	81	.....	57,206	.....	57,206	14.8	.....	.....	2,125	20	.....	.....
1916	23,132	44	29,007	66	.....	52,139	.....	52,139	24	.....	.....	5,338	50	.....	.....
9-Year Average	$13,164	22%	$45,566	78%	.....	$58,730	$3,825	$54,905	29%	.....	.....	$10,949	95%	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	Liabilities:	1916	1915
Property investment	$23,107,029	$21,819,537	Capital stock	$6,500,000	$3,000,000
Working assets	5,589,643	7,067,292	Funded debt	8,151,000	13,151,000
Deferred debit items	2,405,414	2,508,799	Working liabilities	322,165	228,551
Accrued income not due	.....	.....	Accrd. liabilities not due	243,578	211,138
			Deferred debit items	363,469	300,543
			Appropriated surplus	12,169,132	11,897,894
			Profit and surplus	3,352,742	2,606,502
Total	$31,102,086	$31,395,628	Total	$31,102,086	$31,395,628

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Duluth & Iron Range first 5s	A&O	O 1937	(1st) 271	$30,000	$14,407	$1,500	90%	Very high	High	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, etc., for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19-21.

REFERENCE NOTE ON BOND ISSUE

1. Outstanding, $8,151,000. Further bonds may be issued as follows: Not over $25,000 per mile for new single track; not over $7,000 per mile additional for new equipment; not over $12,000 per mile additional for second track. Dated Oct. 1, 1887; due Oct. 1, 1937. Int. paid at company's office, 71 Broadway, New York. Coupon and reg., $1,000. First lien on 271.47 miles, as follows: Duluth to Ely, Minn., 117.22 miles; Tower Junc. to Tower, Minn., 1.40 miles; Allen Junc. to Virginia, Minn., 24.58 miles; McKinley to Eveleth, Minn., 9.06 miles; Waldo to Mile 49 of Main Line, 15.02 miles; Mesaba to Dunka River, Minn., 18.29 miles; various branches and spurs aggregating 85.90 miles; also a first lien on all other property of the company, excepting land grants from the State of Minnesota. Legal for Savings Banks in Conn., Fla., Maine, Mich., Minn., N. J., R. I., Wis. Normal income tax deducted from interest. Listed on New York Stock Exchange.

Capital Stock: Auth., $10,000,000: outstanding, $6,500,000; par $100. Dividends in recent years: 1904, 150%; 1905, 105%; 1908, 120%; 1909, 175%; 1910, 100%; 1911, 135%; 1912, 90%; 1913, 90%; 1914, 75%; 1915, 20%; 1916, 50%. All the stock is owned by the Minnesota Iron Company.

DULUTH, MISSABE & NORTHERN RAILWAY

Note: The analysis is based on official documents of the company, and reports to Interstate Commerce Commission. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Minnesota laws, Feb. 11, 1891, for the purpose of affording railroad facilities to the ore beds of the Lake Superior Consolidated Iron Mines.

Location: Operates 399.20 miles, including lines from Missabe Junc. to Mountain Iron, Minn., Wolf to Hibbing and to Virginia, Minn., etc.

Control: A majority of the capital stock is owned by the Lake Superior Consolidated Iron Mines, the latter being controlled by the United States Steel Corporation.

Management: Officers: W. A. McGonagle, Pres., William J. Olcott, Vice-Pres.; P. Mitchell, Vice-Pres.; Chas. E. Carlson, Sec.; E. S. Kempton, Treas. Directors: W. A. McGonagle, W. J. Olcott, H. L. Dresser, E. S. Kempton, D. G. Kerr, W. J. Filbert, G. D. Swift. Annual meeting, first Monday after first Tuesday in February. Main Office, Duluth, Minn. New York Office, 71 Broadway.

Revenue Tonnage: Tons moved in 1912, 11,427,731, of which 9.921,821 were ores; 14.789,112 tons in 1913, of which 13,653,525 tons were ores; 12,465,553 tons in 1914, of which 95% was ores; 10,851,960 tons in 1915, of which 96% was products of mines; 21,721,379 tons in 1916, of which 97% was products of mines.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	....	....	....	..	.....	....	.....	.....	.....	.....	.....	....
1908.....	273	76	92	27	7,247	96%	56,649	3,508,220	850	$6.94	1.99c	.94c
1909.....	289	76	92	37	7,195	96	64,659	3,525,000	728	8.01	2.00	.94
1910.....	294	86	92	32	7,143	96	76,641	4,875,721	1,018	8.04	1.91	.94
1911.....	312	118	110	34	7,831	95	78,771	3,227,078	977	7.28	1.96	.95
1912.....	337	118	110	41	7,683	92	65,520	2,204,230	991	5.35	1.94	.95
1913.....	354	118	110	39	7,553	94	64,583	3,025,000	1,068	6.18	1.94	.74
1914.....	360	118	113	37	8,504	94	54,138	2,547,777	1,101	6.00	1.98	.75
1915.....	367	118	113	37	9,495	93	43,527	2,227,624	1,249	6.08	1.99	.72
1916.....	391	331	109	36	8,292	93	41,400	4,079,025	1,404	7.60	2.09	.67
9-Year Average	331	129	105	36	7,883	95%	60,654	3,246,630	1,043	$6.83	1.97c	.84c

Yard tracks and sidings, June 30, 1916, 212.89 miles.

Comment: During the year ended June 30, 1916, the freight density of the Duluth, Missabe & Northern underwent a very remarkable advance as compared with recent years. The train load was higher than ever before and the train mile earnings were higher than in any year since 1910. This property depends almost entirely on the transportation of ores for its tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$34,305	$3,370	$3,227	$6,597	$6,292	$21,416	$22,500	$1,376	$21,124	$2,724	88%	$18,400	$16,570
1909	34,680	2,886	3,391	6,277	5,260	23,143	24,443	1,416	23,027	2,909	87	20,118	20,633
1910	47,503	3,811	3,684	7,495	6,738	33,270	34,434	2,212	32,222	3,329	90	28,893	33,571
1911	32,447	3,859	3,449	7,308	5,670	19,469	19,741	1,552	18,189	3,459	81	14,730	16,476
1912	22,087	3,149	2,370	5,519	4,601	11,967	12,420	1,030	11,390	3,444	70	7,946	12,500
1913	23,944	2,732	2,767	5,499	5,245	13.200	13,629	1,196	12,433	3,279	74	9,154	9,875
1914	20,311	3,434	2,902	6,336	4,887	9,088	9,454	1,128	8,326	1,850	78	6,476	8,568
1915	17,145	1,958	2,435	4,393	3,755	8,977	9,305	906	8,399	3,197	62	5,202	1,121
1916	29,335	3,353	3,442	6,795	5,542	16,998	15,571	1,624	13,947	2,976	79	10,971	7,888
9-Year Average	$29,084	$3,171	$3,074	$6,245	$5,332	$17,507	$17,944	$1,382	$16,562	$3,018	79%	$13,544	$14,134

Note: Above table is based on average mileage directly operated each year. "Margin of safety" is the proportion of surplus left over after paying all fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$11,470,003	$6,292,071	$7,331,766	$8,505,199	$7,443,707	$10,123,518
Maintenance of way	1,311,087	718,495	1,236,324	967,089	1,060,998	1,204,203
Maintenance of equipment	1,345,887	893,711	1,044,609	979,656	798,650	1,075,991
All other operat. expenses	2,167,110	1,377,996	1,759,428	1,856,613	1,508,291	1,769,052
Net operat. revenues.	$6,645,919	$3,301,869	$3,291,405	$4,701,841	$4,075,768	$6,074,272
Operating ratio	42.1%	47.5%	55.1%	44.9%	45.9%	40.6%
Other income	224,315	113,214	111,985	122,776	109,918	85,106
Total net income	$6,870,234	$3,415,083	$3,403,390	$4,824,617	$4,185,686	$6,159,378
Taxed accrued	635,065	332,457	406,118	423,320	347,077	484,277
Balance for charges.	$6,235,169	$3,082,626	$2,997,272	$4,401,297	$3,838,609	$5,675,101
Fixed charges (inc. imps.)	1,163,643	1,173,312	666,101	1,160,824	1,159,790	1,079,203
Surplus over charges	$5,071,526	$1,909,314	$2,331,171	$3,240,473	$2,678,819	$4,595,897
Dividends paid	3,084,375	411,250	3,084,375	3,495,625	4,112,500	5,140,625
Earned on stock	123.3%	46%	56%	79%	65%	112%

Note: Fixed charges as shown above include interest and sinking funds, hire of equipment, miscellaneous appropriations, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $4,600,281; credit balance transferred from income, $5,071,526; profit on road and equipment sold, $1,651; unrefundable overcharges, $569; donations, $1,000; miscellaneous credits, $618; total, $9,676,646. Contra: Dividend appropriations of surplus, $3,084,375; loss on retired road and equipment, $2,124; miscellaneous debits, $23,006; credit balance carried to balance sheet, $6,566,141; total, $9,675,646.

Comment: Gross revenues on this property were better in the fiscal year 1916, and the surplus available for fixed charges was more than double that reported in 1915. The balance after payment of the fixed charges also was far heavier than usual, and fully justified the disbursement of 75% dividends on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.									Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....		.....		.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$15,044	31%	$33,138	69%	.....	$48,182	.....	$48,182	47%	.....	.....	$16,570	145%	.....	.....
1909	14,230	25	45,330	75	.....	59,560	.....	59,560	40	.....	.....	20,633	145	.....	.....
1910	13,980	25	44,589	75	.....	58,569	.....	58,569	59	.....	.....	33,571	240	.....	.....
1911	13,233	25	42,128	75	.....	55,361	.....	55,361	36	.....	.....	16,476	125	.....	.....
1912	12,192	21	46,028	79	.....	58,220	.....	58,220	21	.....	.....	12,500	100	.....	.....
1913	11,617	21	43,816	79	.....	55,433	.....	55,433	25	.....	.....	9,875	85	.....	.....
1914	11,424	20	45,272	80	.....	56,696	.....	56,696	17	.....	.....	8,568	75	.....	.....
1915	11,206	20	44,409	80	.....	55,615	.....	55,615	17	.....	.....	1,121	10	.....	.....
1916	10,516	19	44,685	81	$3,956	59,157	.....	59,157	26	.....	.....	7,888	75	.....	.....
9-Year Average	$12,605	23%	$43,266	77%	$439	$56,310	.....	$56,310	32%	.....	.....	$14,134	111%	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment....	$31,298,875	$30,046,266	Capital stock	$4,112,500	$4,112,500
Working assets	4,331,838	2,261,856	Funded debt	17,472,000	16,298,000
Deferred debit items....	8,060,937	7,547,413	Working liabilities.....	965,660	790,880
			Accrued liabilities	243,544	167,021
			Deferred credit items..	428,349	379,305
			Appropriated surplus...	13,903,456	13,507,548
			Profit and loss.....	6,566,141	4,600,281
Total	$43,691,650	$39,855,535	Total	$43,691,650	$39,855,535

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Duluth, Missabe & Nor. first division 6s.....	J&J	Ja 1922	(1st) 64	$18,344	$16,562	$180	99%	Very high	Very high	Aaa.
2. Duluth, Missabe & Nor. con. first 6s.....	J&J	Ja 1923	(see text)	2,000		20	99%	"	"	Aaa.
3. Duluth, Missabe & Nor. gen. 5s.....	J&J	Ja 1941	"	49,000	16,362	1,377	92%	"	"	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges after deducting taxes, for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other consideration are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,300,000; outstanding, $1,174,000 (closed). Dated Jan. 1, 1892; due Jan. 1, 1922. Int. paid at 71 Broadway, New York. Coupon, $1,000. Guar. as to int. by Mountain Iron Co. by endorsement. First lien on 63.69 miles, as follows: Stony Brook to Mountain Iron, Minn., 48.32 miles; Iron Junc. to Biwabik, Minn., 15.37 miles. Underlies Nos. 2 and 3, with provision by latter to retire. Legal for S. B. in Conn., Maine., Minn., Miss., Mich., Mo. N. H., N. J., R. I., Wis. Normal income tax deducted from interest.

2. Auth., $3,500,000; outstanding, $127,000; (balance are in sinking fund). Dated Jan. 1, 1893; due Jan. 1, 1923. Int. paid at Central Trust Co., New York. Coupon, $1,000. Callable at 105. Follows No. 1 on 63.69 miles. Underlies No. 3. Interest paid without deduction for normal income tax.

3. Auth., $30,000 per mile for single track; $50,000 per mile for double main track; $20,000 per mile for additional single track; also for 75% of cost of new equipment, etc. Provision for Nos. 1 and 2. Outstanding, $10,991,000. Dated Jan. 1, 1906; due Jan. 1, 1941. Int. paid at 71 Broadway, New York. Callable at 105 and int. for sinking fund. Sinking fund: $20 for each bond outstanding (including those in sinking fund) on the first of April of each year. All moneys received for sinking fund, including interest on bonds in fund, to be used for purchase in open market of outstanding bonds at not to exceed 105 and int., and when not so purchasable shall be drawn by lot at same rate as above, and all bonds shall be kept alive in sinking fund. First lien on 160.60 miles; second lien on 63.69 miles following Nos. 1 and 2; also secured on 25 miles of leasehold interests, trackage rights, equipment, etc. Legal for S. B. in Me., Mich., Minn., N. H., N. J., R. I. and Wis. Listed on New York Stock Exchange Interest paid without deduction for normal income tax.

Capital Stock: Auth., $5,000,000; outstanding, $4,112,500; par, $100. Dividends: 1905, 91.65%; 1906, 82.77%; 1907, none; 1908 and 1909, 145% each; 1910, 240%; 1911, 125%; 1912, 100%; 1913, 80%; 1914, 75%; 1915, 10%; 1916, 75%. Listed on New York Stock Exchange.

ELGIN, JOLIET & EASTERN RAILWAY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Dec. 11, 1888, under laws of Illinois and Indiana, as a consolidation of two companies of similar name. The company operates what is known as the "Chicago Outer Belt Line," and on June 1, 1909, leased the Chicago, Lake Shore & Eastern Ry. for 60 years.

Location: The operated mileage on June 30, 1916, including that of the Chicago, Lake Shore & Eastern Ry. tracks leased, (319.84 miles), was 799.77 miles, which includes lines leased, 18.73 miles; trackage rights, 244.23; tracks to mines owned, 38.15 miles; leased, 303.70 miles. The main line extends from Waukegan, Ill., to Porter, Ind., with branches to Aurora, Whiting, etc., 194.96 miles. The whole forms a network of terminal tracks around and in the City of Chicago, connecting with all roads entering the district, and also giving close connection with the plants of the Illinois Steel Co., etc.

Control: The Federal Steel Company owns 60% of the capital stock of the Elgin, Joliet & Eastern Ry., and the Chicago, Lake Shore & Eastern Ry. owns 40%; all the stock of the latter is owned by the Illinois Steel Company. Both of these companies are subsidiaries of the United States Steel Corp.

Management: OFFICERS: A. F. Banks, Pres.; S. M. Rogers, Vice-Pres.; F. L. Koontz, Sec. and Treas. DIRECTORS: E. H. Gary, W. J. Filbert, J. A. Farrell, Richard Trimble, A. F. Banks, R. W. Campbell, F. W. Sutton, S. M. Rogers, W. L. Louis, K. K. Knapp, F. L. Koontz. MAIN OFFICE, Chicago, Ill.

Total revenue tonnage, 1908, 6,234,846 tons; 1909, 7,733,031 tons; 1910, 21,671,111 tons; 1911, 18,376,392 tons; 1912, 24,402,199 tons; 1913, 29,656,658 tons; 25,193,339 in 1914; 19,627,397 in 1915; 31,672,385 in 1916, of which 56.6% was mineral products and about 30% manufactures.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	....	..	....	..	.....	....	.....	.....	....	.....	.....	....
1908	239	29	75	4	3,366	98%	Nom.	1,622,076	516	$3.18	.....	.60c
1909	283	46	196	4	12,338	97	"	1,636,713	564	3.58	.....	.61
1910	781	47	208	3	11,885	92	"	1,420,100	707	5.91	.....	.78
1911	832	60	248	3	12,198	95	"	1,369,629	700	4.96	.....	.67
1912	841	60	247	3	11,777	94	"	1,644,799	713	5.48	.....	.73
1913	820	60	264	3	11,714	93	"	2,141,127	743	5.65	.....	.71
1914	791	58	263	3	11,590	93	"	2,006,710	820	5.79	2.45c	.66
1915	777	57	247	..	11,380	94	.....	1,601,166	849	5.83	2.37	.65
1916	786	57	269	..	11,402	94	.....	2,318,479	936	6.85	2.01	.69
9-Year Average	684	53	224	3	10,850	94%	.....	1,751,200	727	$5.25	.....	.68c

Yard tracks and sidings, 311.38 miles on June 30, 1916. Rails, 50 to 100 lbs.

Comment: Operating results on this property for the year ended June 30, 1916, underwent very substantial improvement. The freight density was raised to a new high figure, and the average freight train load was also substantially increased. It will be noted that the train mile earnings in 1916 were far in excess of those ever before reported. This company, of course, depends very largely on mining products for its tonnage, but manufactures also now represent a substantial amount.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$9,999	$1,119	$1,539	$2,658	$3,653	$3,688	$4,452	$521	$3,931	$2,059	47%	$1,872	$1,004
1909	10,441	1,045	1,670	2,715	3,740	3,986	4,627	425	4,202	2,193	48	2,009	848
1910	11,975	1,223	2,345	3,568	4,031	4,373	4,467	281	4,186	2,885	31	1,301	512
1911	9,680	1,119	1,852	2,971	3,384	3,325	3,400	263	3,137	2,552	19	585	480
1912	12,745	1,181	2,189	3,370	3,967	5,408	5,514	304	5,210	2,887	45	2,323	475
1913	16,281	1,727	2,502	4,229	4,931	7,121	7,268	494	6,774	3,721	45	3,053	488
1914	14,172	2,137	3,025	5,160	4,607	4,405	4,563	538	4,025	3,847	4	178	504
1915	10,996	1,202	1,962	3,161	3,657	4,175	4,342	559	3,783	2,339	38	1,444	515
1916	16,988	1,336	3,238	4,574	5,121	7,293	7,528	584	6,944	5,244	24	1,700	509
9-Year Average	$12,586	$1,343	$2,258	$3,601	$1,121	$4,864	$5,129	$441	$4,688	$3,081	33%	$1,607	$593

Note: Above table is based on average mileage directly operated, whether owned, leased or otherwise used. "Margin of safety" is the proportion of surplus left after providing for all charges, including rentals and interest.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$13,352,587	$8,541,091	$11,252,392	$13,350,782	$10,720,751	$8,053,690	$9,352,325
Maintenance of way	1,050,552	934,311	1,696,696	1,415,968	993,406	931,774	955,672
Maintenance of equipment	2,544,942	1,523,706	2,400,430	2,051,942	1,840,565	1,541,016	1,831,794
All other operating expenses	4,024,754	2,840,588	3,658,113	4,043,584	3,337,270	2,814,844	3,150,928
Net operating revenues	$5,732,339	$3,242,486	$3,497,153	$5,839,288	$4,549,510	$2,766,056	$3,413,931
Operating ratio	57.1%	62%	68.9%	56.3%	57.6%	65.6%	63.5%
Other Income	184,644	131,600	125,770	120,810	88,064	62,382	74,812
Total net income	$5,916,983	$3,374,086	$3,622,923	$5,960,098	$4,637,574	$2,828,438	$3,488,743
Taxes accrued	458,783	434,700	426,863	404,905	255,360	219,202	219,386
Balance for charges	$5,458,200	$2,939,386	$3,196,060	$5,455,193	$4,382,214	$2,609,236	$3,269,357
Fixed charges	4,121,805	1,817,626	3,054,634	3,051,630	2,428,168	2,122,994	2,253,183
Surplus over charges	$1,336,395	$1,121,760	$141,426	$2,503,563	$1,954,046	$486,242	$1,015,774
Dividends paid	* 400,000	400,000	400,000	400,000	400,000	400,000	400,000
Balance	$936,395	$721,760	d .$258,574	$2,103,563	$1,554,046	$86,242	$615.774
Earned on stock	13.36%	11.22%	1.41%	25%	19.5%	4.86%	1.01%

* Dividend paid from profit and loss in 1916 (see below).

Note: Fixed charges in 1916 include rentals of leased lines, $2,303,139; interest on bonds, $500,000; hire of equipment, $1,019,905; joint facility rents, $290,750.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $2,577,392; credit transferred from income account, $1,336,395; adjustment of depreciation on equipment, $12,441; unrefundable overcharges, $1,426; miscellaneous credits, $2,341; total, $3,929,995. Contra: Dividend appropriation out of surplus, $400,000; loss on retired road and equipment, $47,993; adjustment of personal injury fund, $24,050; miscellaneous debits, $8; balance carried to balance sheet, $3,457,994; total, $3,929,995.

Comment: Gross revenues on the Elgin, Joliet & Eastern for the fiscal year 1916 even exceeded the high figures of 1913, and net revenues were also practically equal to those of that year. The balance available for charges was nearly double that reported in 1915, and the dividend requirement was therefore easily earned. Since the close of the fiscal year earnings have continued to range at a high level.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.									Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908.....	$25,210	40%	$38,900	60%	.....	$64,110	.....	$64,110	5.9%	.....	.....	$1,004	4%	.....	.....
1909.....	20,919	40	33,568	60	.....	54,487	.....	54,487	8.4	.....	.....	848	4	.....	.....
1910.....	12,750	50	12,750	50	$27,170	52,670	.....	52,670	8.5	.....	.....	512	4	.....	.....
1911.....	12,041	50	12,041	50	25,500	49,582	.....	49,582	7	.....	.....	480	4	.....	.....
1912.....	11,891	50	11,891	50	25,233	49,015	.....	49,015	11.2	.....	.....	475	4	.....	.....
1913.....	12,195	50	12,195	50	29,355	53,745	.....	53,745	13.5	.....	.....	488	4	.....	.....
1914.....	12,594	50	12,594	50	35,854	61,042	.....	61,042	7.5	.....	.....	504	4	.....	.....
1915.....	12,870	50	12,870	50	30,912	56,652	.....	56,652	7.7	.....	.....	512	4	.....	.....
1916.....	12,723	50	12,723	50	58,604	84,050	.....	84,050	12.9	.....	.....	509	4	.....	.....
9-Year Average ..	$14,799	48%	$17,726	52%	$25,847	$58,372	.....	$58,372	8.8 %	.....	.....	$592	4%	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	Liabilities:	1916	1915
Property investment.....	$17,999,045	$15,421,723	Capital stock.....	$10,000,000	$10,000,000
Working assets.....	8,551,818	6,088,613	Funded debt.....	10,000,000	10,000,000
Deferred debit items....	4,604,096	4,113,530	Working liabilities.....	3,694,320	1,891,890
			Accrd. liabilities not due	362,398	360,549
			Deferred credit items...	3,065,978	175,275
			Appropriated surplus....	574,319	618,760
			Profit and loss surplus..	3,457,944	2,577,392
Total	$31,154,959	$25,623,866	Total	$31,154,959	$25,623,866

Comment: The chief capitalization change in the Elgin, Joliet & Eastern for the year 1916 was a large increase in the amount of rentals as capitalized on a 5% basis. The net capitalization of the property looks high as measured on the mileage basis, but the net income on net capital has tended to increase with the general growth of the business. It will be noted in 1916 this net income was far above the average for the decade.

This is one of the valuable railroad properties controlled by the United States Steel Corporation, and its credit has been very high for many years. The margin of safety on its bond issues is strong, and they are entitled to the highest investment rating. Even in years of depression, they are usually well protected.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile on Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Elgin, Joliet & Eastern first 5s.....	M&N	My 1941	(1st) 237	$42,200	$4,688	$625	87%	Very high	High	Aaa.
2. Chic., Lake Shore & Eastern first 4½s.....	J&D	Je 1969	(see text)	28,125	4,063	500	88%	"	"	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges after deductinug taxes, for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issues, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

For Reference Notes on Bond Issues, see next page.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $10,000,000. Dated May 1, 1891; due May 1, 1941. Int. paid at 71 Broadway, New York. Coupon, $1,000. First lien on 236.61 miles, as follows: Waukegan, Ill., to Porter, Ind., 129.94 miles; Normantown to Aurora, Ill., 9.65 miles; Walker to South Wilmington, Ill., 32.72 miles; East Joliet, Ill., to Sand Pit, Ind., 41.09 miles; Rockdale Junc. to Rockdale, 6.57 miles; Griffith to Shearson, Ind., 9.76 miles; Hammond to Whiting, Ind., 6.92 miles. Legal for Savings Banks in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $20,000,000; outstanding, $9,000,000. Dated June 1, 1909; due June 1, 1969. Int. paid at company's office, 71 Broadway, New York. Coupon, $1,000. Callable at 110 and int., in whole or in part by lot after June 1, 1919, on four weeks' notice. Guar. prin. and int. by Elgin, Joliet & Eastern Ry. and the United States Steel Corporation by endorsement. First lien on entire property of the company, including 320 miles main track, terminals and sidings, and on roundhouses, shops, yards, etc. Legal for S. B. in Maine, Mich., Minn., Mo., N. H., R. I., Wis. Interest paid without deduction for normal income tax. Listed on New York and London Stock Exchanges.

Capital Stock: Auth. and outstanding, $10,000,000; par $100; increased from $6,000,000 in May 1909, the new stock being taken by the Chicago, Lake Shore & Eastern Ry. The original $6,000,000 is owned by the Federal Steel Co. All the stock of the Chicago, Lake Shore & Eastern Ry., is owned by the Illinois Steel Co. Dividends of 4% per annum have been paid from 1899 to date.

ERIE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Nov. 30, 1895, as successor by reorganization of the New York, Lake Erie & Western R.R. The Buffalo & Southwestern R.R., the Lockport & Buffalo Ry., and the Erie International Ry. were absorbed at the time of the reorganization. In March, 1896, the securities of the Nypano R.R. were purchased, and from time to time other properties were acquired. In 1899, control of the New York, Susquehanna & Western Ry. was acquired. On June 10, 1901, the company purchased the entire capital stocks of the Pennsylvania Coal Co., Erie & Wyoming Valley R.R., Dunmore Iron & Steel Co., and the Delaware Valley & Kingston R.R. The latter was a projected road, to be built in the interest of the Pennsylvania Coal Co., from the Wyoming coal fields to the Hudson River at Rondout, following the line, partially, of the old Delaware & Hudson Canal.

Location: The Erie Railroad system embraces a main line from Jersey City to Chicago, Ill., 998 miles, with branches, 1,446 miles; total, 2,257 miles, classified as follows: Lines owned in fee:—Piermont, N. Y., to Dunkirk (the old main lines), 447 miles; Buffalo to Jamestown, 67 miles; Buffalo to Corning, 140 miles; shorter branches, 138 miles. Lines controlled by stock ownership:—Chicago & Erie R.R., 250 miles; Jefferson R.R., 45 miles; New York & Greenwood Lake R.R., 52 miles; New Jersey & New York R.R., 38 miles; Erie & Wyoming Valley R.R., 59 miles; Nypano R.R., 422 miles; Tioga R.R., 58 miles; smaller lines, 159 miles. Leased lines (directly operated):—Avon, Geneseo & Mt. Morris R.R., 13 miles; Montgomery & Erie R.R., 10 miles; Northern R.R. of N. J., 26 miles; Goshen & Deckertown, 12 miles; Rochester & Genesee Valley, 18 miles; Cleveland & Mahoning Valley, 81 miles; Sharon Ry., 32 miles; shorter lines, 98 miles. Trackage rights, 131 miles. Also controls by stock ownership the Bath & Hammondsport R.R. which is separately operated), and the New Jersey & New York R.R. See following pages. Lines enter, besides New York and Chicago, Buffalo, Cleveland and Cincinnati, and a large number of intermediate towns and cities. Sections of the road penetrate the soft coal sections of Ohio, and in recent years the proportion of bituminous coal transported has become steadily larger. The company now also does a much larger business in the transportation of steel and iron products than was the case a few years ago. Mileage mainly in New York, Ohio and Indiana. Population of these States in 1890, 11,862,573; in 1900, 13,949,901; in 1910, 16,581,611.

Coal Properties: The Erie coal properties, aside from those of the Pennsylvania Coal Co., represent an aggregate of 12,400 acres of anthracite, of which 9,000 acres are held in fee; also 53,000 acres of bituminous coal lands held in fee and 14,000 acres held under mineral rights. The properties are owned through the Hillsdale Coal & Iron Co., the Blossburg Coal Co., and the Northwestern Mining & Exchange Co.

Management: OFFICERS: F. D. Underwood, Pres.; G. F. Brownell, Vice-Pres. and Gen. Solicitor; G. N. Orcutt, Vice-Pres.; Delos W. Cooke, Vice-Pres.; David Bosman, Vice Pres. and Sec.; A. J. Stone, Vice-Pres.; C. P. Crawford, Compt.; D. W. Bigoney, Treas. DIRECTORS: Geo. F. Baker, Ogden Mills, M. D. Follansbee, Francis Lynde Stetson, F. D. Underwood, Robt. W. Pomeroy, L. F. Loree, B. A. Eckhart, E. J. Berwind, Gates W. McGarrah, Albert H. Wiggin, G. F. Brownell, A. M. Anderson, Grenville Kane, G. G. Mason. Annual meeting, second Tuesday in October. MAIN OFFICE, 50 Church Street, New York City.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	6.37%	7.04%	7.04%	6.62%	7.30%	7.48%	7.58%	8.05%	12.20%	10.09%
Products of Animals.....	2.34	.99	1.46	1.30	1.62	1.73	1.50	1.67	2.92	3.20
Products of Mines.....	57.40	62.11	62.58	62.89	63.73	59.93	60.16	61.36	54.38	54.55
Products of Forests.....	3.65	3.18	3.79	3.97	3.82	3.97	3.88	3.97	3.79	3.74
Manufactures.....	12.70	10.45	12.19	14.50	13.71	15.41	16.21	14.74	17.27	19.81
Merchandise and Miscel...	18.54	16.23	12.34	10.92	9.82	11.48	10.67	10.20	9.44	8.61

Total revenue tonnage in 1909, 32,707,205 tons; in 1910, 38,763,600 tons; in 1911, 37,570,662 tons; in 1912, 36,961,686 tons; in 1913, 40,987,993 tons; 38,125,409 tons in 1914; 40,659,919 tons in 1915; 49,830,940 tons in 1916.

The Erie does a heavy carrying business in both anthracite and bituminous coal. For the year of 1914, there were 9,882,781 tons of anthracite carried, representing 25.92% of the total freight tonnage, and 6,821,387 tons of bituminous, representing 17.89% of the total freight tonnage. In calendar year 1915, 9,436,093 tons of anthracite and 7,104,854 tons of bituminous were carried.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	2,151	837	1,384	1,906	53,469	75%	297,440	2,917,541	472	$2.27	1.48c	.61c
1908.....	2,171	867	1,415	1,178	52,364	74	294,572	2,607,802	465	2.13	1.49	.60
1909.....	2,231	918	1,419	1,193	53,208	73	267,732	2,693,295	469	2.23	1.49	.59
1910.....	2,227	930	1,436	1,179	50,617	74	281,899	2,880,436	495	2.28	1.51	.60
1911.....	2,265	932	1,403	1,190	49,606	74	276,746	3,010,829	521	2.34	1.57	.58
1912.....	2,258	1,000	1,429	1,229	51,962	74	270,839	3,021,950	527	2.33	1.57	.58
1913.....	2,257	1,135	1,461	1,254	52,097	75	286,675	3,425,199	597	2.58	1.60	.57
1914.....	2,257	1,242	1,501	1,247	55,876	74	288,610	3,291,110	590	2.55	1.57	.58
1915.....	2,257	1,251	1,439	1,257	55,346	77	266,588	3,412,827	636	2.70	1.64	.59
1916.....	2,257	1,256	1,436	1,240	55,270	77	269,819	4,199,988	684	3.09	1.60	.59
10-Year Average	2,233	1,037	1,432	1,206	52,982	75%	280,292	3,146,098	546	$2.45	1.55c	.59c

Yard tracks and sidings, 1,772 miles June 30, 1916.

Comment: The year ended June 30, 1916, was by far the best ever recorded by the Erie Railroad. The freight density reached far heavier figures than ever before, while the average freight train load rose to 684 tons. Freight and passenger rates per ton and passenger mile underwent practically no change, but the train mile earnings rose sharply.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$23,800	$2,365	$3,788	$6,153	$9,458	$8,189	$8,213	$596	$7,617	$4,872	36%	$2,745	$1,189
1908.....	21,530	2,723	4,908	7,631	9,148	4,751	5,889	428	5,451	6,207	.....	746*	.....
1909.....	21,336	1,897	4,325	6,222	8,432	6,682	8,150	554	7,596	6,275	17	1,321	.....
1910.....	23,274	2,343	4,246	6,589	8,883	7,802	9,748	617	9,131	6,524	29	2,607	.....
1911.....	24,923	2,526	4,049	6,575	10,447	7,901	9,642	614	9,028	6,581	27	2,447	.....
1912.....	23,786	2,626	4,257	6,883	9,814	7,089	9,100	805	8,295	7,057	15	1,238	.....
1913.....	26,347	2,778	4,784	7,562	10,473	8,312	10,886	857	10,029	6,777	32	3,252	.....
1914.....	25,611	3,101	5,013	8,114	10,865	6,632	7,744	827	6,917	6,286	9	631	.....
1915.....	26,940	2,957	5,015	8,972	11,340	6,628	8,594	796	7,798	7,350	6	448	.....
1916.....	32,298	2,593	5,470	8,063	12,956	11,279	12,694	1,050	11,644	7,036	40	4,608	.....
10-Year Average	$24,985	$2,591	$4,685	$7,276	$10,182	$7,527	$9,066	$714	$8,352	$6,497	21%	$1,855	$119

Note: Above table is based on average mileage directly operated for each year, including lines leased, and mileage operated under traffic rights. "Margin of safety" is the proportion of surplus left over after deducting all charges. * Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$72,897,291	$60,803,659	$57,804,813	$59,465,185	$53,708,469	$53,820,050	$51,830,720
Maintenance of way	5,852,963	6,673,035	6,998,746	6,269,059	5,929,926	5,720,900	5,217,452
Maintenance of equipment	12,346,515	13,577,033	11,314,881	10,799,070	9,612,450	9,164,917	9,455,981
All other operating expenses	29,242,048	25,595,230	24,521,720	23,637,046	22,159,312	20,964,075	19,781,336
Net operating revenues	$25,455,765	$14,958,361	$14,969,466	$18,760,010	$16,006,781	$17,970,158	$17,375,951
Operating ratio	65.08%	75.40%	74.1%	68.5%	70.2%	66.6%	66.5%
Outside operations	*	*	d f.344,171	def.324,292	def.205,338	def.175,172	def.200,576
	$25,455,765	$14,958,361	$14,625,295	$18,435,718	$15,801,443	$17,794,986	$17,175,375
Other income	3,195,254	4,437,494	2,852,654	6,133,812	4,745,439	3,941,062	4,334,020
Total net income	$28,651,019	$19,395,855	$17,477,949	$24,569,530	$20,546,882	$21,736,049	$21,509,395
Taxes accrued	2,369,745	1,796,705	1,865,727	1,935,118	1,817,326	1,390,380	1,374,757
Balance for charges	$26,281,274	$17,599,150	$ 5,612,222	$22,634,412	$18,729,556	$20,345,669	$20,134,638
Fixed charges	15,880,782	16,589,129	14,189,247	15,294,256	15,352,353	14,955,257	14,328,095
Surplus over charges	$10,400,492	$1,010,021	$1,422,975	$7,340,156	$3,377,203	$5,390,412	$5,806,543
Dividends paid	.....	.....	.....	.....	.....	.....	.....
Appropriations for impmts., etc.	2,036,850	1,533,863	1,263,452	657,558	582,452	1,339,727	737,087
Balance	$8,363,642	d. $523,842	$159,523	$6,682,568	$2,794,751	$4,050,685	$5,069,456
Earned on stock: First pref.	21.72%	2.10%	2.97%	15.33%	7.05%	11.25%	12.12%
Second pref.	53.03%	.....	.....	33.90%	9.13%	21.72%	24.32%
Common	6.97%	.....	.....	4.26%	73%	2.52%	2.89%

* Outside operations are included in operating revenues and expenses.

Note: The Erie Railroad has now changed its fiscal year to December 31, and the report to the Interstate Commerce Commission, under date of June 30, does not include the 288 miles of the Chicago & Erie, nor the operation of the Chicago & Western Indiana mileage, but these figures are included in the above tables. The company's income statement to stockholders is for the calendar year (now fiscal year) ended December 31.

Profit and Loss Account of the Erie R.R. Co., for year ending June 30, 1916: Credit balance, June 30, 1915, $31,610,423; credit balance transferred from income, $8,363,642; profit on road and equipment sold, $5,284; unrefundable overcharges, $3,954; donations, $7,019; miscellaneous credits, $1,498,964. Total, $41,489,286. Contra:—Debt discount extinguished through surplus, $3,488,615; loss on retired road and equipment, $3,047,897; miscellaneous debits, $82,469; credit balance carried to balance sheet, $34,870,305. Total, $41,489,286.

Profit and Loss Account of the Chicago & Erie R.R. Co., for year ended June 30, 1916: Credit balance, June 30, 1915, $183,614; miscellaneous credits, $908; debit balance carried to balance sheet, $12,743. Total, $197,265. Contra:—Loss on retired road and equipment, $26,903; miscellaneous debits, $170,362. Total, $197,265.

Comment: Both gross and net operating revenues underwent notable improvement on the Erie Railroad during the year ended June 30, 1916. The net revenues were practically 60 per cent. higher than those of the previous year. Taxes increased, but fixed charges tended to decline, and the final surplus was equal to nearly 7 per cent. on the common stock, after allowing for full dividends on both first and second preferred. Since July 1, operating costs have tended to rise, but the heavy business is being fully maintained.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. (Includes Equipment Trusts.) Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	First Preferred Dividend.		Second Preferred Dividend.		Margin of Safety First Preferred.	Margin of Safety Second Preferred.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907.....	$81,949	44%	$103,828 56	56%	$12,244	$198,021	$53,398	$144,623	5.7%	$891	2%	$298	.....	83%	.....
1908.....	81,193	43	108,562 57		9,071	198,826	52,085	146,741	4	.....	.....	.....	.....	.....	.....
1909.....	79,010	44	105,581 56		8,869	193,460	50,624	142,836	5.7	.....	.....	.....	.....	.....	.....
1910.....	79,152	43	107,004 57		8,808	194,964	42,396	152,568	6.4	.....	.....	.....	.....	.....	.....
1911.....	77,824	43	104,978 57		8,820	191,622	44,467	147,155	6.6	.....	.....	.....	.....	.....	.....
1912.....	78,065	42	107,592 58		19,948	205,605	37,716	167,889	5.4	.....	.....	.....	.....	.....	.....
1913.....	78,100	42	108,164 58		19,958	206,222	38,580	167,642	6.5	.....	.....	.....	.....	.....	.....
1914.....	78,100	41	110,847 59		19,732	208,679	37,714	170,965	4.5	.....	.....	.....	.....	.....	.....
1915.....	78,100	41	109,512 59		20,297	207,909	53,145	154,764	5.5	.....	.....	.....	.....	.....	.....
1916.....	78,100	41	111,981 59		19,890	209,971	53,297	156,674	8.1	.....	.....	.....	.....	.....	.....
10-Year Average	$78,959	42%	$107,805 58	58%	$14,764	$201,528	$46,342	$155,186	5.8%	.....	.....	.....	.....	.....	.....

Note: Securities owned by company as shown above for 1915 and 1916, based on securities of affiliated companies held and stock of non-affiliated companies pledged less the $10,000,000 income bonds and $100,000 stock of Chicago & Erie R.R.

Note: Above table is based on average mileage directly operated for each year, and, of course, includes the leased lines. "Rentals" are the amounts paid for lease of other roads, capitalized at 5%. "Net income on net capital" is the percentage of total net income (before deducting taxes) on the net capitalization as shown.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment...	$455,688,079	$466,596,387	$458,264,705	$442,969,022	$430,796,177	$424,490,678
Working assets	21,379,173	15,694,637	18,320,054	21,712,806	25,119,873	14,836,910
Deferred debit items...	18,386,181	10,574,900	11,512,069	11,877,307	10,026,165	16,623,768
Accrd. income not due..	.....	.....	9,382	7,882	1,507,382	278,162
Total	$495,453,433	$492,865,924	$488,106,210	$476,567,017	$467,449,597	$456,229,518
Liabilities:						
Capital stock	$176,271,300	$176,271,300	$176,271,300	$176,271,300	$176,271,300	$176,271,300
Funded debt	252,741,961	247,167,964	250,180,923	244,126,932	242,954,188	237,766,159
Working liabilities	12,818,945	21,446,112	15,888,554	11,609,212	11,200,317	8,371,370
Accrd. liabilities not due	2,486,757	2,351,758	2,358,360	2,475,170	2,434,022	2,186,916
Deferred credit items..	1,334,961	929,656	216,924	188,139	142,780	157,047
Appropriated surplus..	14,941,946	12,905,097	11,371,233	10,007,065	8,596,508	7,377,193
Profit and loss surplus.	34,857,563	31,794,037	31,818,916	31,889,199	25,850,482	24,099,533
Total	$495,453,433	$492,865,924	$488,106,210	$476,567,017	$467,449,597	$456,229,518

Comment: There was a moderate increase in the outstanding funded debt of the Erie Railroad during the year to June 30, 1916. As measured on the mileage basis the road is heavily capitalized, but in 1916 the earning power was so great as to materially increase the net income on net capital, the figure reaching 8.1 per cent., which is far higher than the average for the decade.

While during the past ten years there has been a considerable increase per mile in the funded debt of the Erie Railroad, it will be noted that the earning power has kept full pace with this growth. At the present time the general credit of the property is stronger than at any time since the reorganization of 1895.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. New York & Erie R. R. first 4s	M&N	Jl 1947	(1st) 447	$5,555		$45	90%	Very high	Very high	Aaa.
2. New York & Erie R. R. second 5s	M&S	S 1919	(2d) 447	4,810		49	90%	"	"	Aaa.
3. New York & Erie R. R. third 4½s	M&S	Mr 1923	(3d) 447	10,330		92	90%	"	"	Aaa.
4. New York & Erie R. R. fourth 5s	A&O	O 1920	(1st) 19 (4th) 447	6,280		65	90%	"	"	Aaa.
5. New York & Erie R. R. fifth 4s	J&D	Je 1928	(2d) 19 (5th) 447	1,500	$8,352	12	90%	"	"	Aaa.
6. Erie Railway Buffalo Br. first 4s	J&J	Jl 1931	(1st) 61	3,000		4	90%	"	"	Aaa.
7. Erie Railway Cons. 7s	M&S	S 1920	(2d) 61	39,070		524	90%	"	"	Aaa.
8. N. Y., L. E., & Western first cons. 7s			(3d) 19 (6th) 447			115	90%	"	"	Aaa.
9. Buffalo & So'west'n first 5s.	J&J	Jl 1918	(1st) 66	22,700		34	92%	"	High	Aa.
10. Newburg & New York first 5s	J&J	Ja 1929	(1st) 13	19,250		5	92%	"	"	Aaa.
11. Bergen County R.R. ext. 5s	A&O	Ap 1921	(1st) 10	20,000		5	92%	"	"	Aaa.
12. Jefferson, Honesdale Branch first 4½s	J&J	Jl 1927	(1st) 8	25,500		4	92%	"	"	Aaa.
13. Jefferson, Honesdale Branch second 6s	J&J	Ja 1929	(2d) 8	12,000	7,546	2	92%	"	"	Aaa.
14. Jefferson R. R. first 5s	A&O	Ap 1919	(1st) 36	77,700		62	92%	"	"	Aaa.
15. Long Dock Co. cons. 6s	A&O	O 1935	(1st) Term.	.....		200	92%	"	"	Aaa.
16. N. Y., L. E. & W. Dock & Imp. first ext. 5s	J&J	Jl 1943	(1st) Term.	.....		75	92%	"	"	Aaa.
17. N. Y., L. E. & W. Coal & R. R. first 6s	M&N	My 1922	(1st) Prop.	.....		30	92%	"	"	Aaa.
18. N. Y., P. & O. Prior lien 4½s	M&S	Mr 1935	(1st) 422	19,000		160	92%	"	"	Aaa.
19. Eric R. R. Penn. Coal col. 4s	F&A	F 1951	(Coll.)	.....		465	87%	High	"	Aa.
20. Chicago & Erie first 5s	M&N	My 1982	(1st) 250	48,000		265	87%	Very high	"	Aa.
21. Chic. & Atl. Term. 5s	J&J	Jl 1918	(1st) Term.	.....		7	87%	High	"	Aa.
22. N. Y. & Greenwood Lake P. L. 5s	M&N	My 1946	(1st) 49	30,000		33	87%	"	"	Aa.
23. Clev. & Mahoning Val. first cons. 5s	J&J	Ja 1938	(1st) 123	23,800		65	87%	Very high	"	Aa.
24. Goshen & Deck. first 6s	J&J	Jl 1928	(1st) 12	15,540		5	87%	High	"	Aa.
25. Goshen & Deck. second 6s	M&N	N 1929	(2d) 12	5,000		2	87%	"	"	Aa.
26. Montg. & Eric first 5s	M&N	My 1926	(1st) 10	13,000	6,969	3	87%	"	"	Aa.
27. Montg. & Erie second 5s	A&O	O 1927	(2d) 10	4,000		1	87%	"	"	Aa.
28. Nor. R. R. of N. J. first 6s	J&J	Jl 1917	(1st) 22	30,000		17	87%	"	"	Aa.
29. Nor. R. R. of N. J. gen. 4½s	J&J	Ja 2000	(cons.) 26	5,900		3	87%	"	"	Aa.
30. Sharon Ry. first 4½s	J&D	Je 1919	(1st) 16	10,000		4	87%	"	"	Aa.
31. New Castle & Sh. V. first 4½s	J&J	Ja 1937	(1st) 17	15,000		5	87%	"	"	Aa.
32. Tioga R. R. first 5s	M&N	N 1935	(1st) 34	7,025		5	87%	"	"	A.
33. Erie R. R. Buff. & So'w. Div. second 5s	J&J	Jl 1918	(2d) 66	15,000		22	87%	"	"	A.
34. Erie & Jersey R. R. first 6s.	J&J	Jl 1955	(1st) 39	190,000		198	84%	"	"	A.
35. Genesee River R. R. first 6s	J&J	Jl 1957	(1st) 33	182,000	6,063	160	84%	"	"	A.
36. Erie R. R. first cons. prior lien 4s	J&J	Ja 1996	(see text)	.....		620	84%	Good	"	A.
37. Erie R. R. cons. gen. lien 4s	J&J	Ja 1996	"	.....	5,085	678	87%	"	"	Baa.
38. Erie R. R. Series A, 4s	A&O	Ap 1953		.....		177	76%	"	"	Ba.
39. Eric R. R. Conv., Series B, 4s	A&O	Ap 1953	General	.....	4,407	195	76%	"	"	Ba.
40. Eric R. R. conv., Series D, 4s	A&O	Ap 1953		.....		348	76%	"	"	Ba.
41. Eric R. R. coll. 5½s	A&O	Ap 1917	.....	.....		324	76%	"	"	Aa.
42. Equipment trusts	Var.	Var.	(see text)	.....	3,365	300	91%	High	Good	Aa.

Note: "Average income available" is the average net income per mile available for interest charges after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. Interest required per mile is based on mileage of full system in 1916 (2,257 miles). The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,000,000; outstanding, $2,482,000 (closed). Dated July 1, 1847; due July 1, 1947. Int. paid at 50 Church St., New York. Coupon, $1,000. Formerly carried 7% with maturity in May, 1897, but extended as above at 4%. Assumed by Erie R.R. First lien, 446.78 miles. Piermont to Dunkirk, N. Y. Underlie Nos. 2, 3, 4, 5, 7, 8,

36-40. Retirement provided for by No. 37. Legal for Savings Banks in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $4,000,000; outstanding, $2,149,000 (closed). Dated Mar. 1, 1849; due Sept. 1, 1919. Int. paid at 50 Church St., New York. Coupon, $1,000. Formerly carried 7% with maturity on Mar. 1, 1879, but extended as above at 5%. Assumed by Erie R.R. Second lien, 446.78 miles, following No. 1. Underlie Nos. 3, 4, 5, 7, 8, 36-40. Retirement provided for by No. 37. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth., $10,000,000; outstanding, $4,617,000 (closed). Dated Mar. 1, 1853; due Mar. 1, 1923. Int. paid at 50 Church St., New York. Coupon, $1,000. Formerly carried 7%, with maturity in Mar., 1883, but extended as above at 4½%. Assumed by Erie R.R. Third lien, 446.78 miles following No. 2. Underlie Nos. 4, 5, 7, 8, 36-40. Retirement provided for by No. 37. Listed on New York Stock Exchange. Normal income tax deducted from interest.

4. Auth., $6,000,000; outstanding $2,926,000 (closed). Dated Aug. 15, 1857; due Oct. 1, 1920. Int. paid at 50 Church St., New York. Coupon, $1,000. Formerly carried 7% with maturity in Oct., 1880, but extended as above at 5%. Assumed by Erie R.R. First lien on 18.73 miles, Greycourt to Newburgh, N. Y., and fourth lien on 446.78 miles, following No. 3. Also secured on the leases of the Union R.R., the Paterson & Hudson River R.R., the Paterson and Ramapo R.R. and the rights of the company in the Long Dock Co. Underlie Nos. 5, 7, 8, 36-40. Retirement provided for by No. 37. Listed on New York Stock Exchange. Normal income tax deducted from interest.

5. Auth., $5,000,000; outstanding, $709,500 (closed). Dated June 1, 1858; due June 1, 1928. Int. paid at 50 Church St., New York. Coupon $500 and $1,000. Formerly carried 7% with maturity in June, 1888, but extended as above at 4%. Assumed by Erie R.R. Second lien on 18.73 miles, following No. 4, and fifth lien on 446.78 miles, following No. 4. Underlie Nos. 7, 8, 36-40. Retirement provided for by No. 37. Listed on New York Stock Exchange. Normal income tax deducted from interest.

6. Auth., $200,000; outstanding, $182,400 (closed). Dated July 1, 1861; due July 1, 1931. Int. paid at 50 Church St., New York. Coupon, $200 and $1,000. Formerly carried 7% with maturity in July, 1891, but extended as above at 4%. Assumed by Erie R.R. First lien, 61.16 miles, Hornell to Attica, N. Y. Underlie Nos. 7, 8, 36-40. Retirement provided for by No. 37. Normal income tax deducted from interest. Legal for S. B. in Cal., Maine.

7. Auth., $30,000,000; outstanding, $16,891,000 (closed). Dated Sept. 1, 1870; due Sept. 1, 1920. Int. paid at J. P. Morgan & Co., New York. Assumed by Erie R.R. Second lien on 61.6 miles, following No. 6; third lien on 18.73 miles, following No. 5; sixth lien on 446.78 miles, following No. 5. Underlie Nos. 36-40. Retirement provided for by No. 37. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest. Coupon, £200 and $1,000.

8. Auth. and outstanding, $3,699,500. Dated Sept. 1, 1878; due Sept. 1, 1920. Int. paid at J. P. Morgan & Co., New York. Assumed by Erie R.R. Secured by deposit with trustee of uncanceled coupons of No. 7, dated Sept. 1, 1875; Mar. 1, 1876; Mar. 1, 1877; Sept. 1, 1877; Sept. 1, 1878; Sept. 1, 1879, amounting to the face value of these bonds. Thus, these bonds rank equally, as to lien, with No. 7. Underlie Nos. 36-40. Retirement provided for by No. 37. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest. Coupon, $500 and $1,000.

9. Auth. and outstanding, $1,500,000. Dated Dec. 17, 1877; due July 1, 1918. Int. paid at 50 Church St., New York. Coupon, $50, $100, $500 and $1,000. Formerly carried 6% with maturity in July, 1908, but extended as above at 5%. Assumed by Erie R.R. Callable at 105 on any interest date. First lien, 66.36 miles from Buffalo Creek R.R. Junc., Buffalo to Jamestown, N. Y. Underlie Nos. 33, 36-40. Retirement provided for by No. 37. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

10. Auth. and outstanding, $250,000. Dated Aug. 1, 1868; due Jan. 1, 1929. Int. paid at 50 Church St., New York. Coupon, $1,000. Assumed by Erie R.R. First lien, 12.64 miles, Arden Junc. to Vail Gate Junc. Underlie Nos. 36-40. Retirement provided for by No. 37. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

11. Auth. and outstanding, $200,000. Dated Mar. 1, 1881; due Apr. 1, 1921. Int. paid at 50 Church St., New York. Coupon, $1,000. First lien, 9.82 miles, Ridgewood Junc. to Rutherford Junc., N. J. Retirement provided for by No. 37. Interest paid without deduction for normal income tax.

12. Auth., $250,000; outstanding, $204,000 (closed). Dated July 1, 1867; due July 1, 1927. Formerly carried 7% with maturity in July, 1887, but extended as above at 4½%. Int. paid at Fidelity Trust Co., Phila. Coupon, $100, $250, $500, $1,000. First lien, 8.18 miles, West Hawley to Honesdale, Pa. Underlie No. 13. Retirement provided for by No. 37. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

13. Auth. and outstanding, $96,000. Dated Jan. 1, 1869; due Jan. 1, 1929. Int. paid at Fidelity Trust Co., Phila. Second collateral lien, 8.18 miles, following No. 12. Retirement provided for by No. 37. Coupon, $100, $250, $500, $1,000. Interest paid without deduction for normal income tax.

14. Auth. and outstanding, $2,800,000. Dated Jan. 1, 1889; due April 1, 1919. Int. paid at 50 Church St., New York. Coupon, $1,000. Callable at 105 and interest. Guar. prin. and int. by Erie R.R. First lien, 36.63 miles, Carbondale to Lanesboro, Pa. Retirement provided for by No. 37. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

15. Auth. and outstanding, $7,500,000. Dated Nov. 16, 1885; due Oct. 1, 1935. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Callable at 110 from proceeds of sales of lands should such be sold. First lien on Bergen tunnel, property of Erie R.R., including 2.56 miles of road, 577 acres of land, docks, terminals, etc. Retirement provided for by No. 37. Legal for S. B. in New Jersey. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

16. Auth., $4,000,000; outstanding, $3,396,000, balance being owned by Erie R.R. and deposited under No. 36. Due July 1, 1913, but now extended to July 1, 1943, at 5%. Int. paid at 50 Church St., New York. Coupon, $1,000. Callable on 60 days' notice until July 1, 1918, at 102½, and thereafter at 105. Principal and int. guaranteed by Erie R.R., which leases the property. First lien on freight terminals at Weehawken, N. J. Retirement provided for by No. 37. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

17. Auth., $3,000,000; outstanding, $1,100,000 (closed). Dated May 15, 1882; due May 1, 1922. Int. paid at 50 Church St., New York. Coupon, $1,000. Guar. prin. and int. by Erie R.R. First lien on about 14,000 acres of land, and on mineral rights in about 7,900 additional acres in Elk and McKean counties, Pa.; also a first lien on 43.74 miles of road from Crawford Junc. to Johnsonburg and from Brockwayville to Toby Mines, Pa.; also a lien on the 5.81 miles of the Daguscahonda & Elk R.R. Retirement provided for by No. 37. Legal for S. B. in Maine. Listed on New York Stock Exchange. Normal income tax deducted from interest.

18. Auth. and outstanding, $8,000,000. Dated May 5, 1880; due Mar. 1, 1935. Originally due Mar. 1, 1895, but extended as above. Int. at 50 Church St. and in London. Coupon, £100, £200, $500, $1,000. First lien on 421.39 miles, as follows: Salamanca, N. Y., to Dayton, O., 388.39 miles; Buchanan Junc. to Oil City, Pa., 33.78 miles. Underlie $20,000,000 Nypano R.R. 4s of 1996, which are deposited under No. 37. Retirement provided for by No. 37. Legal for S. B. in Maine. Normal income tax deducted from interest.

19. Auth., $34,000,000; outstanding, $34,000,000 (of which $7,781,000 are in sinking fund). Dated Feb. 1, 1901; due Feb. 1, 1951. Int. paid at 50 Church St., New York. Coupon and reg., $1,000. Sinking fund, 10 cents per ton, to retire bonds at 105 or better. First lien on collateral, as follows: Entire capital stocks of Erie & Wyoming R.R. Co., and of Delaware Valley & Kingston R.R. Co.; $4,910,600 of $5,000,000 capital stock of Penn. Coal Co.; also 51% of the common and preferred stocks of the New York, Susq. & Western R.R. Co. Retirement provided for by Nos. 38-40, which are a second lien on this collateral. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

20. Auth. and outstanding, $12,000,000. Dated Aug. 21, 1890; due May 1, 1982. Int. paid at Erie R.R. office, New York. Int. guar. by Erie R.R. First lien, 249.57 miles, Marion Junc., Ohio, to near Hammond, Ind.; also first lien on 10,000 shares stock of Chicago & Western Indiana R.R., and 2,400 shares Belt R.R. of Chicago, etc. Underlie a second mortgage, of which all but $98,000 are deposited under No. 37. Retirement is provided for by No. 37. Legal for S. B. in Maine, Mo. Listed on New York and Amsterdam Stock Exchanges. Normal income tax deducted from interest. Coupon and reg., $1,000.

21. Auth. and outstanding, $300,000. Dated Nov. 1, 1888; due July 1, 1918. Int. paid at Erie R.R. office, 50 Church St. New York. First lien on certain realty along the lines of the Chicago & Erie R.R. Retirement provided for by No. 37. Coupon, $1,000. Normal income tax deducted from interest.

22. Auth., $1,500,000; outstanding, $1,471,900. Dated May 1, 1896; due May 1, 1946. Int. paid at Erie R.R. office, 50 Church St., New York. Coupon, $100 and $1,000. Guar. prin. and int. by Erie R.R. Co. by endorsement. First lien, 48.83 miles, as follows: Fish Creek to Sterling Forest, N. J., 39.56 miles; Forest Hill to Orange, 4.17 miles; branches, 2.79 miles. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

23. Auth., $3,000,000; outstanding, $2,936,000 (closed). Dated Jan. 1, 1888; due Jan. 1, 1938. Int. paid at Winslow, Lanier & Co., New York. First lien, 122.60 miles, as follows: Cleveland to Penn. State line and line from Youngstown to Hazleton, O., 80.83 miles; Niles to near Lisbon, O., 35.77 miles; branches, 6 miles; also a lien on the lease to the Nypano R.R. Retirement provided for by No. 37. Legal for S. B. in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon and reg., $1,000.

24. Auth. and outstanding, $186,500 (closed). Dated July 1, 1868; due July 1, 1928. Int. paid at 50 Church St., New York. Coupon, $500 and $1,000. First lien, 11.64 miles, Goshen to Pine Island, N. Y. Underlie No. 25. Retirement provided for by No. 37. Legal for S. B. in Conn., Maine, Mich., Minn., N. J., Wis. Normal income tax deducted from interest.

25. Auth., $75,000; outstanding, $60,000 (closed). Dated Nov. 1, 1869; due Nov. 1, 1929. Int. paid at National Bank of Orange County, Goshen, N. Y. Coupon, $500. Second lien, 11.64 miles, following No. 24. Retirement provided for by No. 37. Normal income tax deducted from interest.

26. Auth. and outstanding, $130,000. Dated May 1, 1866; due May 1, 1926. Int. paid at Nat. Bank of Orange Co., Goshen, N. Y. Coupon, $500 and $1,000. First lien, 10 miles, Montgomery to Goshen, N. Y. Road leased to Erie R.R., rental, interest on bonds and 4½% on stock. Underlie No. 27. Retirement provided for by No. 37. Legal for S. B. in Conn., N. Y., N. J., Mich., Minn., Wis. Normal income tax deducted from interest.

27. Auth., $70,000; outstanding, $40,500 (closed). Dated Oct. 1, 1867; due Oct. 1, 1927. Int. paid at Nat. Bank of Orange Co., Goshen, N. Y. Coupon, $500 and $1,000. Second lien, following No. 26, on 10 miles. Retirement provided for by No. 37. Normal income tax deducted from interest.

28. Auth., $700,000; outstanding, $654,000 (closed). Dated July 1, 1887; due July 1, 1917. Int. paid at Erie R.R. office, 50 Church St., New York. Coupon, $100, $500 and $1,000. Guar. prin. and int. by Erie R.R. First lien, 21.54 miles, Bergen Junc. to Sparkill, N. Y. Underlie No. 29, which provide for retirement. Legal for S. B. in Conn., Maine, Minn., N. H., N. J., Wis. Normal income tax deducted from interest.

29. Auth., $1,000,000; outstanding, $154,000. Dated Jan. 1, 1900; due Jan. 1, 2000. Int. paid at Erie R.R. office, New York. Guar. prin. and int. by Erie R.R. First collateral lien, 4.54 miles, Sparkill to Nyack, N. Y., and second lien following No. 28, on 21.54 miles. Interest paid without deduction for normal income tax. Coupon, $1,000.

30. Auth., $167,000; outstanding, $164,000 (closed). Dated June 1, 1889; due June 1, 1919. Int. paid at Farmers' Loan & Trust Co., New York. First lien, 16.02 miles, Pymatuning to West Middlesex, Pa., and branches. Retirement provided for by No. 37. Legal for S. B. in Conn., Maine, Mich., Minn., N. J., R. I., Wis. Interest paid without deduction for normal income tax. Coupon, $1,000.

31. Auth. and outstanding, $250,000. Dated July 3, 1887; due Jan. 1, 1937. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Int. guar. by Erie R.R. First lien, 16.73 miles, West Middlesex to New Castle, Pa. Retirement provided for by No. 37. Legal for S. B. in Conn., Fla., Maine, Mich., Minn., N. J., R. I., Wis. Interest paid without deduction for normal income tax.

32. Auth. and outstanding, $239,500. Dated April 24, 1852; due Nov. 1, 1935. extended from Nov. 1, 1915. Interest paid at 50 Church St., New York. Coupon, $500 and $1,000. Guar. prin. and int. by the Erie R.R. First lien on 34.11 miles, Lawrenceville to Morris Run, Pa. Retirement provided for by No. 37. Legal for S. B. in Maine. Normal income tax deducted from interest.

33. Auth. and outstanding, $1,000,000. Dated Nov. 19, 1895; due July 1, 1918. Int. paid at 50 Church St., New York. Coupon, $1,000. Callable at 105 and interest. Second lien, 66.36 miles, following No. 9. Underlie Nos. 36-40. Retirement provided for by No. 37. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

34. Auth. and outstanding, $7,400,000 (closed). Dated June 29, 1905; supplemental deed dated Jan. 2, 1915; due July 1, 1955. Interest paid at 50 Church St., New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000; interchangeable. Callable between July 1, 1916, and July 1, 1920, at 110 and interest; thereafter at 115 and interest. Sinking fund, $25,000 per annum, bonds to be called each July 1, unless purchased before May 15. Assumed by Erie Railroad Company. First lien on 38.60 miles from Highland Mills to Graham, New York, forming part of a low grade freight cut-off line, on the main line of the Erie Railroad. The line is double-tracked and carries practically all the through freight traffic of the Erie system. Underlie Nos. 36-40, and will be provided for at retirement by the proposed new refunding mortgage of the Erie Railroad. Tax exempt in New York State. Normal income tax deducted from interest.

35. Auth. and outstanding, $6,000,000 (closed). Dated July 1, 1907; supplemental deed dated Jan. 2, 1915; due July 1, 1957. Interest paid at 50 Church St., New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000; interchangeable. Callable before July 1, 1920 at 110 and interest; at 115 and interest thereafter. Sinking fund, $20,000 per annum from April 1, 1916, to April 1, 1920, to purchase bonds at 110 or better, and after 1920 at 115 and better; if not obtainable as above in any year, bonds shall be called by lot at corresponding prices upon the succeeding first day of July. Assumed by Erie Railroad Company. First lien on 32.66 miles of single track from Cuba Junc. to Hunts Junc., New York, forming a valuable link in the Allegheny division of the system. Over this mileage about 87% of the east and west bound through freight of this division is carried. Underlie Nos. 36-40 and will be provided for at maturity by the proposed refunding mortgage of the Erie Railroad. Interest paid without deduction for normal income tax.

36. Auth. and outstanding, $35,000,000. Dated Dec. 10, 1895; due Jan. 1, 1996. Int. paid at 50 Church St., New York. Coupon, $1,000; reg., $500 and multiples. Each $1,000 bond is entitled to 10 votes. First lien or first collateral lien on 264.73 miles, including short branches and spurs in New Jersey, New York and Pennsylvania; second lien on 12.64 miles, following No. 10; second collateral lien on 705.07 miles, following Nos. 18, 20, 31; third lien on 127.52 miles, following Nos. 6 and 33; fourth lien on 18.73 miles, following No. 7; seventh lien on 446.78 miles, following No. 7; second lien on 38.60 miles, following No. 34; second lien on 32.66 miles, following No. 35; also first collateral lien on $1,900,000 out of $3,000,000 of No. 17, and on other miscellaneous collateral. Underlie Nos. 37-40. Will be provided for in the proposed refunding mortgage. Interest paid without deduction for normal income tax. Listed on New York Stock Exchange.

37. Auth., $140,000,000; outstanding, $38,265,000. Dated Dec. 10, 1895; due Jan. 1, 1996. Int. paid at 50 Church St., New York. Coupon, $1,000; reg., $500 and multiples. Each $1,000 bond is entitled to 10 votes. Secured on same property as No. 35, but subject thereto. Underlie Nos. 38-40. Will be provided for in the proposed refunding mortgage. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

38, 39 and 40. Auth., $50,000,000; outstanding, $10,000,000 Series A, $11,015,000 Series B and $19,627,130 Series D. Series A dated April 1, 1903; Series B dated Oct. 1, 1905; Series D dated Oct. 1, 1915; all due April 1, 1953. Int. paid at 50 Church St., New York. Series A are no longer convertible. Series B convertible into common stock until Oct. 1, 1917, at 60; that is, $1,666 par value of stock given for $1,000 par value of bonds. Series D to be convertible into common stock at 50 from April 1, 1918, to Oct. 1, 1927. Coupon, $1,000; reg., $500 and multiples. Secured subject to Nos. 36 and 37 on all the properties owned by the company. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax on Series A and B. Normal income tax deducted from interest on Series D.

41. Auth. and outstanding, $13,280,000. Dated April 1, 1914; due April 1, 1917. Int. paid April and Oct. 1st in New York. Coupon, $1,000 and $5,000. Secured by deposit with trustee of $14,839,000 of No. 37, $985,000 of No. 39, $6,306,000 N. Y. S. & W. R.R. preferred, $163,100 Lehigh & Hudson River R.R. stock and other collateral. Collateral may be substituted. These notes were issued to replace the $12,500,000 6s due April 8, 1914, and for other capital purposes. Callable after April 1, 1915, at 102 and interest. Normal income tax deducted from interest.

42. In several series as follows: Series L, 5s; dated July 1, 1907; due $107,000 each Jan. and July to July 1, 1917; original issue, $2,140,000; now outstanding, $107,000. Int. paid Jan. and July 1 at 50 Church St., New York. First lien on equipment costing $2,450,000. No provision for payment of income tax by company. Series M, 5s; dated July 1, 1907; due $29,000 each Jan. and July 1 to July 1, 1917; original issue, $580,000; outstanding, $29,000. Int. paid Jan. and July 1 at Girard Trust Co., Phila. First lien on 38 locomotives costing $724,875. Company pays income tax. Series N, 5s; dated Oct. 1, 1907; due $152,000 each April and Oct. 1 to Oct. 1, 1917; original issue, $3,040,000; now outstanding, $304,000. Int. paid April and Oct. 1 at First National Bank, New York. First lien on 3,000 steel underframe box cars, originally costing $3,480,700. Company pays income tax. Series O, 5s; dated Aug. 31, 1907; due $50,000 each April and Oct. 1 to Oct. 1, 1917; original issue, $1,000,000 now outstanding, $100,000. Int. paid April and Oct. 1 at Central Trust Co., New York. First lien on 1,000 hopper cars, costing $1,228,876. Company pays income tax. Series Q, 4½s; dated Aug. 2, 1911; due $230,000 each Feb. and Aug. 1 to Aug. 1, 1921; original amount, $4,600,000; now outstanding, $2,070,000. Int. paid Feb. and Aug. 1 at Fidelity Trust Co., Phila. First lien on equipment costing $5,425,134. Company pays income tax. Series R, 4½s; dated Aug. 1, 1912; due $108,000 each Feb. and Aug. 1 to Aug. 1, 1922; original amount, $2,160,000; now outstanding, $1,188,000. Int. paid Feb. and Aug. 1 at Commercial Trust Co., Phila. First lien on equipment costing $2,632,870. Company pays income tax. Series S, 4½s; dated Dec. 3, 1912; due $100,000 each June and Dec. 1 to Dec. 1, 1922; original amount, $2,000,000; now outstanding, $1,200,000. Int. paid June and Dec. 1 at Commercial Trust Co., Phila. First lien on equipment costing $2,529,000. Company pays income tax. Series T, 5s; dated June 13, 1913; due $66,000 each June and Dec. 15 to June 15, 1923; original amount, $1,320,000; now outstanding, $768,000. Int. paid June and Dec. 15 at Columbia Trust Co., New York. First lien on 1,500 steel underframe box cars, costing $1,587,325. Company does not pay income tax. Series U, 5s; dated July 2, 1913; due $117,000 each Jan. and $118,000 each July to July 1, 1923; original amount, $2,350,000; now outstanding, $1,528,000. Int. paid Jan. and July 1 at Bankers' Trust Co., New York. Company pays all taxes. First lien on 2,500 freight cars costing $2,829,376. Series V, 5s; dated June 16, 1913; due $100,000 each June 15 to June 15, 1923; original amount, $1,000,000; now outstanding, $700,000. Int. paid June and Dec. 15 at New York Trust Co. First lien on 1,000 steel hopper cars costing $1,186,437. Company pays all taxes, state or federal. Series AA, 5s; dated Sept. 1, 1913; due $56,000 each Mar. and Sept. 1 to Sept. 1, 1923; original amount, $1,120,000; now outstanding, $784,000. Int. paid Mar. and Sept. 1 at Commercial Trust Co.,

REFERENCE NOTES ON BOND ISSUES (Continued)

Phila. First lien on 50 locomotives costing $1,330,890. Series BB, 4½s; dated Aug. 1, 1914; due $45,000 each Feb. and Aug. 1 to Aug. 1, 1924; original amount $900,000; now outstanding $720,000. Int. paid Feb. and Aug. 1 at Commercial Trust Co., Phila. First lien on equipment costing $1.003,312. Normal income tax deducted from interest. Series CC, 4½s; dated Dec. 1, 1915; due $213,000 each June and Dec. 1 to June 1, 1918, and $214,000 each June and Dec. 1 thereafter to Dec. 1, 1925; original amount, $4 275,000; now outstanding, $3,859,000. Int. paid June and Dec. 1 at Commercial Trust Co., Phila. First lien on 2,000 gondola cars, 19 steel coaches and 65 locomotives, costing $5,080,000. Normal income tax deducted from interest. Series DD, 4½s; dated June 1, 1916; due $63,000 each Dec. 1 and $62,000 each June 1 to June 1, 1926; int. paid June and Dec. 1 at Commercial Trust Co., Phila. Original amount, $1,250,000; now outstanding, $1,187,000. First lien on 1,000 hopper cars and 3 locomotives costing $1,532,585. Normal income tax deducted from interest.

New Refunding and Improvement Mortgage Authorized: On December 1, 1916, stockholders authorized the creation of a new refunding and improvement mortgage to be limited to $500,000,000, such action superseding the authorization in Oct., 1914, of a refunding and improvement mortgage limited to three times the amount of capital stock at any time outstanding. The new bonds will be issuable in series, each series dated on or after Dec. 1, 1916, to bear such rate of interest, to mature on such date as therein shall be stated not later than Dec. 1, 2000, and to be payable principal and interest in U. S. gold coin or in foreign currency, all as may be determined by the board of directors. The new mortgage is intended to provide for all prior and underlying mortgage bonds (of which $31,531,500 wil mature prior to 1922), equipment trusts and also for capital expenditures for additions, improvements and betterments.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Cleveland & Mah. Valley Ry. stock ..... Outstanding, $3,259,200. Par $50.	See text	$27,856		$165	87%	High	Very high	Aaa.
2. Goshen & Deckertown Ry. stock ..... Outstanding, $96,190. Par $10.	4% April	8,016		2	87%	"	"	Aaa.
3. Montgomery & Erie R.R. stock ..... Outstanding, $150,000. Par $10.	4½%M&N	15,000		3	87%	"	"	Aaa.
4. Northern R.R. of N. J. stock ..... Outstanding, $1,000,000. Par $100.	4% Qu. F	38,500		18	87%	"	"	Aaa.
5. Paterson & Hudson River R.R. stock ..... Outstanding, $650,000. Par $50.	8% J&J	50,000	$2,121	23	87%	"	"	Aaa.
6. Paterson & Ramapo R.R. stock ..... Outstanding, $298,000. Par $50.	8% J&J	20,000		11	87%	"	"	Aaa.
7. Rochester & Genesee Val. R.R. stock ..... Outstanding, $555,200. Par $100.	6% M&S	31,000		15	87%	"	"	Aaa.
8. Avon, Geneseo & Mt. Morris R.R. stock... Outstanding, $225,000. Par $100.	3½% J&J	15,000		3	87%	"	"	Aa.
9. Sharon Railway stock ..... Outstanding, $973,550. Par $50.	6% M&S	29,500		26	87%	"	"	Aa.
10. Erie R.R. first preferred stock ..... Outstanding, $47,892,400. Par $100.	See text	21,220	1,855	850*	54%	Fair	High	B.
11. Erie R.R. second preferred stock ..... Outstanding, $16,000,000. Par $100.	"	7,100	1,000	284*	72%	.....	.....	Caa.
12. Erie R.R. common stock ..... Outstanding, $112,378,900. Par $100.	"	50,000	716	.....	.....	.....	.....	C.

* To pay 4% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amounts outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Cleveland & Mahoning Valley Railway. Line of road: Cleveland to Pennsylvania State Line, and Niles to Lisbon, Ohio, 117 miles. Operated by the Erie Railroad under lease to Atlantic & Great Western Ry., and under supplemental lease to Nypano R.R. until October, 1982, at a rental of $525,968 per annum, which pays all charges and dividends. Dividends in recent years as follows: 1900 to 1904, inclusive, 13½% per annum; 1905, 11.42%; 1906 to 1911, inclusive, 11.40%; 1912, 8¾%; 1913, 11.20%; 1914, 11.25%; 1915, 11.40%. In Feb., 1917, it was proposed to increase stock to $6,111,000 and renew lease for 999 years from Jan, 1917.

2. Goshen & Deckertown Railway. Line of road: Goshen to Pine Island, N. Y., 11.64 miles. Leased in perpetuity to the Erie Railroad at an annual rental of $19,035. This covers interest on the bonds and a surplus for dividends. The rate of dividends is 4%, but the rental does not quite equal this amount after deduction of taxes and a deficit has accumulated which now amounts to about $2,500.

3. Montgomery & Erie R.R. Line of road: Montgomery to Goshen, N. Y., 10.43 miles. Road leased in perpetuity to Erie R.R. at a rental of $16,000 per annum. This rental covers charges and equals slightly less than 4½% on the stock. Dividends paid: 4½% per annum, resulting in a small deficit which now amounts to about $1,500.

4. Northern Railroad of New Jersey. Line of road: Bergen Junction, N. J., to Sparkill, N. Y., with branch to Nyack, 26.05 miles. Leased for corporate existence to Erie Railroad, rental being interest on bonds, taxes, organization expenses, and 4% per annum on capital stock. Stock is legal for investment by New Hampshire savings banks.

5. **Paterson & Hudson River Railroad.** Line of road: Jersey City to Paterson, N. J., 13.11 miles. Leased to Erie R.R. for corporate existence at rental of $53,400 per annum and taxes, equaling over 8% on stock. Dividends paid at rate of 8% per annum.

6. **Paterson & Ramapo Railroad.** Line of road: Paterson, N. J., to New York State Line, 14.47 miles. Leased for corporate existence to Erie R.R. at a rental of $26,500 per annum. Dividends have been paid as follows in recent years: 1907, 12%; 1908 and 1909, 8%; 1910, 6%; 1911 to date, 8% per annum.

7. **Rochester & Genesee Valley R.R.** Line of road: Rochester to Avon, N. Y., 18.4 miles. Leased for corporate existence to Erie R.R. at rental equalling 6% on stock, and $700 per annum for organization expenses. Dividends of 6% per annum are regularly paid. Stock is legal for investment in New Hampshire savings banks.

8. **Avon, Geneseo & Mt. Morris Railroad.** Line of road: Avon to Mt. Morris, N. Y., 15.35 miles. Leased for corporate existence to Erie R.R., rental being $100 per annum for organization expenses and 3½% on capital stock. Dividends regularly paid at the latter rate.

9. **Sharon Railway.** Line of road: Sharon to Pymatuning, Pa., with branches to New Castle and Sharpsville, 32.75 miles. Leased to Nypano R.R. for 999 years from 1900, and operated by Erie R.R. Rental, interest on bonds of this company and the New Castle & Shenango Valley R.R., taxes, $2,100 per annum for organization expenses, and an amount equalling 6% on capital stock. Dividends are regularly paid at the latter rate.

10. Auth., $48,000,000; par, $100. Entitled to 4% non-cumulative dividends prior to payments on either second preferred or common. No additional mortgage can be put on the property without the consent of a majority of the whole amount of this issue and the second preferred. The stock has full voting power and is callable at option of the company at par. Dividends have been paid as follows: 1901, 1½%; 1902, 3%; 1903, 3½%; 1904 to 1906, inclusive, 4% per annum; 1907, 2%.

11. Auth., $16,000,000; par, $100. Has preference over common stock to 4% non-cumulative dividends, but is entitled to no other division of earnings. The amount cannot be increased without the consent of a majority of the holders of this issue. Callable at par at the option of the company. Dividends have been paid as follows: 1905, 2%; 1906, 4%; 1907, 2%.

12. Auth., $153,000,000; par, $100; has full voting power and entitled to all profits after first preferred and second preferred have received 4% in any one year. Of the authorized amount sufficient is reserved for conversion of Erie R.R. "B" and "D" convertible 4s. No dividends have been paid. TRANSFER AGENT for all isues: J. P. Morgan & Company, New York. All issues listed on New York Stock Exchange.

Note: The voting power of the Erie R.R. Co. stock is shared by the prior and general lien 4% bonds, each $1,000 bond having 10 votes. As these two bond issues aggregate nearly $85,000,000, they control the policy of the company jointly with the first preferred stock.

COMPANIES CONTROLLED BY ERIE RAILROAD COMPANY

BATH AND HAMMONDSPORT RAILROAD

Incorporated under New York laws, January 18, 1872. Line of road, Bath to Hammondsport, N. Y., 10 miles. Controlled since 1908 by Erie R.R. through stock ownership, but separately operated.

Management: OFFICERS: F. D. Underwood, Pres.; G. A. Richardson, and G. F. Brownell, Vice-Pres.; David Bosman, Vice-Pres., and Sec.; D. W. Bigoney, Treas. C. P. Crawford, Auditor. Annual meeting, first Tuesday in December, at Hammondsport, N. Y. NEW YORK OFFICE, 50 Church Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910	1909
Gross earnings ...	$47,011	$51,961	$41,388	$47,532	$45,640	$44,822	$45,659	$41,922
Net earnings	14,175	19,886	5,865	13,035	9,737	14,655	18,134	17,705
Total net income...	14,573	20,292	6,245	13,414	9,959	14,977	18,425	17,793
Interest and taxes.	22,765	22,822	21,330	17,155	16,085	16,814	16,850	16,670

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $67,897. Contra: Debit balance at beginning of year $59,997; debit balance transferred from income, $7,900; total, $67,897.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$413,773	$413,983	$414,044	$414,421	$421,624	$416,522
Working assets	10,465	11,869	9,684	8,530	5,478	11,743
Profit and loss deficit...	67,897	59,997	57,480	42,429	24,041	16,099
Total	$592,135	$485,849	$481,208	$465,380	$451,143	$444,364
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	300,000	300,000	300,000	300,000	300,000	300,000
Working liabilities	84,116	77,669	73,499	57,671	46,780	41,436
Accrd. liabilities not due	2,676	2,818	2,917	2,917	2,917	2,917
Deferred credit items...	92	265	.....	.....	1,446	11
Appropriated surplus ..	5,251	5,097	4,792	4,792	.....	.....
Total	$592,135	$485,849	$481,208	$465,380	$451,143	$444,364

Bonded Debt: (1) $100,000 Bath & Hammondsport R.R. first 5s; dated June 1, 1889; due June 1, 1919; int. paid June and Dec. 1 at 50 Church Street, New York. Coupon, $1,000. First lien on 10 miles, Bath to Hammondsport at $10,000 per mile. Rating, B.

(2) $200,000 Bath & Hammondsport R.R. second 5s; dated April 1, 1893; due April 1, 1923; int. paid April and Oct. 1 at 50 Church St., New York. Coupon, $1,000. Follows No. 1 on same property at $20,000 per mile. Rating, Ca.

Capital Stock: Auth. and outstanding, $100,000; par $100. Majority owned by Erie R.R. interests. No dividends. TRANSFER AGENT, David Bosman, 50 Church Street, New York.

NEW JERSEY AND NEW YORK RAILROAD

Origin: Incorporated under laws of New York and New Jersey April 3, 1880. In 1886 the Hackensack R.R. was merged. Line of road: New Jersey & New York Junc. to Nanuet Junc., 20.63 miles; Spring Valley to Garnerville, 8.54 miles; New City Junc. to New City, N. Y., 4.39 miles; connections to Stony Point, 1.04 miles; trackage and leased mileage, 9.89 miles; total operated, 47.76 miles. Second track, 18.64 miles. Sidings, 10.52 miles. Controlled since 1896 by Erie R.R. but separately operated. Equipment: Locomotives, 16; cars, 44.

Management: OFFICERS: F. D. Underwood, Pres.; G. F. Brownell and G. A. Richardson, Vice-Pres.; David Bosman, Vice-Pres. and Sec.; D. W. Bigoney, Treas.; C. P. Crawford, Compt.; F. A. Clark, Auditor. DIRECTORS: R. W. DeForest, H. W. DeForest, C. S. Goldsborough, G. N. Orcutt, David Bosman, W. C. Hooker, D. W. Cook, H. P. Davison, A. J. Stone, F. D. Underwood, G. F. Brownell. Annual meeting, first Monday in May. OFFICE, 50 Church Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$879,156	$845,394	$846.902	$844,244	$805,006	$755,099	$692,624
Operating expenses	636,143	625,604	665,006	558,562	525,424	475,068	441,855
Net revenues	$243,013	$219,790	$181,896	$285,682	$279,582	$280,031	$250,769
Other income	29,151	30,362	3,534	2,527	4,311	3,863	2,982
Total net income	$272,164	$250,152	$182,435	$258,209	$283,893	$283,894	$253,751
Charges*	300,262	315,035	353,064	290,442	250,137	252,904	230,014
Balance	†28,098	†64,833	†170,629	†32,233	33,766	30,990	23,737

* Include appropriations for additions and improvements. † Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $88; debit balance carried to balance sheet, $195,312; total, $195,400. Contra: Debit balance at beginning of year, $159,279; debit balance transferred from income, $28,098; loss on retired road and equipment, $8,023; total, $195,400.

Bonded Debt: (1) $394,000 New Jersey & New York R.R. 1st 5s; dated April 30, 1880; due April 30, 1910; extended to May 1, 1950; int. paid May and Nov. 1 at Erie R.R. office New York. Coupon, $500 and $1,000. First lien on all roads owned, 34.5 miles. Interest paid without deduction for normal income tax. Rating, Baa.

(2) $960 New Jersey & New York R.R. 2d 5s; dated Nov. 27. 1885; due Nov. 27, 1985; int. paid Jan. and July 1 at 50 Church St., New York. Reg., $100 and $500. Auth., $100,000, of which $97,000 are pledged under No. 3. Follows No. 1 on same property. Normal income tax deducted from interest.

(3) $631,000 New Jersey & New York R.R. gen. 5s; dated Dec. 31, 1892; due Dec. 31, 1932; int. paid Jan. and July 1 at 50 Church St., New York. Coupon, $500 and $1,000. Auth., $1,200,000. Callable at 105. Follows Nos. 1 and 2 on same property. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Auth., $800,000 preferred and $2,000,000 common; outstanding $787,800 preferred and $1,440,800 common; par $100. Erie R.R. owns a majority of total issue. No dividends.

Other Companies Controlled: In addition to the foregoing the Erie R.R. controls a number of other small companies which maintain separate organizations, but which are practically all directly operated. These include: Buffalo, Bradford & Pittsbugh R.R., Elmira State Line R R., Middletown & Crawford R.R., New York & Greenwood Lake Ry., Nyack & Southern R.R., Westerman R.R., Columbus & Erie R.R., Erie & Wyoming Valley R.R., Genesee River R.R. Nearly all the securities of these smaller companies are owned by the Erie R.R.

NEW YORK, SUSQUEHANNA & WESTERN RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Successor by consolidation in 1893 of old New York, Susquehanna & Western Railroad and Hudson River Railroad & Terminal Company. Controls the New York, Susq. & Western Coal Co., and the New York & Wilkesbarre Coal Co.

Location: Main lines extend from Jersey City to Stroudsburg, Pa., with branches. Mileage is classified as follows: Jersey City to Stroudsburg, Pa., 99 miles; Beaverlake. N. J., to Unionville, 21 miles; Wilkesbarre & Eastern Ry., 77 miles; Susquehanna Connecting R.R., 8 miles; smaller branches. 24 miles; trackage. 8 miles; total operated, 225 miles. Mileage mainly in New Jersey and Pennsylvania. Population of these States in 1890, 6,702,947; 1900, 8,185,784; 1910, 10,202,278. Tonnage mainly anthracite coal, this commodity representing two-thirds of freight business.

Control: The Erie Railroad owns $25,599.002 out of $26,000,000 capital stock of the New York, Susquehanna & Western R.R. About one-half of this stock is deposited under the Erie R.R.-Pennsylvania Coal collateral mortgage.

Management: OFFICERS: F. D. Underwood. Pres.; G. F. Brownell, Vice-Pres.; G. A. Richardson, Vice-Pres.; David Bosman, Vice-Pres. and Sec.; D. W. Cooke, Vice-Pres.; A. J. Stone, Vice-Pres.; G. N. Orcutt, Vice-Pres.; C. P. Crawford, Compt.; D. W. Bigoney, Treas. DIRECTORS: G. F. Baker, G. F. Brownell, E. J. Berwind, G. A. Richardson, F. L. Stetson, F. D. Underwood, A. J. Stone, Gates W. McGarrah, David Bosman, D. W. Cooke, C. S. Goldsborough, W. P. Hamilton, G. N. Orcutt. MAIN OFFICE, 50 Church Street, New York.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	5.21%	3.56%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	.32	.45
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	75.68	75.70
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	1.71	1.70
Manufactures	.....	.....	.....	.....	.....	.....	.....	.....	9.43	10.58
Merchandise	.....	.....	.....	.....	.....	.....	.....	.....	7.65	8.01

Total revenue tonnage: 1914, 5,855,811 tons; 1915, 5,568,171 tons; 1916, 6,192,688 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	238	26	92	86	1,775	78%	224,978	654,533	222	$2.34	1.02c	1.53c
1908	236	26	93	86	1,500	78	*	.....	.....	.....	1.05	1.00
1909	236	26	93	86	1,189	81	*	.....	.....	.....	1.05	1.56
1910	236	26	98	108	798	76	*	.....	.....	.....	1.05	1.04
1911	236	26	101	104	761	80	*	.....	.....	.....	1.09	1.05
1912	239	30	97	108	1,741	75	*	*	*	*	1.14	1.21
1913	239	30	99	105	1,739	74	*	*	*	*	1.16	1.22
1914	225	30	95	97	1,945	72	211,710	838,284	398	2.55	1.15	1.13
1915	225	30	83	99	1,888	73	202,836	793,805	460	2.98	1.16	1.29
1916	225	30	90	100	1,890	71	235,930	841,913	472	3.24	1.18	1.32
10-Year Average	234	28	94	98	1,523	76%	218,864 †	882,134 †	388 †	$2.78 †	1.10c	1.24c

* Figures not reported. † 4-year average.

Yard tracks and sidings, Dec. 31, 1915, 128 miles. Since 1907, no tonnage or train-mile figures have been published in the company's reports, and the above exhibit is necessarily incomplete. Mileage given to Interstate Commerce Commission as "road operated" is 140.14 miles. The figures 225 are taken from the 23d report to stockholders, Dec. 31, 1915.

Comment: During the year ended June 30, 1916, there was substantial improvement in the freight and passenger density of the New York, Susquehanna & Western, and the freight train load was also improved. Train mile earnings reached a new high figure, being helped to some extent by better average freight and passenger rates. As usual this company depended very largely upon the transportation of mining products for its tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$12,781	$1,428	$1,585	$3,013	$5,211	$1,560	$4,700	$612	$4,088	$4,075	.....	$13	.....
1908	13,850	2,554	1,981	4,535	5,829	3,484	3,722	241	3,481	3,834	.....	353*	.....
1909	13,417	1,661	1,501	3,162	5,173	5,082	5,415	629	4,786	4,277	11%	509	.....
1910	14,220	1,798	1,521	3,322	5,578	5,320	5,875	614	5,266	4,457	15	804	.....
1911	16,891	1,703	1,506	3,209	7,231	6,451	7,116	630	6,486	4,214	35	2,272	.....
1912	15,239	1,632	1,493	3,125	6,861	5,253	6,002	877	5,125	4,401	14	724	.....
1913	15,021	1,663	1,795	3,458	6,519	5,044	5,719	741	4,978	4,107	18	871	.....
1914	16,617	1,837	2,063	3,900	7,219	5,498	6,697	701	5,996	4,972	17	1,024	.....
1915	14,043	1,323	1,635	2,958	6,486	4,599	5,525	374	5,151	3,812	26	1,339	.....
1916	15,719	1,204	1,709	2,913	7,812	4,994	6,504	719	5,785	3,872	33	1,913	.....
10-Year Average	$14,770	$1,680	$1,680	$3,360	$6,381	$5,029	$5,727	$614	$5,113	$4,202	17%	$911	.....

Note: Margin of safety is the proportion of surplus left over after deducting all fixed charges. For example, in 1916, the "balance for charges" (per mile) was $5,785; fixed charges consumed 67%, or $3,872, leaving as a surplus $1,913, a "margin of safety" of 33%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,536,722	$3,147,888	$3,738,889	$3,787,146	$3,673,270	$3,876,678	$3,474,360
Maintenance of way	270,835	297,666	413,288	397,512	390,058	402,071	424,394
Maintenance of equipment	384.570	367,849	464,145	428,999	356,797	355,410	359,595
All other operating expenses	1,757,596	1,459,324	1,624,354	1,773,104	1,670,965	1,598,380	1,313,517
Net operating revenues	$1,123,721	$1,023,049	$1,237,102	$1,187,531	$1,255,450	$1,520,817	$1,376,854
Operating ratio	68.2%	67.3%	66.9%	68.6%	65.8%	60.8%	64.9%
Other income	339,696	220,100	269,707	179,199	179,070	156,874	130,938
Total net income	$1,463,417	$1,243,149	$1,506,809	$1,366,730	$1,434,520	$1,677,691	$1,504,792
Taxes accrued	161,857	84,104	157,624	177,051	209,576	148,755	144,966
Balance for charges	$1,301.560	$1,159.045	$1,349,185	$1,189,679	$1,224,944	$1,528,936	$1,359,826
Fixed charges	871,246	857,761	1,118,802	982,023	1,052,050	994,400	1,170,074
Appropriations for imp., etc	159,107	.....	.....	.....	.....	.....	.....
Surplus over charges	$271,206	$301,284	$230,383	$207,656	$172,894	$534,536	$189,752

Note: The above figures for 1915 and 1916 are those filed with the Interstate Commerce Commission for the year ended June 30. The fiscal year ends Dec. 31.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,188,581; credit balance transferred from income account, $271,206; unrefundable overcharges, $85; miscellaneous credits, $590; total, $1,460,462. Contra: Loss on retired road and equipment, $24,853; miscellaneous debits, $11,683; credit balance carried to balance sheet, $1,423,926; total, $1,460,462.

Comment: Both gross and net revenues underwent substantial improvement on this property during the year ended June 30, 1916. The surplus available for fixed charges was much higher than in 1915, but moderately below the results of 1914. After payments of fixed charges and other appropriations the surplus was substantial.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$109,244	63%	$65,601	37%	$1,886	$176,731	$6,580	$170,151	2.8%	.....	.....	.....	.....	.....	.....
1908	110,169	62	66,157	38	1,898	178,224	6,594	171,630	2.2	.....	.....	.....	.....	.....	.....
1909	110,169	62	66,157	38	1,700	178,026	6,594	171,432	3.2	.....	.....	.....	.....	.....	.....
1910	110,169	62	65,415	38	1,616	177,200	20,120	157,080	3.6	.....	.....	.....	.....	.....	.....
1911	110,169	62	65,879	38	980	177,028	20,108	156,920	4.1	.....	.....	.....	.....	.....	.....
1912	108,700	61	68,235	39	2,088	179,023	20,480	158,543	4	.....	.....	.....	.....	.....	.....
1913	108,700	62	67,420	38	2,229	178,349	18,304	160,045	3.6	.....	.....	.....	.....	.....	.....
1914	117,970	66	59,629	34	1,086	178,685	19,166	159,519	3.6	.....	.....	.....	.....	.....	.....
1915	115,554	66	59,082	34	449	175,085	19,931	155,154	3.7	.....	.....	.....	.....	.....	.....
1916	115,555	66	58,540	34	590	174,685	21,839	152,846	4.3	.....	.....	.....	.....	.....	.....
10-Year Average	$111,640	63%	$64,211	37%	$1,452	$177,303	$15,971	$161,332	3.6%	.....	.....	.....	.....	.....	.....

Note: Above table is based on the average mileage directly operated, for each year.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$41,024,073	$40,480,247	$43,086,223	$42,677,487	$43,054,184	$41,877,890
Working assets	890,058	1,295,474	1,173,665	1,423,858	1,376,405	1,712,476
Deferred debit items	210,822	.....	947,978	957,912	956,239	954,008
Accrued income not due	5,341	1,343	.....	.....	.....	.....
Total	$42,130,294	$41,777,064	$45,207,866	$45,059,257	$45,386,828	$44,544,374
Liabilities:						
Capital stock	$26,000,000	$26,000,000	$25,000,000	$26,000,000	$26,000,000	$26,000,000
Funded debt	13,171,500	13,294.500	16,416,500	16,113,500	16,188,000	15,433,000
Working liabilities	716,900	626,878	625,888	633,278	589,133	643,404
Accrued liabilities not due	58,451	68,952	150,050	148,358	149,810	135,561
Deferred credit items	30.164	29.451	552,912	556,573	561,032	560,711
Appropriated surplus	729,353	568,702	514.948	478 030	389,357	300,049
Profit and loss surplus	1,423,926	1,188,581	947,568	1,129,518	1,509,496	1,471,649
Total	$42,130,294	$41,777,064	$45,207,866	$45,059,257	$45,386,828	$44,544,374

Note: Balance sheet as above for 1915 and 1916 does not include Wilkesbarre & Eastern.

Comment: There were no capitalization changes on this property during the year ended June 30, 1916. As measured on the mileage basis it will be noted that the capitalization of this property is very high and the earning power being relatively light, the capital is carried with some difficulty.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Midland R. R. of N. J. first 5s extended	A&O	Ap 1940	(1st) 72	$48,620	$5,113	$777	85%	Very high	High	Aaa.
2. Paterson Ext. R. R. first 5s	J&D	Je 1950	(1st) Term.	.....	4,336	44	80%	High	"	A.
3. N. Y. Susq. & W. first ref. 5s	J&J	Ja 1937	(1st) 65 (2d) 72	27,335		832	80%	"	"	A.
4. N. Y. S. & W. Term. first 5s	M&N	My 1943	(1st) Term.	.....	3,460	440	87%	"	"	Aa.
5. N. Y. Susq. & W. second 4½s	F&A	F 1937	(gen) 137	3,300		90	33%	Good	Fair	Ba.
6. N. Y. Susq. & W. general 5s	F&A	Ag 1940	(gen) 137	18,000		567	33%	Fair	Good	B.
7. Wilkes-Barre & East. first 5s	J&D	Je 1942	(1st) 65	46,158	3,020	666	33%	"	Fair	Ba.
8. Passaic & N. Y. first 5s	J&D	D 1940	(1st) 3	23,333		15	33%	Good	"	Ba.
9. Equip. notes 4½s and 5s	F&A	(see text)	Equip.	(see text)		247	33%	"	"	A.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relatives position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,500,000; outstanding, $3,488,500. Dated April 1, 1880; due April 1, 1940. Extended in 1910 to 1940 at 5%; formerly 6%, maturing April, 1910. Int. paid at 50 Church St., New York. Coupon, $500 and $1,000. Assumed by New York, Susquehanna & Western R.R. First lien on 71.6 miles from Marion to Unionville, N. Y. Underlie Nos. 3, 5 and 6. Legal for Savings Banks in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $250,000; outstanding, $200,000 (closed). Dated June 1, 1881; due June 1, 1950. Extended in 1910 to 1950 at 5%; formerly 6%, maturing June, 1910. Int. paid at 50 Church St., New York. Coupon, $1,000. Assumed by New York, Susquehanna & Western R. R. First lien on 0.75 mile from Broadway to Straight St., Paterson, N. J. Underlie Nos. 3, 5 and 6. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

3. Auth., $3,750,000; outstanding, $3,745,000 (closed). Dated Jan. 1, 1887; due Jan. 1, 1937. Int. paid at 50 Church St., New York. Coupon, $1,000. First lien on 64.69 miles from Two Bridges to Gravel Place, Pa., and branches; second lien on 72.35 miles, as follows: on 71.60 miles following No. 1; second lien on 0.75 mile, following No. 2. Underlie Nos. 5 and 6. Listed on New York Stock Exchange. Normal income tax deducted from interest.

4. Auth. and outstanding, $2,000,000. Dated May 1, 1893; due May 1, 1943. Int. paid at 50 Church St., New York. Coupon, $1,000; reg., $5,000. First lien on 3 miles from Little Ferry to Edgewater, N. J.; first lien on 62 acres of terminal property fronting on the Hudson River and tunnel under the Palisades. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth., $1,000,000; outstanding, $447,000 (closed). Dated Feb. 1, 1887; due Feb. 1, 1937. Int. paid at 50 Church St., New York. Coupon, $1,000. Second lien on 64.69 miles, following No. 3; third lien on 72.35 miles, following No. 3. Underlies No. 6, which provides for retirement. Listed on New York Stock Exchange. Normal income tax deducted from interest.

6. Auth., $3,000,000; outstanding, $2,552,000; reserved to retire No. 5, $447,000; in treasury, $1,000. Dated Aug. 1, 1890; due Aug. 1, 1940. Int. paid at 50 Church St., New York. Coupon, $1,000. Third lien on 64.69 miles, following No. 5; fourth lien on 72.35 miles, following No. 5. Listed on New York Stock Exchange. Normal income tax deducted from interest.

7. Auth. and outstanding, $3,000,000. Dated June 1, 1892; due June 1, 1942. Int. paid at 50 Church St., New York. Coupon, $1,000. Guar. prin. and int. by New York, Susquehanna & Western R.R., by endorsement. First lien on 65.15 miles from Stroudsburg to Wilkes-Barre, Pa., and branch. Legal for S. B. in Maine. Listed on New York Stock Exchange. Normal income tax deducted from interest.

8. Outstanding, $70,000. Dated Dec. 1, 1885; due Dec. 1, 1940. Int. paid at 50 Church St., New York. Coupon, $500. Guar. as to int. by N. Y. S. & W. R.R., which owns all the capital stock of this company and operates the road. First lien, 3 miles, Passaic to Passaic Junc., N. J. Interest paid without deduction for normal income tax.

9. Series A, 4½s; auth., $800,000; outstanding, $400,000. Dated Aug. 1, 1911; due $40,000 each Feb. and Aug. to Aug. 1, 1921. Int. paid at Commercial Trust Co., Philadelphia. Coupon, $1.000. Guar. prin. and int. by New York, Susquehanna & Western R. R. by endorsement. Secured by an equipment lease covering 1,000 self-clearing 50-ton steel hopper cars, built by the Standard Steel Car Co. The railroad company to make cash payments aggregating $245,850 in part payment for the equipment these certificates being issued for the balance. Title to equipment to remain in name of trustee (Commercial Trust Co., Phila.) until final payment is made. Series B, 5s; auth., $425,000; outstanding, $278,000. Dated May 1, 1913; due $21,000 each May and Nov. to Nov. 1, 1920; thereafter $22,000 each May and Nov. to May 1, 1923. Int. paid at Phila. Trust. Safe Dep. & Ins. Co., Phila., Pa. Guar. prin. and int. by N. Y. S. & W. R.R. by endorsement. First lien on 500 steel underframe box cars costing $541.620, on which the company paid $116,620 in cash. Title does not pass to company until these certificates are paid. Coupon, $1.000. Interest paid without deduction for normal income tax. Series C, 4½s; auth., $550,000; outstanding, $522,000. Dated July 1, 1916; due $28,000 each Jan. 1 and July 1 to July 1, 1926. Int. paid Jan. and July 1 at Philadelphia Trust Co., Phila. Coupon, $1,000. First lien on 500 steel hopper cars, costing $695,080, of which the company paid $145,080 in cash. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $13,900,000 5 per cent. non-cumulative preferred and $13,000,000 common; par $100. Nearly all owned by Erie Railroad Company. Last dividend paid on preferred, 1¼ per cent. in November, 1893.

FLORIDA EAST COAST RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Sept. 13, 1895, under Florida laws as successor to the Jacksonville, St. Augustine & Indian River R.R. In 1899 the company acquired a division of the Tampa & Key West Ry. and the Jacksonville & Atlantic Ry. Extensions have been under construction for many years, along the East coast of Florida.

Location: The operated lines consist of 744.89 miles, as follows: Main line from Jacksonville to Key West, 522.22 miles; branches, 217.02 miles; trackage rights, 5.65 miles. From Key West the company operates car-ferries to Havana. Mileage all in Florida. Population of Florida in 1890, 391,422; in 1900, 528,542; in 1910, 751,139.

Management: OFFICERS: W. H. Beardsley, Pres.; J. E. Ingraham, Vice-Pres.; J. P. Beckwith, Vice-Pres.; Wm. R. Kenan, Jr., Vice-Pres.; L. C. Haines, Treas.; J. C. Salter, Sec. DIRECTORS: R. W. Parsons, Wm. A. Blount, J. E. Ingraham, Wm. R. Kenan, Jr., J. P. Beckwith, W. H. Beardsley, Geo. W. Perkins, J. C. Salter, L. C. Haines. MAIN OFFICE, St. Augustine, Fla. NEW YORK OFFICE, 26 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	22.57%	22.37%	19.51%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	12.59	13.46	11.18
Products of Mines	.....	.....	.....	.....	.....	.....	.....	20.71	14.48	19.80
Products of Forests	.....	.....	.....	.....	.....	.....	.....	22.73	21.01	20.71
Manufactures and Mdse	.....	.....	.....	.....	.....	.....	.....	21.40	26.68	28.80

Total revenue tonnage in 1914, 910,829 tons; in 1915, 886,370 tons; in 1916, 1,216,524 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	....	....	....	....	.....	....	.....	.....	....	.....	.....	.....
1908	....	....	....	....	.....	....	.....	.....	....	.....	.....	.....
1909	583	....	73	98	1,396	50%	71,951	150,059	128	$2.01	3.02c	1.95c
1910	583	....	79	98	1,494	52	79,726	163,179	128	2.16	2.68	2.00
1911	583	....	81	98	1,503	51	103,553	207,402	140	2.25	2.49	1.78
1912	642	....	96	112	1,706	48	98,792	195,715	134	2.12	2.76	1.77
1913	642	....	100	109	1,735	49	107,792	222,907	133	2.13	2.77	1.71
1914	686	....	119	112	2,040	48	110,928	218,021	136	2.30	2.73	1.74
1915	745	....	122	113	2,203	50	93,142	219,738	143	2.34	2.75	1.67
1916	745	....	119	115	2,158	48	98,924	381,096	232	2.49	2.76	1.22
8-Year Average	651	....	99	107	1,779	50%	95,601	219,765	147	$2.23	2.75c	1.73c

Yard tracks and sidings, June 30, 1916, 155.48 miles.

Comment: During the fiscal year 1916, the Florida East Coast Railway reported a very decided increase in its volume of freight business and advanced its average freight train load to a relatively heavy figure. While average freight rates tended to decline it will be noted that train mile earnings were well above the figures reported for the previous year. As has always been the case the freight tonnage on this property was unusually well diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$5,160	.....	.....	.....	.....	$1,066	$1,066	$226	$840	$904	.....	$64*	.....
1909	5,792	$729	$781	$1,510	$2,203	2,079	2,079	236	1,843	1,557	15%	286	.....
1910	6,325	768	831	1,599	2,185	2,541	2,545	283	2,262	2,060	9	202	.....
1911	7,172	882	994	1,876	2,590	2,706	2,743	298	2,445	2,293	6	152	.....
1912	7,314	1,083	916	1,999	3,275	2,040	2,040	291	1,749	1,669	5	80	.....
1913	7,822	1,201	1,101	2,302	3,235	2,285	2,285	334	1,951	1,888	3	63	.....
1914	7,796	1,264	1,074	2,338	2,988	2,470	2,505	349	2,156	1,986	8	170	.....
1915	7,401	936	910	1,846	2,742	2,813	2,884	317	2,567	2,281	11	286	.....
1916	9,670	1,081	1,067	2,148	3,215	4,307	4,525	439	4,086	2,902	29	1,184	.....
9-Year Average	$7,161	$993†	$959†	$1,952†	$2,804†	$2,479	$2,519	$308	$2,211	$1,949	10%	$262	.....

* Deficit. †Eight-year average.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$7,203,858	$5,512,619	$5,334,653	$5,021,795	$4,432,303	$4,183,384	$3,687,434
Maintenance of way	805,011	697,683	866,799	770,841	695,835	514,242	447,731
Maintenance of equipment	795,253	678,192	736,909	706,791	588,595	579,329	484,240
All other operating expenses	2,395,322	2,042,656	2,049,513	2,076,972	1,838,019	1,512,246	1,273,842
Net operating revenues	$3,208,272	$2,094,088	$1,681,432	$1,467,191	$1,309,854	$1,577,567	$1,481,621
Operating ratio	55%	62%	68.5%	70.8%	70.4%	62.3%	60%
Other income	163,210	54,626	36,931	.....	.....	.....	8,592
Total net income	$3,371,482	$2,148,714	$1,718,363	$1,467,191	$1,309,854	$1,577,567	$1,490,213
Taxes accrued	326,855	236,090	239,717	214,519	186,561	173,641	164,775
Balance for charges	$3,044,627	$1,912,624	$1,478,646	$1,252,672	$1,123,293	$1,403,926	$1,325,438
Fixed charges	2,161,738	1,699,305	1,362,431	1,212,241	1,072,073	1,336,797	1,211,453
Surplus over charges	$882,889	$213,319	$116,215	$40,431	$51,220	$67,130	$113,925

Note: Fixed charges, as shown above, included in 1916, $1,250,000, in 1915, $1,000,000, and in 1914, $625,000 interest on the gen. mtg. income bonds as well as rentals, hire of equipment and interest on first mortgage bonds.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $221,900; balance transferred from income account, $882,889; delayed income credit, $45,000; donations, $13,993; miscellaneous credits, $8,639. Contra: Surplus appropriated for property, $13.993; loss on retired road and equipment, $79,142; miscellaneous debits, $29,237; credit balance at close of year, $1,050,049.

Comment: The income account of this property for the year ended June 30, 1916 was a very satisfactory one. It will be noted that both gross and net revenues increased very radically, while the outside income also underwent substantial improvement. The company had no difficulty in taking care of its enlarged fixed charges, after which it carried forward an unusually heavy surplus. Since the close of the fiscal year earnings have continued to show satisfactory results.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
									Preferred Dividend.		Common Dividend.			
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Amt. per Mile.	Rate.	Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....		.....		.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$1,715	7%	$22,712	93%	.....	$24,457	$1,340	$20,117	5.3%	.....	.....	.....	.....	.....	.....
1909	1,715	3	51,460	97	.....	53,175	4,340	48,835	4.3	.....	.....	.....	.....	.....	.....
1910	5,146	9	51,460	91	Nom.	56,606	.....	56,606	4.5	.....	.....	.....	.....	.....	.....
1911	8,205	14	51,460	86	.....	59,665	955	58,710	4.7	.....	.....	.....	.....	.....	.....
1912	7,782	14	48,290	86	.....	56,072	868	55,204	3.7	.....	.....	.....	.....	.....	.....
1913	7,782	14	48,290	86	.....	56,072	868	55,204	4.1	.....	.....	.....	.....	.....	.....
1914	14,577	21	54,519	79	.....	69,096	901	68,192	3.7	.....	.....	.....	.....	.....	.....
1915	13,423	21	50,134	79	.....	63,557	841	62,716	4.6	.....	.....	.....	.....	.....	.....
1916	13,423	21	50,067	79	.....	63,490	840	62,650	7.2	.....	.....	.....	.....	.....	.....
9-Year Average	$8,197	15%	$47,602	86%	.....	$55,799	$1,551	$54,248	4.6%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$48,525,433	$47,987,801	$46,746,750	$42,731,310	$40,052,237	$32,498,289
Working assets	2,920,202	2,063,253	2,070,302	2,188,754	2,181,272	2,577,946
Deferred debit items	2,118,003	1,442,463	574,969	697,921	331,679	3,283,037
Profit and loss deficit	.....	.....	.....	88,958	131,079	179,889
Total	$53,563,638	$51,493,517	$49,392,021	$45,706,943	$42,696,267	$38,539,161
Liabilities:						
Capital stock	$10,000,000	$10,000,000	$10,000,000	$5,000,000	$5,000,000	$5,000,000
Funded debt	37,300,000	37,350,000	37,400,000	31,000,000	31,000,000	30,000,000
Working liabilities	3,705,882	2,707,113	1,674,373	9,503,098	6,026,050	3,373,296
Accrd. liabilities not due	1,433,942	1,159,078	165,246	148,899	634,254	128,712
Deferred credit items	59,772	55,426	142,872	54,946	35,963	37,153
Appropriated surplus	13,993	.....	.....	.....	.....	.....
Profit and loss surplus	1,050,049	221,900	9,530	.....	.....	.....
Total	$53,563,638	$51,493,517	$49,392,021	$45,706,943	$42,696,267	$38,539,161

Comment: There were practically no capitalization changes on this property during the year ended June 30, 1916. As measured on the mileage basis the capitalization looks a little high, but it will be noted that the stable progress in earning power makes it progressively easier for this company to carry the capitalization. The net income on net capital was 7.2%, which is by far the best figure ever reported.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Florida East Coast first 4½s.	J&D	Je 1959	(1st) 690	$17,400	$2,211	$725	67%	High	Good	Aa.
2. Florida East Coast gen. inc. 5s	Nov. 1	Jl 1959	(2d) 690	(see text)	1,486	1,677*	.....	Fair	Fair	Ba.
3. Florida East Coast equip. 5s.	M&N	1917–22	(see text)			20	.....	High	Good	A.

*5% per annum.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $12,000,000. Dated June 1, 1909; due June 1, 1959. Int. paid at Bankers Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000. First lien on 690.13 miles as follows: From Jacksonville to Key West, Fla., 522 miles; Mayport to South Jacksonville, Fla., 24.14 miles; Titusville to Enterprise, Fla., 35.26 miles; New Smyrna to Orange City Junc., 27.42 miles; Maytown to Kenonsville, 73.50, and 7.81 miles of branches; also upon entire equipment of the company. Also upon the following securities: $12,500 out of $25,000 capital stock of the Atlantic & East Coast Terminal Ry., and on $49,800 out of $200,000 capital stock of the Jacksonville Terminal Co. Underlie No. 2. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $25,000,000. Dated July 1, 1909; due July 1, 1959. Int. paid annually if earned. Int. is non-cumulative, and only from available net earnings above interest requirements on No. 1. Nov. 1, 1910, 3½% was paid; Nov. 1, 1911, 4%; Nov. 1, 1912, 2½%; Nov. 1, 1913, 2½%; Nov. 1, 1914, 2½%; Nov. 1, 1915, 4%; Nov. 1, 1916, 5%. Second lien on 690.13 miles, following No. 1. Interest paid without deduction for normal income tax. Entire issue owned by estate of Henry M. Flagler.

3. Auth., $400,000; outstanding, $300,000. Dated April 27, 1914; due $50,000 annually on May 1 to 1922. Int. paid at United States Mortgage & Trust Co., New York. Coupon, $1,000. Secured on 500 box cars of an original cost of over $450,000. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $10,000,000; par $100. The original stock issue of $5,000,000 was all issued for cash at par, and is held by estate of Henry M. Flagler.

FONDA, JOHNSTOWN & GLOVERSVILLE RAILROAD COMPANY

Notes The analysis is based on official documents of the company, including its annual report of the past eight years. For Definitions and Key to to Ratings, see pages 19-26.

Origin: Incorporated under New York laws, Jan. 17, 1867, and for many years operated lines between Fonda, Gloversville, Schenectady, etc. In 1903, acquired the Cayadutta Electric R.R. and the Amsterdam Street R.R. Co.; also the Johnstown, Gloversville & Kingsboro Horse R.R. Now owns a two-thirds interest in the Adirondack Lakes Traction Co., and the entire capital stocks of the Coal Co.of Fulton county and the Edison Electric Light & Power Co. of Amsterdam. The Gloversville & Broadalbin R.R. is leased for 999 years, its debt being guaranteed.

Location: Mileage operated consists of 88.45 miles, of which 31.62 miles are steam, and the balance electric power. The total track, including yard tracks and sidings, is 124.72 miles. The lines extend from Fonda to Northville, 25.47 miles; Gloversville to Schenectady, 32.26 miles; Gloversville to Fonda, 8.70 miles; Gloversville to Johnstown, 4.08 miles; Broadalbin Junc. to Broadalbin, 6.15 miles; also local lines in Gloversville, Amsterdam, etc.

Management: Officers: J. Ledlie Hees, Pres.; Gustav Levor and John G. Ferres, Vice-Pres.; Frank Burton, Sec.; Lyman K. Brown, Treas. Directors: J. Ledlie Hees, Gustav Levor, John G. Ferres, James P. Argersinger, Frank Burton, Zenas B. Whitney, Alvah J. Zimmer, William Harris, John Barnes, Jacob S. Friedman, E. C. Decker, G. C. Potter, J. R. Blood. Annual meeting, third Wednesday in January. Main Office, Gloversville, N. Y.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	9.5%	6.6%	11.1%	10.5%	9.67%	9.50%	8.7%
Products of Animals	.....	.....	.....	8.0	6.6	7.7	7.5	8.09	6.71	10.6
Products of Mines	.....	.....	.....	46.7	49.5	46.7	50.6	48.78	52.80	50.2
Products of Forests	.....	.....	.....	2.0	3.6	2.9	2.8	4.21	3.94	3.8
Mfctrs. and Miscel	.....	.....	.....	33.8	33.7	31.6	28.6	29.25	27.05	26.7

Total revenue tonnage, 1910, 260,162 tons; 1911, 290,569 tons; 1912, 279,423 tons; 1913, 299,189 tons; 292,052 tons in 1914; 263,351 tons in 1915; 294,081 tons in 1916.

Note: The statistics given in the company's annual reports are not adequate for presenting a complete and uniform statement of the company's physical factors, such as density, train-load, etc.; and as the lines are in large part operated by electric power, a statement of this nature, in comparison with other steam railroads, would not be of great value. The figures are therefore omitted. The equipment of the company on June 30, 1916, was as follows: Locomotives, 7; passenger cars, 90; freight cars, 42. The passenger density in 1916 was 403,318, as compared with 370,122 in 1915, 414,378 in 1914, 413,136 in 1913; 388,378 in 1912; 392,668 in 1911 and 375,783 in 1910.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$9,333	$737	$511	$1,248	$3,264	$4,821	$5,178	$419	$4,759	$4,278	10%	$481	$44
1910	10,511	940	574	1,514	3,451	5,546	5,900	434	5,466	4,105	25	1,361	930
1911	11,266	953	585	1,538	3,729	5,999	6,416	464	5,952	4,353	27	1,599	930
1912	10,589	842	611	1,453	3,817	5,319	5,782	464	5,318	4,135	22	1,183	909
1913	11,231	1,072	640	1,712	3,948	5,571	5,850	544	5,306	4,237	20	1,069	909
1914	11,089	976	628	1,604	3,955	5,530	5,825	510	5,315	4,273	20	1,042	337
1915	9,940	853	597	1,450	3,858	4,632	4,924	449	4,475	4,324	3	151	341
1916	10,840	1,031	652	1,683	3,919	5,238	5,551	507	5,044	4,432	12	612	341
8-Year Average	$10,600	$925	$600	$1,525	$3,743	$5,332	$5,678	$474	$5,204	$4,267	17%	$937	$593

Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) amounted to $5,044; fixed charges per mile required $4,432, or 88%, thus leaving $612, a "margin of safety" of 12%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$954,011	$868,745	$979,598	$980,947	$932,168	$946,366	$904,751
Maintenance of way	90,750	75,149	86,859	94,299	76,124	80,078	80,991
Maintenance of equipment	57,399	52,554	55,925	56,365	53,346	49,101	49,284
All other operating expenses	344,955	339,533	351,988	347,422	334,751	317,276	297,513
Net revenue	$460,907	$401,509	$484,826	$482,861	$467,947	$499,911	$476,963
Operating ratio	51.7%	53.8%	50.5%	50.8%	49.8%	47.2%	47.4%
Other income	27,602	31,804	33,580	31,952	38,094	35,023	30,352
Total net income	$488,509	$433,313	$518,406	$514,813	$506,041	$534,934	$507,315
Taxes accrued	44,608	39,501	45,367	47,863	40,875	39,016	36.491
Balance for charges	$443,901	$393,812	$473,039	$466,950	$465,166	$495,918	$470,824
Fixed charges	390,037	380,549	380,332	372,849	363,505	361,614	353,650
Surplus over charges	$53,864	$13,263	$92,707	$94,101	$101,661	$134,304	$117,174
Preferred dividend	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Common dividend	.....	.....	.....	50,000	50,000	50,000	50,000
Balance	$23,864	def.$16,737	$62,707	$14,101	$21,661	$54,304	$37,174
Earned on stock: Preferred	10.8%	2.7%	18.54%	18.82%	22.30%	26.86%	23.43%
Common	1.0%	.....	2.51%	2.56%	2.86%	4.13%	3.48%

Note: Fixed charges in 1916 included interest, rentals, etc. In Table B, the figures are based on 88 miles for 1915 and 1916, 89 miles for 1914, 88 miles for 1912 and 1913, and 86 miles for the earlier years.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $398,285; credit balance from income account, $23,864; miscellaneous credits, $159; total, $422,308. Contra: Credit balance carried to balance sheet, $422,308; total, $422,308.

Comment: Both gross and net earnings showed substantial improvement on the Fonda, Johnstown & Gloversville for the year ended June 30, 1916. Surplus available for charges was well in excess of the requirement and enabled the company to carry forward a final surplus substantially in excess of the preferred dividend requirement. Since the close of the fiscal year the operating results have continued to be satisfactory.

Diversified Investing

Price of the Book, $2.00 per copy net

This subject is fully covered in a small volume entitled "*How to Invest Money Wisely*," by John Moody, which we have recently published. For many years Mr. Moody has made a careful study of this subject in connection with his work as an analyst and adviser for bankers, financial institutions and investors, both at home and abroad. These principles for wisely and intelligently diversifying investment capital have been adopted within the past few years by numerous institutions and several thousand individual investors with satisfaction and profit.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$35,715	31%	$76,244	69%	$2,000	$113,959	$3,051	$110,908	4.7%	$44	*	.....	.....	.....	.....
1910	35,715	31	76,244	69	2,000	113,959	3,051	110,908	5.3	349	6%	$581	2%	.....	.....
1911	35,715	30	83,333	70	2,000	121,048	3,051	117,997	5.4	349	6	581	2	.....	.....
1912	34,091	30	79,544	70	1,955	115,590	2,996	112,594	5.1	341	6	568	2	.....	.....
1913	34,091	30	79,544	70	1,898	115,533	2,996	112,537	5.2	341	6	568	2	.....	.....
1914	33,708	30	78,651	70	1,820	114,179	2,948	111,231	5.2	337	6	.....	.....	.....	.....
1915	34,091	30	79,545	70	1,841	115,477	2,982	112,495	4.4	341	6	.....	.....	.....	.....
1916	34,091	30	79,636	70	1,841	115,568	2,981	112,587	4.9	341	6	.....	.....	.....	.....
8-Year Average	$34,652	30%	$79,093	70%	$1,919	$115,664	$3,007	$112,657	5.0%	$305	5.3%	$287	1%	.....	.....

* This represents one dividend paid for the period from May 15 to July 1, 1909, at the regular rate of 6% per annum.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ..	$10,393,576	$10,332,110	$10,378,147	$10,569,999	$10,535,374	$10,405,292
Working assets	427,770	439,268	374,917	165,769	144,787	269,987
Deferred debit items...	42,071	52,642	52,493	26,202	93,737	93,405
Totals	$10,863,417	$10,824,020	$10,805,557	$10,761,970	$10,773,919	$10,768,685
Liabilities:						
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	7,008,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Working liabilities	371,867	339,091	235,648	195,268	119,256	118,723
Accrd. liabilities not due	49,957	78,075	48,414	98,216	98,216	98,217
Deferred credit items..	11,285	8,569	4,256	12,669	31,182	17,376
Profit and loss surplus.	422,308	398,285	517,239	455,817	525,264	534,369
Totals	$10,863,417	$10,824,020	$10,805,557	$10,761,970	$10,773,919	$10,768,685

Comment: The capitalization exhibit of this company underwent no important change in the fiscal year 1916. The property is heavily capitalized as compared to its earning power, and the bonded debt represents about 70% of the capitalization. But the company has had no difficulty in carrying this capitalization, and in recent years has kept its net income on net capital up to a substantial average. While the prospect of resumption of dividends on the common stock seems remote, yet there is promise of a permanent maintenance of the preferred dividend.

TABLE D.—Bond Record and Ratings (Based on 8-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Fonda, Johns. & Gl. con (now first) 6s	A&O	Ap 1921	(1st) 25	$8,000	$5,204	$136	97%	Very high	High	**Aa.**
2. Fonda, Johns. & Gl. 1st con. ref. 4½s	J&J	Jl 1947	(2d) 25	20,000	5,068	256	95%	"	"	**Baa.**
3. Fonda, Johns. & Gl. gen. ref. 4s	J&J	Jl 1950	(3d) 25	32,000	4,812	364	92%	High	"	**Ba.**
4. Fonda, Johns. & Gl. first con. gen. ref. 4½s	M&N	N 1952	(1st) 40	79,200		2,634	35%	Fair	Fair	**Ba.**
5. Cayadutta El. Ry. first gtd. 5s	A&O	O 1922	(4th) 25 (1st) 9	39,000	4,448	200	35%	"	"	**Ba.**
6. Gloversv. & Broadalbin first 5s	F&A	Ag 1925	(1st) 6	5,000		17	35%	"	"	**Baa.**
7. Johnst'n, Gvlle. & Kings. 1st. ex. 5s	J&J	Ja 1933	(1st) 4	12,000		28	35%	"	"	**Ba.**

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the eight years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $500,000; outstanding, $200,000 (closed). Dated Apr. 1, 1881; due Apr. 1, 1921. Int. paid at Importers & Traders' Nat'l Bank, New York. Coupon, $100, $500 and $1,000. First lien, 25.47 miles, Fonda to Northville, N. Y. Underlie No. 4, which provides for retirement. Normal income tax deducted from interest. Legal for S. B. in Maine and New York.

2. Auth., $700,000; outstanding, $500,000 (closed). Dated July 1, 1897; due July 1, 1947. Int. paid at New York Trust Co. Coupon, $1,000. Second lien on 25.47 miles, following No. 1. Underlie No. 4, which provides for retirement. Interest paid without deduction for normal income tax.

3. Auth., $1,500,000; outstanding, $800,000 (closed). Dated July 1, 1900; due July 1, 1950. Int. paid at New York Trust Co. Coupon, $1,000. Third lien on 25.47 miles, following No. 2. Underlie No. 4, which provides for retirement. Interest paid without deduction for normal income tax.

4. Auth., $7,000,000; outstanding, $5,150,000; balance of $1,850,000 reserved to retire Nos. 1, 2, 3, and 5. Dated Nov. 1, 1902; due Nov. 1, 1952. Int. paid at New York Trust Co. Coupon and reg., $1,000. First lien on 39.8 miles, from Sulphur Springs June. to Schenectady including lines in Amsterdam, and fourth lien on 25.47 miles, following No. 3. Legal for Savings Banks in New York and Maine. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $350,000. Dated Oct. 1, 1892; due Oct. 1, 1922. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by Fonda, Johnstown & Gloversville R.R. First lien on 8.7 miles, Fonda to Gloversville, N. Y. Retirement provided for by No. 4. Normal income tax deducted from interest.

6. Auth. and outstanding, $30,000. Dated Aug. 1, 1895; due Aug. 1, 1925. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by Fonda, Johnstown & Gloversville R.R. First lien on 6.2 miles from Broadalbin June. to Broadalbin, N. Y. Normal income tax deducted from interest.

7. Auth. and outstanding, $50,000. Dated Jan. 1, 1893; due Jan. 1, 1913; extended at 5% to Jan. 1, 1933. Int. paid at Fulton County Nat'l Bank, Gloversville, N. Y. Coupon, $1,000. Guar. prin. and int. by Fonda, Johnstown & Gloversville R.R. First lien, 4.23 miles, Johnstown to Gloversville. Normal income tax deducted from interest.

Capital Stock: Auth., $1,000,000 6% cumulative preferred and $2,500,000 common; outstanding, all the common and $500,000 preferred; par $100. Dividends on preferred: 6% from May, 1909, to date; on common, 2% per annum from July 20, 1910-1913 inclusive. None since. Payments are now made in August. TRANSFER AGENT, Ernest J. Beach, Gloversville, N. Y.

GALVESTON, HOUSTON & HENDERSON RAILROAD COMPANY

Origin: Successor by reorganization in 1882 of original property of same name.

Location: Operates 50 miles, Houston to Virginia Point, Tex., with branch to Galveston, etc. Of total, 48.28 miles are owned, and 1.22 miles leased. The Missouri, Kansas & Texas and the International & Great Northern railways have joint trackage rights over the road until 1935, at a fixed annual rental of $65,050 each, or $130,100 in all. Of this rental, $106,100 is paid semi-annually to the trustees of the Galveston, Houston & Henderson first mortgage, for meeting the interest on the latter.

Management: OFFICERS: J. N. Wallace, Pres.; J. H. Hill, Vice-Pres., Gen. Mgr. and Treas.; J. E. O'Neill, Sec. and Aud. DIRECTORS: J. N. Wallace, E. T. Jeffery, C. E. Schaff, J. W. Daley, Frank Trumbull, J. A. Baker, Jr., A. G. Whittington. Annual meeting, first Tuesday after first Monday in April. MAIN OFFICE: Galveston, Texas.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	55.6%	57.1%	59.6%	47.3%	38.3%	48.8%	51.8%	42.8%	43.0%	49.2%
Products of Animals	3.4	2.7	2.7	7.2	31.9	.9	2.3	3.2	1.8	3.2
Products of Mines	15.2	11.5	8.2	6.0	4.0	23.3	9.3	17.2	28.1	13.1
Products of Forests	6.4	5.7	3.1	4.7	3.5	2.2	4.3	7.6	5.8	6.1
Manufactures	11.1	12.5	17.9	25.7	15.3	18.1	23.4	20.6	13.7	18.8
Merchandise and Miscel.	8.3	10.5	8.5	9.1	7.0	6.7	8.9	8.6	7.6	9.6

Total revenue tonnage, years ended June 30, 1907, 174,209 tons; 1908, 131,398 tons; 1909, 154,192 tons; 1910, 157,267 tons; 1911, 275,771 tons; 1912, 277,522 tons; 1913, 210,760 tons; 1914, 236,918 tons; 1915, 298,422 tons; 1916, 240,419 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	50	....	12	12	36	39%	162,160	157,893	353	$3.53	1.58c	2.24c
1908	50	....	12	12	35	46	161,323	106,558	188	2.12	1.70	2.69
1909	50	....	14	12	33	47	170,817	129,754	210	2.30	1.75	2.48
1910	50	....	13	12	43	46	177,217	123,277	281	2.50	1.76	2.62
1911	50	....	12	11	43	51	212,858	208,844	418	3.06	1.79	2.21
1912	50	3	12	8	48	58	163,299	207,854	278	2.81	1.63	2.30
1913	50	3	12	8	50	66	105,114	170,099	250	3.05	1.39	2.51
1914	50	6	12	8	52	69	96,281	184,488	402	3.49	1.45	2.37
1915	50	6	12	8	52	71	96,610	219,705	446	3.62	1.38	2.22
1916	50	6	12	8	52	65	97,699	193,369	276	3.18	1.46	2.26
10-Year Average	50	3	12	10	44	56%	144,341	170,184	310	$2.97	1.59c	2.43c

Yard tracks and sidings, June 30, 1916, 80.30 miles.

Comment: Business on this property has shown little tendency towards growth in recent years. Passenger density has steadily declined, continues to range at low figures. The freight rates received by the company are high, and the train mile earnings have been fairly well maintained. The freight tonnage is well diversified, but has shown little improvement in volume during the past decade.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$6,546	$538	$557	$1,095	$3,264	$2,187	$4,748	$108	$4,640	$2,830	39%	$1,810	.....
1908	6,205	816	674	1,490	3,718	997	3,824	458	3,366	2,600	23	766	.....
1909	6,868	1,213	854	2,067	3,678	1,123	4,056	499	3,557	2,410	32	1,147	.....
1910	7,026	807	587	1,394	3,550	2,082	5,347	740	4,607	2,602	44	2,005	.....
1911	9,119	876	585	1,461	4,356	3,302	6,459	707	5,752	2,847	51	2,905	.....
1912	8,239	934	629	1,563	5,093	1,583	4,918	804	4,114	3,106	25	1,008	.....
1913	6,439	558	340	898	4,165	1,376	4,678	718	3,960	2,916	30	1,044	.....
1914	6,383	516	330	846	4,227	1,310	4,559	663	3,896	3,441	12	455	.....
1915	6,899	741	294	1,035	4,070	1,794	5,058	572	4,486	3,480	22	1,006	.....
1916	6,687	962	619	1,581	4,202	904	4,214	614	3,600	3,619	...	19*	.....
10-Year Average	$7,041	$796	$547	$1,343	$4,032	$1,666	$4,786	$588	$4,198	$2,985	28%	$1,213	.....

* Deficit.

Note: Above table is based on average mileage directly operated. Margin of safety is the proportion of surplus left over after providing for fixed charges. In 1916 there was no surplus so left over. In 1915 the "balance for charges" amounted to $4,486; fixed charges consumed $3,480, or 78% of the total, leaving a surplus of $1,066, or a "margin of safety" of 22%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$334,376	$344,945	$319,146	$321,931	$411,943	$455,958	$351,286
Maintenance of way	48,119	37,026	25,787	27,895	46,699	43,797	40,343
Maintenance of equipment	30,958	14,721	16,554	17,000	31,489	29,272	29,327
All other operating expenses	210,092	203,489	211,328	208,232	254,662	217,779	177,530
Net operating revenues	$45,207	$89,709	$65,477	$68,804	$79,093	$165,110	$104,086
Operating ratio	86.5%	74%	79.5%	78.6%	80.8%	63.8%	70.3%
Other income	165,482	163,193	162,453	165,118	166,835	157,863	163,253
Total net income	$210,689	$252,902	$227,930	$233,922	$245,928	$322,973	$267,339
Taxes accrued	30,709	28,578	33,159	35,921	40,216	35,357	37,007
Balance for charges	$179,980	$224,324	$194,771	$198,001	$205,712	$287,616	$230,332
Fixed charges	180,934	174,014	172,024	145,784	155,350	142,340	130,087
Surplus over charges	(def.) $954	$50,310	$22,747	$52,217	$50,362	$145,276	$100,245
Dividends	.....	.....	.....	.....	.....	.....	.....
Other deductions	.....	.....	.....	.....	.....	.....	77,869
Balance	(def.) $954	$50,310	$22,747	$52,217	$50,362	$145,276	$22,376
Earned on stock	.....	5.03%	2.27%	5.22%	5.04%	14.53%	10.02%

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $787,917; miscellaneous credits, $134; total, $788,051. Contra: Debit balance transferred from income, $954; miscellaneous debits, $86; credit balance carried to balance sheet, $787,011; total, $788,051.

Comment: The direct operating results of the Galveston, Houston & Henderson property have become less satisfactory with each succeeding year, and the only thing that enables the company to meet its fixed charges is the fixed annual rental of the International & Great Northern and the Missouri, Kansas & Texas Railway Co. for trackage rights.

Public Utilities

If you are interested in any way in the securities of Gas, Electric Light, Electric Traction, Telephone and Telegraph or Power Companies, the "Public Utilities and Industrials" Edition of "MOODY'S ANALYSES OF INVESTMENTS" will prove indispensable. This whole field is covered in the same comprehensive and accurate way that Steam Railroads are covered in the Railroad Edition. In fact, the two volumes constitute a complete Service for the Banker and Investor. Separately, the editions sell at $15 each; in combination, they are supplied at $25, when ordered in advance.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$20,000	33%	$40,000	67%	.....	$60,000	.....	$60,000	7.9%	.....	.....	.....	.....	.....	.....
1908	20,000	33	40,000	67	.....	60,000	.....	60,000	6.4	.....	.....	.....	.....	.....	.....
1909	20,000	33	40,000	67	.....	60,000	.....	60,000	6.8	.....	.....	.....	.....	.....	.....
1910	20,000	33	40,000	67	.....	60,000	.....	60,000	8.9	.....	.....	.....	.....	.....	.....
1911	20,000	33	40,000	67	.....	60,000	.....	60,000	10.8	.....	.....	.....	.....	.....	.....
1912	20,000	33	40,000	67	.....	60,000	.....	60,000	8.2	.....	.....	.....	.....	.....	.....
1913	20,000	33	40,000	67	.....	60,000	.....	60,000	7.8	.....	.....	.....	.....	.....	.....
1914	20,000	32	42,440	68	.....	62,440	.....	62,440	7.3	.....	.....	.....	.....	.....	.....
1915	20,000	32	42,440	68	.....	62,440	.....	62,440	8.1	.....	.....	.....	.....	.....	.....
1916	20,000	32	42,440	68	.....	62,440	.....	62,440	6.7	.....	.....	.....	.....	.....	.....
10-Year Average	$20,000	33%	$40,732	67%	.....	$60,732	.....	$60,732	7.9%	.....	.....	.....	.....	.....	.....

Note: The above table is based on average mileage directly operated.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$3,741,792	$3,738,939	$3,735,312	$3,624,530	$3,502,048	$3,351,549
Working assets	220,371	227,419	238,322	390,508	335,200	383,347
Deferred debit items....	175,744	180,293	153,686	29,352	2,849	4,851
Total	$4,137,907	$4,146,651	$4,127,320	$4,044,390	$3,840,097	$3,739,747
Liabilities:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	2,122,000	2,122,000	2,122,000	2,000,000	2,000,000	2,000,000
Working liabilities	155,708	181,004	235,638	301,698	155,879	104,711
Accrd. liabilities not due	31,525	32,269	32,536	30,104	29,009	29,954
Deferred credit items..	41,663	23,461	16,756	15,260	13,599	15,865
Profit and loss surplus	787,011	787,917	720,390	697,328	641,610	589,217
Total	$4,137,907	$4,146,651	$4,127,320	$4,044,390	$3,840,097	$3,739,747

Comment: The fixed rental income of this property has enabled it to carry its relatively large interest charges without difficulty, and a considerable profit and loss surplus has been built up during recent years. But as far as its own operations are concerned, it appears to be in a stagnant position, without any particular promise for the future. An abrogation of the traffic contracts might greatly weaken the credit of the property.

TABLE D. Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Gal. Houston & Hen. first 5s.	A&O	Ap 1933	(1st) 50	$42,440	$4,198	$2,122	49%	High	Fair	Baa.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Authorized, $5,000,000; outstanding, $2,122,000; dated April 1, 1913; due April 1, 1933; interest paid at Central Trust Co., New York. Callable at 105 on 60 days' notice. Trackage contracts with the M., K. & T. Ry. of Tex., and I. & G. N. Ry., under which these companies each agree to pay a fixed annual compensation of $65,050, which covers interest charges, are pledged under these bonds. Coupon and reg., $1,000; interchangeable. Issued to provide for payment of $2,000,000 old first 5s, which matured April 1, 1913, and for improvements. Unissued balance are reserved for improvements and equipment, under restriction. First lien on entire property, including 50 miles of railroad from Houston to Galveston, and also extensive terminal at Galveston Island. Listed on New York Stock Exchange. Normal income tax deducted from interest.

Capital Stock: Outstanding, $1,000,000; par, $100. No dividends since 1905, when 4% was paid. The Missouri, Kansas & Texas Ry. owns $500,000 of the stock.

THE GREAT NORTHERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated March 1, 1856, as the Minneapolis & St. Cloud Ry. Name changed as above Sept. 18, 1889. Acquired control of St. Paul, Minneapolis & Manitoba Ry. Co. in 1890, on 999-year lease, afterwards formally absorbing this property and assuming its security obligations. From time to time acquired other lines, and now controls the Vancouver, Victoria & Eastern Ry. & Navigation Co., and the Great Northern Steamship Co., the latter operating between Seattle and Yokohama. Jointly with Northern Pacific controls the Spokane, Seattle & Portland Ry Co. Also owns the Northern Steamship Co., operating on the Great Lakes, from Buffalo to Duluth, and owns an interest in the Spokane & Inland Empire R.R. In 1916, purchased the Watertown & Sioux Falls R.R., formerly the South Dakota Central Ry. extending 103 miles from Watertown to Sioux Falls, S. D.

Location: The total operated lines of the Great Northern Railway system consisted June 30, 1916 of 8,120.06 miles, the average mileage operated for the year being 8,053. The mileage is classified as follows: Main lines directly owned and operated, 7,112.91 miles; lines owned by controlled companies and trackage rights, 1,007.15 miles. The system extends westward from Duluth, St. Paul and Minneapolis to Seattle and Vancouver, and entering Fargo, Sioux Falls, Great Falls, Helena, Butte, Everett, Spokane, Tacoma, etc. Mileage chiefly in Minnesota, North Dakota, Montana, Idaho, and Washington. Population of these States in 1890, 2,050,379; in 1900, 2,993,794; in 1910, 4,496,401.

Chicago, Burlington & Quincy Control: Jointly with the Northern Pacific Ry., the company controls the Chicago, Burlington & Quincy system, nearly all of the stock of the latter being owned, and deposited as collateral under the 4% joint mortgage of these two companies. By means of this joint control, the Great Northern lines have access into Chicago, Denver, Omaha, and Kansas City, and through the Colorado Southern lines (controlled by the C. B. & Q.) a direct line through Texas to the Gulf of Mexico.

Management: OFFICERS: L. W. Hill, Chairman of Board and Pres.; R. Budd, Asst. to Pres. (St. Paul); E. C. Lindley, Vice-Pres. and Gen'l Counsel; J. M. Gruber, Vice-Pres.; W. P. Kenney, Vice-Pres.; E. T. Nichols, Vice-Pres. and Asst. Sec.; G. R. Martin, Vice-Pres.; L. E. Katzenbach, Sec. and Treas.; N. Terhune, Asst. Treas. and Asst. Sec. DIRECTORS: Louis W. Hill, Edward T. Nichols, W. P. Kenney, E. C. Lindley, A. D. Thomson, F. E. Weyerhauser, Wm. B. Dean, Ralph Budd, Pierce L. Howe, L. Emery Katzenbach, A. L. Ordean, A. B. Hepburn. Annual meeting, second Tuesday in October. MAIN OFFICE, St. Paul, Minn. NEW YORK OFFICE, 32 Nassau St.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	20.76%	22.32%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	1.73	1.72
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	55.69	54.67
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	10.78	10.98
Manufactures	.....	.....	.....	.....	.....	.....	.....	.....	6.46	6.22
Miscellaneous	.....	.....	.....	.....	.....	.....	.....	.....	4.58	4.09

Character of Tonnage: The Great Northern Railway does not furnish details of its freight tonnage, and the above exhibit is that filed with the Interstate Commerce Commission. The total tonnage carried (all freight) in recent years has been reported as follows: 1909, 18,097,264 tons; 1910, 23,224,972 tons; 1911, 23,070,655 tons; 1912, 27,543,172 tons; 33,626,618 tons in 1913; 30,857,578 tons in 1914; 23,453,059 tons in 1915; 28,927,130 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	5,982	115	943	668	40,043	75%	74,655	897,719	549	$3.10	2.37c	.77c
1908	6,594	150	1,081	802	43,890	76	74,765	783,127	509	2.96	2.27	.78
1909	6,808	163	1,077	795	43,989	76	72,032	711,219	502	2.98	2.24	.82
1910	7,020	165	1,127	885	45,924	76	92,497	808,957	518	2.96	2.20	.82
1911	7,244	201	1,173	997	47,807	74	81,521	739,576	524	2.80	2.27	.81
1912	7,369	201	1,193	1,047	49,403	72	74,344	845,123	601	3.00	2.49	.77
1913	7,686	224	1,284	1,044	55,433	74	78,796	993,226	635	3.24	2.50	.77
1914	7,781	238	1,324	1,193	57,144	73	83,744	890,669	663	3.27	2.34	.79
1915	8,102	241	1,321	1,215	57,507	70	71,331	716,239	650	3.22	2.27	.82
1916	8,051	237	1,288	1,184	57,787	74	74,681	970,043	663	3.43	2.72	.77
10-Year Average	7,264	193	1,181	983	49,893	74%	77,837	835,590	581	$3.10	2.37c	.79c

Yard tracks and sidings, June 30, 1916, 2,181.51 miles. There are no equipment trusts outstanding. Weight of rails, 56 to 90 lbs. Over 2,300 miles of main track are now laid with 90-lb. rails.

Comment: During the year ended June 30, 1916, the Great Northern Railway reported very substantial recovery in its freight density, which almost equaled the high figures of 1913. The average freight train load also advanced to a new high figure, and, notwithstanding the fact that average freight rates tended to decline, the train mile earnings were better than in the previous year. The tonnage of this system is quite well diversified, although products of mines represent approximately 55% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$9,218	$1,341	$940	$2,281	$3,162	$3,775	$4,318	$343	$3,975	$893	78%	$3,082	$1,750
1908	8,254	1,521	1,207	2,728	2,762	2,764	3,401	347	3,054	785	74	2,269	1,911
1909	7,886	1,439	907	2,346	2,399	3,141	3,692	378	3,314	745	77	2,569	2,159
1910	9,183	1,677	1,072	2,749	2,846	3,588	3,801	509	3,292	758	77	2,534	2,094
1911	8,456	1,369	1,089	2,458	2,704	3,294	3,674	456	3,218	903	72	2,315	2,029
1912	8,983	1,251	1,066	2,317	2,794	3,872	4,391	473	3,918	979	75	2,939	1,995
1913	10,238	1,604	1,218	2,822	3,144	4,272	4,705	557	4,148	952	77	3,196	1,911
1914	9,699	1,634	1,263	2,897	3,085	3,717	4,186	616	3,570	941	74	2,629	1,936
1915	8,329	1,025	887	1,912	2,654	3,763	4,636	580	4,056	1,521	62	2,535	2,084
1916	10,089	1,201	1,085	2,289	3,158	4,642	5,569	637	4,932	1,501	70	3,431	2,168
10-Year Average	$9,034	$1,407	$1,073	$2,480	$2,871	$3,683	$4,237	$490	$3,747	$998	74%	$2,749	$2,004

Note: Above table is based on average mileage directly operated for each year, including directly operated controlled companies and trackage. Margin of safety is the proportion of surplus left after deducting all charges. For example, in 1916, the "balance for charges" (per mile) amounted to $4,932; fixed charges consumed, $1,501 per mile, or 30%, leaving $3,431, a "margin of safety" of 70%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$81,228,185	$67,130,113	$75,473,869	$78,692,767	$66,197,819	$61,257,633	$64,465,370
Maintenance of way	9,696,663	8,261,205	12,712,421	12,328,651	9,220,286	9,654,776	11,773,314
Maintenance of equipment	8,737,483	7,149,929	9,828,355	9,364,639	7,854,687	7,681,270	7,520,634
All other operating expenses	25,428,826	21,387,794	24,007,181	24,165,964	20,587,575	20,264,346	19,984,148
Net operating revenues	$37,365,213	$30,331,185	$28,925,912	$32,833,513	$28,535,271	$23,657,241	$25,187,274
Operating ratio	56.0%	54.8%	61.7%	58.3%	56.9%	61.4%	60.9%
Outside operations	*	*	159,251	121,523	115,859	205,359	240,009
Other income	7,475,523	7,031,576	3,483,767	3,208,158	3,707,606	2,775,010	1,256,819
Total net income	$44,840,736	$37,362,761	$32,568,930	$36,163,194	$32,358,736	$26,637,610	$26,684,102
Taxes accrued	5,130,379	4,703,060	4,792,478	4,278,777	3,488,238	3,300,139	3,570,302
Balance for charges	$39,710,357	$32,659,701	$27,776,452	$31,884,417	$28,870,498	$23,337,471	$23,113,800
Fixed charges	12,085,188	12,231,972	7,322,901	7,316,103	7,216,243	5,820,544	5,321,976
Surplus over charges	$27,625,169	$20,427,729	$20,453,551	$24,568,314	$21,654,255	$17,516,927	$17,791,824
Dividends paid	17,456,390	16,796,857	15,063,048	14,698,660	14,698,982	14,698,589	14,698,663
Other deductions	7,857,197	1,531,332	2,078,930	5,587,486	4,452,000	2,818,338	2,319,158
Balance	$2,311,582	$2,099,540	$3,311,573	$4,282,168	$2,503,275	.....	$774,003
Earned on stock	11.08%	8.19%	8.85%	11.69%	10.31%	8.34%	8.47%

* Outside operations included in gross and net revenues.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $66,953,805; credit balance transferred from income, $2,311,582; profit on road and equipment sold, *$4,954; unrefundable overcharges, $17,270; donations, $31,423; miscellaneous credits, $174,265. Total, $69,483,391. Contra: Debt discount extinguished through surplus, $6,156; loss on retired road and equipment, $44,362; miscellaneous debits, $649,091; credit balance carried to balance sheet, $68,783,782. Total, $69,483,391. * Reverse item.

Comment: Both gross and net revenues underwent very sharp advances on the Great Northern Railway during the fiscal year 1916, and as outside income also increased, the balance available for fixed charges was over 20% heavier than in the previous year. The surplus above charges also ranged higher and the company reported earnings in excess of 11% on the outstanding capital stock. As has been the custom in recent years a large proportion of the final surplus was appropriated to improvement accounts. The half-interest in the Chicago, Burlington & Quincy equity, owned by the Great Northern Railway is steadily becoming an asset of greater value to the latter. The Chicago, Burlington & Quincy has now accumulated a surplus of much more than $100,000,000. Each year it is reporting earnings far in excess of its dividend disbursements.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$30,848	64	$16,701	36%	$346	$47,895	$15,752	$32,143	13.5%	$1,750	7%	.....	.....	43%	.....
1908	31,829	62	19,170	38	472	51,471	14,036	37,435	9.1	1,911	7	.....	.....	16	.....
1909	30,842	63	18,566	37	678	50,086	14,262	35,824	10.3	2,159	7	.....	.....	16	.....
1910	29,912	66	15,582	34	441	45,935	8,340	37,595	10.1	2,094	7	.....	.....	17	.....
1911	28,992	60	19,923	40	1,800	50,715	12,580	38,135	9.4	2,029	7	.....	.....	16	.....
1912	28,492	60	19,506	40	2,048	50,046	9,864	40,182	10.9	1,995	7	.....	.....	32	.....
1913	27,321	59	18,691	41	2,006	48,018	11,319	36,699	12.8	1,911	7	.....	.....	40	.....
1914	29,687	62	18,440	38	2,212	50,339	12,804	37,535	11.2	1,936	7	.....	.....	26	.....
1915	30,953	64	17,791	36	2,110	50,854	14,032	36,822	13	2,084	7	.....	.....	18	.....
1916	30,987	64	17,796	36	2,257	51,040	13,352	37,688	14.8	2,168	7	.....	.....	37	.....
10-Year Average	$29,986	62%	$18,217	38%	$1,437	$49,640	$12,634	$37,006	11.5 %	$2,004	7%	.....	.....	27%	.....

Note: The joint 4% bonds of the Great Northern & Northern Pacific Railways, secured by deposit of C. B. & Q stock, are not included in the above statement, nor is the Burlington stock.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ..	$604,352,924	$602,019,061	$647,387,010	$616,812,321	$576,238,123	$555,611,524
Working assets	67,440,898	58,104,090	29,430,437	27,135,531	34,594,609	37,918,315
Deferred debit items...	3,005,153	1,416,948				
Total	$674,798,975	$661,540,099	$676,817,447	$643,947,852	$610,832,732	$593,529,839
Liabilities:						
Capital stock	$249,558,806	$249,493,368	$238,820,493	$222,949,296	$209,990,750	$209,981,875
Funded debt	302,477,409	302,387,409	300,738,409	293,444,409	282,300,409	276,056,409
Working liabilities	15,959,353	10,121,982				
Accrued liabil. not due.	151,629	2,255,972	88,441,098	82,411,041	77,588,301	72,454,041
Deferred credit items..	8,277,876	5,235,799				
Appropriated surplus...	29,590,120	25,091,764				
Profit and loss surplus.	68,783,782	66,953,805	48,679,219	45,143,106	40,953,272	35,037,514
Total	$674,798,975	$661,540,099	$676,817,447	$643,947,852	$610,832,732	$593,529,839

Note: The actual amount of stock now outstanding is $250,000,000, of which $19,000,000 had been subscribed for by stockholders during the year 1914, payments to be made in instalments. In March, 1914, stockholders were offered the right to take $19,000,000 more stock at par, payable May, August and October, bringing the total outstanding to $250,000,000. Certain securities formerly carried as "property investment" are now carried as "working assets."

Comment: The capitalization figures of the Great Northern Railway underwent a slight change during the fiscal year 1916. It will be noted that as measured on a mileage basis the capitalization of this property is not high, and is now averaging somewhat less than the figures reported a few years ago. The net income on net capital has always ranged high and in the year just closed was better than at any time during the last ten years.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. St. Paul, M. & M. Consol. 4s, 4½s and 6s.....	J&J	Jl 1933	(1st) 2,541	$16,800	$3,747	$258	93%	Very high	Very high	Aaa.
2. St. Paul, M. & M. Montana Ex. 4s.....	J&D	Je 1937	(2d) 3 (1st) 837 (2d) 249	9,380	3,489	50	94%	"	"	Aaa.
3. St. Paul, M. & M. Pacific Ex. 4s.....	J&J	Jl 1940	(1st) 433 (2d) 417	33,610		142	94%	"	"	Aaa.
4. Eastern Ry. of Minn. N. Div. first 4s.....	A&O	Ap 1948	(1st) 284	34,140		48	89%	"	"	Aaa.
5. Montana Cent. Ry. first 5s and 6s.....	J&J	Jl 1937	(1st) 250	40,000		69	89%	"	"	Aaa.
6. Willmar & Sioux Falls first 5s.....	J&D	Je 1938	(1st) 304	11,924	3,297	22	89%	"	"	Aaa.
7. Minn. Un. Ry. first 5s and 6s.....	J&J	Jl 1922	(1st) 3	Term.		20	89%	"	"	Aaa.
8. Spokane Falls & No. 1st 6s.	J&J	Jl 1939	(1st) 130	1,761		2	89%	"	"	Aaa.
9. Great Nor. first & ref. 4¼s.	J&J	Jl 1961	(gen) 7,133	4,976		187	89%	"	"	Aaa.
10. C. B. Q. coll. joint 4s.....	J&J	Jl 1921	(see text)	.....	(see text)	Text	Note	"	"	Aaa.

For Reference Notes on Bond Issues, see next page.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $50,000,000; outstanding, $8,237,000 4s; $21,098,000 4½s; $13,344,000 6s (closed). Dated May 1, 1883; due July 1, 1933. Int. paid at company's office, 32 Nassau St., New York. Coupon and reg., $1,000. Sinking fund: Proceeds of all land sales are pledged to the payment of interest and to redemption of principal of these bonds at lowest market price. Assumed by Great Northern Ry. First lien on terminals at St. Paul and Minneapolis, on the land grant of the company, and on 2,541.35 miles, as follows: From St. Paul, Minn., to International Boundary Line north of Noyes, Minn., 392.72 miles; East St. Cloud to Hinckley, Minn., 66.50 miles; St. Cloud to Willmar, Minn., 55.56 miles; Sauk Center to Park Rapids, Minn., 90.96 miles; Barnesville Junc., Minn., to Grand Forks, N. D., 100.32 miles; Grand Forks, N. D., to International Boundary Line north of Neche, N. D., 81.35 miles; Minneapolis, Minn., to Aneta, N. D., 329.47 miles; Clearwater Junc. to St. Cloud, Minn., 63.98 miles; Casselton to Larimore, N. D., 74.67 miles; Fosston to Redland, Minn., 46.06 miles; Crookston to Red River at East Grand Forks, Minn., 23.60 miles; Minnesota-North Dakota State Line at Grand Forks to the North Dakota-Montana State Line, 350.57 miles; also on the following branch line railways: Elk River to Milaca, Minn., 31.81 miles; Evansville to Tintah, Minn., 32.01 miles; Fergus Falls to Pelican Rapids, Minn., 21.65 miles; Red Lake Falls to Thief River Falls, Minn., 20.14 miles; Spring Park Junc. to Hutchinson, Minn., 43.90 miles; Benson, Minn., to Watertown, S. D., 91.88 miles; Morris to Lake Traverse, Minn., 48.60 miles; Yarmouth, Minn., to Ellendale, N. D., 105.07 miles; Rutland, N. D., to Aberdeen, S. D., 63.91 miles; Wahpeton, N. D., to Moorhead, Minn., 43.48 miles; Moorhead to Redland, Minn., 66.05 miles; Addison to Chaffee, N. D., 11.78 miles; Mason Junc. to Portland Junc., N. D., 32.62 miles; Grafton to Walhalla, N. D., 48.10 miles; Larimore to Hannah, N. D., 94.95 miles; Church's Ferry to St. John, N. D., 55.31 miles; Rugby Junc. to Bottineau, N. D., 38.95 miles; and various branch lines, mileage aggregating 16.26 miles; second lien on the property of the Minneapolis Union Ry. (2.63 miles), following No. 7. Underlies No. 9, with provision to retire. Legal for Savings Banks in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth., $25,000,000; outstanding, $10,185,000. Deposited under No. 3, $11,502,000 (closed). Dated June 1, 1887; due June 1, 1937. Int. paid at company's office, 32 Nassau St., New York. Coupon, $1,000; reg., $1,000 and $5,000. Assumed by Great Northern Ry. First lien on 837.18 miles, as follows: North Dakota-Montana State line to south side of Sun River, near Great Falls, Mont., 411.59 miles; Pacific Junc., Mont., to Idaho State line, near Newport, 401.48 miles; Columbia Falls to Kalispell, Mont., 15.42 miles; and branches aggregating 8.69 miles; second lien on 249.18 miles, following No. 5. Underlie Nos. 3 (on 417.03 miles) and 9, with provision by latter to retire. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth. and outstanding, $28,567,758. Dated July 1, 1890; due July 1, 1940. Int. paid at company's office, 32 Nassau St., New York, and at Baring Bros., London. Coupon, £100, £500 and £1,000; reg., £1,000. Assumed by Great Northern Ry. First lien from Idaho-Montana State line, near Newport, to Everett, Wash., 432.95 miles; second lien on 417.03 (out of 837.18) miles, following No. 2, mileage being as follows: From Pacific Junc. to Montana-Idaho State line, near Newport, 401.33 miles; Columbia Falls to Kalispell, Mont., and branch; first lien on $11,502,000 (out of $21,687,000) of No. 2, covering mileage described in the first lien of No. 5. Underlies No. 9, with provision to retire. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

4. Auth., $15,000,000; outstanding, $9,695,000 (closed). Dated April 1, 1898; due April 1, 1948. Int. paid at Great Northern office, 32 Nassau St., New York, and at Lee, Higginson & Co., Boston. Coupon, $1,000; reg., $5,000. Callable at 105 and int. on any interest date after April 1, 1928, on three months' notice. Assumed by Great Northern Ry. First lien on 284.36 miles of road; terminals and dockage property in Duluth and West Superior; mileage as follows: From Boylston, Wis., to Fosston, Minn., 212.19 miles; Hinckley to Duluth, Minn., 69.13 miles; and branches, 3.04 miles. Underlies No. 9 with provision by latter to retire. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

5. Auth., $10,000,000; outstanding, $4,000,000 5s; $6,000,000 6s. Dated July 1, 1887; due July 1, 1937. Int. paid at Great Northern office, 32 Nassau St., New York. Coupon, $1,000; reg., $1,000 and $5,000. Assumed by Great Northern Ry. First lien on 249.18 miles, as follows: Great Falls to Butte, 169.27 miles; Great Falls to Neihart, Sand Coulee and Stockett, 75.91 miles; and other branches, 4 miles, all in Montana. Underlie Nos. 2 and 9, with provision by latter to retire. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

6. Auth., $2,625,000, plus $17,500 per mile additional; outstanding, $3,625,000 (closed). Dated June 1, 1888; due June 1, 1938. Int. paid at Great Northern office, 32 Nassau St., New York. Coupon and reg., $1,000. Assumed by Great Northern Ry. First lien from Willmar, Minn., to Sioux City, Ia., 223.15 miles, and Garretson to Yankton, S. D., 80.94 miles. Total, 304.09 miles. Underlies No. 9, with provision by latter to retire. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

7. Auth., $3,000,000; outstanding, $650,000 5s; $2,150,000 6s (closed). Dated Mar. 1, 1882; due July 1, 1922. Int. paid at Great Northern office, 32 Nassau St., New York. Coupon, $1,000. Assumed by Great Northern Ry. First lien on 2.63 miles of double track and 4.75 miles of sidings, extending from Union Stock Yards to Union Depot, Minneapolis, Minn., including bridge across the Mississippi River and the Union Depot, together with buildings, etc. Underlie Nos. 1 and 9, with provision by latter to retire. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed (6s) on New York Stock Exchange. Normal income tax deducted from interest.

8. Auth., $20,000 per mile; outstanding, $229,000; deposited under No. 9, $2,583,000 (closed). Dated July 1, 1889, due July 1, 1939. Int. paid at Great Northern office, 32 Nassau St., New York. Coupon, $1,000. Assumed by Great Northern Ry. First lien on 130.14 miles, as follows: From Dean, Wash., to the International Boundary Line, 125.84 miles, and from Hillyard to Spokane, Wash., 4.30 miles. Underlies No. 9, with provision by latter to retire. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

9. Auth., $600,000,000; outstanding, $35,495,000. Dated May 1, 1911; due July 1, 1961. Int. paid at company's office, New York. Callable at 105 and int. after Jan. 1, 1941, upon ninety days' notice. First lien on 2,350.76 miles, as follows: From Coon Creek to Brook Park, Minn., 56.51 miles; Brookston to Ellis, Minn., 46.51 miles; Kelly Lake to Gunn Junc., Minn., 31.37 miles; Virginia to Chisholm, Minn., 17.37 miles; Park Rapids to Cass Lake, Minn., 49.04 miles; Thief River Falls to Warroad, Minn., 84.24 miles; Watertown to Huron, S. D., 69.61 miles; Fargo to Surrey, N. D., 226.07 miles; Aneta to Devils Lake, N. D., 57.72 miles; Armington to Laurel Junc., Mont., 196.21 miles; Shelby Junc. to Great Falls, Mont., 97.49 miles; Marcus, Wash., to International Boundary Line at Laurier, Wash., 27.66 miles; International Boundary Line at Danville to International Boundary Line at Ferry, Wash., 25.13 miles; International Boundary Line at Molsom, Wash., to International Boundary Line at Chopaka, Wash., 48.46 miles; Seattle, Wash., to International Boundary Line at Blaine, Wash.. 123.91 miles; Anacortes to Rockport, Wash., 57.72 miles, and small portions of main line mileage aggregating 24.79 miles; branch line mileage being from Mississippi to Kelly Lake, Minn., 31.71 miles; Fermoy to Kelly Lake, Minn., 23.40 miles; Sundry Mine Spurs at Messabe Range Minn., 17.41 miles; Ellendale to Forbes, N. D., 13.36 miles; Lakota to Sarles, N. D., 73.13 miles; York to Dunseith, N. D., 42.27 miles; Bottineau to Antler, N. D., 41.89 miles; Towner to Maxbass, N. D., 46.10 miles; Granville to Sherwood, N. D., 61.82 miles; Berthold to Crosby, N. D., 89.16 miles; Stanley to Wildrose, N. D., 50.75 miles; Bainville to Scobey, Mont., 97.83 miles; Virden, Mont., to the International Boundary Line, at Sweet Grass, Mont., 36.54 miles; Kalispell to Marion, Mont., 25.57 miles; Kalispell to Somers, Mont., 10.45 miles; Curlew to Repuhlic, Wash., 21.09 miles; Oroville to Wenatchee, Wash., 135.88 miles; Columbia River to Mansfield, Wash., 60.62 miles; Belleville to Yukon, Wash., 11.38 miles; Monroe to Tolt, Wash., 17.84 miles; Bonners Ferry to International Boundary at Port Hill, Idaho, 25.95 miles; Niobe to International Boundary at Northdate, N. D., 21.69 miles; Vaughn to Gilman, Mont., 40.28 miles; Moccasin to Lewiston, Mont., 30.27 miles; Power to Bynum, Mont., 42.97 miles; and small portions of branch line mileage, aggregating 261.67 miles; first collateral lien on 575.13 miles of the following companies: Manitoba Great Northern Ry., 91.77 miles; Brandon, Saskatchewan & Hudson's Bay Ry., 69.45 miles; Crow's Nest Southern Ry., 74.18 miles; Nelson & Fort Sheppard Ry., 55.42 miles; Red Mountain Ry., 9.59 miles; Vancouver, Victoria & Eastern Ry. & Navigation Co., 261.67 miles; Brandon, Devils Lake & Southern Ry., 13.05 miles; second lien on 4,112.98 miles, as follows: On 2,541.35 miles, following No. 1; on 421.06 miles, following No. 2; on 432.95 miles, following No. 3; on 284.36 miles, following No. 4; on 304.09 miles, following No. 6; on 130.14 miles, following No. 8; third lien on 668.99 miles, as follows: on 401.48 miles and branches, 15.70 miles, following No. 3; on 2.63 miles, following No. 1; on 249.18 miles, following No. 2; first lien on entire capital stock (except directors' shares) of the Minneapolis Western Ry. Co., 1.69 miles; first collateral lien on $2,583,000 of No. 8, covering 130.14 miles; upon $21,000 of No. 6, and on 1,632 shares out of a total present isue of 4,956 shares capital stock of the Lake Superior Terminal & Transfer Ry.; first lien on equipment costing $46,200,068, and second lien on equipment costing $12,873,122. Also first lien on entire capital stocks of the Great Northern Office Building Co. and the Great Northern Equipment Co. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. Y., N. J., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000; reg., $1,000, $5,000 and multiples, interchangeable.

10. Auth., $222,400,000; outstanding, $215,227,000; reserved for balance of C. B. & Q. stock, $7,173,000. Dated July 1, 1901; due July 1, 1921. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000; reg., $1,000, $5,000, etc. Secured by deposit of 1,076,135 shares out of 1,108,391 shares of Chicago, Burlington & Quincy capital stock. Callable at 105 and int. A joint obligation of the Great Northern and the Northern Pacific Railway companies. In the above table the Great Northern's share of interest on these bonds is not deducted for the reason that the income from dividends on the C. B. & Q. stock is not included in the income table, one item offsetting the other. No. 9 provides for retirement of entire issue. Legal for S. B. in N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Great Northern Ry. stock..... Outstanding, $249,476,850. Par, $100. Full voting power.	7% Qu F	$30,987	$2,749	$2,168	22%	High	Very high	Aa.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

Auth., $250,000,000; outstanding, $249,476,850; par $100. The issue was originally designated "preferred," but in 1898 the right to issue "common" stock was surrendered. Dividends, 7% per annum. See full record below. Transfer Office, 32 Nassau Street, New York. Listed on New York Stock Exchange.

Dividends: From November 1, 1890, to June 30, 1916, the company paid on its stock a total of 107 cash dividends, aggregating $214,498,743. Dividends as paid in the fiscal years ended June 30 are as follows:

Fiscal Year.	Rate.	Amount.	Fiscal Year.	Rate.	Amount.	Fiscal Year.	Rate.	Amount.
1891.....	3¼%	$650,000	1899.....	6¾%	$3,851,034	1908.....	7%	$10,483,055
1892.....	5	1,000,000	1900.....	7	6,408,778	1909.....	7	14,697,473
1893.....	5	1,000,000	1901.....	7	6,897,369	1910.....	7	14,698,663
1894.....	5	1,187,500	1902.....	7	8,225,921	1911.....	7	14,698,590
1895.....	5	1,250,000	1903.....	7	8,673,973	1912.....	7	14,698,982
1896.....	5	1,250,000	1904.....	7	8,896,550	1913.....	7	14,698,660
1897.....	5	1,250,000	1905.....	7	9,058,360	1914.....	7	15,063,048
1898.....	6	1,500,000	1906.....	7	9,300,396	1915.....	7	16,796,857
			1907.....	7	10,807,145	1916.....	7	17,456,390

In addition to the regular dividends, extra payments of ½% were made in May, 1901, and in Nov., 1907, by the Lake Superior Company, Limited, out of its earnings. In December, 1906, there were distributed to stockholders (1,500,000 shares were outstanding at the time), 1,500,000 shares of beneficial interest in the Great Northern iron ore properties. Stockholders have also received frequent subscription rights to new stock at par, from time to time.

COMPANIES CONTROLLED BY GREAT NORTHERN RAILWAY CO.

FARMERS' GRAIN & SHIPPING COMPANY RAILROAD

Origin: Incorporated under laws of North Dakota, Oct 11, 1902. Acquired the Devil's Lake & Northern Ry.

Location: Devil's Lake to Hansboro, N. D., 66.55 miles. Siding, 7.19 miles. Equipment: Locomotives, 3; cars, 16. Other equipment is supplied by the Great Northern Ry.

Management: OFFICERS: Jos. M. Kelly, Pres., Devil's Lake, N. D.; Rasmus Sorenson, Vice-Pres. and Treas.; W. G. Samuel, Sec., Devil's Lake, N. D.; P. S. Dunn, Gen. Mgr., Aud., Supt. and P. A., Devil's Lake, N. D. DIRECTORS: Jos. M. Kelly, F. A. Baker, Devil's Lake, N. D.; J. A. G. Dahlen, Jorgen Mikkleson, Garske, N. D.; Norman Morrison, W. G. Samuel, Frank Honett, Rasmus Sorenson, Webster, N. D.; L. D. Maurer, Starkweather, N. D. Annual meeting, second Tuesday in Nov. OFFICE, Devil's Lake, N. D.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$106,348	$80,673	$87,021	$128,744	$93,167	$52,195
Maintenance of way	32,230	31,206	23,523	23,894	19,715	13,737
Maintenance of equip.	5,324	7,927	8,150	7,348	5,780	6,612
All other operating exp.	38,403	31,017	36,690	41,599	40,129	29,565
Net operating revs.	$30,391	$10,523	$18,658	$55,903	$28,143	$2,281
Other income	1,469	.....	1,134	1,134	1,134	1,229
Total net income	$31,860	$10,523	$19,792	$57,037	$29,277	$6,390
Taxes	15,049	13,924	11,438	11,019	10,080	9,902
Fixed charges	25,308	22,555	28,437	30,204	25,265	22,773
Surplus	(def.) $8,497	(def.) $25,956	(def.) $20,083	$15,814	(def.) $6,068	(def.) $29,165

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$633,339	$632,735	$633,682	$628,736	$624,420	$624,388
Working assets	21,076	16,966	20,184	34,276	26,823	22,134
Profit and loss deficit	117,548	109,112	83,072	62,956	80,719	74,651
Total	$771,963	$758,813	$736,938	$725,968	$731,962	$721,173
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	438,000	438,000	438,000	438,000	438,000	438,000
Working liabilities	133,963	120,813	98,938	87,968	93,962	83,173
Total	$771,963	$758,813	$736,938	$725,968	$731,962	$721,173

Bonded Debt: $438,000 Farmers' Grain & Shipping Co.'s R.R. first 5s. Dated July 1, 1905; due July 1, 1925. Int. Jan. and July 1, at Minneapolis Trust Co., Trustee. Coupon, $1,000. All owned by Brandon, Devil's Lake & Southern Ry. Co. Authorized, $465,000. A first lien on all property of the company.

Capital Stock: Authorized and outstanding, $200,000. Par, $25. The Brandon, Devil's Lake & Southern Ry. Co. owns $121,025 of the stock. Stock of latter company owned by Great Northern Ry.

VANCOUVER, VICTORIA AND EASTERN RAILWAY AND NAVIGATION COMPANY

Incorporated under laws of British Columbia, May 8, 1897, and on June 13, 1898, by Act of Dominion Parliament became a Dominion corporation. Line of road: Laurier, Danville and Grand Forks, Grand Forks to Phoenix, B. C., Midway to Molson, Wash., Chopaka, Wash., to Brookmere, B. C., Blaine, Wash., to Vancouver, B. C., and various other branches; total operated 263.15 miles. All mileage is near international boundary. Equipment: Locomotives, 2; cars, 260. Controlled by Great Northern Ry. by stock ownership and included in that company's directly operated mileage.

Management: OFFICERS: R. Budd, Pres.; J. H. O'Neill, Vice-Pres.; L. E. Katzenbach, Treas.; A. H. McNeill, Sec.; G. R. Martin, Compt. Annual meeting, second Friday in March. OFFICE, Vancouver, B. C.

Capital Stock: Auth., $25,000,000; outstanding, $20,850,000; par, $100; all owned by Great Northern Railway. No bonded debt.

GULF, MOBILE AND NORTHERN RAILROAD COMPANY

Origin: Formed in 1915 as successor to the New Orleans, Mobile & Chicago Railroad, which was sold under foreclosure. New company did not take possession until Jan., 1917, owing to litigation as to legality of sale. The old company was incorporated under laws of Alabama, Mississippi and Tennessee, Dec. 1, 1909, as successor to the Mobile, Jackson & Kansas City R.R. and the Gulf & Chicago Ry. Co.

Location: Operates 402.9 miles, of which main lines extend from Mobile, Ala., to Middleton, Tenn., and from Beaumont to Hattiesburg, Miss., with branch to Ellisville, Miss. Extensions were planned to give the company connection with the Nashville, Chattanooga & St. Louis (L. & N. system) and the Chicago & Eastern Illinois. In October, 1916, Receiver William F. Owen began making surveys for an extension from Middleton, Tenn., northerly to Jackson, Tenn., 34 miles, at an estimated cost of between $700,000 and $800,000, and construction will begin shortly. Extension to New Orleans is also projected. The property was formerly controlled jointly by the Louisville & Nashville Railroad and the St. Louis & San Francisco Railroad Co., through ownership of a majority of the old capital stock.

Reorganization Plan: Under the reorganization plan which was declared operative in May, 1915, the holders of the 5% bonds of the old company were offered, in exchange for their bonds, 83 1/3% in new preferred stock and 75% in new common stock. The old preferred and common stockholders were each assessed $10 per share, for which they received 50% in new preferred and common stock, respectively. For current news, consult our Investors Service.

Management (New Company): OFFICERS: John W. Platten, Chairman; W. F. Owen, Pres.; J. H. Wood, Vice-Pres. and Compt.; H. F. Ricker, Asst. to Pres. and Sec.; Eugene Harvey, Treas. DIRECTORS: W. F. Owen, John W. Platten, F. W. Scott, A. H. S. Post, C. Nelson Strother, W. H. Cloverdale, J. S. Dale, J. C. Rich, C. K. Beekman, C. M. Murphey, I. B. Tigrett. MAIN OFFICE, Mobile, Ala. NEW YORK OFFICE, 71 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	12.26%	13.15%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	.37	1.01
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	13.50	7.83
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	59.20	63.69
Manufactures	.....	.....	.....	.....	.....	.....	.....	.....	9.25	8.42
L. C. L. and Miscellaneous	.....	.....	.....	.....	.....	.....	.....	.....	5.42	5.90

Total revenue tonnage, 1915, 1,010,668 tons; 1916, 1,139,126 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	....	....	....	....	....	....	.....	.....	....	.....	.....	.....
1908	402	....	45	21	1,065	71%	29,201	122,439	125	$1.69	2.86c	2.10c
1909	403	....	45	24	1,052	73	26,494	139,494	....	1.89	2.84	1.99
1910	404	....	45	27	1,039	74	30,595	139,148	140	1.76	2.68	1.72
1911	404	....	45	29	1,424	75	29,717	199,387	159	1.76	2.79	1.70
1912	452	....	48	27	1,422	77	27,402	260,259	196	1.70	2.75	1.31
1913	535	....	59	25	1,910	80	23,554	367,968	252	1.86	2.82	1.00
1914	403	....	58	26	1,894	78	32,752	318,756	225	1.96	2.77	1.34
1915	402	....	58	26	1,888	79	24,939	281,761	222	1.74	2.77	1.23
1916	402	....	58	26	1,881	81	26,716	330,626	242	1.91	2.69	1.25
9-Year Average	423	....	51	26	1,508	76%	27,930	238,871	....	$1.81	2.78c	1.52c

Figures prior to 1909 are those of old company, Mobile, Jackson and Kansas City R.R.

Yard-tracks and sidings, 76.19 miles.

Comment: During the year ended June 30, 1916, this property made substantial recovery in its volume of freight business and reported the best train load shown since 1913. Train mile earnings were also better than in 1915 and the position of the property generally seemed very favorable. As has always been the case forest products represent the bulk of this company's freight business and in the year 1916 this type of tonnage represented over 60% of the total. Under the new management it is possible that a very considerable increase can be made to the tonnage of the road, especially when the proposed extensions are completed which it is expected will enable the company to get the benefit of a large amount of through traffic.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	....	.....	.....
1908	$3,583	$756	$517	$1,273	$1,668	$642	$642	$85	$557	$1,311	....	$754*	.....
1909	3,786	609	426	1,035	1,505	1,246	1,246	101	1,145	1,274	....	129*	.....
1910	4,237	651	384	1,035	1,608	1,594	1,594	108	1,486	1,411	5%	75	.....
1911	4,520	629	375	1,004	1,670	1,846	1,846	125	1,721	1,514	12	207	.....
1912	4,441	725	476	1,201	1,847	1,393	1,393	117	1,276	1,609	....	333*	.....
1913	4,661	718	489	1,207	2,095	1,359	1,359	130	1,229	1,788	....	559*	.....
1914	5,470	807	690	1,497	2,104	1,869	1,877	213	1,664	1,933	....	269*	.....
1915	4,395	793	602	1,395	1,882	1,118	1,251	189	1,062	1,876	....	814*	.....
1916	5,070	774	801	1,578	1,899	1,593	1,842	200	1,642	1,855	....	213*	.....
9-Year Average	$4,463	$718	$529	$1,247	$1,809	$1,407	$1,450	$141	$1,309	$1,619	....	$310*	.....

Figures for 1908 are for old company, Mobile, Jackson and Kansas City R.R. *Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$2,038,056	$1,770,653	$2,203,461	$2,493,481	$2,002,728	$1,826,136
Maintenance of way	311,200	319,663	325,121	383,972	327,611	254,193
Maint. of equipment	323,036	242,564	278,202	261,654	215,351	151,539
All other oper. expenses	763,432	758,459	847,833	1,120,811	830,743	674,716
Net oper. revenues	$640,388	$449,967	$752,305	$727,044	$630,261	$745,688
Operating ratio	68.5%	74.6%	65.9%	70.8%	68.5%	59.2%
Other income	100,326	54,180	3,960	.....	.....	.....
Total net income	$740,714	$504,147	$756,265	$727,044	$630,261	$745,688
Taxes accrued	80,472	75,838	85,727	69,454	53,000	50,319
Balance for charges	$660,242	$428,309	$670,538	$657,590	$577,261	$695,369
Fixed charges	745,848	756,204	779,170	956,486	727,714	611,805
Surplus over charges	(def.) $85,606	(def.) $327,895	(def.) $108,632	(def.) $298,896	(def.) $150,453	$83,564

Profit and Loss Account, year ended June 30, 1916: Credits, unrefundable overcharges, $622; donations, $848; miscellaneous credits, $1,549; debit balance carried to balance sheet, $941,586; total, $944,605. Contra: Debit balance at beginning of year, $855,093; debit balance transferred from income, $85,607; loss on retired road and equipment, $115; miscellaneous debits, $3,790; total, $944,605.

Comment: Both gross and net operating revenues underwent substantial improvement on this property during the year ended June 30, 1916, although they ranged somewhat below the good results of 1913 and 1914. The total net income, while somewhat under the fixed charge requirements, was nevertheless much better than for some years past and indicates that the property is now heading toward a more stable position.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$20,084	50%	$20,502	50%	.....	$40,586	.....	$40,586	1.6%	.....	.....	.....	.....	.....	.....
1909	20,034	50	20,202	50	.....	40,326	.....	40,326	3.1	.....	.....	.....	.....	.....	.....
1910	24,939	45	30,228	55	.....	55,167	.....	55,167	2.9	.....	.....	.....	.....	.....	.....
1911	24,939	45	30,740	55	.....	55,679	$2,929	52,750	3.5	.....	.....	.....	.....	.....	.....
1912	22,290	44	28,596	56	.....	50,886	3,517	47,369	2.9	.....	.....	.....	.....	.....	.....
1913	18,832	42	26,101	58	.....	44,933	1,702	43,231	3.1	.....	.....	.....	.....	.....	.....
1914	25,000	42	35,118	58	.....	60,118	2,291	57,827	3.2	.....	.....	.....	.....	.....	.....
1915	25,001	42	33,968	58	.....	58,969	1,845	57,124	2.2	.....	.....	.....	.....	.....	.....
1916	25,063	42	33,947	58	.....	59,010	1,846	57,164	3.2	.....	.....	.....	.....	.....	.....
9-Year Average	$22,909	45%	$28,832	55%	.....	$51,741	$1,570	$50,171	2.9%	.....	.....	.....	.....	.....	.....

Note: Capitalization figures of the new company, which has recently taken possession, will consist of capital stock only, which will be outstanding at about $55,000 per mile.

Comparative Condensed Ba'ance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$23,379,367	$23,280,727	$23,170,441	$23,748,895	$21,811,529	$21,570,803
Working assets	1,599,853	1,138,359	1,532,559	1,332,996	2,426,723	1,670,794
Deferred debit items...	1,043,232	1,042,995	1,073,156	637,850	82,616	95,754
Accrued income not due	431	134	461	.....	.....	.....
Profit and loss deficit...	941,586	855,092	529,449	393,423	64,546	.....
Total	$26,964,469	$26,317,308	$26,306,066	$26,113,164	$24,385,414	$23,337,351
LIABILITIES:						
Capital stock	$10,075,300	$10,075,300	$10,075,000	$10,075,300	$10,075,300	$10,075,300
Funded debt	13,646,500	13,689,223	14,152,602	13,963,924	12,925,500	12,419,083
Working liabilities	3,068,999	2,419.188	1,958,811	1,706,114	1,054,893	695,940
Accrd. liabilities not due	154,212	121,242	95,941	353,461	319,686	20,539
Deferred credit items..	16,938	9,835	21.192	14,365	10,035	21,658
Appropriated surplus ..	2,520	2,520	2,520	.....	.....	.....
Profit and loss surplus..	.....	.....	.....	.....	.....	104,831
Total	$26,964,469	$26,317,308	$26,306,066	$26,113,164	$24,385,414	$23,337,351

Note: Above are the capitalization figures of the old company. The new company is to have no bonded debt outstanding, but will issue $11,344,333 6% preferred stock, and $10,820,894 common stock. Both classes of stock are to be vested for not over 5 years in voting trustees, viz.: John W. Platten, Frederick Wm. Scott, Samuel S. Campbell, Maurice Hely-Hutchinson and A. H. S. Post. The preferred stock is to be 6% non-cumulative for first 3 years and cumulative thereafter.

GULF & SHIP ISLAND RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Mississippi laws, Feb. 23, 1882. Line was first partially operated in 1897, and completed in the period from 1900 to 1906. In addition to its railway property has valuable terminal rights on Mississippi Sound at Gulfport, and has dredged a harbor at that point under arrangement with the United States Government.

Location: Lines operated consist of 307.56 miles, as follows: Gulfport to Jackson, Miss., 161.06 miles; Maxie to Mendelhall, Miss, 104.75 miles; Saratoga to Laurel, Miss., 41.75 miles. At Jackson connection is made with the Illinois Central lines and the Alabama & Vicksburg. Population of Mississippi in 1890, 1,289,600; in 1900, 1,551,-270; in 1910, 1,797,114.

Management: OFFICERS: (Vacancy), Pres.; W. T. Stewart, Vice-Pres.; J. C. Simpson, Sec.; P. A. Stilwell, Treas. DIRECTORS: J. C. Simpson, M. E. Jones, J. W. Thomas, W. T. Stewart, B. E. Eaton, J. H. Brown, W. E. Leonard, G. E. Jones. Annual meeting, first Monday in June. MAIN OFFICE, Gulfport, Miss.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	10.38%	8.76%	9.20%	8.73%	7.94%	7.42%	6.39%	6.18%	7.9%	5.1%
Products of Animals.....	.52	.47	.40	.33	.24	.16	.24	.25	.3	.3
Products of Mines.....	6.39	6.69	6.75	6.22	6.95	7.30	7.81	10.66	11.8	10.6
Products of Forests.....	70.39	71.97	69.16	73.13	72.72	73.66	75.03	72.88	69.5	73.3
Manufactures.....	8.34	8.45	9.74	9.61	10.75	6.41	6.17	6.16	6.1	6.8
Merchandise and Miscel...	3.98	3.66	4.75	1.98	1.40	5.05	4.36	3.87	4.4	3.9

Total revenue tonnage, year ended June 30, 1909, 1,115,663 tons; 1910, 1,276,250 tons; 1911, 1,265,281 tons; 1912, 1,264,838 tons; in 1913, 1,351,808 tons; 1,305,385 tons in 1914; 1,227,492 tons in 1915; 1,336,409 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	307	....	43	26	1,646	74%	59,764	351,197	258	$3.03	2.85 c	1.70c
1908.....	307	....	48	33	1,626	74	47,033	297,740	257	2.54	2.96	1.67
1909.....	307	....	48	33	1,620	75	37,627	267,011	254	2.43	3.05	1.71
1910.....	307	....	48	33	1,602	74	47,293	291,170	273	2.75	2.83	1.74
1911.....	307	....	48	33	1,580	72	50,948	278,179	274	2.79	2.59	1.70
1912.....	308	....	47	33	1,577	72	50,673	278,732	276	2.80	2.60	1.66
1913.....	308	....	47	33	1,553	72	47,300	295,577	279	2.98	2.83	1.71
1914.....	308	....	46	34	1,509	73	46,456	279,207	274	2.85	2.74	1.72
1915.....	308	....	46	33	1,483	75	36,866	250,554	305	2.58	2.66	1.59
1916.....	308	....	43	33	1,473	75	41,993	294,668	306	2.91	2.66	1.63
10-Year Average	307	....	46	32	1,567	74%	46,595	288,404	276	$2.77	2.78c	1.68c

Yard tracks and sidings, June 30, 1916, 101.08 miles. Weight of rails, 56 to 75 lbs. All equipment is owned; there are no equipment trusts..

Comment: During the year ended June 30, 1916, the Gulf & Ship Island reported some improvement in both passenger and freight density, and the train load was also held up. Train mile earnings were better than in 1915 and were well above the average for the decade. As usual, the company depended mainly on forest products for its tonnage, these representing over 73% of the total business done. The total tonnage was the largest ever reported.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$8,090	$1,773	$1,224	$2,997	$2,772	$2,321	$2,408	$137	$2,271	$1,226	46%	$1,035	$781
1908	6,731	1,728	1,097	2,825	2,668	1,238	1,325	151	1,174	1,200	....	26*	781
1909	6,101	1,287	907	2,194	2,389	1,518	1,543	199	1,344	1,329	1	15	790
1910	6,821	1,192	1,030	2,222	2,287	2,312	2,358	200	2,158	1,209	44	949	855
1911	6,537	859	1,158	2,017	2,256	2,264	2,305	197	2,108	1,167	45	941	855
1912	6,447	864	1,182	2,046	2,372	2,029	2,071	188	1,883	1,217	35	666	441
1913	6,866	930	1,229	2,159	2,297	2,410	2,504	283	2,221	921	58	1,300	445
1914	6,489	875	1,308	2,183	2,290	2,016	2,038	296	1,742	866	50	876	....
1915	5,302	677	1,138	1,815	1,792	1,695	1,801	299	1,502	831	45	671	....
1916	6,377	558	1,006	1,564	2,141	2,672	2,735	272	2,463	825	67	1,638	....
10-Year Average	$6,576	$1,074	$1,128	$2,202	$2,326	$2,048	$2,109	$222	$1,887	$1,079	39%	$808	$495

* Deficit.

Note: Above table is based on average mileage directly operated for each year. "Margin of safety" is the proportion of surplus left over after providing for all charges. For example, the "balance for charges" (per mile) in 1916 amounted to $2,463; fixed charges consumed $825, or 33%, leaving $1,638, a "margin of safety" of 67%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,963,341	$1,632,643	$1,995,766	$2,114,620	$1,982,740	$2,006,790	$2,094,076
Maintenance of way	171,929	208,821	269,260	286,548	265,738	263,817	365,841
Maintenance of equipment	309,771	350,361	402,411	378,466	363,518	355,670	316,238
All other operating expenses	659,429	551,820	704,172	707,370	729,580	692,266	702,317
Net operating revenues	$822,212	$521,641	$619,923	$742,236	$623,904	$695,037	$709,680
Operating ratio	58.1%	61.9%	68.9%	64.9%	68.5%	65.3%	66.1%
Other income	20,172	32,977	6,967	28,920	12,886	12,698	14,170
Total net income	$842,384	$554,618	$626,890	$771,156	$636,790	$707,735	$723,850
Taxes accrued	83,737	92,056	91,081	87,284	57,883	60,423	61,491
Balance for charges	$758,647	$462,562	$535,809	$683,872	$578,907	$647,312	$662,359
Fixed charges	254,115	256,086	266,409	283,481	374,337	358,345	371,020
Surplus over charges	$504,532	$206,476	$269,400	$400,391	$204,570	$288,967	$291,339
Dividends paid	.....	.....	.....	137,000	135,000	270,000	262,500
Other deductions	90,517	85,473	.....	.....	.....	.....	.....
Balance	$414,016	$121,003	$269,400	$263,391	$69,570	$18,967	$28,839
Earned on stock	7.2%	2.95%	3.8%	5.72%	3.03%	4.29%	4.32%

Profit and Loss Account. year ended June 30, 1916: Credit balance at beginning of year, $640,898; credit balance transferred from income, $414,016; miscellaneous credits, $17,651; donations, $67; total, $1,072,632. Contra: Surplus applied to sinking and other reserve funds, $12,583; miscellaneous appropriations of surplus, $399; loss on retired road and equipment, $7,555; miscellaneous debits, $2,458; credit balance carried to balance sheet, $1,049,637; total, $1,072,632.

Comment: Both gross and net revenues recovered substantially on the Gulf and Ship Island property during the year ended June 30, 1916. The total net income was the best reported during the decade, and as the fixed charges did not increase, the final surplus was equal to 7.2% on the outstanding stock. The credit of the company materially improved during the year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$19,544	53%	$17,378	47%	.....	$36,922	.....	$36,922	6.5%	.....	.....	$781	4%	.....	25%
1908	19,544	50	19,869	50	.....	39,413	.....	39,413	3.4	.....	.....	781*	4	.....	.....
1909	21,172	53	18,730	47	.....	39,902	.....	39,902	3.9	.....	.....	790*	4	.....	.....
1910	21,987	54	18,361	46	.....	40,348	.....	40,348	5.9	.....	.....	855	4	.....	10
1911	21,987	53	19,730	47	.....	41,717	.....	41,717	5.5	.....	.....	855	4	.....	.....
1912	21,915	53	19,480	47	.....	41,395	.....	41,395	5	.....	.....	441	2	.....	34
1913	22,727	54	18,831	46	.....	41,558	.....	41,558	6	.....	.....	445	2	.....	66
1914	22,727	56	18,181	44	.....	40,908	.....	40,908	5	.....	.....	.....	.....	.....	.....
1915	22,727	56	17,532	44	.....	40,259	.....	40,259	4.5	.....	.....	.....	.....	.....	.....
1916	22,727	60	15,260	40	.....	37,987	.....	37,987	7.2	.....	.....	.....	.....	.....	.....
10-Year Average	$21,706	54%	$18,335	46%	.....	$40,041	.....	$40,041	5.3%	.....	.....	$495	2.4%	.....	14%

* Paid from P. & L. surplus in both 1908 and 1909.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$13,869,430	$13,018.407	$13,055,621	$12,990,534	$12,938,405	$12,982,159
Working assets	789,636	296,831	471,311	580,605	411,811	421,408
Deferred debit items	203,416	920,077	690,138	610,377	522,702	462,079
Accrued income not due.	825	942	2,319	1,473	66	665
Total	$14,863,307	$14,236,257	$14,219,389	$14,182,989	$13,872,984	$13,866,311
Liabilities:						
Capital stock	$7,000,000	$7,000,000	$7,000,000	$7,000,000	$6,750,000	$6,750,000
Funded debt	5,550,000	5,400,000	5,600,000	5,800,000	6,000,000	6,000,000
Working liabilities	320,194	310,126	271,963	313,909	303,228	380,264
Accr'd liabilities not due	8,037	37,660	41,418	42,900	37,791	38,539
Deferred credit items	37,437	52,916	99,392	85,949	83,350	120,001
Appropriated surplus	898,002	794,657	682,676	597,553	517,442	452,135
Profit and loss surplus	1,049,637	640,898	523,940	342,678	181,173	125,372
Total	$14,863,307	$14,236,257	$14,219,389	$14,182,989	$13,872,984	$13,866,311

Comment: The small increase in the funded debt of the Gulf & Ship Island Railroad in 1916 was due to the issue of equipment trusts. The fixed debt of the company, however, underwent a further reduction. After April 1 of the present year, all of the 6% debenture bonds will have been retired. During recent years the company has steadily reduced its bonded debt, and has thus been able to show a substantial increase in its margin of safety.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Gulf & Ship Island first ref. and ter. 5s	J&J	F 1952	(1st) 236 (2d) 71	$13,443	$1,884*	$700	63%	High	Good	Baa.
2. Gulf & Ship Island gen. and ref. 6s	A&O	Ap 1917	(gen). 307	1,300	1,184	40	(text)	Good	Good	A.
3. Gulf & Ship Island deb. 6s	M&N	My'18-'24	Not mtg.	.....	1,144	70	"	"	"	A.

* After allowance for int. on $16,000 first 6s.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $5,000,000; outstanding, $4,134,000; alive in sinking fund, $850,000. Dated Feb. 1, 1902; due Feb. 1, 1952. Int. paid at Metropolitan Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000. Redeemable at 110 and interest for sinking fund. Sinking fund: equal to 1% annually of outstanding bonds for purchase of bonds at not exceeding 110 and int. First lien on 236.13 miles, as follows: Hattiesburg to Jackson, Miss., 89.63 miles; Maxie to Mendenhall, Miss., 104.75 miles; Saratoga to Laurel, Miss., 41.75 miles; second lien on 71.43 miles from Gulfport to Hattiesburg, Miss., subject to only $16,000 first 5s; due 1926 for retirement of which provision is made. Underlies No. 2. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $1,000,000; outstanding, $200,000; retired, $800,000. Dated Feb. 1, 1911; due April 1, 1917. Int. paid at Metropolitan Trust Co., New York. Redeemable at 103 and int. on any interest date, on ninety days' notice. Second lien on 236.13 miles, and third lien on 71.43 miles, following No. 1. Interest paid without deduction for normal income tax. Interest charge in above table does not include maturity payments, which are not being directly charged to current income.

3. Auth. and outstanding $350,000; dated May 1, 1916; due $50,000 annually from May 1, 1918, to 1924. Int. paid at Bankers Trust Co., Buffalo, N. Y. Coupon, $1,000. Callable at 105. Not a mortgage. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Gulf & Ship Island R.R. stock ..... Par $100. Outstanding, $7,000,000.	See text	$22,727	$808	.....	.....	Small	Fair	Ca.

Note: "Average income available" on stock issues is the average surplus per mile, after deducting all fixed charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement at the current rate on the present amount outstanding. For Key to Ratings, see pages 21-23.

Note: Auth. and outstanding, $7,000,000. Amount was increased from $6,750,000 in Feb., 1913. Dividends: 1903 to 1911, 4% per annum; 1912 and 1913, 2% each; none since. Transfer Agent, R. E. Powers, Vice-Pres., Ellicott Square, Buffalo, N. Y.

HUNTINGDON & BROAD TOP MOUNTAIN RAILROAD & COAL COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated May 6, 1852, under Pennsylvania laws, and in July, 1864, consolidated with the Bedford R.R. Co. The business of the company is mainly the transportation of coal in the Broad Top coal region of Pennsylvania.

Location: Lines extend from Huntingdon to Mount Dallas, Pa., with branches and extensions to mines in the Broad Top region. Total operated, 71.78 miles.

Management: Officers: Carl M. Gage, Pres. and Gen. Mgr.; Joseph Bancroft, Vice-Pres.; J. A. Pfouts, Sec. and Treas. Directors: Joseph Bancroft, Edward Bringhurst, 5th, C. D. Barney, W. K. Wetherill, C. S. Farnum, Miles White, Jr., M. W. Stroud, Lewis A. Riley, Carl M. Gage, B. F. Haywood Shreve, Edward Cadwallader, H. M. Watts, W. M. Canby. Main Office, North American Building, Phila., Pa.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture									1.0%	.8%
Products of Animals									.2	.1
Products of Mines									74.8	74.8
Products of Forests									9.9	8.2
Manufactures									12.9	9.6
Miscellaneous									1.2	6.5

Total revenue tonnage in 1912, 1,853,439 tons; in 1913, 2,085,067 tons; in 1914, 1,823,008; in 1915, 1,489,095 tons; in 1916, 1,935,951 tons.

Comment: The operating results of this company during the year ended June 30, 1916, reflected very substantial recovery in earning power. It will be noted that there was a very distinct improvement in the average train load and although there was no change in freight rates, the train mile earnings ranged higher than in previous years. As has always been the case this company depended primarily on mining products for this tonnage. In 1916, this tonnage represented nearly 75% of the total.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	...	....	...	...	.....	....	.....	.....	....	.....	...	....
1908	68	....	24	12	2,748	83%	64,960	1,185,180	286	$1.78	2.52c	.75c
1909	70	....	23	12	2,713	80	44,333	970,543	288	1.96	2.54	.76
1910	70	....	22	12	2,619	84	52,772	1,160,514	339	2.13	2.52	.75
1911	71	....	22	12	2,619	85	40,627	857,616	336	2.09	2.41	.81
1912	71	....	22	14	2,363	86	39,960	991,817	350	1.98	2.37	.71
1913	72	....	22	11	2,223	86	52,760	1,058,849	353	2.11	2.33	.75
1914	72	....	22	14	2,193	85	40,740	918,855	342	2.13	2.42	.80
1915	72	....	22	14	2,137	85	35,701	741,866	329	2.03	2.43	.83
1916	72	....	21	14	1,966	87	37,607	954,922	655	3.35	2.50	.84
9-Year Average	71	....	22	13	2,398	85%	45,496	$982,240	364	$2.17	2.45c	.77c

Yard tracks and sidings, 37.14 miles.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	....	.....	.....
1908	$10,767	$1,105	$1,872	$2,977	$3,157	$4,633	$5,140	$429	$4,711	$2,021	57%	$2,690	.....
1909	9,171	1,036	2,016	3,052	2,805	3,314	3,579	282	3,297	1,992	40	1,305	$2,060
1910	10,320	1,110	2,767	3,877	3,505	2,938	2,938	128	2,810	1,867	34	943	.....
1911	8,137	900	3,891	4,791	2,804	542	1,835	254	1,581	1,813	....	232*	.....
1912	8,272	984	4,077	5,061	2,602	609	2,026	201	1,825	1,795	2	30	.....
1913	9,166	1,162	3,979	5,141	2,715	1,310	2,742	186	2,556	1,779	30	777	.....
1914	8,556	962	3,734	4,696	2,792	1,068	2,901	209	2,692	1,785	34	907	.....
1915	7,280	732	3,103	3,835	2,419	1,026	1,972	239	1,733	1,782	....	49*	.....
1916	9,196	1,115	3,763	4,878	2,805	1,513	3,179	354	2,825	1,717	39	1,108	.....
9-Year Average	$8,986	$1,012	$3,244	$4,256	$2,845	$1,885	$2,924	$254	$2,670	$1,839	26%	$831	$229

* Deficit.

Note: Above figures are based on the average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $2,825; fixed charges consumed 61% of this, or $1,717, leaving $1,108, a "margin of safety" of 39%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$662,125	$524,188	$616,068	$659,976	$586,068	$577,774	$722,432
Maintenance of way	80,307	52,696	69,238	83,603	69,947	63,912	77,692
Maintenance of equipment	270,911	223,433	268,867	286,523	289,499	276,274	193,670
All other operating expenses	201,948	174,176	200,998	195,521	183,385	199,117	245,337
Net operating revenues	$108,959	$73,883	$76,965	$94,329	$43,237	$38,471	$205,733
Operating ratio	83.54%	86.05%	87.5%	85.7%	92.6%	93.3%	71.5%
Other income	119,912	68,113	131,932	103,124	100,637	91,843	.....
Total net income	$228,871	$141,996	$208,897	$197,453	$143,874	$130,314	$205,733
Taxes accrued	25,478	17,200	15,083	13,371	14,305	18,069	8,942
Balance for charges	$203,393	$124,796	$193,814	$184,082	$129,569	$112,245	$196,791
Fixed charges	123,629	128,326	128,512	128,110	127,131	128,739	130,727
Surplus over charges	$79,764	*$3,530	$65,302	$55,972	$2.437	*$16,495	$66,064
Earned on preferred stock.	3.99%	.....	3.26%	2.79%	0.12%	.....	3.3%

* Deficit.

Note: "Other income" in recent years, represents chiefly rental of equipment. Fixed charges include interest on bonds and miscellaneous items. Last dividend on preferred was 7%, paid in 1908.

Profit and Loss Account, for year ended June 30, 1916: Credit balance June 30, 1915, $371,926; credit balance transferred from income, $79,764; total, $451,690. Contra: Miscellaneous debits, $113,762; credit balance carried to balance sheet, $337,928; total, $451,690.

Comment: The gross revenues of this company in 1916 were the best reported since 1910, and the net revenues were also well in excess of those reported during recent years. As outside income also underwent an advance, the total net income was well in excess of the fixed charge requirements. During the year the company reported a surplus equal to nearly 4% on its preferred stock, as compared with a small deficit during the previous year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$49,585	60%	$33,537	40%	.....	$83,122	.....	$83,122	6.2%	$2,060	7%	.....	.....	.....	.....
1909	48,168	60	32,579	40	.....	80,747	.....	80,747	4.4	.....	.....	.....	.....	.....	.....
1910	48,168	60	32,579	40	.....	80,747	.....	80,747	3.6	.....	.....	.....	.....	.....	.....
1911	47,631	60	32,121	40	.....	79,752	.....	79,752	2.3	.....	.....	.....	.....	.....	.....
1912	47,631	60	32,121	40	.....	79,752	.....	79,752	2.5	.....	.....	.....	.....	.....	.....
1913	46,830	60	31,674	40	.....	78,504	.....	78,504	3.5	.....	.....	.....	.....	.....	.....
1914	46,830	57	35,174	43	.....	82,004	.....	82,004	3.5	.....	.....	.....	.....	.....	.....
1915	46,830	58	34,715	42	.....	81,545	.....	81,545	2.4	.....	.....	.....	.....	.....	.....
1916	46,830	58	34,257	42	.....	81,087	.....	81,087	3.9	.....	.....	.....	.....	.....	.....
9-Year Average	$47,612	59%	$33,195	41%	.....	$80,807	.....	$80,807	3.6%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914
Assets:			
Property investment	$6,162,129	$6,343,540	$6,321,298
Working assets	213,079	276,004	306,133
Deferred debits	48,645		
Total	$6,423,853	$6,619,544	$6,627,431
Liabilities:			
Capital stock	$3,371,750	$3,371,750	$3,371,750
Funded debt	2,466,500	2,499,500	2,532,500
Working liabilities	216,585	253,522	224,879
Accrued liabilities	31,090		
Profit and loss	337,928	494,772	498,312
Total	$6,423,853	$6,619,544	$6,627,431

Comment: There were no capitalization changes of importance on this property during the year ended June 30, 1916. The company is rather heavily capitalized, but in recent years there has been no tendency toward an increase in its capitalization and the management has succeeded in reporting fair net income on net capital.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Huntingdon & Broad Top first 4s	A&O	O 1920	(1st) 72	$5,800	$2,670	$230	91%	High	Fair	Baa.
2. Huntingdon & Broad Top second 4s	F&A	F 1925	(2d) 72	5,100	2,440	210	91%	"	"	Ba.
3. Huntingdon & Broad Top consol. 5s	A&O	Ap 1925	(3d) 72	21,000	2,230	1,040	49%	Fair	"	B.
4. Equipment trust 4½s	A&O	1917-21	(see text)	.....		109	49%	Good	"	A.

Note: "Average income available" is the average "balance for charges" (per mile) for the nine years ended June 30, 1916. Interest requirement is the current requirement. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $500,000; outstanding, $416,000. Dated August 18, 1854; extended to October 1, 1920. Int. paid by company in Philadelphia. Coupon $500. First lien on 71.78 miles, Huntingdon to Mt. Dallas, Pa.; and branches. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $500,000; outstanding, $367,500. Dated Jan. 30, 1857; extended to Feb. 1, 1925. Int. paid by company in Philadelphia. Coupon, $500. Second lien on 71.78 miles, following No. 1. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $1,500,000; outstanding, $1,497,000. Dated March 1, 1865; extended to April 1, 1925. Int. paid by company in Philadelphia. Coupon $1,000. Third lien on 71.86 miles, following No. 2. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

4. Series 16, 4½s; dated Oct. 1, 1906; due $17,000 each April and October to Oct. 1, 1921; originally issued $500,000; now outstanding, $170,000. Int. paid at Phila. Trust, Safe Dep. & Ins. Co. Coupon $1,000. First lien on 500 hopper gondola cars. Interest paid without deduction for normal income tax.

Capital Stock: Auth., $2,000,000 preferred and $1,550,000 common; outstanding, $2,000,000 preferred and $1,371,750 common. Preferred entitled to 7% non-cumulative. Last paid, 7% in 1908. A majority of the stock is held in a voting trust, and an agreement was entered into on Jan. 6, 1913, with a special committee, providing for the sale of a majority of the stock.

ILLINOIS CENTRAL RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Feb. 10, 1851, under Illinois laws. Main lines from Chicago to Cairo, and from Centralia to Dubuque, Ia., opened in September, 1856. From time to time smaller lines were acquired, including the Yazoo & Mississippi Valley, which is separately operated but controlled through the Mississippi Valley Corporation. In June, 1909, the stock of Central of Georgia Ry. was purchased, and in May, 1911, the Indianapolis Southern Ry. merged. In 1913, control of the Chicago, Memphis & Gulf Ry. was acquired.

Location: The directly operated lines of the Illinois Central R.R. consisted on June 30, 1916, of 4,773.64 miles, classified as follows: Original main lines owned, 705.50 miles; purchased lines, 1,555.15 miles; lines owned or controlled through capital stock, 2,287.83 miles; lines owned jointly with other companies 11.05 miles; lines leased, 22.43 miles; lines operated under trackage rights, 180.49 miles; other lines, 12.19 miles. Mileage chiefly in States of Illinois, Iowa, Indiana, Tennessee, and Mississippi. Population of these States in 1890, 10,987,769; in 1900, 13,131,751; in 1910, 14,546,741.

Control: The Union Pacific Railroad on June 30, 1916, owned directly $22,500,000 of the capital stock of the Illinois Central, and also owned nearly all the capital stock of the Railroad Securities Co., the latter owning $9,200,000 Illinois Central stock.

Management: OFFICERS: C. H. Markham, Pres.; W. L. Park, Vice-Pres.; F. B. Bowes, Vice-Pres.; C. F. Parker, Vice-Pres.; M. P. Blauvelt, Comptroller; D. R. Burbank, Sec.; A. J. Wykes, Treas.; T. J. Foley, Gen. Mgr. DIRECTORS: Hon. Edw. F. Dunne, Walther Luttgen, John W. Auchincloss, Robert Walton Goelet, Cornelius Vanderbilt, Chas. A. Peabody, John G. Shedd, Wm. Averell Harriman, J. Ogden Armour, Robert S. Lovett, Chas. H. Markham, H. W. DeForest, Philip Stockton. Annual meeting, third Wednesday in October. MAIN OFFICE, Chicago, Ill. NEW YORK OFFICE, 26 Liberty St.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	17.79%	18.14%	18.94%	18.35%	18.25%	20.18%	18.2%
Products of Animals	.....	.....	.....	2.48	2.82	2.98	2.34	3.03	3.16	3.3
Products of Mines	.....	.....	.....	36.70	35.06	38.11	40.02	43.60	45.88	46.4
Products of Forests	.....	.....	.....	18.04	16.86	15.98	15.80	15.72	13.32	14.3
Manufactures	.....	.....	.....	9.79	8.31	8.28	8.84	10.72	10.52	11.6
Merchandise and Miscel.	.....	.....	.....	15.20	18.81	15.76	14.65	8.68	6.94	6.2

Total freight tonnage, 1910, 27,588,277 tons; 1911, 27,489,564 tons; 1912, 23,239,149 tons; 1913, 30,447,165 tons; 32,342,709 tons in 1914; 31,309,351 tons in 1915; 35,023,545 tons in 1916. Tonnage figures not furnished by company prior to 1910.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	4,371	751	1,240	859	59,977	67%	130,396	1,508,206	364	$1.97	1.96c	.58c
1908	4,420	785	1,286	861	63,991	67	133,891	1,366,186	352	1.98	1.86	.59
1909	4,547	785	1,267	832	63,080	67	130,125	1,303,010	355	1.83	1.84	.60
1910	4,551	790	1,272	854	62,336	67	142,916	1,445,827	364	1.88	1.83	.59
1911	4,563	792	1,321	916	60,449	67	153,294	1,464,482	361	1.94	1.85	.61
1912	4,763	933	1,458	954	57,852	65	148,990	1,303,979	356	1.88	1.88	.61
1913	4,763	933	1,460	1,061	59,218	67	149,362	1,550,646	407	2.02	1.89	.58
1914	4,769	931	1,448	1,192	63,629	67	150,773	1,633,461	417	2.07	1.91	.56
1915	4,770	846	1,455	1,291	67,814	72	138,547	1,576,963	445	2.07	1.95	.59
1916	4,767	846	1,419	1,296	65,262	72	145,812	1,786,134	515	2.30	1.95	.59
10-Year Average	4,628	839	1,363	1,012	62,360	67%	142,411	1,493,889	394	$1.99	1.89c	.59c

Yard tracks and sidings, June 20, 1916, 2,127 miles. Equipment bonds outstanding, $11,812,000, and maturing serially to 1926. See page 378.

Comment: During the year ended June 30, 1916, both passenger and freight density underwent substantial improvement on the Illinois Central Railroad. The freight train load and train mile earnings also advanced sharply, while there was a very pronounced increase in the total amount of tonnage transported. As usual the tonnage of this company was well diversified, the proportion of the high grade freight being well up to the average. It will be noted that in recent years products of mines has represented a larger proportion of the total business than formerly.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$13,619	$1,602	$2,146	$3,748	$5,578	$4,293	$4,938	$507	$4,431	$1,757	60%	$2,674	$1,522
1908	12,937	1,529	2,106	3,635	5,771	3,531	4,065	496	3,569	1,759	51	1,810	1,505
1909	12,568	1,363	2,478	3,841	4,608	4,119	4,971	501	4,470	2,670	40	1,800	1,683
1910	12,719	1,672	2,967	4,639	4,880	3,200	4,220	555	3,665	1,944	47	1,721	1,681
1911	13,273	1,649	2,700	4,349	5,185	3,739	5,218	585	4,633	2,153	54	2,480	1,672
1912	12,330	1,615	2,909	4,524	5,579	2,227	3,339	564	2,775	2,047	26	728	1,606
1913	13,496	1,789	2,929	4,718	5,990	2,788	4,231	610	3,621	2,241	38	1,380	1,377
1914	13,813	1,930	3,013	4,973	5,674	3,166	4,697	701	3,996	2,290	43	1,706	1,146
1915	13,021	1,859	2,927	4,786	5,272	2,963	4,627	679	3,948	2,510	36	1,438	1,146
1916	14,486	1,994	3,471	5,465	5,269	3,752	5,769	782	4,987	2,509	50	2,478	1,146
10-Year Average	$13,226	$1,700	$2,768	$4,468	$5,381	$3,377	$4,608	$598	$4,010	$2,188	45%	$1,822	$1,448

Note: Above table is based on average mileage directly operated for each year, including leased lines and trackage rights. Margin of safety is the proportion of surplus left over after deducting all charges prior to dividends. Thus, in 1916, 50% of such income was consumed by these charges, leaving a "margin of safety" of 50%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$69,052,836	$62,087,508	$65,856,049	$64,203,311	$58,727,272	$62,008,737
Maintenance of way	9,506,527	8,866,250	9,205,946	8,519,025	7,691,214	7,750,524
Maint. of equipment	16,547,749	13,962,760	14,510,079	13,952,654	13,857,549	12,495,333
All other oper. expenses	25,119,452	25,146,187	27,059,302	27,577,233	26,680,060	24,488,464
Net oper. revenues	$17,879,108	$14,112,311	$15,080,722	$14,154,399	$10,498,449	$17,274,416
Operating ratio	74.1%	77.3%	77.1%	77.7%	81.9%	71.9%
Other income	9,620,744	7,958,827	7,320,600	5,999,352	5,403,585	6,714,705
Total net income	$27,499,852	$22,071,138	$22,401,322	$20,153,751	$15,902,034	$23,989,121
Taxes accrued	3,729,991	3,239,783	3,341,247	2,903,551	2,685,730	2,671,290
Balance for charges	$23,769,861	$18,831,355	$19,060,075	$17,250,200	$13,216,304	$21,317,831
Fixed charges	11,962,296	11,972,193	10,921,251	10,675,087	9,749,855	10,002,487
Surp. over charges	$11,807,565	$6,859,162	$8,138,824	$6,575,113	$3,466,449	$11,315,344
Dividends paid	*	5,464,613	5,464,598	6,557,760	7,650,720	7,650,720
Other deductions	152,932	153,903	41,643	.....	61,481	164,847
Balance	$11,654,633	$1,240,646	$2,362,583	$17,353	def. $4,245,752	$3,499,777
Earned on stock	10.80%	6.28%	7.45%	6%	3.18%	10.38%

* Dividends amounting to $5,640,190 charged in profit and loss account in 1916.

Note: "Other Income" includes interest and dividends received on investments, hire of equipment credits, and items of like nature. Fixed charges include interest on bonds, rentals of leased lines, joint facility rents, etc. Interest on funded debt in 1916 amounted to $5,536,942; lease rentals, $5,512,902; joint facility rents, $730,260.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $4,814,263; credit balance transferred from income, $11,654,633; profit on road and equipment sold, $1,103; unrefundable overcharges, $33,778; donations, $7,041; miscellaneous credits, $257,254; total, $16,768,072. Contra: Dividend appropriation of surplus, $5,464,190; surplus appropriated for investment in physical property, $7,040; stock discount extinguished through surplus, $9,592; loss on retired road and equipment, $534,183; miscellaneous debits, $660,831; credit balance carried to balance sheet, $10,092,236; total, $16,768,072.

Comment: The gross revenue on this property reached the highest figures in 1916 ever reported by this company. The net receipts also were very large and the total net income was increased to a record figure. Fixed charges underwent practically no change and therefore the final balance carried forward was equal to no less than 10.8% on the outstanding stock. Since the close of the fiscal year operating revenues have continued to make steady progress.

The Illinois Central property has now completely restored its earnings to the high levels reported in the years prior to 1912, and it will be noted that in 1916 the final surplus reported after paying the much larger fixed charges than those of earlier years, wns equal to a higher percentage on its stock than in 1911.

The company has been receiving an increasing benefit in recent years from its income on investments. In 1916 its "other income" amounted to $9,620,744. A large part of this represented dividends received from the holdings in Central of Georgia Railway common nnd preferred stocks. The latter property has been steadily becoming a more valuable asset to the Illinois Central.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$24,031	42%	$33,414	58%	$5,598	$63,043	$15,010	$48,033	10.3%	.....	.....	$1,522	7%	.....	43%
1908	23,765	37	39,831	63	4,685	68,281	21,119	47,162	8.6	.....	.....	1,505	7	.....	17
1909	26,236	38	43,118	62	4,240	73,594	21,120	52,474	9.5	.....	.....	1,683	7	.....	7
1910	26,211	38	43,080	62	14,260	83,551	21,100	62,451	6.3	.....	.....	1,681	7	.....	2
1911	26,142	40	41,080	60	16,428	83,650	21,230	62,420	8.4	.....	.....	1,672	7	.....	32
1912	25,044	40	40,239	60	13,180	78,463	18,940	59,523	5.6	.....	.....	1,606	7	.....	.....
1913	25,044	36	44,979	64	15,407	85,430	20,037	65,393	6.5	.....	.....	1,377	6	.....	.....
1914	25,013	38	41,363	62	16,775	83,131	23,441	59,690	7.9	.....	.....	1,146	5	.....	33
1915	24,913	39	35,951	61	21,917	82,781	18,224	64,557	7.4	.....	.....	1,146	5	.....	20
1916	25,025	42	34,010	58	23,129	82,164	16,074	66,090	8.7	.....	.....	1,146	5	.....	54
10-Year Average	$25,142	39%	$39,706	61%	$13,561	$78,409	$19,630	$58,779	7.8 %	.....	.....	$1,448	6.3%	.....	21%

Note: During the year 1909 the capital stock of the Illinois Central was increased more than 10%, and a considerable addition was made to the bonded debt. The latter was represented by the issuance of $20,000,000 new refunding 4s, increased now to $32,740,000. The par value of all securities of others owned on June 30, 1916, was reported as $113,402,519. Bonds outstanding in 1916 is net amount.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$275,603,200	$273,285,027	$274,026,806	$293,638,214	$268,831,223	$266,810,525
Working assets	29,307,920	36,471,268	64,435,280	43,320,240	57,898,676	56,159,423
Deferred debit items...	3,922,037	3,738,425	9,277,128	14,932,678	10,665,933	4,769,559
Accrued income not due.	3,101,028	2,028,009	2,209,086	1,104,459	1,086,133	2,400,027
Total	$311,934,185	$315,522,729	$349,948,300	$352,995,591	$338,481,965	$330,139,534
Liabilities:						
Capital stock	$119,296,000	$119,296,000	$119,285,700	$119,285,700	$119,285,700	$119,285,700
Funded debt	162,137,779	171,486,700	197,261,000	207,736,000	185,736,000	187,451,000
Working liabilities	11,609,583	11,915,344	21,481,781	16,458,363	21,769,159	7,479,915
Accr'd liabilities not due	4,559,603	4,408,913	4,403,087	4,180,011	5,725.563	5,523,972
Deferred credit items...	3,600,487	3,011,260	797,669	755,200	884,589	1,382,433
Appropriated surplus ..	638,496	590,249	2,665,489	2,583,855	2,312,588	2,232,549
Profit and loss surplus..	10,092,237	4,814,263	4,053,574	1,996,462	2,768,366	6,783,965
Total	$311,934,185	$315,522,729	$349,948,300	$352,995,591	$338,481,965	$330,139,534

Note: In the above table, leased line stock ($10,000,000) is included in the capital stock item of $119,296,000. Funded debt as shown for 1915 and 1916 is "net debt." Funded debt shown in above balance sheet in 1916 includes $11,079 governmental grants in aid of construction.

Comment: There were no important capitalization changes on the Illinois Central Railroad in the fiscal year 1916. As measured on the mileage basis, the net capitalization appears high, but it will be noted there has been no very great increase in the figure in the past six or seven years. The net income on net capital has been steadily maintained at a substantial total, and in the year just closed was higher than at any time since 1907. The company had no trouble in paying the 5% dividend and large earnings justified an increase in the rate to 6% shortly after the close of the fiscal year.

Investment Securities Owned—Par Value.

Stocks: Kind.	Pledged.	Unpledged.	Total.	Dividends and Interest Received.
Illinois Central R.R. Co. Stock and Scrip.....	.....	$10,468	$10,468	.....
Central of Georgia Ry. Co.—Preferred.....	.....	15,000,000	15,000,000	$900,000
Central of Georgia Ry. Co.—Common.....	.....	4,998,500	4,998,500	249,925
Chicago, St. Louis & New Orleans R.R. Co.....	.....	10,200	10,200	408
Dubuque & Sioux City R.R. Co.....	.....	11,756,000	11,756,000	360,909
Dunleith & Dubuque Bridge Co.....	.....	1,000.000	1,000,000	141,096
Chicago, Memphis & Gulf R.R. Co.—Preferred.....	.....	150,000	150,000	.....
Chicago, Memphis & Gulf R.R. Co.—Common.....	.....	520,000	520,000	.....
Belt Railway Company of Chicago.....	.....	240,000	240,000	13,200
Miscellaneous	.....	889,388	889,388	310
Total Stocks	.....	$34,574,556	$34,574,556	$1,665,849

Investment Securities Owned (Continued)

Kind.	Pledged.	Unpledged.	Total.	Dividends and Interest Received.
BONDS.				
Illinois Central Gold Fours of 1953	.....	$71,000	$71,000	e.....
Illinois Central Interim Certificates, 1st lien 4s Equip..	.....	7,787,000	7,787,000	e.....
I. C. R.R. Co. and C. St. L. & N. O. R.R. Co. Joint First Refunding Mortgage Bonds	.....	3,348,100	3,348,100	e.....
Louisville Div. and Terminal Three and a halfs of 1953.	.....	156,000	156,000	e.....
Cedar Rapids & Chicago R.R. Co., First Mortgage Gold Fives of 1935	a $830,000	.....	830,000	$41,500
Cherokee & Dakota R.R. Co., First Mtge. Gold 5s of 1935	a 3,100,000	.....	3,100,000	155,000
Chicago, St. L. & New Orleans R.R. Co., Gold 5s of 1951.	b 5,266,000	.....	5,266,000	263,300
Chicago, St. Louis & New Orleans R.R. Co., Gold Bridge Fives of 1950	c 3,000,000	.....	3,000,000	150,000
Chicago, St. Louis & New Orleans R.R. Co., Equipment Trust Certificates, Series "A," Fives of 1924	.....	595,000	595,000	e.....
Louisville, New Orleans & Texas Ry. Co., First Mortgage Fours of 1934	d16,832,000	.....	16,832,000	673,280
Louisville, New Orleans & Texas Ry. Co., Second Mortgage Income Fives of 1934	d 9,104,000	.....	9,104,000	2,457,469
Louisville, New Orleans & Texas Ry. Co., Land Grant Non-Cumulative Income Sixes of 1934	d 6,553,277	.....	6,553,277	.....
Peoria & Pekin Union Ry. Co., Debenture Fives	.....	194,000	194,000	9,752
Southern Illinois & Missouri Bridge Co., Fours of 1951.	.....	600,000	600,000	24,000
Tennessee Central R.R. Co., Prior Lien Fours of 1934..	.....	1,338,000	1,338,000	53,520
Yazoo & Mississippi Valley R.R. Co., First Mortgage Gold Fives of 1952	a 2,800,000	.....	2,800,000	140,000
Yazoo & Mississippi Valley R.R. Co., Gold Improvement Fives of 1934	.....	7,871,000	7,871,000	399,475
Miscellaneous	.....	151,000	151,000	9,060
Total Bonds	$47,485,277	$22,111,100	$69,596,377	$4,376,356
OTHER SECURITIES	.....	$1,093,588	$1,093,588	$44,425
Grand Total	$47,485,277	$57,779,244	$105,264,521	$6,086,630

The book value of the securities listed above is $90,720,078.28, and on the balance sheet is included in the items:

Investments in affiliated companies—stocks unpledged	$39,139,442
Investments in affiliated companies—bonds unpledged	4,893,700
Investments in affiliated companies—bonds pledged	13,946,000
Investments in affiliated companies—notes	1,339,466
Other Investments—stocks unpledged	5,489
Other investments—bonds unpledged	9,339,750
Other Investments—bonds pledged	27,305,679
Other investments—notes, advances, etc	1,989,060

As deductions from liabilities:

Under common stock	10,468
Under funded debt	7,858,000

a—Pledged to secure in part Illinois Central 4% bonds of 1952.
b—Pledged to secure Illinois Central 3½% sterling bonds of 1950.
c—Pledged to secure Illinois Central Cairo Bridge bonds of 1950.
d—Pledged to secure Illinois Central 4% bonds of 1953.
e—Excludes interest on company's bonds and issues of subsidiary companies guaranteed.

Public Utilities

If you are interested in any way in the securities of Gas, Electric Light, Electric Traction, Telephone and Telegraph or Power Companies, the "Public Utilities and Industrials" Edition of "MOODY'S ANALYSES OF INVESTMENTS" will prove indispensable. This whole field is covered in the same comprehensive and accurate way that Steam Railroads are covered in the Railroad Edition. In fact, the two volumes constitute a complete Service for the Banker and Investor. Separately, the editions sell at $15 each; in combination, they are supplied at $25, when ordered in advance.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Illinois Central Sterling ext. 4s	A&O	Ap 1951	(1st) 706	$18,413	$4,010	$97	98%	Very high	Very high	Aaa.
2. Illinois Central first 3½s	J&D	D 1950	(1st) 706				98%	"	"	Aaa.
3. Illinois Central first 4s	J&J	Ja 1951	(1st) 706				98%	"	"	Aaa.
4. Illinois Central first 3½s	J&J	Ja 1951	(1st) 706				98%	"	"	Aaa.
5. Illinois Central Sterling 3s	M&S	Mr 1951	(1st) 706				98%	"	"	Aaa.
6. Illinois Central first 3½s	A&O	Ap 1951	(1st) 706				98%	"	"	Aaa.
7. Illinois Central Sterling trust 3½s	J&J	Jl 1950	(see text)	.....		39	88%	"	"	Aaa.
8. Illinois Central Springfield Div. 3½s	J&J	Ja 1951	(1st) 111	18,000		15	88%	"	"	Aaa.
9. Kank. & So'w. R. R. first 5s	F&A	Ag 1921	(1st) 131	7,380		10	88%	"	"	Aaa.
10. Ill. Cent. coll. trust 4s	A&O	Ap 1952	(1st col.) 863	17,380	3,913	126	88%	"	"	Aaa.
11. Cairo Bridge Co. first 4s	J&D	D 1950	(Bridge)	.....		25	88%	"	"	Aaa.
12. Ill. Cent. (L. N. O. & T.) coll. tr. 4s	M&N	N 1953	(1st) 798	31,240		210	88%	"	"	Aaa.
13. Ill. Cent. Western Lines first 4s	F&A	Ag 1951	(1st) 218	24,900		45	88%	"	"	Aaa.
14. Ill. Cent. St. L. Div. & Term. first 3½s	J&J	Jl 1951	(1st) 173 (2d) 65	56,200		61	82%	"	"	Aaa.
15 Ill. Cent. St. L. Div. & Term. first 3s	J&J	Jl 1951	(1st) 173 (2d) 65			32	82%	"	"	Aaa.
16. Ill. Cent. Louisville Div. & Term. first 3½s	J&J	Jl 1953	(1st) 584	40,900		175	82%	"	"	Aaa.
17. Ill. Cent. Omaha Div. first 3s	F&A	Ag 1951	(1st) 133	37,600		32	82%	"	"	Aaa.
18. Ill. Cent. Litchfield Div. first 3s	J&J	Ja 1951	(1st) 97	33,350		20	82%	"	"	Aaa.
19. Ill. Cent. Purchased Lines first 3½s	J&J	Jl 1952	1st) 386 (2d) 362	16,000	3,443	88	82%	"	"	Aaa.
20. Belleville & Caron. first 6s	J&D	Je 1923	(1st) 17	27,700		6	82%	"	"	Aaa.
21. Carb'dale & S'town first 4s	M&S	Mr 1932	(1st) 17	14,200		2	82%	"	"	Aaa.
22. St. Louis Southern first 4s	M&S	S 1931	(1st) 31	17,300		5	82%	"	"	Aaa.
23. Chic., St. L. & N. O. cons. 5s	J&D15	Je 1951	(1st) 565	22,530		120	82%	"	"	Aaa.
24. Chic., St. L. & N. O. cons. 3½s	J&D15	Je 1951				10	82%	"	"	Aaa.
25. Chic., St. L. & N. O. Memphis Div. first 4s	J&D	D 1951	(1st) 98	35,700		30	82%	"	"	Aa.
26. Iowa Falls & Sioux C. first 7s	A&O	O 1917	(1st) 184	15,220		41	82%	"	"	Aaa.
27. Illinois Central refund. 4s	M&N	N 1955	(see text)	.....		316	78%	High	High	Aa.
28. Ill. Cent.—Chic., St. L. & N. O. Joint 5s	J&D	D 1963	(gen.) 1,512	(see text)	2,821	313	78%	"	"	Aa.
29. Ill. Cent. Equip. 4s	J&J	Ja 1923	(Equip)	"		owned	.....	"	"	Aaa.
30. Ill. Cent. Equip. 4½s Ser. A	F&A	1917–23	"	"		50	93%	"	"	Aaa.
31. Ill. Cent. Equip. 5s Series B	F&A	1917–23	"	"		26	93%	"	"	Aaa.
32. Ill. Cent. Equip. 4½s Ser. C	A&O	1917–25	"	"	2,192	16	93%	"	"	Aaa.
33. Ill. Cent. Equip. 4½s Ser. D	J&J	1917–26	"	"		16	93%	"	"	Aaa.
34. Chic., St. L. & N. O. Equip. 5s Series A	J&D	1917–24	"	"		42	93%	"	"	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1 to 6. Auth. and outstanding (No. 1), $2,500,000. Dated April 1, 1875; due April 1, 1951. Int. paid at London, England. Auth. and outstanding (No. 2), $1,000,000. Dated Feb. 16, 1876; due Dec. 1, 1950. Int. paid in New York and London, England. Auth. and outstanding (No. 3), $1,500,000. Dated Jan. 1, 1886; due Jan. 1, 1951. Int. paid at company's office, New York. Auth. (No. 4), $2,500,000; outstanding, $2,499,000. Dated Jan. 1, 1886; due Jan. 1, 1951. Int. paid at company's office, New York. Auth. and outstanding (No. 5), $2,500,000. Dated Aug. 31, 1895; due Mar. 1, 1951. Int. paid at New York and at London, England. Auth. and outstanding (No. 6) $3,000,000. Dated April 1, 1903; due April 1, 1951. Int. paid at New York and at London, England. Denominations: No. 1 and No. 2, coupon £200; Nos. 3 and 4, coupon, $1,000; No. 5, coupon £200; No. 6, coupon $1,000. All issues closed. Each issue jointly secured by the same mortgage. First lien on 705.50 miles; from Chicago, via Mattoon, to Cairo, Ill., 364.73 miles, and from Centralia Junc. to East Dubuque, Ill., 340.77 miles. Underlie Nos. 7 and 27, with provision by latter for retirement of these issues. Legal for Savings Banks in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

7. Auth., $5,352,000; outstanding, $5,266,000 (closed). Dated July 1, 1886; due July 1, 1950. Int. paid at company's office, New York, or at office of Baring Bros., London, England. Coupon and reg., $1,000 and £200. First collateral lien on an equal amount ($5,266,000) of No. 23; second lien on 705.50 miles, following Nos. 1 to 6; a second lien on the 565.09 miles covered by Nos. 23 and 24. Underlie No. 27, a sufficient amount of which is reserved to retire this issue. Legal for S. B. in Conn., Mass., N. H., N. Y., R I., Vt., Wis. Listed on London Stock Exchange. Normal income tax deducted from interest.

8. Auth. and outstanding, $2,000,000. Dated Jan. 1, 1898; due Jan. 1, 1951. Interest paid at company's office, New York. Coupon, $1,000. First lien from Gilman, *via* Laurette, to Springfield, Ill., 111.30 miles. Underlies No. 27, which provides for the retirement of these bonds. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

9. Auth., $1,000,000; outstanding, $968,000 (closed). Dated Aug. 1, 1881; due Aug. 1, 1921. Int. paid at company's office, New York. Coupon, $1,000. First lien from Otto to Normal Junc., Ill., 79.15 miles; Buckingham to Tracey, Ill., 9.51 miles; Kempton Junc. to Minonk Junc., Ill., 41.87 miles; total, 130.48 miles. Underlie No. 19 and No. 27, with provisions to retire. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

10. Auth. and outstanding, $15,000,000. Dated Mar. 31, 1888; due April 1, 1952. Int. paid at company's office, New York. First collateral lien on 87.89 miles from Aberdeen to Kosciusko, Miss.; on the 140.36 miles from Parsons to Jackson, with branch to Durant, Miss.; on the 130.51 miles from Champaign to Havana, with branch from White Heath to Decatur, Ill.; on the 74.43 miles from Leroy, Ill., to West Lebanon, Ind.; on the 41.85 miles from Cedar Rapids to Manchester, Ia.; on the 156.99 miles from Onawa, Ia., to Sioux Falls, S. D., and on the 231.30 miles from Chicago, Ill., to Dodgeville, Wis., and Madison, Wis.; total, 863.03 miles. Underlies No. 27 with provision to retire. Legal for S. B. in Mass., R. I., N. H. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest. Coupon, $500 and $1,000; reg., $1,000 and sterling equivalents.

11. Auth. and outstanding, $3,000,000. Dated June 1, 1892; due Dec. 1, 1950. Int. paid at company's office, New York. Coupon, $1,000. First collateral lien on the bridge over the Ohio River, between Cairo Junc., Ill., and E. Cairo, Ky., and on Kentucky approach; first lien on the Illinois approach to said bridge, 1.54 miles, and upon lease of said bridge to the Illinois Central until July 1, 2282, at the annual rental of $180,000 and taxes. Underlies Nos. 27 and 28, with provision by No. 27 to retire. Legal for S.B. in Cal., Conn., Mass., N. H., N. Y., R. I., Vt. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

12. Auth. $25,000,000; outstanding, $24,929,000. Dated, Sept. 1, 1892; due Nov. 1, 1953. Int. paid at company's office, New York. Coupon and reg., $500 and $1,000. First collateral lien on 798 miles, as follows: From Tennessee to New Orleans, La., 456.15 miles; Jackson to Natchez, Miss., 98.32 miles; Coahoma to Lamont, Miss., 75.61 miles; Moore's to Leland, Miss., 13.55 miles; Wilczinski to Riveside Junc., Miss., 42.31 miles; Trotter's Point to Eagle's Nest, Miss., 20.24 miles; Clarksdale to Minter City, Miss., 39.60 miles; Slaughter to Woodville, La., 41.60 miles; branches, 10.62 miles; practically a first coll. lien on lands in the counties of De Soto, Tunic, Quitman, Coahoma, Bolivar, Washington, Issequena, Sharkey, Warren and Tate, Miss.; first collateral lien on $9,104,000 (entire issue) Louisville, New Orleans & Texas 2d income 5s and $4,481,000 capital stock of the Louisville, New Orleans & Texas Ry. Listed on New York Stock Exchange. Normal income tax deducted from interest.

13. Auth., $10,000,000; outstanding, $5,425,000. Dated Feb. 1, 1895; due Aug. 1, 1951. Int. paid at company's office, New York. Coupon, $1,000. First lien from Dubuque to Iowa Falls, Ia., 142 miles; Cedar Falls, Ia., to Minnesota State line at Lyle, 75.97 miles; total, 217.97 miles. Legal for S. B. in Cal., Conn., Fla., Me., Mass., Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

14 and 15. Auth., $10,000,000 3½s; $5,000,000 3s; outstanding, $8,377,000 3½s; $4,998,000 3s (closed). Dated July 1, 1897; due July 1, 1951. Int. paid at company's office, New York. Coupon, $500 and $1,000. First lien on 173.29 miles, as follows: From East St. Louis to Eldorado, Ill., 120 miles; Marion to Brookport, Ill., 53.29 miles; second lien on 65.18 miles, as follows: On the 16.83 miles, following No. 20; on the 17.36 miles, following No. 21, and on the 30.99 miles, following No. 22. Underlies No. 27, with provision to retire. Legal for S. B. in Cal., Mass., Me., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

16. Auth., $25,000,000; outstanding, $23,888,000 (closed). Dated Sept. 15, 1897; due July 1, 1953. Int. paid at company's office, New York. Coupon, $500 and $1,000. First lien on 584.50 miles, as follows: From Memphis, Tenn., to Hodgenville, Ky., 361.77 miles; Horse Branch to Owensboro, Ky., 42.16 miles; Evansville, Ind., to Princeton, Ky., 88.57 miles; Blackford to Dixon, Ky., 18.02 miles; East Cairo to Paducah, Ky., 33.73 miles; Gracey to Hopkinsville, Ky., 10 miles; Morganfield to Uniontown, Ky., 6.50 miles; Dyersburg to Tigertail, Tenn., 13.37 miles; Stevens Junc. to Mengelwood, Tenn., 3.78 miles; and branches aggregating 6.64 miles; also the elevated railroad in Louisville, terminal property, etc., in Louisville, Owensboro, Paducah and Evansville, Ind., and Memphis, Tenn.; also a first lien on the leasehold interest of the C., St. L. & N. O. R.R. in the road from Princeton to Gracey, Ky., 20.71 miles. A second lien on the road from Louisville to Cecilia Jct., Ky., 45.52 miles. Underlies No. 28, which provides for retirement. Legal for S. B. in Cal., Conn., Fla., Me., Mass., Minn., Mich., Mo., N. H., N. J., R. I., Wis. Listed on the New York and London Stock Exchanges. Normal income tax deducted from interest.

17. Auth. and outstanding, $5,000,000. Dated July 20, 1900; due Aug. 1, 1951. Int. paid at company's office, New York. Coupon, $1,000; reg., $1,000 and multiples. First lien from Tara to Council Bluffs, Ia., 133.38 miles. Legal for S. B. in Conn., Fla., Me., Mass., Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

18. Auth., $4,000,000; outstanding, $3,235,000. Dated Oct. 1, 1900; due Jan. 1, 1951. Int. paid at company's office, New York. Coupon, $1,000; reg., $1,000 and multiples. First lien from East St. Louis to Springfield, Ill., 96.90 miles; also inc. trackage rights from Glen Carbon to Bridge Junc., East St. Louis, 13.8 miles, and trackage rights over the road of the Terminal Ry. Assn. of St. Louis. Legal for S. B. in Cal., Conn., Fla., Me., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

19. Auth., $20,000,000; outstanding, $12,000,000 (closed). Dated June 30, 1904; due July 1, 1952. Int. paid at company's office, New York. Coupon, $1,000; reg., $1,000 and multiples. First lien on 386.13 miles, as follows: From Johnson City to Thebes and East Cape Girardeau, Ill., 79.62 miles; Pekin to Evansville, Ill., 235.01 miles; Reevesville to Golconda, Ill., 17.22 miles; Mounds to Olive Branch, Ill., 10.45 miles; Groves to Sand Ridge, Ill., 17.26 miles; Christopher to Herrin Junc., Ill., 11.88 miles; branches, 14.48 miles; second lien on 361.78 miles, as follows: On the 130.48 miles, following No. 9, and on the 231.30 miles from Chicago to Dodgeville and Madison, Wis., following No. 10. Underlies No. 27, of which a sufficient amount is reserved to retire this issue. Legal for S. B. in Cal., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

20. Auth., $485,000; outstanding, $470,000 (closed). Dated June 1, 1883; due June 1, 1923. Int. paid at company's office, New York. Coupon, $1,000. Assumed by Illinois Central R. R. First lien from Belleville to Carondelet, Ill., 16.83 miles. Underlie Nos. 14 and 15, and No. 27, with provision by all to retire. Legal for S. B. in Maine, Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

21. Auth., $250,000; outstanding, $241,000 (closed). Dated March 1, 1887; due March 1, 1932. Int. paid at Illinois Central office, New York. Coupon, $1,000. Assumed by Illinois Central R.R. First lien from Carbondale to Marion, Ill., 17.36 miles. Underlie Nos. 14 and 15, and No. 27, with provision by all to retire. Legal for S. B. in Maine, Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

22. Auth., $550,000; outstanding, $538,000 (closed. Dated Sept. 1, 1886; due Sept. 1, 1931. Int. paid at Illinois Central office, New York. Coupon, $1,000. Assumed by Illinois Central R.R. First lien from Pinckneyville to a connection with the Carbondale & Shawneetown R.R., near Carbondale, inc. branch to Murphysboro, 30.99 miles. Underlie Nos. 14 and 15, and 27, with provision by all to retire. Legal for S. B. in Cal., Maine., Mass., Mich., Minn., Mo., N. H., N. J., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

23 and 24. Auth., $18,000,000; outstanding, $11,369,000 5s, in addition to which $5,266,000 are deposited under No. 7, $1,359,000 3½s (closed). Dated March 15, 1881; due June 15, 1951. Int. paid at Illinois Central R.R., New York. Coupon, $1,000. Guar. 5s as to int. only; 3½s as to both principal and int. by endorsement. First lien from East Cairo, Ky., to New Orleans, La., 546.72 miles; Aberdeen Junc. to Kosciusko, Miss., 18.37 miles; total 565.09 miles. Underlie No. 28, which provides for retirement. Legal for S. B.: 5s legal in Conn., Mich., Minn., N. J., Wis.; 3½s legal in Conn., Mich., Minn., N. H., N. J., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

25. Auth. and outstanding, $3,500,000. Dated April 3, 1889; due Dec. 1, 1951. Int. paid at Illinois Central office, New York. Coupon, $1,000. Guar. prin. and int. by Illinois Central R.R. by endorsement. First lien from Memphis, Tenn., to Grenada, Miss., 97.83 miles. Underlie No. 28, which provides for retirement. Legal for S. B. in Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

26. Auth., $3,000,000; outstanding, $2,800,000. Dated May 1, 1869; due Oct. 1, 1917. Int. paid at Illinois Central office, New York. Coupon, $500 and $1,000. Assumed by Dubuque & Sioux City R.R. First lien from Iowa Falls to Sioux City, Ia., 184.26 miles. Legal for S. B. in Me., Mo. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

27. Auth., $120,000,000; outstanding, $37,740,000. Dated Nov. 1, 1908; due Nov. 1, 1955. Int. paid at company's office, New York. Coupon and reg., $1,000; interchangeable. Callable as whole only at 107½ and int. on and after Nov. 1, 1918, on thirteen weeks' notice. First lien on 179.53 miles as follows: From Indianapolis, Ind., to Effingham, Ill., and Bloomington Branch, 176.93 miles, and from East Dubuque to Portage, Ill., 2.60 miles; second lien on 877.22 miles, as follows: On the 111.30 miles, following No. 8; on the 173.29 miles, following Nos. 14 and 15; on the 386.13 miles, following No. 19; on the 130.51 miles from Champaign to Havana, with branch from White Heath to Decatur, following No. 10; on 74.43 miles from Leroy, Ill., to West Lebanon, Ind., following No. 10; on the 1.54 miles, following No. 11; third lien on 1,101.61 miles, as follows: On the 705.50 miles, following No. 7; on the 16.83 miles, following Nos. 14 and 15; on the 17.36 miles, following Nos. 14 and 15; on the 231.30 miles from Chicago, Ill., to Dodgeville and Madison, Wis., following No. 19; on the 130.48 miles, following No. 19; fourth lien on 30.99 miles, following Nos. 14 and 15. Legal for S. B. in Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

28. Auth., $120,000,000; outstanding, $27,536,500 of Series A; $2,463,500 of Series B. Dated Dec. 1, 1913; due Dec. 1, 1963. Int. paid at Illinois Central office, New York, and on sterling bonds at Baring Bros. & Co., London. Coupon, $500 and $1,000; reg., $500, $1,000, $5,000 and $10,000 for Series A, £100 and £200 for Series B. Callable at 110 and int. on and after Dec. 1, 1918, on 90 days' notice. The bonds are a joint and several obligation of Illinois Central R.R. and Chicago, St. Louis & New Orleans R.R., and are secured on 1,512.83 miles of road (in addition to trackage and leaseholds) as follows: A purchase money first lien upon 129.69 miles of road as follows: Wheatcroft to Providence, Ky., 9.37 miles; connection with M. & O. R.R. south of Jackson, Tenn., 3.06 miles; Lake View, Miss., to West Junc., 5.75 miles; West Junction to Aulon., Tenn., 8.75 miles; Leewood to Woodstock, Tenn., 7.35 miles; Ruslor (near Corinth), Miss., to Haleville, Ala., 80.26 miles; East Thomas Junc. to North Birmingham, Ala., 3 miles; Winfield to Brilliant, Ala., 7.84 miles; Moffat to Troy, Tenn., 4.41 miles. A second lien on 772.53 miles as follows: Bridge across Ohio River at Cairo and Kentucky approach, 2.27 miles; 584.54 miles covered by the first lien of the Ill. Central-Louisville Div. & Terminal, 3½s, of 1953; 97.83 miles covered by first lien of the C., St. L. & N. O.-Memphis Div. 4s, 1951; 87.89 miles from Kosciusko to Aberdeen, Miss., covered by the first lien of the Canton, Aberdeen & Nashville R.R. 5s of 1952. A third lien on 610.61 miles as follows: 565.09 miles covered by the first lien of the C., St. L. & N. O. Consolidated 3½s and 5s of 1951; 45.52 miles covered by the second lien of the Ill. Cent.-Louisville Div. & Terminal 3½s of 1953. Also a lien on 140.12 miles of important trackage rights, a second lien on 20.17 miles leasehold interest from Princeton to Graccy, Ky., and on all lands, terminals, leaseholds, rights, franchises, etc., except some specified lots of real estate, and on all railroads, bridges, etc., and property of every name and nature, now owned or hereafter acquired by the Chic., St. Louis & New Orleans R.R. Co. or the Canton, Aberdeen & Nashville R.R. Co. and which shall be pledged hereunder or purchased with the proceeds of these bonds. Terminals at New Orleans and Memphis subject to this mortgage are valued at $8,806,368. Listed on New York Stock Exchange. Normal income tax deducted from interest.

29. Auth., $30,000,000; outstanding, $7,787,000. Dated Jan. 1, 1908; due Jan. 1, 1923. Int. at office of company in New York. These bonds were reported as all owned by the company on June 30, 1916.

REFERENCE NOTES ON BOND ISSUES (Continued)

30. Series A, 4½s. Dated Feb. 1, 1913; $400,000 each Feb. and Aug. to Aug. 1, 1923. Original issue, $8,000,000; now unmatured, $5,200,000. Int. paid F. and A. 1 at Commercial Trust Co., Philadelphia. Coupon, $1,000. Callable at 102½ after Feb. 1, 1918, on 90 days' notice. First lien on equip. costing $9,413,080. Interest paid without deduction for normal income tax.

31. Series B, 5s of 1923. Dated Aug. 1, 1913; maturing $175,000 semi-annually, Feb. and Aug. 1 to Aug. 1, 1923. Interest paid Feb. and Aug. 1, at Union Trust Co., Pittsburgh. Original issue, $3,500,000; now unmatured, $2,450,000. Coupon, $1,000. Callable at 102½ on 90 days' notice after Aug. 1, 1918. First lien on equipment costing $4,375,000. Interest paid without deduction for normal income tax.

32. Series C, 4½s of 1925. Dated April 1, 1915; maturing, $99,000 semi-annually April and Oct. 1, to April 1, 1925. Interest paid April and Oct. 1 at Commercial Trust Co., Philadelphia. Original issue, $1,980,000; now unmatured, $1,683,000. Coupon and reg., $1,000. First lien on 75 locomotives and 1,000 freight cars. Normal income tax deducted from interest.

33. Series D, 4½s of 1926. Dated Jan. 3, 1916; maturing $95,000 each Jan. and July to Jan 1, 1926. Interest paid Jan. and July at company's office in New York and Commercial Trust Co., Philadelphia. Original issue, $1,900,000; now unmatured, $1,710,000. Coupon, $1,000. First lien on 50 locomotives and 1,000 steel underframe refrigerator cars. Callable at 102½ after Jan. 1, 1921, on 90 days' notice. Normal income tax deducted from interest.

34. **Chicago, St. Louis & New Orleans Equipment Trusts,** Series A, 5s. Dated Dec. 1, 1914; due $250,000 semi-annually June and Dec. 1 to Dec. 1, 1924. Original issue, $5,700,000 (of which $700,000 were purchased by the Illinois Central R.R., leaving $5,000,000 issued to the public); now unredeemed, $4,000,000. Callable as a whole at 102½ after Dec. 1, 1919, on 90 days' notice. First lien on 72 locomotives and 6,500 freight cars of an aggregate cost of over $6,000,000; guaranteed principal and interest by Illinois Central Railroad by endorsement. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Illinois Cen. R.R. "Leased Line" stock .. Par $100. Outstanding, $9,989,700	4%	$2,095	$1,822	$84	95%	Very high	Very high	Aa.
2. Illinois Cen R.R. stock . . Par $100 Outstanding, $109,296,000.	6% QuM	22,930	1,738	1,374*	20%	High	"	A.

* For 6% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Secured by deposit of a like amount of Chicago, St. Louis & New Orleans R.R. stock. Dividends of 4% per annum guaranteed by Ill. Central. In case of default in dividend for 60 days, holders will be entitled to the original stock pledged. Payments, semi-annually, Jan. and July 1. Legal for Savings Bank in New Hampshire.

2. Authorized amount, $123,552,000, of which a sufficient amount is reserved to be issued at not less than par, or in exchange for convertible bonds, should such bonds be issued. Of the amount outstanding, $31,700,000 is owned by Union Pacific R.R. Co. Legal for New Hampshire savings banks.

Dividends at rate of 6% were paid from 1901 to 1904; 7% from 1904 to 1913; 1914 to 1916, 5% each; dividends at the rate of 6% were resumed in Dec., 1916. Stock transferred at company's office. Dividends payable quarterly, March 1. Listed on New York, London, and Amsterdam Stock Exchanges.

Dividends: From 1863 to September, 1916, the company paid a total of 108 cash dividends, aggregating 376½%, or $189,687,887. The annual rates and amounts of these dividends are shown in the following statement:

Years.	Rate.	Amount.	Years.	Rate.	Amount.	Years.	Rate.	Amount.
1863.....	4%	$973,556	1881.....	7 %	$2,030,000	1899.....	5 %	$2,812,500
1864.....	8	1,665,830	1882.....	11	3,190,000	1900.....	5½	3,300,000
1865.....	10	2,236,584	1883.....	10	2,900,000	1901.....	6	3,780,000
1866.....	10	2,459,679	1884.....	8	2,320,000	1902.....	6	4,752,000
1867.....	10	2,460,732	1885.....	8	2,320,000	1903.....	6	5,702,400
1868.....	10	2,461,568	1886.....	7½	2,190,000	1904.....	6	5,702,400
1869.....	10	2,660,247	1887.....	7	2,800,000	1905.....	7	6,652,800
1870.....	10	2,594,392	1888.....	7	2,800,000	1906.....	7	6,652,800
1871.....	10	2,726,559	1889.....	5½	2,200,000	1907.....	7	6,652,800
1872.....	10	2,537,760	1890.....	6	2,400,000	1908.....	7	6,652,800
1873.....	10	2,547,930	1891.....	5	2,250,000	1909.....	7	7,650,720
1874.....	8	2,165,534	1890.....	5	2,250,000	1910.....	7	7,650,720
1875.....	8	2,319,476	1892.....	5	2,250,000	1911.....	7	7,650,720
1876.....	8	2,320,000	1893.....	5	2,500,000	1912.....	7	7,650,720
1877.....	4	1,160,000	1894.....	5	2,500,000	1913.....	6	6,557,760
1878.....	6	1,740,000	1895.....	5	2,500,000	1914.....	5	5,464,598
1879.....	6	1,740,000	1896.....	5	2,562,500	1915.....	5	5,464,613
1880.....	6	1,740,000	1897.....	5	2,625,000	1916.....	5	5,464,800
			1898.....	5	2,625,000			

COMPANIES CONTROLLED BY ILLINOIS CENTRAL RAILROAD COMPANY

CHICAGO, MEMPHIS & GULF RAILROAD COMPANY

Origin: Incorporated under Tennessee laws, Dec. 21, 1904, as the Dyersburg Northern R.R. Road first opened for traffic July 1, 1907. Is now controlled by Illinois Central Railroad through ownership of entire capital stock.

Location: Line of road, Dyersburg, Tenn., to Hickman, Ky., 48.53 miles. Trackage over Illinois Central, 3.07 miles. Sidings, 16.79 miles. Further mileage to Clinton, Ky., and northwardly to Ohio River, now under construction. Equipment: locomotives, 4; passenger and freight cars, 174.

Management: OFFICERS: C. H. Markham, Pres.; W. L. Park, C. F. Parker, F. B. Bowes, Vice-Pres.; O. F. Nau, Treas.; B. A. Beck, Sec. DIRECTORS: C. H. Markham, C. M. Kittle, M. P. Blauvelt, Blewett Lee, E. Rice. Annual meeting, first Monday in March. OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$195,135	$203,160	$206,571	$198,125	$200,206	$157,680	$83,778
Operating expenses and taxes	147,211	148,303	142,283	185,489	133,418	95,095	50,377
Net earnings	$47,924	$54,857	$64,288	$12,636	$66,788	$62,585	$33,401
Other income	902	732	1,080	.....	.....	10,584	.....
Total income	$48,826	$55,589	$65,368	$12,636	$66,788	$73,169	$33,401
Interest charges	38,550	38,850	39,100	39,350	37,241	23,843	9,345
Other deductions	3,206	11,929	15,463	22,965	17,014	2,474	2,996
Surplus	$7,070	$4,810	$10,805	(df.) $49,679	$12,533	$46,852	$21,060

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $48,991; credit balance transferred from income, $7,070; unrefundable overcharges, $62; miscellaneous credit, $168; total, $56,291. Contra: Debt discount extinguished through surplus, $3,548; credit balance carried to balance sheet, $52,739; miscellaneous debits, $4; total, $56,291.

Comment: This small property has not succeeded in developing much earning power since its acquisition by the Illinois Central a few years ago. The income remains sufficient, however, to cover the interest charges and carry a small balance over.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,490,819	$1,501,592	$1,500,732	$1,506,818	$1,498,173	$1,155,532
Working assets	61,609	55,003	32,182	37,275	56,907	39,147
Deferred debit items	78,168	80,422	83,979	87,365	116,004	70,276
Total	$1,630,596	$1,637,017	$1,615,893	$1,631,458	$1,671,084	$1,264,955
LIABILITIES:						
Capital stock	$670,000	$670,000	$670,000	$670,000	$670,000	$300,000
Funded debt	862,669	863,966	777,000	782,000	787,000	710,191
Working liabilities	39,508	43,358	118,344	139,810	109,282	169,156
Accrued liabilities not due	1,761	1,762	2,238	2,238	841	.....
Deferred credit items	3,581	8,602	92	.....	.....	.....
Appropriated surplus	338	338	.....	.....	.....	.....
Profit and loss	52,739	48,991	48,219	37,410	103,961	85,608
Total	$1,630,596	$1,637,017	$1,615,893	$1,631,458	$1,671,084	$1,264,955

Bonded Debt: (1) $735.000 Chicago, Memphis & Gulf R.R. first 5s; dated Jan. 1, 1910; due Jan. 1, 1940. Int. Jan. and July, at Bankers' Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000. Callable at 105, on any int. date. First lien on entire property. Interest paid without deduction for normal income tax. Auth., $10,000,000. Rating, Ba.

(2) Equipment Trust 5s, Series A. Dated July 1, 1911; maturing $6,000 each July 1 to July 1, 1921. Original issue, $57,000; now unmatured, $30,000. Int. paid Jan. and July 1, at Penna. Co. for Ins. on Lives, etc., Phila. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Auth., $150,000 6% cumulative preferred and $850,000 common; outstanding, $150,000 preferred and $520,000 common; par, $100. All stock is owned by Illinois Central R.R.

DUNLEITH & DUBUQUE BRIDGE COMPANY

Incorporated under laws of Illinois and Iowa, July 6, 1867. Owns bridge crossing river from East Dubuque, Ill., to Dubuque, Iowa, used by Illinois Central R.R., C. B. & Q. R.R. and Chic. Great Western R.R. Controlled by Illinois Central R.R. through stock ownership.

Management: OFFICERS: C. H. Markham, Pres.; W. L. Park, Vice-Pres.; O. F. Nau, Treas., Chicago, Ill.; Miss F. E. Couch, Sec., Dubuque, Ia. Annual meeting, first Monday in June. OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$171,077	$175,229	$167,667	$180,732	$175,582	$176,429
Taxes	29,980	33,099	24,292	32,500	30,000	33,079
Surplus	$141,097	$142,130	$143,375	$148,232	$145,582	$143,349
Dividends paid	141,097	142,130	134,375	140,000	140,000	140,000
Balance	.....	.....	$9,000	$8,232	$5,582	$3,349

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $88,760. Contra: Credit balance carried to balance sheet, $88,760.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,050,684	$1,050,006	$1,050,006	$1,050,006	$1,050,006	$1,050,006
Working assets	51,894	50,074	72,606	58,682	116,804	$24,940
Total	$1,102,578	$1,100,080	$1,122,612	$1,108,688	$1,166,810	$1,074,946
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Working liabilities	418	1,520	2,474	849	71,415	.....
Accrued liabilities not due	13,400	9,800	31,378	19,079	14,868	.....
Profit and loss surplus	88,760	88,760	88,760	88,760	80,527	74,946
Total	$1,102,578	$1,100,080	$1,122,612	$1,108,688	$1,166,810	$1,074,946

Capital Stock: Auth. and issued, $1,000,000; par $100. Dividends paid: 1908, 8%; 1909, 13%; 1910, 14%; 1911, 1912 and 1913, 14% each; 1914, 14.3375%; 1915, 14.213%; 1916, 14.1%. All owned by Illinois Central R.R.

OMAHA BRIDGE & TERMINAL RAILWAY COMPANY

Incorporated Nov. 28, 1890, under laws of Nebraska. Owns terminals at Omaha, Council Bluffs and South Omaha, including a double track steel bridge across the Missouri River, connecting Omaha and Council Bluffs. Has connections, and does a transfer business with all roads entering Omaha. Leased on July 1, 1911, to Illinois Central R.R., rental being $87,500 per annum, plus taxes and 5% on cost of all improvements.

Management: OFFICERS: C. H. Markham, Pres.; W. L. Park, Vice-Pres.; O. F. Nau, Treas.; J. R. Webster, Sec. Annual meeting, first Wednesday in October. OFFICE, Omaha, Neb.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$87,500	$87,500	$87,500	$87,617	$87,500	$105,144
Taxes	.....	.....	.....	.....	.....	16,808
Fixed charges	87,500	87,500	87,500	87,617	87,500	87,500

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $40,815; donations, $1,068; total, $41,883. Contra: Surplus appropriated for investment in physical property, $1,068; loss on retired road and equipment, $1,053; credit balance carried to balance sheet, $39,762; total, $41,883.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$6,759,367	$6,752,330	$6,740,951	$6,721,140	$6,689,752	$6,800,099
Working assets	31,464	38,485	49,864	69,675	238,459	144,353
Total	$6,790,831	$6,790,815	$6,790,815	$6,790,815	$6,928,211	$6,944,452
LIABILITIES:						
Capital stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Funded debt	1,750,000	1,750,000	1,750,000	1,750,000	1,752,334	1,750,000
Working liabilities	.....	.....	.....	.....	.....	7,639
Appropriated surplus	1,069	.....	.....	.....	.....	.....
Profit and loss surplus	39,762	40,815	40,815	40,815	175,877	186,813
Total	$6,790,831	$6,790,815	$6,790,815	$6,790,815	$6,928,211	$6,944,452

Capital Stock: Auth., $7,500,000; outstanding, $5,000,000; par $100. All owned by Mississippi Valley Corporation, which is itself controlled by Illinois Central R.R. No bonds.

THE YAZOO & MISSISSIPPI VALLEY RAILROAD

Origin: Incorporated under the laws of Mississippi, Oct. 24, 1892; consolidation of original company of same name with Louisville, New Orleans & Texas Ry. Is controlled in the interest of the Illinois Central R.R., through the Mississippi Valley Corporation, which owns a large majority of its stock.

Location: Line of road, Memphis, Tenn., to New Orleans, La., with many branches radiating throughout Mississippi, and lines in Louisiana. Total mileage owned, 1,291.52 miles; total operated, 1,381.87 miles. Second track, 22.89 miles; sidings, 399.36 miles. Equipment: locomotives, 160; passenger and freight cars, 1,660; 2 boats or barges.

Management: OFFICERS: C. H. Markham, Pres.; W. L. Park, F. B. Bowes, C. F. Parker, Vice-Pres.; D. R. Burbank, Sec.; A. J. Wykes, Treas. DIRECTORS: J. W. Auchincloss, Cornelius Vanderbilt, Chas. A. Peabody, R. W. Goelet, R. S. Lovett, W. H. Fitzhugh, R. L. Saunders, W. P. Holland, W. B. Mallory, C. H. Markham, J. P. Ford, S. W. Weis. Annual meeting, first Wednesday in October. OFFICE, New Orleans, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross earnings	$13,552,431	$11,836,984	$12,535,499	$11,018,552	$9,636,862	$10,817,549
Operating exp. and taxes..	9,560,245	8,938,615	9,272,469	9,107,265	8,360,856	7,869,939
Net earnings	$3,992,186	$2,898,369	$3,263,030	$1,911,287	$1,276,006	$2,947,611
Other income	251,017	246,850	197,025	122,564	98,549	94,348
Total net income..	$4,243,203	$3,145,219	$3,460,055	$2,033,851	$1,374,555	$3,041,959
Fixed charges, etc.....	4,243,203	3,145,219	3,207,078	2,033,851	1,626,105	2,723,247

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $7,413,848; unrefundable overcharges, $5,501; miscellaneous credits, $3,415; miscellaneous credits, $18,899; total, $7,442,663. Contra: Surplus appropriated for investment in physical property, $3,415; debt discount extinguished through surplus, $645; loss on retired road and equipment, $230,653; credit balance carried to balance sheet, $7,199,498; miscellaneous credits, $8,452; total, $7,442,663.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$62,249,600	$62,084,005	$60,814,948	$59,990,202	$58,652,893	$58,322,485
Working assets	3,396,049	2,338,190	2,566,965	1,991,642	1,656,075	1,796,683
Accrued income not due	.....	.....	.....	4,660	5,240	4,340
Deferred debit items...	92,699	91,928	407,341	387,296	348,576	298,486
Total	$66,738,348	$64,514,123	$63,789,254	$62,373,800	$60,662,784	$60,421,994
LIABILITIES:						
Capital stock	$6,012,600	$6,169,900	$6,169,900	$6,168,900	$6,168,400	$6,168,400
Funded debt	46,206,805	45,003,277	43,560,971	43,560,971	43,116,750	44,430,497
Working liabilities.....	2,904,731	3,887,122	4,186,741	4,114,519	3,458,309	629,100
Accrd. liabilities not due	2,718,563	1,669,993	2,178,420	1,028,800	395,848	1,449,699
Deferred credit items..	680,506	357,754	291,571	294,099	284,102	256,782
Appropriated surplus ..	15,645	12,229	.....	.....	.....	.....
Profit and loss surplus..	7,199,498	7,413,848	7,401,651	7,206,511	7,239,375	7,487,516
Total	$66,738,348	$64,514,123	$63,789,254	$62,373,800	$60,662,784	$60,421,994

Note: Governmental grants amounting to $2,528 included in funded debt in 1916.

Bonded Debt: (1) $2,800,000 Yazoo & Miss. Valley R.R. first 5s; dated Dec. 1, 1887; due June 1, 1852; int. paid June and Dec. 1. First lien on original property. All owned by Illinois Central R.R. and pledged under its first 4s of 1952.

(2) $10,915,000 Yazoo & Miss. Valley R.R. improvement 5s. Series A to T; dated Sept. 29, 1914; due Jan., 1934; int. paid Jan. and July 1. Of outstanding issue, Illinois Central R.R. owns $10,432,000. Second lien on 485 miles, following No. 1. Rating Baa.

(3) $16,832,000 Louisv., New Orleans & Texas first 4s; dated Sept. 1, 1886; due Sept. 1, 1934; int. paid Mar. and Sept. 1. All owned by Illinois Central R.R. and pledged under its collateral 4s of 1953.

(4) $9,104,000 Louisv., New Orleans & Texas second cum. income 5s; dated Sept., 1886; due Sept. 1, 1934. All owned by Illinois Central R.R., and pledged under its collateral 4s of 1953.

(5) $6,553,277 Louisv., New Orleans & Texas land-grant income 6s; dated Sept. 1, 1884; due Sept. 1, 1934; int. payable if earned. All owned by Illinois Central R.R., and pledged under its collateral 4s of 1953.

Capital Stock: Auth., $15,000,000; outstanding, $6,012,600; par, $100. The Mississippi Valley Corporation owns 85% of the stock. No dividends have ever been paid.

Note: All of the bond issues, except a part of No. 2 (above) are owned by the Illinois Central Railroad, and 85 per cent of the outstanding stock is owned by the Mississippi Valley Corporation in the interest of the Illinois Central. All bonds owned except No. 2 are pledged directly under certain issues of the Illinois Central. No. 2 is entitled to a fair rating, in view of the extent and character of mileage covered, although it is not guaranteed by the Illinois Central R.R. Co.

Diversified Investing

Price of the Book, $2.00 per copy net

This subject is fully covered in a small volume entitled "*How to Invest Money Wisely*," by John Moody, which we have recently published. For many years Mr. Moody has made a careful study of this subject in connection with his work as an analyst and advisor for bankers, financial institutions and investors, both at home and abroad. These principles for wisely and intelligently diversifying investment capital have been adopted within the past few years by numerous institutions and several thousand individual investors with satisfaction and profit.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

CENTRAL OF GEORGIA RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Oct. 17, 1895, under Georgia laws, as successor to the Central Railroad and Banking Co., of Ga., the Georgia, Savannah & Atlantic Ry., the Macon & Northern Ry., the Savannah & Western R. R., the Montgomery & Eufaula Ry. and the Mobile & Girard R.R. From time to time, control of other companies has been acquired. The company also controls the Ocean Steamship Co., the New England & Savannah Steamship Co., and the Upson County R.R. It has a stock interest in the Atlanta & West Point R.R., and controls the Louisville & Wadley R.R., the Wadley Southern Ry., the Sylvania Central R.R. and the Southwestern Railroad. Has a large interest in the Wrightsville & Tennille R.R. Among the leased and directly operated lines included in the system are the Augusta & Savannah R.R. and the Chattahoochee & Gulf R.R. Co.

Location: The directly operated lines of the Central of Georgia Railway consisted, June 30, 1916, of 1,924.09 miles, of which 1,432.39 miles were owned, 477.52 miles leased, and 14.18 miles operated under traffic rights. Of the total operated, 1,340.47 miles are in Georgia, 579.55 miles in Alabama, and 4.07 miles in Tennessee. Population of Georgia and Alabama in 1890, 3,350,370; in 1900, 4,045,028; in 1910, 4,747,214.

Control: In November, 1907, control was acquired by E. H. Harriman, through purchase of entire capital stock, and in June, 1909, this stock was sold to the Illinois Central R.R. Co. In 1912, the company issued $15,000,000 preferred stock, all of which was acquired by the Illinois Central (see text).

Management: OFFICERS: C. H. Markham, Chairman; W. A. Winburn, Pres.; Alex. R. Lawton, Vice-Pres.; C. F. Parker, Vice-Pres.; Chas. F. Groves, Sec.; W. C. Askew, Treas.; W. D. Beymer, Comptroller; L. W. Baldwin, General Manager. DIRECTORS: W. C. Bradley, J. W. English, C. E. James, S. R. Jaques, A. R. Lawton, G. B. McCormack, G. J. Mills, Wm. H. Pleasants, R. E. Steiner, W. A. Winburn, R. S. Lovett, Chas. A. Peabody, C. H. Markham, Geo. W. Tiedeman, John E. Murphy. Annual meeting, second Monday in October. MAIN OFFICE, Savannah, Ga.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	19.88%	22.39%	22.18%	20.74%	20.38%	22.38%	20.41%	21.59%	26.76%	23.27%
Products of Animals	1.50	1.41	1.36	1.28	1.42	1.33	1.14	1.38	1.02	1.41
Products of Mines	21.57	24.03	24.75	22.61	23.77	24.58	28.00	25.88	30.28	27.94
Products of Forests	25.02	19.11	17.77	17.81	15.21	12.75	15.20	13.23	10.60	15.01
M'f's, Mdse. and Miscel.	32.03	32.16	33.94	37.56	39.22	39.06	35.25	37.92	31.34	32.37

Total tonnage carried in 1909, 4,555,124 tons; in 1910, 4,973,801 tons; in 1911, 5,165,488 tons; in 1912, 5,375,309 tons; in 1913, 5,712,117 tons; 5,631,350 tons in 1914; 4,902,595 tons in 1915; 5,182,776 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	1,899	3	292	229	10,698	67%	64,112	410,860	212	$1.77	2.42c	1.05c
1908	1,913	6	316	227	10,916	66	66,641	367,701	236	1.96	2.25	1.07
1909	1,916	6	315	251	10,740	67	66,711	359,351	257	1.94	2.15	1.08
1910	1,916	6	312	254	10,560	66	75,421	388,625	255	1.96	2.09	1.07
1911	1,915	6	310	258	10,549	64	86,782	395,856	264	2.07	2.10	1.10
1912	1,915	6	322	265	10,830	64	93,086	414,633	256	2.08	2.12	1.12
1913	1,924	6	338	264	10,626	64	91,778	436,325	278	2.05	2.17	1.05
1914	1,924	6	336	273	10,609	64	94,422	440,211	280	2.05	2.10	1.08
1915	1,924	9	300	266	10,407	65	76,429	393,894	295	1.95	2.04	1.03
1916	1,924	9	296	264	10,791	66	78,048	425,859	314	2.01	2.02	1.01
10-Year Average	1,917	6	314	255	10,673	65%	79,343	403,332	265	$1.98	2.15c	1.07c

Note: Of above equipment, 77 locomotives and 3,019 freight and company cars were held under equipment trusts on June 30, 1916, balance being owned.

Comment: During the fiscal year 1916 the freight revenue of the Central of Georgia Railroad underwent a substantial improvement, and was nearly as high as the figures reported for 1914. Average freight train load also reached a new high figure, while the train mile earnings were kept up to the average of former years. The tonnage was widely diversified, the proportion of high-grade freight being much better than in the previous year.

During the past decade the Central of Georgia Railway has reported only a slight increase in its directly operated mileage, while there has been practically no increase in the amount of equipment in use. It will be noted, however, that the company has steadily increased its train load, and has reported much better train mile earnings than in the early years of the decade, notwithstanding the fact that both passenger and freight rates have tended downward.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$6,363	$832	$1,184	$2,016	$2,817	$1,530	$1,694	$226	$1,468	$1,222	16%	$236	$236
1908	6,094	761	1,093	1,854	2,640	1,598	1,723	233	1,490	1,322	11	168	.....
1909	5,822	806	1,106	1,912	2,191	1,719	2,127	255	1,872	1,434	23	438	.....
1910	6,291	982	1,063	2,045	2,378	1,868	2,287	282	2,005	1,316	34	689	.....
1911	6,739	911	1,140	2,051	2,658	2,030	2,472	292	2,180	1,281	41	899	317
1912	7,275	963	1,228	2,191	2,991	2,093	2,498	327	2,171	1,301	40	870	.....
1913	7,201	1,050	1,340	2,390	2,976	1,835	2,250	311	1,939	1,303	33	636	468
1914	7,425	1,074	1,452	2,526	3,059	1,840	2,278	328	1,950	1,383	29	567	468
1915	6,288	860	1,168	2,028	2,636	1,624	2,328	300	2,028	1,404	31	624	598
1916	6,524	906	1,124	2,030	2,568	1,929	2,726	332	2,394	1,395	42	999	598
10-Year Average	$6,602	$914	$1,190	$2,104	$2,691	$1,807	$2,238	$289	$1,949	$1,336	30%	$613	$268

Note: Above table is based on average mileage directly operated for each year. "Margin of safety" is the proportion of surplus income left over after providing for all fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$12,551,876	$12,097,688	$14,286,080	$13,928,355	$13,932,153	$12,907,788	$12,052,756
Maintenance of way	1,742,269	1,654,257	2,065,361	2,020,951	1,843,881	1,745,023	1,882,225
Maintenance of equipment	2,161,729	2,246,873	2,794,131	2,577,254	2,351,625	2,182,997	2,036,096
All other operating expenses	4,941,069	5,072,381	5,885,777	5,726,759	5,659,166	5,014,217	4,486,818
Net operating revenues	$3,706,809	$3,124,177	$3,540,811	$3,603,391	$4,077,481	$3,965,551	$3,647,617
Operating ratio	70.4%	74.2%	75.2%	74.5%	71.2%	69.9%	70.3%
Other income	1,537,732	1,355,998	841,591	725,999	707,360	768,874	732,991
Total net income	$5,244,541	$4,480,175	$4,382,402	$4,329,390	$4,784,841	$4,734,425	$4,380,608
Taxes accrued	639,520	576,544	631,596	598,538	625,503	560,125	540,619
Balance for charges	$4,605,021	$3,903,631	$3,750,806	$3,730,852	$4,159,338	$4,174,300	$3,839,989
Fixed charges	2,683,708	2,701,626	2,659,764	2,507,389	2,493,144	2,452,580	2,520,650
Surplus over charges	$1,921,313	$1,202,005	$1,091,042	$1,223,463	$1,666,193	$1,721,720	$1,319,339
Dividends	1,150,000	1,150,000	1,150,000	1,150,000	649,231	608,320	.....
Other deductions	.....	.....	.....	.....	.....	1,147,307	1,318,123
Balance	$771,313	$52,005	def. $58,958	$73,464	$1,016,962	def.$33,907	$1,216
Earned on Preferred stock	12.81%	8.01%	7.27%	8.10%	.....	.....	.....
Common stock	20.4%	6.04%	3.82%	6 47%	.....	.....	.....

Profit and Loss Account, year ended June 30, 1916:—Credit balance on June 30, 1915, $1,918,760; credit balance transferred from income, $1,921,313; profit on road and equipment sold, $150,000; unrefundable overcharges, $1,555; donations, $24,535; miscellaneous credits, $41,206; total, $4,057,369. Contra: Dividend appropriations of surplus, $1,150,000; surplus appropriated for investment in physical property, $24,535; debt discount extinguished through surplus $13,840; loss on retired road and equipment, $123,432; miscellaneous debits, $97,196; credit balance carried to balance sheet, $2,649,366; total, $4,057,369.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety 1st Preferred. Inc.	Margin of Safety 2d Preferred Inc.
1907	$10,532	35%	$19,032	65%	$4,490	$34,054	$5,299	$28,755	5.9%	$105	5%	$131	3.5%	54%	.....
1908	10,455	35	19,373	65	4,500	34,328	6,033	28,295	6.1	See N.	.....	See N.	.....	.....	.....
1909	10,439	35	19,075	65	7,073	36,587	3,140	33,447	6.3	"	.....	"	.....	.....	.....
1910	10,438	34	20,746	66	5,038	36,222	3,356	32,866	7	"	.....	"	.....	.....	.....
1911	10,444	34	20,412	66	3,856	34,712	3,391	31,320	7.9	"	.....	"	.....	.....	.....
1912	10,444	35	20,133	65	3,842	34,419	3,019	31,400	8	"	.....	"	.....	.....	.....
1913	10,395	32	21,952	68	3,830	36,177	3,005	33,172	6.8	468	6	130	5	.....	.....
1914	10,395	31	22,820	69	3,836	37,051	3,002	34,049	6.7	468	6	130	5	.....	.....
1915	10,395	31	22,637	69	3,836	36,868	3,387	33,481	7	468	6	130	5	.....	.....
1916	10,395	31	22,962	60	3,838	37,195	3,387	33,808	8.1	468	6	130	5	.....	.....
10-Year Average	$10,433	33%	$20,914	67%	$4,414	$35,761	$3,702	$32,059	7.0%	.....	.....	.....	.....	.....	.....

Note: In the above exhibit, the three issues of preference incomes were included in the stock column to 1912. The bonded debt column includes all the direct obligations of the company, including the equipment notes; the rental column covers the rental payments of leased lines capitalized, and the investments represent the book-value of holdings in Ocean Steamship Co. and other properties. Up to the end of 1906, the company paid the full 5% interest on the First, Second and Third Preference incomes, but in 1907 only 3½% was paid on the Seconds, and nothing on the Thirds. In June, 1911, 5% was paid on the First and Second incomes and 1.458% on the Thirds. In February, 1911, a balance of 1.271% on the Seconds, not paid in October, 1907, was paid, and also the 5% for that year on the Thirds. In June, 1911, there was paid the full 5% on the Firsts for the year 1908, 2.821% on the Seconds, and also 2.312% for each of the years 1909 and 1910, on the Firsts. In the fiscal year 1912, the company paid the full balance of deferred interest covering the years 1908, 1909 and 1910 on the three classes of incomes, and also the amount required for the fiscal year 1912, on all three classes.

In December, 1911, the Illinois Central Railroad purchased from the Central of Georgia Ry. $15,000,000 new 6% cumulative preferred stock of the latter, the proceeds of which were used to retire the three income bond issues.

An offer was then made to purchase the First Preference Incomes at 95, the Second Preference Incomes at 92½, and the Third Preference Incomes at 90. By June 30, 1912, the Illinois Central had acquired, under this plan, $14,700,700 out of $15,000,000 of the three issues. Thus, there is now outstanding on the Central of Georgia system, $15,000,000 of 6% cumulative preferred stock, in place of the three issues of income bonds.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment.....	$67,556,727	$66,572,920	$66,131,229	$66,875,661	$63,875,706	$62,904,678
Working assets	9,653,122	9,889,215	9,244,592	3,952,242	2,983,853	3,249,656
Deferred debit items.....	848,532	317,742	992,773	959,458	892,271	1,142,263
Accrued income not due..	*	*	55,693	58,897	48,062	59,120
Total	$78,058,381	$76,779,877	$76,424,287	$71,846,258	$67,799,892	$67,355,717
LIABILITIES:						
Capital stock	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$5,000,000	$5,000,000
Funded debt	44,155,300	43,553,300	43,906,300	42,235,450	53,556,000	54,090,000
Working liabilities	6,190,947	5,178,415	5,764,674	2,590,702	2,695,807	2,121,497
Accrued liabllitles not due	671,360	686,588	699,175	917,713	674,299	1,255,469
Deferred credit Items....	494,820	420,760	254,369	238,455	218,392	211,232
Appropriated surplus ...	3,896,588	5,022,054	3,856,511	3,856,511	3,856,511	3,856,511
Profit and loss surplus...	2,649,366	1,918,760	1,943,258	2,007,427	1,798,883	821,008
Total	$78,058,381	$76,779,877	$76,424,287	$71,846,258	$67,799,892	$67,355,717

* Included in "deferred debit items," if any.

Comment: The capitalization changes on the Central of Georgia were very slight during the fiscal year ended June 30, 1916. As measured on the mileage basis, the capitalization of this company is really very light, and has shown no tendency to increase in recent years. The earning power of the company has been well maintained and the net income on net capital has continuously ranged at substantial figures.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Cent. of Ga. Ry. first 5s. .	F&A	N 1945	(1st) 311	$22,510		$182	84%	Very high	Very high	Aaa.
2. Cent. of Ga. Ry. Mobile div. first 5s ...	J&J	Ja 1946	(1st) 138	7,250		26	84%	"	High	Aaa.
3. Cent. of Ga. Ry. Macon & N. div. first 5s	J&J	Ja 1946	(1st) 102	8,235		21	84%	"	"	Aaa.
4. Cent. of Ga. Ry. Mid. Ga. & Atl. div. first 5s	J&J	Ja 1947	(1st) 44	6,351		10	81%	"	"	Aaa.
5. Cent. of Ga. Ry. Eatonton Br. first 5s	J&D	Je 1926	(2d) 21 (1st) 21	8,000	$1,949	4	84%	"	Good	Aa.
6. Cent. of Ga. Ry. Oconee div. first 5s ...	J&D	D 1945	(1st) 77	6,000		12	84%	"	"	Aa.
7. Chatt., Rome & So. first 5s	J&J	Jl 1947	(1st) 137	2,500		9	84%	"	"	Aa.
8. Cent. of Ga. Chat. div. P. M. 1s	J&D	Je 1951	(1&2) 164	12,540		43	81%	"	High	Aa.
9. Cent. of Ga. Ry. Upper Chattahoochee Br. first 4s	F&A	Ag 1925	(1st) 10	30,000		5	84%	"	Good	Aa.
10. Cent. of Ga. consol. 5s ...	M&N	N 1945	(see text)	.....	1,637	481	71%	High	"	Aa.
11. C. R. R. & Banking Co. col. tr. 5s	M&N	My 1937	(see text)	.....		121	84%	"	High	Aa.
12. Greenv. & Newnan first 4s	M&S	S 1925	(1st) 24	11,250		5	84%	"	Good	Aa.
13. Ocean S. S. Co. first 5s	J&J	Jl 1920	(1st)	.....	1,156	25	84%	"	"	A.
14. Chat. & Gulf R. R. first 5s.	J&J	Jl 1930	(1st) 91	2,660		5	84%	"	"	A.
15. Equip. trusts (see text)....	Var.	Var.	(see text)	.....		22	84%	"	.....	Aaa.
16. Cent. of Ga. gen. & ref. 5s .	A&O	O 1962	.. ..	(see text)	.....	(text)	84%	"	Good	A.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $7,000,000. Dated Nov. 1, 1895, due Nov. 1, 1945. Int. paid at Guaranty Trust Co., New York. Coupon and reg., $1,000. First lien from Savannah to Atlanta, Ga., with branch to Milledgeville, 311.34 miles; second collateral lien on $1,995,000 out of $2,000,000 capital stock of the Ocean S.S. Co., of Savannah. Underlie Nos. 10 and 16, with provision by latter for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $1,000,000. Dated Nov. 1, 1895; due Jan. 1, 1946. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien from Columbus, Ga., to Andalusia, Ala., 137.96 miles, with, terminal, bridge and acreage at Columbus. Underlie Nos. 10 and 16, which provides for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $840,000. Dated Nov. 1, 1895; due Jan. 1, 1946. Int. paid at Guaranty Trust Co., New York. Coupon $1,000. First lien from Macon to Athens, Ga., 101.78 miles. Underlie Nos. 10 and 16, which provides for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth., $581,000; outstanding, $413,000 (closed). Dated Jan. 1, 1897; due Jan. 1, 1947. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien, 43.57 miles, Eatonton to Covington, Ga., and second lien on 21 miles, following No. 5 (below). Underlie Nos. 10 and 16, which provides for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $168,000. Dated June 1, 1896; due June 1, 1926. Int. paid at Savannah Bank and Trust Co., Savannah, Ga. Coupon $500. First lien, 21 miles, Eatonton to Milledgeville, Ga. Underlie Nos. 4, 10 and 16, which provides for retirement. Interest paid without deduction for normal income tax.

6. Auth. and outstanding, $462,000. Dated June 1, 1901; due Dec. 1, 1945. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien, 77.02 miles, Dover to Brewton, Ga. Underlie Nos. 10 and 16, which provides for retirement. Interest paid without deduction for normal income tax.

7. Auth., $500,000; outstanding, $343,000 (closed). Dated July 1, 1897; due July 1, 1947. Int. paid at Union Trust Co., New York. Coupon, $1,000. First lien, 136.82 miles, Chattanooga, Tenn., to Carrollton, Ga. Underlie Nos. 8, 10 and 16, which provides for retirement. Interest paid without deduction for normal income tax.

8. Auth., $2,400,000; outstanding, $2.057,000. Dated June 1, 1901; due June 1, 1951. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien, 26.91 miles, from Chickamauga to Durham, Ga., and from Lyerly, Ga., to Dewey, Ala.; also second lien on 136.82 miles, following No. 7. Underlie Nos. 10 and 16, the latter providing for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

9. Auth., $600,000; outstanding, $270,000 (closed). Dated Aug. 1, 1905; due $15,000 each Feb. and Aug. 1 to Aug. 1, 1925. Int. paid at Guaranty Trust Co., New York. Callable at 102½ on any interest date on 3 weeks' notice. First lien on 10.49 miles in Alabama, and also on 4,200 acres of coal land in St. Clair county, Ala., and on 5.000 acres of coal and mineral rights. Underlie Nos. 10 and 16, with provision by latter for retirement. Coupon, $1,000. Interest paid without deduction for normal income tax.

10. Auth. and outstanding, $18,500,000. Dated Nov. 1, 1895; due Nov. 1, 1945. Int. paid at Guaranty Trust Co., New York. First lien on 595.87 miles, as follows: Savannah to Tybee, Ga., 17.72 miles; Meldrim to Lyons, Ga., 58.09 miles; Griffins to Carrollton, Ga., 60 miles; Americus, *via* Columbus, to Greenville, Ga., and Birmingham, Ala., 266.39 miles; Opelika to Roanoke, Ala., 36.12 miles; Montgomery, *via* Eufaula, to Ozark, Ala., 139.65 miles; smaller branches 1.67 miles; Thomaston to Barnesville, Ga., 16.25 miles; also a second lien on 555.13 miles, following Nos. 1, 2, 3 and 16; also a third lien on 181.66 miles, following No. 16, being the mileage covered by Nos. 4, 6, 8, 9 and 12 by first lien; fourth lien on 157.82 miles covered by first lien of Nos. 5 and 7; also a first collateral lien on certain stocks held of the Atlanta & West Point R.R., Savannah & Ogeechee Canal Co., Southwestern R.R. Co., Wrightsville & Tennille R.R. Co., Louisville & Wadley R.R. Co., $500,000 Ocean S.S. cert. of indebt. and $30,000 bonds of Talbotton R.R.; a second collateral lien on certain of the stock of the Atlanta & West Point R.R. Co., half of the stock of Western Ry. of Alabama. and $1,589,000 Charleston & West. Car. Ry. income bonds, a third collateral lien on practically all the stock of the Ocean Steamship Co. Underlie No. 16, which provides for retirement. Listed on New York and Richmond Stock Exchanges. Interest paid without deduction for normal income tax. Coupon and reg., $1,000.

11. Auth., $5.000,000; outstanding, $4,840,000 (closed). Dated May 2, 1887; due May 1, 1937. Int. paid at Guaranty Trust Co., New York. Callable at 110 on six months' notice. First collateral lien on $1,995,000 (out of $2,000.000) stock of Ocean Steamship Co., $1,500,000 stock of Western Ry. of Alabama, $145,400 stock of Atlanta & West Point R.R. and $1,589,000 1st cons. mtge. bonds of Charleston & Western Carolina Ry. On this collateral they underlie the lien of Nos. 1 and 10. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000.

12. Auth., $600,000; outstanding, $270.000 (closed). Dated Sept. 1, 1905; due $15,000 on each March and Sept. 1, to Sept. 1, 1925. Int. paid at Guaranty Trust Co., New York. Coupon $1.000. Callable at 102½ on three weeks' notice. First lien, 23.67 miles, Greenville, to Raymond, Ga. Underlie Nos. 10 and 16, with provision by latter for retirement. Int. paid without deduction for normal income tax.

13. Auth. and outstanding, $1,000,000. Dated July 1, 1890; due July 1, 1920. Int. paid at Guaranty Trust Co., New York. Coupon $1,000. First lien on certain steamships of the company, and on 297 acres of land near Savannah, Ga. Normal income tax deducted from interest.

14. Auth., $2.000,000; outstanding, $242,000; retired by sinking fund, $165.000. Dated July 2, 1900; due July 1, 1930. Int. paid January and July at Citizens' Bank of Savannah. Coupon $1,000. Callable at 102½ on January 1 of any year. Company is leased to Central of Ga., at 6% on cost until bonds are paid off. First lien, 91.47 miles, Columbia to Lockhart, Ala. Legal for S. B. in Mich., Minn., N. J., Wis. Interest paid without deduction for normal income tax.

15. In two series, as follows: Series K, dated March 1 1907; due March 1, 1917 ($38,000 semi-annually). Int. paid March and September. at 5%. Now outstanding, $38,000. Series L, 4½s; dated Jan. 3, 1916; due $50.000 each J. and J. to Jan. 1, 1926; now outstanding, $900,000. Interest paid without deduction for normal income tax.

16. Auth., $80,000.000; outstanding, $6,637,000, of which $122.000 only had been sold June 30, 1916. In addition, $1,324.000 are deposited with trustee for authentication on request; making $7,839.000 available for the company's uses; dated Oct. 1, 1912; due Oct. 1, 1962. Interest paid in New York. Coupon and reg., $1.000. Direct lien on all property of company, subject to all prior liens, for the retirement of which provision is made, being a first lien on 4.05

miles, from Covington to Porterdale, Ga.; second lien on 777.53 miles, following Nos. 4, 6, 8, 9, 10 and 12; also third lien on 708.90 miles, following No. 4 as to 21 miles, No. 8 as to 136.82 miles and No. 10 as to 551.08 miles. Those issued are designated Series A, and are subject to call at 110 and interest as a whole. Further series may be issued at lower rates of interest. Interest paid without deduction for normal income tax.

Preference Incomes: On June 30, 1916, there were still outstanding $146,500 first preference incomes, $104,800 second preference incomes and $48,000 third preference incomes. These have a claim on income prior to the preferred stock and interest is being paid at the rate of 5% per annum. They are a mortgage on the entire property prior to No. 16.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Augusta & Savannah R.R. stock..... Outstanding, $1,022,900. Par, $100.	5% J&J	$19,300	$785	$26	78%	High	High	A.
2. Chattahoochee & Gulf R.R. stock..... Outstanding, $436,400. Par, $100.	5% J&J	4,800		11	78%	"	"	A.
3. Southwestern R.R. of Ga. stock..... Outstanding, $5,191,100. Par, $100.	5% J&J	15,600		135	78%	"	"	A.
4. Central of Georgia Ry. pfd. stock..... Outstanding, $15,000,000. Par, $100.	6% J&J	7,790	613	468	24%	Fair	....	Baa.
5. Central of Georgia Ry. com. stock. Par $100.	5%	2,605	111	130	....	Moderate	....	Ba.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Road leased to Central of Ga. Ry. until 1994, at rental of 5% per annum on stock. For full details see below.

2. Road leased to Central of Ga., at rental equaling 6% on cost of road. After payment of bond interest and 5% on stock, balance of rentals available for retiring bonds. For full details, see below.

3. Road leased to Central of Ga. Ry. until 1995, at rental equaling 5% per annum on stock. For full details see following pages.

4. Auth. and outstanding, $15,000,000. Entire issue is now owned by Illinois Central Railroad. Issue is 6% cumulative preferred stock, which was sold to the Illinois Central R.R. at par. First dividend, 3% paid Jan., 1913, and semi-annually since at full rate of 6% per annum.

5. Auth. and outstanding, $5,000,000. All owned by Illinois Central Railroad. The first annual dividend of 5% was paid Aug., 1913, which rate has been maintained since.

COMPANIES CONTROLLED BY CENTRAL OF GEORGIA RAILWAY COMPANY

AUGUSTA AND SAVANNAH RAILROAD

Incorporated under Georgia laws Dec. 31, 1838; first operated in 1854. Line of road: Millen to Augusta, Ga., 53.21 miles. Sidings, 17.99 miles. Leased to Central of Georgia Ry. for 101 years, from Nov. 1, 1895, with right of indefinite renewal. Rental, 5% on stock and $2,000 per annum for organization expenses. Directly operated by lessee.

Management: Officers: Malcolm Maclean, Pres.; G. J. Mills, Vice-Pres.; J. Sullivan Bond, Sec. and Treas. Annual meeting, first Monday in January. Office, Savannah, Ga.

Capital Stock: Auth. and outstanding, $1,022,900; par $100. Dividends 5% per annum paid J. and J. 5, and guaranteed by Central of Georgia Ry. No bonded debt. For rating, see Central of Georgia guaranteed-stock table above.

CHATTAHOOCHEE AND GULF RAILROAD

Incorporated under laws of Alabama, July 7, 1899. Line of road, Columbia to Lockhart, Ga., 91.47 miles. Leased in perpetuity to Central of Georgia Ry. from July 2, 1900, rental being 6% on cost of road, until bonded debt is retired; after retirement of debt, stock is to receive 5% per annum. During life of bonds, after payment of interest and 5% dividends, balance of rental is used as sinking fund on bonds.

Management: Officers: E. T. Comer, Pres.; John D. Comer, Vice-Pres.; S. B. Adams, Vice-Pres.; H. W. Johnson, Sec. and Treas. Annual meeting, second Wednesday in January. Office, Savannah, Ga.

Bonded Debt: $242,000 Chattahoochee & Gulf R.R. first 5s; dated July 1, 1900; due July 1, 1930; int. paid J. and J. 1 at Citizens' Bank of Savannah. Coupon, $1,000. Callable for sinking fund at 102½. Guar. under lease by Central of Georgia Ry. Auth. issue, $2,000,000. Sinking fund is 1% per annum on $436,400 stock and outstanding bonds. There are now $135,000 of latter in fund. For rating, see Central of Georgia Ry. Bond Table, page 387.

Capital Stock: Auth. and Issued, $435,900; par $100. Divs. J. and J. 1, at 5% per annum guar. under lease by Central of Georgia Ry. For rating, see Central of Georgia stock table above.

LOUISVILLE & WADLEY RAILROAD

Incorporated under Georgia laws, Aug. 14, 1879. Line of road, Wadley to Louisville, Ga., 10 miles. Sidings, 1.16 miles. Controlled by Central of Georgia Ry. through stock ownership, but separately operated. 1 Locomotive, 2 Cars.

Management: OFFICERS: J. C. Little, Pres.; A. R. Lawton, Vice-Pres.; C. F. Groves, Sec.; W. C. Askew, Treas.; T. T. Holloman, G. Supt.; W. D. Beymer, Aud. DIRECTORS: W. L. Phillips, L. R. Farmer, S. M. Clark, A. P. Little, J. C. Little, A. R. Lawton, S. C. Evans, Jr. Annual meeting, third Monday in Oct. OFFICE, Savannah, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$19,435	$21,417	$27,909	$25,037	$28,461	$28,720
Maintenance of way	3,700	4,840		4,430	5,643	6,947
Maintenance of equipment	4,931	1,776	17,619	1,514	1,641	1,348
All other operating exps.	10,072	10,313		9,904	10,180	10,069
Net oper. revenues	$732	$4,488	$10,290	$9,189	$10,997	$10,356
Other income	792	855	291	338	230	195
Total net income	$1,524	$5,343	$10,581	$9,527	$11,227	$10,551
Taxes	795	820	2,299	741	769	689
Fixed charges	1,040	1,103		1,062	1,046	869
Surplus	(def.) $311	$3,420	$8,282	$7,724	$9,412	$8,993
Dividends paid	.....	1,740	1,740	1,740	1,740	1,740
Balance	(def.) $311	$1,680	$6,542	$5,984	$7,672	$7,253

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $16,571; miscellaneous credits, $8; total, $16,579. Contra: Debit balance transferred from income, $311; credit balance carried to balance sheet, $14,528; dividend appropriation of surplus, $1,740; total, $16,579.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$108,041	$111,011	$117,219	$91,896	$92,382	$92,026
Working assets	6,607	5,689	5,855	13,812	10,754	5,125
Deferred debit items	8	3	7	55	24	3
Total	$114,656	$116,703	$123,081	$115,763	$103,160	$97,154
LIABILITIES:						
Capital stock	$79,400	$79,400	$79,400	$79,400	$79,400	$79,400
Working liabilities	1,888	1,489	2,594	3,522	2,156	3,879
Accrued liabilities, not due	442	845	.....	435	830	774
Deferred credit items	.....	.....	7,801	5,644	.....	.....
Appropriated surplus	18,398	18,398	18,398	.....	18,398	13,101
Profit and loss surplus	14,528	16,571	14,888	26,762	2,376	.....
Total	$114,656	$116,703	$123,081	$115,763	$103,160	$97,154

Capital Stock: Auth. and issued, $29,000 preferred and $50,400 common; par $100. Central of Georgia Ry. owns all the preferred and $38,900 common. Dividends of 6% per annum have been paid on preferred since 1911, payments A. and O. 1. No bonded debt, former bonds having been retired in 1910 by issue of preferred stock.

SOUTHWESTERN RAILROAD

Origin: Incorporated under laws of Georgia and Alabama, Feb. 10, 1848; in 1868 merged the Muscogee R.R. Line of road: Macon, Ga., to Eufaula, Ala., 143.6 miles; Fort Valley to Perry, 12.73 miles; Fort Valley to Columbus, Ga., 71 miles; Cuthbert to Fort Gaines, 20.5 miles; Smithville, Ga., to Columbia, Ala., 85.01 miles; total operated, 332.84 miles. Sidings, 110.14 miles. Leased to Central of Georgia Ry. for 101 years from Oct. 17, 1895, rental being 5% on stock and $2,500 per annum for organization expenses. Directly operated by lessee.

Management: OFFICERS: J. F. Minis, Pres.; W. R. Cox, Vice-Pres.; G. I. Hardeman, Treas., John M. Walker, Sec. Annual meeting, second Tuesday in February. OFFICE, Macon, Ga.

Income: As the property is leased and directly operated by the Central of Georgia Railway Co., no separate statement of earnings is available. The road is evidently a substantial carrier, however, as its mileage penetrates some well populated and fertile territory. Capitalized at less than $16,000 per mile. Reserve fund invested in State and Municipal bonds, $157,628.

Capital Stock: Auth., $6,000,000; outstanding, $5,191,100; par, $100. Dividends, 5% per annum, paid J. and J. 5, and guaranteed by Central of Georgia Ry. No bonded or other debt. For rating, see Central of Georgia guaranteed-stock table, page 389.

WADLEY SOUTHERN RAILWAY

Incorporated July 1, 1906, under laws of Georgia, as a consolidation of the Stillmore Air Line Ry., and the Wadley & Mount Vernon R.R. Line of road: Wadley to Rockledge, and to Collins, Ga., 88.74 miles. Sidings, 6.86 miles. Equipment: Locomotives, 5; cars, 16.

Management: OFFICERS: W. A. Winburn, Pres.; H. P. Smart, Vice-Pres.; W. C. Askew, Treas.; J. G. Corbett, Sec. DIRECTORS: H. P. Smart, W. A. Winburn, A. R. Lawton, G. F. Flanders, W. J. Kincaid, W. D. Evans, Frank Mitchell, W. J. Evans, J. C. Coleman, Brooks Simmons, H. R. Smith. Annual meeting, second Monday in Oct. OFFICE, Savannah, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$96,371	$93,974	$125,794	$103,926	$106,107	$106,266
Operating expenses	102,363	110,843	103,532	96,014	98,026	106,766
Net oper. revenues	(def.) $5,992	(def.) $16,869	$22,262	$7,912	$8,081	(def.) $500
Other income	526	570	381	190	386	408
Total net income	(def.) $5,466	(def.) $16,299	$22,643	$8,102	$8,467	(def.) $92
Taxes	7,084	6,502	6,831	5,636	6,376	6,098
Fixed charges	43,744	44,043	45,919	44,721	44,326	43,718
Balance	(def.) $56,294	(def.) $66,844	(def.) $30,107	(def.) $42,255	(def.) $42,235	(def.) $49,908

Profit and Loss Account, year ended June 30, 1916: Unrefundable overcharges, $3; donations, $282; miscellaneous credit, $65; debit balance carried to Balance Sheet, $294,238; total, $294,588. Contra: Debit balance at beginning of year, $236,786; debit balance transferred from income, $56,294; surplus appropriated for investment in physical property, $282; loss on retired road and equipment, $201; delayed income debits, $1,025; total, $294,588.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,449,410	$1,452,328	$1,452,744	$1,454,190	$1,452,633	$1,453,041
Working assets	19,102	17,916	24,676	17,947	18,985	28,924
Deferred debit items	523	918	741	666	715	697
Profit and loss deficit	294,238	236,786	169,425	133,745	91,317	48,762
Total	$1,763,273	$1,707,948	$1,647,586	$1,606,548	$1,563,650	$1,531,424
LIABILITIES:						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	899,968	872,435	800,000	800,000	800,000	800,000
Working liabilities	254,114	226,830	239,118	203,667	160,553	128,608
Accrued liabilities, not due	3,618	3,389	3,237	2,881	3,097	2,816
Deferred credit items	61	63	.....	.....	.....	.....
Appropriated surplus	5,512	5,231	5,231	.....	.....	.....
Total	$1,763,273	$1,707,948	$1,647,586	$1,606,548	$1,563,650	$1,531,424

Bonded Debt: $800,000 Wadley Southern R.R. first 5s; dated July 1, 1906; due July 1, 1926; int. J. and J. 1, at Guaranty Trust Co., New York. First lien on entire property. All owned by Central of Georgia Ry.

Capital Stock: Auth. and outstanding, $600,000, Par. $100. Nearly all owned by Central of Georgia Ry. Co.

WRIGHTSVILLE AND TENNILLE RAILROAD

Origin: Incorporated under the laws of Georgia, December 23, 1883, as Wrightsville & Sun Hill R.R. Co., the name being changed to the above title in the same year. The property was consolidated with the Dublin & Wrightsville Railroad in December, 1886, and absorbed the Oconee & Western Railroad in February, 1889. The Dublin & Southwestern Railroad, which was formerly controlled by the company, was merged directly with it in July, 1907.

Location: Main line extends from Tennille to Hawkinsville, Ga., and from Dublin to Eastman, Ga., making a total of 102.82 miles. Sidings, 17.61 miles. Equipment: Locomotives, 9; passenger, freight, and service cars, 420.

Management: OFFICERS: H. D. Pollard, Pres.; M. T. Lanigan, Sec. and Aud.: A. L. Spicer, Treas.; D. R. Thomas, Supt., Tennille, Ga. DIRECTORS: C. V. Smith, H. D. Pollard, Tennille, Ga.; G. D. Warthen, Sandersville, Ga.; J. M. Finn, F. G. Corker, Dublin, Ga.; W. A. Winburn, Savannah, Ga.; J. S. Wood, E. T. Comer, Savannah, Ga.; W. N. Parsons, Hawkinsville, Ga.; J. D. Comer, Macon, Ga. Annual meeting, first Wednesday in Oct., Tennille, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Miles operated	103	104	104	104	105	105	105
Gross revenues	$264,339	$271,368	$352,119	$306,583	$348,993	$327,112	$301,178
Maintenance of way	58,673	48,357	51,569	67,089	72,893	39,982	39,708
Maintenance of equipment	40,315	46,176	45,905	41,967	42,113	55,890	36,227
All other oper. expenses	130,161	126,421	139,141	140,375	139,376	131,308	117,109
Net earnings	$35,190	$50,414	$115,214	$57,152	$94,611	$100,932	$108,134
Total net income	39,546	53,603	117,230	58,618	97,395	102,516	109,242
Fixed charges (inc. taxes)	43,628	36,185	42,171	38,446	43,930	35,009	25,354
Surplus	def. $4,082	$17,418	$75,059	$18,706	$53,465	$67,507	$83,888
Dividends paid	*	18,000	36,000	36,000	36,000	36,000	36,000
Balance	def. $4,082	def. $582	$39,059	def. $17,294	$17,465	$41,507	$47,888
Net income per mile	387	515	1,127	563	928	976	1,041

* Dividend paid from profit and loss (see below).

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $149,001; profit on road and equipment sold, $601; total, $149,602. Contra: Debit balance transferred from income, $4,082; dividend appropriation of surplus, $18,000; credit balance carried to balance sheet, $127,520; total, $149,602.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$897,676	$901,983	Capital stock	$600,000	$600,000
Working assets	96,188	111,125	Funded debt	200,000	200,000
Deferred assets	191	218	Working liabilities	32,662	31,965
Unadjusted debits	.....	1,324	Deferred credits	1,778	1,219
			Unadjusted credits	9,345	9,113
			Appropriated surplus.....	23,351	23,351
			Profit and loss.....	127,519	149,002
Total	$994,055	$1,014,650		$994,055	$1,014,650

TABLE D.—Bond Record and Ratings (Based on 7-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING.		Net Rating.
								Security.	Salability.	
1. Wrightsville & Tennille R. R. Co. first mtge. gold 5s...	J&J	Ja 1958	(1st) 103	$1,941	$646	$97	85%	High	Fair	A.

Note: Average income available is the annual average per mile of the surplus available for charges, after average allowance for taxes. Although the company has made a relatively poor showing during the past two years, the bonded debt is very light and therefore the issue is still entitled to a strong rating. For Key to Ratings, see pages 19-21.

1. Auth., $250,000; outstanding, $200,000. Dated Oct. 1, 1907; due Jan. 1, 1958. Int. paid at Tennille, Ga. Coupon, $1,000. Registerable as to principal. Registered, $1,000. Interchangeable. Redeemable at 102½ and interest on any interest date after Oct. 1, 1912, upon four weeks' notice. Sinking Fund: $5,000 per annum, beginning 1912. First lien from Tennille to Hawkinsville, Ga., 74.28 miles; Dublin to Eastman, Ga., 28.54 miles; total, 102.82 miles. Legal for S. B. in Mich., Minn., N. H., N. J., R. I., Wis. Normal income tax deducted from interest.

Capital Stock: Outstanding, $70,000 6% non-cumulative preferred and $530,000 common. Par, $25. Dividends paid in recent years on both preferred and common: 1905, 12%; 1906, 11%; 1907, 11%; 1908 to 1914, 6% each; 1915, 3%; Jan., 1916, 3%. The Central of Georgia owns all the preferred stock, and $278,575 of the common.

INTERNATIONAL & GREAT NORTHERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Aug. 10, 1911, under Texas laws as successor of the International & Great Northern Railroad, which was sold under foreclosure of its second mortgage. The company is controlled by the International & Great Northern Corporation, a holding company organized under Virginia laws in November, 1911, and which owns the common stock of the railway company.

Location: The lines operated consist of 1,159.5 miles, of which 1,106 are owned and 53.5 operated under traffic rights all in the State of Texas. Main line extends, from Longview Junc. to Laredo; other divisions extend from Palestine to Houston, Soring to Fort Worth, Troupe to Mineola, while branches enter Austin, Madisonville, etc. By traffic rights, the lines operate into Galveston.

Receivership: On Aug. 10, 1914, Judge Burns, in the United States Court at Houston, Tex., appointed James A. Baker, of Houston, Tex., and Cecil A. Lyon, of Sherman, Tex., as receivers of this company at the instance of the protective committee, which endeavored to arrange for an extension of the 5% notes due Aug. 1, 1914; both the principal and interest then due having defaulted.

Protective Committee for Gold Notes: Alexander J. Hemphill, Chairman; Franklin Q. Brown, Willard V. King, Alvin W. Krech, Edwin G. Merrill, Frederick Strauss, Benjamin Strong, Jr., S. H. Voorhees, R. Lancaster Williams, William J. Cox, secretary, 140 Broadway, New York, N. Y. Depositary, Guaranty Trust Co., New York, N. Y. A large majority of the notes have been deposited under the agreement to date.

Management: OFFICERS: Jas. A. Baker, Rec.; Thornwell Fay, Asst. to Rec.; Thos. J. Freeman, Pres.; Geo. H. Taylor, First Vice-Pres.; A. G. Whittington, Second Vice-Pres. and Gen. Manager; A. R. Howard, Sec. and Treas. DIRECTORS: T. J. Freeman, A. R. Howard, A. G. Whittington, Walter K. Morrow, Jesse H. Jones, Fred W. Cook, Kingdon Gould, Frank J. Gould, R. Lancaster Williams. MAIN OFFICE, Houston, Texas. Annual Meeting, first Monday in November. NEW YORK OFFICE, 165 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	.....	.....	.....	.....	33.8%	26.9%	26.72%
Products of Animals.....	.....	.....	.....	.....	.....	.....	.....	4.3	5.0	5.39
Products of Mines.....	.....	.....	.....	.....	.....	.....	.....	29.5	27.0	33.51
Products of Forests.....	.....	.....	.....	.....	.....	.....	.....	12.6	17.9	13.10
Manufactures.....	.....	.....	.....	.....	.....	.....	.....	12.6	14.6	14.96
Miscellaneous.....	.....	.....	.....	.....	.....	.....	.....	7.2	8.6	6.32

Total revenue tonnage, 1914, 3,556,383 tons; in 1915, 3,592,579 tons; in 1916, 3,767,900 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	1,160	....	145	98	3,826	69%	65,002	302,421	198	$1.69	2.20c	1.05c
1909	1,160	....	151	96	4,194	71	65,711	435,840	210	1.92	2.25	1.16
1910	1,160	....	158	92	6,154	71	72,534	463,869	207	1.93	2.30	1.13
1911	1,160	....	166	86	4,087	71	79,860	486,408	218	2.03	2.30	1.14
1912*	1,160	....	164	88	4,030	73	63,823	425,986	222	2.21	2.40	1.26
1913	1,160	....	171	110	4,182	72	87,140	599,750	227	2.29	2.17	1.16
1914	1,160	....	184	109	5,111	71	77,687	500,930	215	2.24	2.49	1.21
1915	1,160	....	184	109	4,887	74	61,072	549,271	249	2.19	2.48	1.05
1916	1,160	....	182	107	5,718	73	64,636	586,351	272	2.20	2.43	1.01
9-Year Average	1,160	....	168	100	4,689	72%	70,829	483,425	224	$2.08	2.34c	1.13c

* Nine and one-half months only, Sept. 15, 1911, to June 30, 1912.

Yard tracks and sidings, June 30, 1916, 320.78 miles.

Comment: During the fiscal year ended June 30, 1916, the tonnage on this property underwent some improvement as compared with previous years, and the train load was also increased to a better figure. Train mile earnings underwent very little improvement, however, and continue to range at figures shown for recent years. This company's traffic seems quite well diversified and the proportion of high grade freight is up to the recent average.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$5,967	$1,159	$1,253	$2,412	$3,242	$313	$331	$240	$94	$1,980	.....	$1,886*	.....
1909	6,981	1,265	1,152	2,417	3,270	1,294	1,333	208	1,125	2,045	.....	920*	.....
1910	7,388	1,240	1,197	2,437	3,643	1,308	1,352	218	1,134	1,907	.....	773*	.....
1911	7,869	1,237	1,204	2,441	3,792	1,636	1,675	219	1,456	1,925	.....	471*	.....
1912†	7,364	866	894	1,760	3,553	2,051	2,334	218	2,116	1,707	20%	409	.....
1913	9,711	1,270	1,343	2,613	4,741	2,359	2,410	293	2,117	1,838	13	279	$14
1914	8,570	1,408	957	2,365	4,550	1,655	1,700	293	1,407	1,794	.....	387*	.....
1915	7,831	1,327	1,367	2,694	4,091	1,046	1,139	345	794	1,761	.....	967*	.....
1916	8,119	1,250	1,400	2,650	3,677	1,792	1,889	361	1,528	1,781	.....	253*	.....
9-Year Average	$7,756	$1,225	$1,196	$2,421	$3,840	$1,495	$1,574	$266	$1,308	$1,860	.....	$552*	.....

* Deficit.

† Covers the period Sept. 15, 1911, to June 30, 1912 only.

Note: Above table is based on average mileage directly operated for each year, including mileage operated under traffic rights.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$9,418,310	$9,077,949	$9,922,520	$11,239,552	$8,538,874	$9,127,835
Maintenance of way	1,450,127	1,539,783	1,633,202	1,472,197	1,004,704	1,434,907
Maintenance of equipment	1,623,969	1,585,929	1,110,369	1,557,565	1,082,310	1,397,197
All other operating exps.	4,265,128	4,745,737	5,278,009	5,497,718	4,072,623	4,399,471
Net operat'g revenues	$2,079,086	$1,206,500	$1,900,940	$2,712,072	$2,379,237	$1,896,260
Operating ratio	77.9%	86.7%	80.8%	75.7%	72.1%	79.2%
Other income	112,559	114,726	71,103	82,001	338,539	47,058
Total net income	$2,191,645	$1,321,226	$1,972,043	$2,794,073	$2,717,766	$1,943,318
Taxes accrued	419,035	400,256	339,841	340,000	252,500	254,344
Balance for charges	$1,772,610	$920,970	$1,632,202	$2,454,073	$2,465,266	$1,688,974
Fixed charges	2,065,680	2,042,367	2,081,098	2,130,555	1,921,051	2,235,232
Surplus	def.$293,070	def.$1,121,397	def.$448,896	$323,518	$544,215	$546,258
Divldend on pfd	.....	.....	.....	136,000	.....	.....
Balance	def.$293,070	def.$1,121,397	def.$448,896	$187,518	.....	.....

Profit and Loss Account, year ended June 30, 1916: Unrefundable overcharges, $9,915; donations, $11,032; miscellaneous credits, $8,212; debit balance carried to balance sheet, $1,016,480; total, $1,045,639. Contra: Debit balance, June 30, 1915, $723,802; debit balance transferred from income, $293,070; miscellaneous appropriations of surplus, $1,573; loss on retired road and equipment, $5,597; miscellaneous debits, $21,597; total, $1,045,639.

Note: The above income statement for 1915 is that of the company, and includes all the fixed charges, whether paid or unpaid. Actually, the receiver did not pay the bond interest of $842,482, which is included in above fixed charges. In 1916, interest on funded debt accrued, amounted to $813,612, of which $743,220 was paid. No interest was paid on the refunding 5s.

Comment: While the income figures of the International Great Northern are still well below those reported a few years ago, yet in 1916 they reflect improvement as compared with results of 1915. Curtailment of operating costs in 1916 resulted in a very substantial improvement in net income, and although the heavy fixed charges were not covered, the final deficit was much smaller than that reported during the past two years. This property is now in receiver's hands and must undergo reorganization. With a radical cutting down of fixed charges, it is probable that the credit of the company can be promptly restored.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$51,263,831	$49,753,179	$49,400,543	$47,998,786	$36,185,294	$40,102,692
Working assets	2,528,674	1,629,482	1,610,526	1,465,375		
Deferred debit items	257,880	377,060	106,035	320,950	2,225,488	1,694,421
Accrued income not due	.....	.....	.....	.....		
Profit and loss deficit	1,016,480	723,802	.....	.....	.....	5,233,719
Total	$55,066,865	$52,483,523	$51,117,104	$49,785,111	$38,410,782	$47,030,832
LIABILITIES:						
Capital stock	$4,822,000	$4,822,000	$4,822,000	$4,822,000	$4,822,000	$9,755,000
Funded debt	40,380,717	38,930,000	38,420,000	36,954,000	29,428,000	29,434,323
Working liabilities	4,192,856	3,195,141	1,717,667	1,102,703	1,035,429	
Accrued liabilities not due	261,438	150,190	518,491	549,553	538,243	7,841,509
Deferred credit items	5,329,854	5,306,192	5,169,316	5,258,621	212,340	
Appropriated surplus	80,000	80,000	80,000	80,000	329,665	.....
Profit and loss surplus	.....	.....	389,630	1,018,234	2,045,105	.....
Total	$55,066,865	$52,483,523	$51,117,104	$49,785,111	$38,410,782	$47,030,832

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Inter. & Great Nor. R. R. first 6s	M&N	N 1919	(1st) 1106	$10,200	$1,308	$584	55%	High	Fair	Baa.
2. Receivers ctfs., 6%	M&N	My 1917	(see text)	.....	724	41	95%	Good	"	Baa.
3. Inter. & Great Nor. Ry. 3-year coll. 5% notes	F&A	Ag 1914	"	.....		475	.....	Mod.	"	C.
4. Inter. & Great Nor. Ry. first ref. 5s	F&A	Ag 1941	"	.....	683	47	.....	"	"	C.
5. Colorado Bridge Co. first 7s	M&N	My 1920	(1st Bge.)	.....		12	.....	Good	.....	Ba.
6. Equipment 5s	F&A	(see text)	.....	.....		31	.....	"	.....	Ba.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. for each mile of completed road constructed or acquired, $10,000; outstanding, $11,290,500 (closed). Dated Nov. 1, 1879; due Nov. 1, 1919. Int. paid at Equitable Trust Co., New York. First lien on 1,106 miles, as follows: Longview Junc. to Laredo, Tex., 493.90 miles; Palestine to Houston, Tex., 150.70 miles; Spring to Texas & Pacific Ry. connection; Ft. Worth, Tex., 271.80 miles; Troupe to Mineola, Tex., 44.40 miles; Navasota to Madisonville, Tex., 44.70 miles. Houston to East Columbia, Tex., 50 miles; Houston to Buffalo Bayou, Tex., 10.20 miles; various tracks and spurs. Underlies No. 4 with provision to retire. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $500 and $1,000.

2. Auth., $1,400,000; outstanding, $800,000; in treasury, $600,000. Dated May 1, 1916; due May 1, 1917. Of this issue $700,000 were sold to retire a like amount of receiver's certificates, due May 1, 1916, and balance were sold to provide funds for betterments and improvements. Additional amounts will be sold from those in treasury as funds are needed for additions and betterments. The certificates are prior in position to Nos. 3 and 4, but not prior to Nos. 1, 5 or 6.

3. Auth. and outstanding, $11,000,000. Dated Aug. 1, 1911; due Aug. 1, 1914. Int. paid at New York. Callable at 101 and int. on 30 days' notice. Not a mortgage. Secured by pledge of $13,750,000 of No. 4, and subject to Nos. 1 and 2. In default since Aug. 1, 1914. Listed on New York Stock Exchange.

REFERENCE NOTES ON BOND ISSUES (Continued)

4. Auth., $50,000,000; outstanding, $1,108,000; $13,750,000 additional pledged as security for No. 3 (above). Dated Aug. 1, 1911; due Aug. 1, 1941. Int. paid at Equitable Trust Co., New York. The issue is subject to Nos. 2, 5 and 6, following No. 1 as a second lien on the entire property. Interest paid without deduction for normal income tax. In default since Aug. 1, 1914. Coupon and reg., $500 and $1,000.

5. Auth., $225,000; outstanding, $198,000. Dated June 1, 1880; due May 1, 1920. Int. paid at Farmers' Loan & Trust Co., New York. First lien on bridge over Colorado River at Austin, Tex. Assumed. Sinking fund, $2,000 per annum. Normal income tax deducted from interest. Coupon, $1,000.

6. Outstanding, $700,000; dated Aug. 1, 1913; due $50,000 s.a. from Feb. 1, 1914, to Aug. 1, 1923. Int. paid F. & A. 1, at Blair & Co., New York. First lien on equipment costing $1,245,580. Interest paid without deduction for normal income tax.

Note: There are also outstanding, $95,000 receivers' equipment notes of 1908, due $19,000 each April and October to Oct. 1, 1918, and $738,000 dated Jan. 1, 1916, due $39,000 each January and July.

Capital Stock: Auth., $5,000,000 5% non-cumulative preferred, and $6,500,000 common; outstanding, $3,400,000 preferred and $1,422,000 common; par $100. The preferred has preference as to assets and to 5% dividends, after which common stock is to receive 5%, but is to share with preferred in any further dividends. First dividend on preferred, 1% on Aug. 1, 1912; also 4% on Jan. 2, 1913, making 5% for fiscal year. None since. TRANSFER OFFICE, Houston, Tex.

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated March 19, 1900, under Missouri laws, as successor to the Kansas City, Pittsburg & Gulf Ry. which was sold under foreclosure. The Texas lines are owned by the Texarkana & Fort Smith Ry. Co., and those in Louisiana, exclusive of the Shreveport Depot property, are owned by the Kansas City, Shreveport & Gulf Ry. The Texas lines are operated separately, in accordance with Texas laws, but results are reported as a whole by the controlling company. The company owns a fourth interest in the Joplin Union Depot Co., of Joplin, Mo., and a proprietary interest in the Kansas City Terminal Ry. Also owns the Kansas City Southern Elevator Co., and a three-quarter interest in the Glen-Pool Tank Line Co.

Location: The directly operated lines of the company consisted, June 30, 1916, of 840.86 miles, as follows: Kansas City to Belt Junc., Mo., and Grandview, Mo., to Port Arthur, Tex., 777.13 miles; branches, 45.86 miles; trackage rights, 17.86 miles. Lines mainly in Missouri, Arkansas and Louisiana. Population of these States in 1890, 4,925,950; in 1900, 5,799,854; in 1910, 6,524,172.

In addition to its directly operated lines, the Kansas City Southern Railway controls the Arkansas Western Ry., operating 32.33 miles from Heavener, Okla., to Waldron, Ark.; Port Arthur Canal & Dock Co.; Poteau Valley R.R., 6.59 miles; Kansas City, Shreveport & Gulf Terminal Co., K. C. So. Elevator Co.; and Mena Land & Improvement Co. All the securities of the latter companies are owned, also 75% of the stock of the Glen-Pool Tank Line Co.

Management: OFFICERS: L. F. Loree, Chairman; J. A. Edson, Pres.; J. F. Holden, Vice-Pres. in charge of Traffic, R. J. McCarty, Vice-Pres., in charge of accounts; J. Sorensen, Vice-Pres. and Asst. Treas.; G. C. Hand, Sec.; H. Visscher, Treas. DIRECTORS: L. F. Loree, Hermann Sielcken, Walter T. Rosen, A. J. Miller, James A. Blair, John J. Mitchell, S. W. Fordyce, J. A. Edson, W. G. Street, W. H. Williams, Samuel McRoberts, Arthur Turnbull, Edward F. Swinney, B. S. Guinness, J. F. Stillman. Annual Meeting, second Tuesday in May. MAIN OFFICE, Kansas City, Mo. NEW YORK OFFICE, 25 Broad Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture									20.81%	12.46%
Products of Animals									1.64	1.75
Products of Mines									22.78	26.22
Products of Forests									27.22	29.60
Manufactures									19.58	21.41
Miscellaneous									7.97	8.56

Note: This company does not furnish any table showing the characteristics of the freight tonnage, but it is well known as a transporter of agricultural products, mining products, petroleum, etc., as well as diversified manufactures. In the past two years the petroleum tonnage has tended to decline, and that of manufactures and miscellaneous commodities to increase. The figures for 1915 and 1916 above are those filed with the Interstate Commerce Commission.

Total revenue tonnage, years ended June 30, 1915, 3,921,723 tons; 1916, 4,105,929 tons.

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MOODY'S INVESTORS SERVICE

35 NASSAU STREET NEW YORK CITY

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	827	6	180	83	7,950	78%	68,239	1,206,612	332	$1.99	2.38c	.70c
1908.....	827	6	210	89	7,842	77	68,744	1,121,751	318	1.95	2.31	.72
1909.....	827	6	208	87	7,498	76	69,793	1,074,660	354	2.10	2.29	.75
1910.....	827	6	202	86	7,458	75	73,993	1,204,937	361	2.19	2.37	.72
1911.....	827	14	168	79	6,677	78	80,409	1,118,622	380	2.43	2.52	.79
1912.....	827	14	188	94	6,551	77	76,966	1,016,738	413	2.50	2.55	.80
1913.....	827	14	196	91	6,959	79	81,644	1,230,125	520	2.90	2.54	.79
1914.....	827	14	195	90	6,456	75	88,684	1,284,810	508	2.95	2.31	.78
1915.....	837	23	192	82	5,921	77	77,116	1,384,549	539	2.85	2.19	.69
1916.....	837	23	191	82	5,653	77	79,834	1,314,185	547	3.14	2.27	.74
10-Year Average	829	13	193	86	6,897	77%	76,542	1,192,099	427	$2.50	2.37c	.75c

Yard tracks and sidings, June 30, 1916, 421 miles. Of the total average mileage operated, as shown above, 777 miles is "main" line, the branches of the system representing a nominal amount only.

Comment: During the fiscal year 1916, the Kansas City Southern maintained its passenger and freight density at recent high totals, and reported a further improvement in its average freight train load. Train mile earnings were also considerably better than in previous years. The tonnage it will be noted is diversified and the company does not depend primarily on any particular type of tonnage for its business.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$10,597	$991	$1,341	$2,332	$3,845	$4,420	$4,623	$222	$4,401	$1,432	67%	$2,969	$1,015
1908.....	10,591	1,109	1,451	2,560	4,397	3,634	3,794	342	3,452	1,502	56	1,950	1,015
1909.....	10,607	1,162	1,217	2,379	4,091	4,137	4,256	390	3,866	1,597	59	2,269	1,015
1910.....	11,602	1,267	1,446	2,713	4,867	4,022	4,136	416	3,720	1,916	48	1,804	1,015
1911.....	12,087	1,137	1,688	2,825	4,925	4,341	4,500	438	4,062	2,052	50	2,010	1,015
1912.....	11,119	1,249	1,547	2,796	4,798	3,525	3,704	496	3,208	2,146	33	1,062	1,015
1913.....	12,946	1,239	1,626	2,865	5,293	4,788	4,990	563	4,427	2,436	45	1,991	1,015
1914.....	13,293	1,373	1,619	2,992	5,364	4,937	5,148	686	4,462	2,376	47	2,086	1,015
1915.....	11,990	1,353	1,416	2,769	4,972	4,249	4,550	686	3,864	2,501	35	1,363	1,004
1916.....	12,639	1,352	1,526	2,878	4,722	5,039	5,373	672	4,701	2,632	44	2,069	1,004
10-Year Average	$11,747	$1,223	$1,488	$2,711	$4,727	$4,309	$4,507	$491	$4,016	$2,059	48%	$1,957	$1,013

Note: Above table is based on average mileage directly operated for each year, including trackage rights, etc. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $4,701; fixed charges consumed $2,632, or 56% of this, leaving $2,069, a "margin of safety" of 44%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$10,578,972	$10,030,411	$10,993,454	$10,706,309	$9,272,859	$9,995,174	$9,594,652
Maintenance of way	1,132,086	1,132,078	1,135,525	1,024,840	1,041,393	939,962	1,047,348
Maintenance of equipment.....	1,277,531	1,185,046	1,339,155	1,344,625	1,289,937	1,394,547	1,195,699
All other operating expenses..	3,952,105	4,161,697	4,435,641	4,377,692	4,001,509	4,069,492	4,025,538
Net operating revenues....	$4,217,250	$3,551,590	$4,083,133	$3,959,152	$2,940,020	$3,591,173	$3,326,067
Operating ratio	60.1%	64.6%	62.9%	63%	68.3%	64.1%	65.3%
Other income	279,968	256,688	174,363	167,982	149,171	130,460	94,455
Total net income.....	$4,497,218	$3,808,278	$4,257,496	$4,127,134	$3,089,191	$3,721,633	$3,420,522
Taxes accrued	562,188	574,449	567,857	465,339	410,369	361,875	343,773
Balance for charges.....	$3,935,030	$3,233,829	$3,689,639	$3,661,795	$2,678,822	$3,359,758	$3,076,749
Fixed charges	2,203,314	2,093,398	1,964,190	2,015,590	1,792,872	1,695,099	1,585,328
Surplus over charges.....	$1,731,716	$1,140,431	$1,725,449	$1,646,205	$885,950	$1,664,659	$1,491,421
Dividends paid	840,000	840,000	840,000	840,000	840,000	840,000	840,000
Balance	$891,716	$300,431	$885,449	$806,205	$45,950	$824,659	$651,421
Earned on stock: Preferred....	8.25%	5.4%	8.22%	7.84%	4.22%	7.93%	7.10%
Common....	2.97%	1%	2.95%	2.69%	.15%	2.75%	2.17%

Note: Fixed charges consist of interest on bonds and on equipment trusts, rents, hire of equipment.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915, $5,888,833; credit balance transferred from income account, $891,716; profit on road and equipment sold, $1,597; unrefundable overcharges, $551; donations, $9,761; miscellaneous credits, $5,193; total, $6,794,651. Contra: Debt discount extinguished through surplus, $92,487; loss on retired road and equipment, $115,451; delayed income debits, $3,551; miscellaneous debits, $530,753; total, $6,794,651.

Comment: Gross revenues improved moderately on the Kansas City Southern in the year 1916, but as operating costs were held down, the improvement in net receipts was much heavier. After providing for enlarged fixed charges, the surplus left over was equal to no less than 8¼% on the outstanding preferred stock. Since the close of the fiscal year the company has continued to report continued progress in its earning power.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$61,668	58%	$44,220	42%	.....	$105,888	$993	$104,895	4.4%	$1,015	4%	.....	.....	66%	.....
1908	61,668	58	44,220	42	.....	105,888	995	104,893	3.6	1,015	4	.....	.....	48	.....
1909	61,668	59	43,114	41	.....	104,782	Nom.	104,782	4.1	1,015	4	.....	.....	55	.....
1910	61,669	56	49,760	44	.....	111,429	.....	111,429	3.7	1,015	4	.....	.....	44	.....
1911	61,669	53	55,556	47	.....	117,225	.....	117,225	3.9	1,015	4	.....	.....	50	.....
1912	61,669	53	55,289	47	.....	116,958	.....	116,958	3.2	1,015	4	.....	.....	5	.....
1913	61,669	52	57,951	48	.....	119,620	.....	119,620	4.2	1,015	4	.....	.....	49	.....
1914	61,669	51	58,104	49	.....	119,773	.....	119,773	4.3	1,015	4	.....	.....	51	.....
1915	60,932	51	57,560	49	.....	118,492	.....	118,492	3.8	1,004	4	.....	.....	26	.....
1916	60,931	51	58,623	49	.....	119,554	.....	119,554	4.4	1,004	4	.....	.....	51	.....
10-Year Average	$61,521	54%	$52,440	46%	.....	$113,961	$199	$113,762	4.0%	$1,012	4%	.....	.....	45%	.....

Note: Bonded debt was increased in 1910 and 1911 by issue of $15,000,000 new refunding 5s (see Table D). Stock outstanding remains the same. While the Kansas City Southern Railway is practically one operating whole, there are several separately operated subsidiary companies, including the Arkansas Western Ry., Kansas City, Shreveport & Gulf Terminal Co., Port Arthur Canal & Dock Co. The securities of these subsidiarie are all owned by the parent company.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$104,417,059	$103,365,551	$102,064,342	$102,368,508	$99,764,457	$95,100,456
Working assets	4,031,035	3,711,985	4,647,464	4,133,015	3,848,682	8,603,575
Deferred debit items	1,840,059	1,507,789	1,023,250	462,844	393,784	523,063
Accrued income not due	3,942	4,336	.....	.....	.....	.....
Total	$110,292,095	$108,589,661	$107,735,056	$106,964,367	$104,006,923	$104,227,094
Liabilities:						
Capital stock	$51,000,000	$51,000,000	$51,000,000	$51,000,000	$51,000,000	$51,000,000
Funded debt	49,067,554	48,178,000	48,052,000	47,926,000	45,744,000	45,948,000
Working liabilities	2,858,928	2,265,423	2,118,456	2,213,744	2,129,696	1,898,677
Accrued liabilities not due	728,497	719,522	658,097	632,964	620,144	616,710
Deferred credit items	377,683	333,859	.....	.....	.....	.....
Appropriated surplus	207,024	207,024	237,256	238,087	183,285	176,644
Profit and loss surplus	6,052,409	5,885,833	5,669,247	4,953,572	4,329,798	4,587,063
Total	$110,292,095	$108,589,661	$107,735,056	$106,964,367	$104,006,923	$104,227,094

Comment: There were no important capitalization changes in this property during the year ended June 30, 1916. As measured on the mileage basis, the capitalization of this property appears very heavy, but the fixed charges are relatively light because of the fact that the chief bond issue carries an interest rate of only 3%. It will be noted that during the past ten years net income on net capital has remained very stable, and has fully justified the disbursement of the 4% dividend on the preferred stock.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Kansas City Southern first 3s	A&O	Ap 1950	(1st) 823	$36,452	$4,016	$1,070	74%	High	Very high	Aaa.
2. Kan. C. So. ref. & imp. 5s	J&J	Ap 1950	(2d) 823	21,871	2,946	1,070	62%	"	High	A.
3. Kansas City So. Equip. notes	Var.	(see text)	(Equip.)	.....		59	62%	"	"	Aa.

For Reference Notes on Bond Issues, see next page.

Note: "Average inocme available" is the averge net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $30,000,000. Dated April 2, 1900; due April 1, 1950. Int. paid at New York Trust Co. Coupon and reg., $1,000. First lien or first collateral lien, about 822.99 miles, covering main line from Kansas City to Port Arthur, Tex., with branches. Also on the stock of the Kansas City, Shreveport & Gulf Terminal Co., and on the stocks and bonds of the Port Arthur Canal & Dock Co., etc. Underlie No. 2. Legal for Savings Banks in Maine, Mo., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth., $21,000,000; outstanding, $18,000,000. Dated July 1, 1909; due April 1, 1950; int. paid at New York Trust Co. Coupon, $1,000; reg., $1,000 and $5,000. Callable as a whole only at 105 on 60 days' notice. Secured subject to No. 1, on same property. Also a first lien on entire stock of Arkansas & Western Ry., the Maywood & Sugar Creek Ry. and the Hot Springs, Ouachita & Mena Ry. Callable at 105 and int. on any interest date, on sixty days' notice. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

3. Series D, 5s; dated Dec. 15, 1912; due $62,000 each June and Dec. 15 to Dec. 15, 1924; originally authorized $1,488,000; now outstanding, $992,000. Coupon, $1,000. Int. June and Dec. 15 at Blair & Co., New York. First lien on equipment costing $1,758,993. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Kansas City Southern preferred..... Par $100. Outstanding, $21,000,000. 4% non-cumulative.	4% Qu J	$25,090	$1,957	$1,004	49%	Fair	High	Baa.
Kansas City Southern common..... Par, $100. Outstanding, $30,000,000.	None	35,342	953	.....	.....	Moderate	"	Caa.

For Key to Stock Ratings, see page 21.

Note: Auth., $21,000,000 preferred, and $30,000,000 common; par, $100. Preferred is 4% non-cumulative. Dividends of 4% per annum have been paid on preferred, since July 1, 1907. Payments, quarterly, Jan. 1. Transfer Agent, G. C. Hand, 25 Broad Street, New York. Listed on New York and Amsterdam Stock Exchanges.

COMPANIES CONTROLLED BY KANSAS CITY SOUTHERN RAILWAY, SEPARATELY OPERATED

THE ARKANSAS WESTERN RAILWAY COMPANY

Incorporated under Arkansas laws, May 13, 1904. Line of road, Heavener, Okla., to Waldron, Ark., 32.33 miles. Sidings, 4.62 miles. Controlled by Kansas City So. Ry., through ownership of all securities.

Management: Officers: J. F. Read, Pres.; J. A. Edson and J. F. Holden, Vice-Pres.; J. B. McDonough, Sec. and Treas. Annual Meeting, Tuesday after third Monday in May. Office, Kansas City, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$48,772	$47,403	$54,498	$54,622	$52,233	$57,781
Operating expenses	46,716	45,967	55,914	43,494	28,483	33,418
Net oper. revenues...	$2,056	$1,436	(def.)$1,416	$11,128	$23,750	$24,363
Other income	102	66	97	8	245	191
Total net income.....	$2,158	$1,502	$1,319	$11,136	$23,995	$24,554
Taxes	7,306	7,918	46,180	7,149	6,487	5,942
Fixed charges	37,542	37,426		38,676	38,327	36,812
Surplus	(def.)$42,690	(def.) $43,842	(def.)$47,499	(def.) $34,689	(def.) $20,819	(def.) $18,199

Profit and Loss Account, year ended June 30, 1916: Unrefundable overcharges, $20; donations, $98; miscellaneous, $36; debit balance carried to balance sheet, $251,555; total, $251,709. Contra: Debit balance at beginning of year, $208,321; debit balance transferred from income, $42,690; miscellaneous debits, $698; total, $251,709.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$1,282,982	$1,281,980	$1,281,322	$1,279,915	$1,283,395	$1,284,801
Working assets	15,660	16,112	14,919	5,515	16,168	13,683
Deferred debit items.....	499	665	824	.....	372	699
Profit and loss (def.)....	251,555	208,321	163,882	116,295	81,583	65,129
Total	$1,550,696	$1,507,078	$1,460,947	$1,401,725	$1,381,518	$1,364,312

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$650,000	$650,000	$650,000	$650,000	$650,000	$650,000
Funded debt	697,000	688,000	650,000	650,000	650,000	650,000
Working liabilities	187,313	153,233	147,241	96,017	70,466	49,575
Accrued liabilities not due	6,798	6,688	.....	2,708	6,319	6,841
Deferred credit items	9,585	9,157	13,706	3,000	4,733	7,896
Total	$1,550,696	$1,507,078	$1,460,947	$1,401,725	$1,381,518	$1,364,312

Bonded Debt: $650,000 Arkansas Western Ry. first 5s; dated June 1, 1904; due June 1, 1934; int. paid June and Dec. 1. Coupon or reg., $1,000. First lien on entire property. All owned by Kansas City Southern Railway.

Capital Stock: Auth., $3,000,000; outstanding, $650,000; par, $100. All owned by Kansas City So. Ry.

KANSAS CITY, SHREVEPORT AND GULF TERMINAL COMPANY

Incorporated under laws of Louisiana, July 27, 1897. Owns Union Depot at Shreveport, Ill., including freight terminals, real estate, etc. Controlled by Kansas City So. Ry. through stock ownership, but independently operated.

Management: OFFICERS: J. A. Edson, Pres.; T. Alexander, Vice-Pres.; J. D. Wilkinson, Sec.; H. Visscher, Treas. Annual Meeting, Friday after first Thursday in April. OFFICE, Kansas City, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$2,375	$29,453	$30,355	$28,249	$27,229	$27,557
Maintenance of way	175	2,862	20,962	4,158	5,720	966
All other operating exps.	1,283	17,535		17,720	16,785	15,756
Net oper. revenue	$917	$9,056	$9,393	$6,371	$4,724	$10,835
Other income	8,207	112	164	62	158	173
Total net income	$9,124	$9,168	$9,557	$6,433	$4,882	$11,008
Taxes	2,000	1,200	8,333	1,771	990	1,035
Fixed charges	6,871	6,849		7,200	9,638	7,200
Surplus	$253	$1,119	$1,224	(def.) $2,538	(def.) $5,746	$2,772

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$329,766	$329,054	$329,006	$326,461	$325,840	$323,250
Working assets	11,476	10,206	11,521	8,302	7,308	14,860
Deferred debit items	76	309	199	232	220	92
Total	$341,318	$339,569	$340,726	$334,995	$333,368	$338,202
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Funded debt	164,400	165,400	167,400	161,500	158,000	158,000
Working liabilities	4,084	1,929	2,244	3,450	3,461	1,756
Accrued liabilities not due	2,503	3,134	3,100	3,100	2,500	3,212
Deferred credit items	892	.....	.....	86	11	93
Profit and loss surplus	19,439	19,106	17,982	16,859	19,396	25,141
Total	$341,318	$339,569	$340,726	$334,995	$333,368	$338,202

Bonded Debt: $150,000 Kansas City, Shreveport & Gulf Terminal Co. first 4s; dated Aug. 1, 1897; due Aug. 1, 1927; int. paid Apr. and Oct. 1 at Kansas City, Mo. Coupon, $500. First lien on entire property. Normal income tax deducted from interest.

Capital Stock: Auth. and issued, $150,000; par $100. All owned by Kansas City Southern Ry. and deposited under that company's first mortgage 3s.

PORT ARTHUR CANAL AND DOCK COMPANY

Incorporated under Texas laws, Jan. 8, 1902. Owns docks, terminals and warehouses at Port Arthur, Texas, on the Gulf of Mexico, a United States port of entry. Controlled by Kansas City So. Ry. through ownership of entire securities, but separately operated.

Management: OFFICERS: J. A. Edson, Pres.; W. L. Estes, Vice-Pres.; E. P. Hall, Sec.; H. Visscher, Treas. Annual meeting, first Thursday in April. OFFICE, Kansas City, Mo.

Income Account, year ended June 30, 1916: Gross revenues, $36,978; operating deficit, $25,402; net deficit, $23,031; taxes and interest, $66,500; other deductions, $2,582; deficit for year, $92,113.

Bonded Debt: $1,000,000 Port Arthur Canal & Dock Co. first 5s; dated Aug. 1, 1906; due Aug. 1, 1956. Int. paid Feb. and Aug. 1. Coupon, $1,000. First lien on entire property. All owned by Kansas City So. Ry. and deposited under that company's first mortgage 3s.

Capital Stock: Auth. and issued, $1,000,000; par $100. All owned by Kansas City So. Ry. and deposited under that company's first mortgage 3s.

POTEAU VALLEY RAILROAD

Incorporated under laws of Oklahoma, Oct. 19, 1900. Line of road: Shady Point to Calhoun, Okla., 6.59 miles. Sidings, 1.27 miles. Locomotives, 1; cars, 1. Controlled since Jan. 14, 1913, by Kansas City So. Ry., but separately operated.

Management: OFFICERS: J. A. Edson, Pres.; J. R. Cottingham, Vice-Pres.; H. Visscher, Treas.; R. J. McCarty, Sec. Annual meeting, second Tuesday in January. OFFICE, Kansas City, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1911
Gross revenues	$22,373	$15,797	$10,716	$11,292	$4,643
Maintenance of way and structures	6,200	5,040	.....	4,112	1,615
Maintenance of equipment	1,451	2,913	.....	811	1,868
All other operating expenses	9,447	6,202	.....	2,903	3,351
Net operating revenues	$5,275	$1,642	(def.) $1,950	$3,466	(def.) $2,191
Other income	42	36	.....	27	.....
Total net income	$5,317	$1,678	$1,939	$3,493	(def.) $2,191
Taxes	937	1,102	2,567	737	756
Fixed charges	5,364	4,150		1,473	640
Surplus	(def.) $984	(def.) $3,574	(def.) $4,506	$1,283	(def.) $3,587

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1911
Property investment	$104,606	$102,348	$102,348	$101,948	$101,371
Working assets	6,156	5,410	2,755	3,045	2
Deferred debit items	1,143	135	180	.....	.....
Profit and loss deficit	12,349	11,358	7,814	485	11,618
Total	$124,254	$119,251	$113,099	$105,478	$112,991
LIABILITIES:					
Capital stock	$100,800	$100,800	$100,800	$100,800	$101,100
Funded debt	20,500	14,500	4,494	.....	.....
Working liabilities	2,209	2,629	7,119	4,678	11,891
Deferred credit items	754	1,322	686	.....	.....
Total	$124,254	$119,251	$113,099	$105,478	$112,991

Capital Stock: Auth. and issued, $100,800; par $100. All owned by Kansas City Southern Railway.

LEHIGH AND HUDSON RIVER RAILWAY COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated April 1, 1882, under New York and New Jersey laws. In 1907, the Orange County R.R. was absorbed. The South Easton & Phillipsburg R.R., which owned the line from South Easton to Phillipsburg, and the Mine Hill R.R., were merged in 1912.

Location: Main line extends from Belvidere N. J., to Maybrook, N. Y., with trackage rights giving entry to Phillipsburg and Port Morris, N. J., total, 96.60 miles. At Maybrook, connection is made with the Central New England Ry. Mileage mainly in New Jersey. Population of this State in 1890, 1,444,938; in 1900, 1,883,669; in 1910, 2,537,167.

Control: The property is affiliated with the anthracite-coal railway interests, a portion of its general-mortgage bonds being guaranteed jointly by the Central R.R. of N. J. and the Lehigh Coal and Navigation Co., the latter owning directly or controlling through a trusteeship, $450,000, while the Central R.R. of N. J., the D. L. & W. R.R., the Erie R.R., the Lehigh Valley R.R. and the Pennsylvania R.R. each own a little over $163,000 of the stock.

Management: OFFICERS: Lewis A. Riley, Pres.; Morris Rutherfurd, Vice-Pres. and Gen. Mgr.; John Sayer, Sec. and Treas. DIRECTORS: Robert W. deForest, John J. Beattie, Edwd. T. Stotesbury, Lewis A. Riley, Morris Rutherfurd, Eben B. Thomas, W. H. Truesdale, F. D. Underwood, R. H. Wilbur, Wm. G. Besler, Geo. D. Dixon, Geo. H. Frazier, Saml. D. Warriner. Annual meeting, first Tuesday in December. MAIN OFFICE, Warwick, New York. PHILADELPHIA OFFICE, 437 Chestnut Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	6.09%	5.34%	5.29%	5.02%	4.92%	5.44%	6.21%	5.93%
Products of Animals	.....	.....	2.82	2.59	2.36	2.09	2.04	2.05	1.24	1.20
Products of Mines	.....	.....	60.88	60.05	60.00	64.90	63.16	65.44	67.02	66.19
Products of Forests	.....	.....	2.95	3.30	3.71	3.78	3.34	3.32	3.40	3.46
Manufactures	.....	.....	13.20	13.86	13.99	24.21	19.08	17.66	15.65	16.78
Merchandise and Miscel.	.....	.....	14.06	14.86	14.65		7.46	2.79	6.48	6.44

Total tonnage carried: 3,009,983 tons in 1909; 3,629,848 tons in 1910; 3,757,635 tons in 1911; 4,267,227 tons in 1912; 4,700,898 tons in 1913; 4,527,247 tons in 1914; 4,624,619 tons in 1915; 5,121,917 tons in 1916.

The tonnage of the road consists largely of anthracite and bituminous coal, these items making up 40% of the total. Transportation of ores is also important, and the carriage of manufactures and miscellaneous articles constitutes a large tonnage.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	97	....	30	12	1,119	93%	19,846	1,131,618	296	$1.58	2.29c	.71c
1908	97	....	36	12	907	92	22,471	1,154,497	363	1.60	2.27	.70
1909	97	....	46	12	791	94	20,377	2,062,628	397	2.08	2.34	.59
1910	97	....	46	12	733	96	19,062	2,521,251	450	2.38	2.40	.56
1911	97	....	46	11	738	96	20,156	2,657,804	518	2.39	2.37	.54
1912	97	....	46	11	733	97	20,597	3,099,622	536	2.38	2.38	.52
1913	97	....	46	11	733	94	21,819	3,434,034	571	2.42	2.48	.52
1914	97	....	46	11	729	92	22,610	3,254,379	571	2.40	2.48	.52
1915	97	....	46	11	742	89	57,569	3,273,814	589	2.52	2.07	.51
1916	97	....	50	11	750	85	42,057	3,542,978	613	2.73	2.08	.53
10-Year Average	97	....	44	11	798	93%	26,656	2,613,263	490	$2.25	2.32c	.57c

Yard tracks and sidings, 51.57 miles.

Comment: The volume of freight density on this property underwent a further increase during the year ended June 30, 1916, while the average train load was raised to a new high figure. Train mile earnings were also considerably better than in the previous year. The freight tonnage of this company is largely represented by mining products, but high grade freight represents a substantial proportion of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$8,741	$1,010	$466	$1,476	$4,115	$3,150	$3,244	$239	$3,005	$2,558	15%	$447	.....
1908	8,779	1,426	1,018	2,444	3,819	2,516	2,516	324	2,192	2,073	5	119	.....
1909	12,900	1,788	1,562	3,350	5,605	3,945	3,945	339	3,606	2,780	23	826	.....
1910	14,846	1,918	1,570	3,488	5,681	5,677	5,677	386	5,291	2,763	48	2,528	.....
1911	15,174	1,618	2,159	3,777	5,620	5,777	5,777	431	5,346	2,913	45	2,433	.....
1912	16,790	2,084	2,373	4,457	6,550	5,783	5,935	456	5,479	3,014	45	2,465	.....
1913	19,066	2,463	2,697	5,160	7,650	6,256	6,307	496	5,811	3,005	48	2,806	$553
1914	18,297	2,642	2,763	5,405	7,927	4,965	5,018	513	4,505	3,137	30	1,368	553
1915	18,805	2,525	2,427	4,952	7,412	6,441	6,497	522	5,975	3,270	45	2,705	1,110
1916	21,751	2,118	2,775	4,893	7,752	9,106	9,192	598	8,594	4,998	42	3,596	1,647
10-Year Average	$15,515	$1,959	$1,981	$3,940	$6,213	$5,362	$5,411	$430	$4,981	$3,051	35%	$1,930	.....

Note: Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $8,594; fixed charges consumed $4,998 of this, or 58%, leaving $3,596, a "margin of safety" of 42%.

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$2,109,857	$1,816,585	$1,774,792	$1,849,435	$1,621,891	$1,465,795	$1,440,033
Maintenance of way	205,440	243,923	256,284	238,945	202,201	156,913	186,097
Maintenance of equipment	269,259	234,423	267,964	261,627	230,229	209,358	152,314
All other operating expenses	751,930	716,040	768,882	742,035	630,804	541,485	550,990
Net operating revenues	$883,228	$622,199	$481,662	$606,828	$558,657	$558,039	$550,632
Operating ratio	58%	65.7%	72.7%	67.2%	65.6%	61.9%	61.8%
Other income	8,411	5,419	5,096	4,933	13,627	.....	.....
Total net income	$891,639	$627,618	$486,758	$611,761	$572,284	$558,039	$550,632
Taxes accrued	58,010	50,645	49,768	48,067	44,231	41,767	37,413
Balance for charges	$833,629	$576,973	$436,990	$563,694	$528,053	$516,272	$513,219
Fixed charges	348,816	315,675	304,296	291,520	291,282	272,008	268,047
Surplus over charges	$484,813	$261,298	$132,694	$272,174	$236,771	$244,264	$245,172
Dividends paid	160,800	107,200	53,600	53,600	.....	.....	.....
Balance	$324,013	$154,098	$79,094	$218,574	$236,771	$244,264	$245,172
Earned on stock	36.2%	19.9%	9.9%	20.3%	17.7%	18.23%	18.30%

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $1,472,904; credit balance from income account, $324,013; miscellaneous credits, $1,489; total $1,798,406. Contra: Loss on retired road and equipment, $77; credit balance carried to balance sheet, June 30, 1916, $1,798,329; total, $1,798,406.

Comment: Both gross and net revenues underwent a very important advance on this property during the year ended June 30, 1916. After providing for the relatively light fixed charges, the surplus carried forward was equal to over 6% of the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	$13,814	30%	$33,691	70%	.....	$47,505	$1,549	$45,956	7.0%	.....	.....	.....	.....	.....	.....
1908	13,815	30	33,278	70	.....	47,093	1,549	45,544	5.5	.....	.....	.....	.....	.....	.....
1909	13,815	29	34,330	71	.....	48,145	1,549	46,596	8.4	.....	.....	.....	.....	.....	.....
1910	13,814	29	34,114	71	.....	47,928	1,549	46,379	12.3	.....	.....	.....	.....	.....	.....
1911	13,814	30	33,700	70	.....	47,514	1,549	45,965	12.5	.....	.....	.....	.....	.....	.....
1912	13,814	30	33,287	70	.....	47,101	.....	47,101	12.4	.....	.....	.....	.....	.....	.....
1913	13,814	29	33,722	71	.....	47,536	.....	47,536	13.3	.....	.....	$553	4%	.....	80%
1914	13,814	29	33,309	71	.....	47,123	.....	47,123	10.6	.....	.....	553	4	.....	60
1915	13,872	42	33,033	58	.....	46,905	.....	46,905	13.9	.....	.....	1,110	8	.....	59
1916	13,814	29	32,485	71	.....	46,299	.....	46,299	20.0	.....	.....	1,647	12	.....	67
10-Year Average	$13,820	31%	$33,495	69%	.....	$47,315	$775	$46,540	11.6%	.....	.....	.....	.....	.....	.....

Note: Above table is based on average mileage directly operated.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$5,744,897	$5,644,695	$6,042,949	$5,726,496	$5,607,192	$5,568,426
Working assets	1,233,951	750,706	695,064	926,037	775,387	632,836
Deferred debit items.....	65,906	24,149	.....	.....	.....	.....
Accrued income not due...	106	.....	.....	.....	.....	.....
Total	$7,044,860	$6,419,550	$6,738,013	$6,652,533	$6,382,579	$6,201,262
Liabilities:						
Capital stock	$1,340,000	$1,340,000	$1,340,000	$1,340,000	$1,340,000	$1,340,000
Funded debt	3,151,000	3,191,000	3,231,000	3,271,000	3,229,000	3,629,000
Working liabilities	744,634	398,472	481,091	500,745	550,214	634,895
Accrued liabilities not due	2,667	2,817	.....	.....	.....	.....
Deferred credit items....	8,230	14,357	.....	.....	.....	.....
Appropriated surplus	.....	.....	365,311	299,276	230,417	156,388
Profit and loss surplus...	1,798,329	1,472,904	1,320,611	1,241,512	1,032,948	800,979
Total	$7,044,860	$6,419,550	$6,738,013	$6,652,533	$6,382,579	$6,201,262

Comment: There were practically no capitalization changes on this property for the year ended June 30, 1916. For an Eastern property of its freight density, this road is very lightly capitalized and in recent years there has been no tendency toward an increase in capitalization. It will be noted that net income on net capitalization has always ranged high and in recent years has steadily tended toward an increase. For the year just closed the percentage was no less than 20%.

During the past ten years the Lehigh & Hudson River Railway has presented a very remarkable exhibit in view of the fact that with an unusual ratio of increase in the volume and density of its business it has made no capital increases whatever. Many other roads have shown similar progress in developing freight density and train load, but few have at the same time kept their capitalization figures down as has this property.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. L. & H. R. Ry. sec. cons. 5s.	J&J	Jl 1917	(1st) 63	$2,600	$4,981	$85	98%	Very high	High	Aaa.
2. L. & H. R. Ry. gen. 5s.....	J&J	Jl 1920	(gen.) 74	35,000	4,896	1,334	72%	"	"	Aaa.*
3. L. & H. R. Ry. deben. 4s....	M&N	Jl 1920	.....	.....	3,562	165	95%	Good	"	Aa.

* For guaranteed bonds

Note: "Average income available" is the average net income available per mile for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $500,000; outstanding, $164,000 (closed). Dated July 1, 1887; due July 1, 1917. Int. paid at Irving National Bank, New York, and in Warwick, N. Y. Coupon, $1,000. Now a first lien on 63.2 miles from Belvidere, N. J., to Greycourt, N. Y. Underlie No. 2, which provide for retirement. Interest paid without deduction for normal income tax.

2. Auth., $3,000,000; outstanding, $2,587,000. Dated Jan. 1, 1890; due July 1, 1920. Int. paid at Irving Exchange Bank, New York, or at First National Bank, Warwick, N. Y. Coupon, $1,000. $1,062,000 of the outstanding bonds are guaranteed jointly and severally as to prin. and int. by the Lehigh Coal & Navigation Co., and the Central R.R. of New Jersey, by endorsement. Secured on about 74.6 miles from Maybrook, N. Y., to Belvidere, N. J., and from South Easton, Pa., to Phillipsburg, N. J., being subject to No. 1 on 63.2 miles, and first lien on balance of 11.4 miles. Legal for S. B. in Minn., N. H., R. I., where guaranteed. Those guaranteed are listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $400,000. Dated June 30, 1907; due July 1, 1920. Int. paid May and November at Irving National Bank, New York. Coupon, $1,000. Not a mortgage. Callable after Nov. 1, 1911, at 105. Interest paid without deduction for normal income tax.

Capital Stock: Auth., $1,740,000; outstanding, $1,340,000; par value, $100. The stock is owned by the various anthracite coal interests, including the Lehigh Coal & Navigation Co., Central R.R. of New Jersey, Reading, Pennsylvania, etc. In September, 1913, the Government brought suit to divorce this control. Dividends have been paid as follows: 1913, 4%; 1914, 4%; 1915, 8%; 1916, 12%. TRANSFER AGENT, John Sayer, Warwick, N. Y.

LEHIGH & NEW ENGLAND RAILROAD

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated April 2, 1895, under laws of Pennsylvania and New Jersey as successor to the Pennsylvania, Poughkeepsie & Boston R.R. In 1903, the company absorbed the Northampton R.R., and in 1904 the Lehigh & Delaware R.R. On Jan. 1, 1908, it leased the Campbell Hall Connecting R.R., and owns all the bonds and stock of the latter. Also controls the Pochuck R.R. The Lehigh & New England R.R. is itself controlled by the Lehigh Coal & Navigation Co. (See "Moody's Analyses of Investments—Public Utilities and Industrials.")

Location: The directly operated lines of the company consist of 295.53 miles, including the following: Hauto, Pa., to Hainesburg Junc., N. J.; Swartswood Junc., N. J., to Liberty Corners, N. Y.; Pen Argyl to Northampton Junc., Pa.; Bethlehem Junc. to Benders Junc., Pa.; Bath to Martin's Creek, Pa., and many branches and spurs operating in the Lehigh coal region of Penn. Mileage owned, 190.69 miles; leased, 8.50 miles; trackage rights, 96.34 miles.

Management: OFFICERS: S. D. Warriner, Pres.; R. H. Wilbur, Vice-Pres. and Gen. Manager; W. J. Turner, Vice-Pres. and Counsel; Henry H. Pease, Sec. and Treas. DIRECTORS: Bayard Henry, L. A. Riley, E. W. Clark, W. J. Turner, R. Y. Cook, J. S. Wentz, E. J. Fox, Geo. H. Frazier. Annual meeting, first Monday in May. MAIN OFFICE, 437 Chestnut Street, Philadelphia.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture								.93%	.80%	.60%
Products of Animals								.56	.15	.10
Products of Mines								72.90	76.76	78.40
Products of Forests								2.10	1.71	1.90
Manufactures								22.19	19.41	17.50
Miscellaneous								1.32	1.17	1.50

Total revenue tonnage in 1914, 4,372,174 tons; in 1915, 5,662,255 tons; in 1916, 6,982,471 tons. "Products of mines" consists chiefly of anthracite coal, which amounted to 3,931,691 tons in 1916, 3,326,743 tons in 1915 and 2,292,012 in 1914. Bituminous coal amounted to 645,846 tons in 1916 and 604,660 tons in 1915.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907												
1908	170		25	7	799	94%	9,178	200,116	227	$2.88	1.66c	1.88c
1909	170		24	7	798	96	5,586	281,928	239	3.18	1.88	1.55
1910	170		23	8	804	97	3,591	384,959	289	3.25	2.15	1.33
1911	170		22	8	1,600	97	6,798	426,507	330	3.50	2.20	1.21
1912	170		26	8	1,593	97	3,643	483,900	352	3.24	2.00	1.19
1913	269		32	8	2,147	98	2,042	586,586	448	4.42	2.11	1.11
1914	281		54	13	2,975	96	8,586	617,545	470	5.67	2.05	1.24
1915	294	2	59	12	2,952	95	2,393	626,332	476	6.01	2.16	1.36
1916	296	2	63	12	3,496	94	2,344	878,823	559	6.42	2.15	1.19
9-Year Average	221		36	9	1,907	96%	4,907	498,670	377	$4.09	2.04c	1.34c

Yard tracks and sidings, June 30, 1916, 105 miles.

Comment: For the year ended June 30, 1916, the freight density on this property was far above any figures ever before reported, being practically double the result shown five years ago. Average freight train load was also better than ever, and the train mile earnings reached a remarkable average. The company's business is mainly that of the transportation of coal, this type of tonnage representing over 78% of the business done in 1916.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$3,856	$565	$392	$957	$1,531	$1,368	$1,375	$56	$1,319	$1,596	.....	$277*	.....
1909	4,571	896	571	1,467	1,511	1,593	1,615	60	1,555	1,628	.....	73*	.....
1910	5,261	961	645	1,606	1,700	1,955	1,983	66	1,917	1,685	12%	232	.....
1911	5,298	684	643	1,327	1,756	2,215	2,222	106	2,116	1,806	15	310	.....
1912	5,113	786	824	1,610	1,780	1,723	1,879	129	1,750	1,811	...	61*	.....
1913	6,668	926	759	1,685	1,895	3,088	3,098	110	2,988	1,652	45	1,332	.....
1914	8,028	1,042	1,081	2,123	2,351	3,554	3,589	153	3,436	1,489	57	1,947	$1,287
1915	9,002	829	1,302	2,131	2,902	3,969	4,176	231	3,945	1,588	60	2,357	1,633
1916	11,077	1,475	1,305	2,780	3,159	5,138	5,277	299	4,978	1,803	64	3,175	2,230
9-Year Average	$6,542	$907	$836	$1,743	$2,065	$2,734	$2,801	$134	$2,667	$1,674	28%	$993	$572

* Deficit.

Note: Above figures are based on average mileage directly operated in each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" was $4,978; fixed charges consumed $1,803 or 36% of this balance, leaving $3,175 a "margin of safety" of 64%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,278,774	$2,646,378	$2,255,800	$1,793,785	$869,291	$900,632	$894,324
Maintenance of way	436,557	243,726	292,897	249,045	133,656	116,232	163,324
Maintenance of equipment	386,352	382,830	303,627	204,237	140,053	109,380	109,693
All other operating expenses	935,128	853,246	660,756	509,758	302,640	298,526	288,948
Net operating revenues	$1,520,737	$1,166,576	$998,520	$830,745	$292,942	$376,494	$332,359
Operating ratio	53.6%	55.9%	55.7%	53.7%	66.3%	58.2%	62.8%
Other income	41,161	61,299	9,943	2,498	26,440	1,223	4,731
Total net income	$1,561,898	$1,227,875	$1,008,463	$833,243	$319,382	$377,717	$337,090
Taxes accrued	88,360	67,839	43,126	29,700	22,000	18,000	11,200
Balance for charges	$1,473,538	$1,160,036	$965,237	$803,543	$297,382	$359,717	$325,890
Fixed charges	533,797	467,089	418,226	445,359	307,375	307,010	286,562
Surplus over charges	$939,741	$692,947	$547,111	$358,184	(def.) $9,992	$52,707	$39,328
Dividends	†	†	361,600	.....	.....	.....	.....
Surplus	* $939,708	$692,947	$185.511	$358,184	(def.) $9,992	$52,707	$39,328
Earned on stock	15.66%	11.55%	12.28%	8.6%	.....	5.27%	3.93%

* Excludes $33 appropriated for reserve.

† Dividends of $660,000 (11%) in 1916 and $480,000 (8%) in 1915 charged in profit and loss account.

Note: Fixed charges in 1916 included interest on bonds, $324,574; joint facilities, $110,900, etc. Dividend was paid from profit and loss account in 1915 and 1916.

Profit and Loss Account for year ending June 30, 1916: Credit balance June 30, 1915, $499,922; credit balance transferred from income, $939,708; miscellaneous credits, $174; total, $1,439,804. Contra: Dividend appropriations from surplus, $660,000; miscellaneous appropriations of surplus, $2,538; delayed income debits, $45; credit balance carried to balance sheet, $777,221; total, $1,439,804.

Comment: Both gross and net revenues underwent great improvement on the Lehigh & New England property in 1916. The total surplus above fixed charges was equal to nearly 16% on the outstanding stock. Since the close of the fiscal year the tendency toward higher earnings has continued.

It will be noted that during recent years this company has reported an unusual ratio of increase in its volume of business. The gross revenues in 1916 equaled $11,077 per mile as compared with only $3,856 per mile in 1908. This is an increase of nearly 300%, whereas at the same time the net capitalization of the property has increased only about 50%. Fixed charges per mile are now only about 20% higher than they were in 1908. In view of this record, it will be realized that the credit of the company has vastly improved within the last decade.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$5,882	19%	$24,592	81%	.....	$30,474	$437	$30,037	4.6%	.....	.....	.....	.....	.....	.....
1909	5,882	18	27,696	82	.....	33,578	441	33,137	4.8	.....	.....	.....	.....	.....	.....
1910	5,882	18	26,294	82	.....	32,176	2,649	29,527	6.7	.....	.....	.....	.....	.....	.....
1911	5,882	14	35,247	86	.....	41,129	2,336	38,793	5.7	.....	.....	.....	.....	.....	.....
1912	5,882	12	42,500	88	.....	48,382	444	47,938	4	.....	.....	.....	.....	.....	.....
1913	15,409	46	17,881	54	.....	33,290	92	33,198	9.3	.....	.....	.....	.....	.....	.....
1914	16,530	45	19,929	55	.....	36,459	1,406	35,053	10.2	.....	.....	$1,287	8%	.....	30%
1915	20,408	47	23,129	53	.....	43,537	1,683	41,854	10	.....	.....	1,633	8	.....	31
1916	20,270	45	25,169	55	.....	45,439	6	45,433	11.6	.....	.....	2,230	11	.....	30
9-Year Average	$11,336	29%	$26,937	71%	.....	$38,274	$1,055	$37,219	7.5%	.....	.....	$572	3%	.....	.....

Note: Foregoing table is based on average mileage directly operated for each year. Net income on net capital is percentage of total net income on net capitalization.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$13,280,198	$12,192,495	$10,310,981	$8,955,502	$7,961,681	$6,677,634
Working assets	1,303,604	1,594,085	993,104	637,519	530,516	753,644
Deferred debit items	440,956	202,480	193,594	85,140	576,346	247,638
Profit and loss	.....	.....	.....	.....	66,032	58,059
Total	$15,024,758	$13,989,060	$11,497,679	$9,678,161	$9,134,575	$7,736,975
Liabilities:						
Capital stock	$6,000,000	$6,000,000	$4,645,000	$4,145,000	$1,000,000	$1,000,000
Funded debt	7,450,000	6,800,000	5,600,000	4,810,000	7,224,500	5,996,500
Working liabilities	614,199	564,983	750,068	450,379	839,995	488,859
Accrued liabilities not due	101,161	71,025	103,007	54,191	69,580	51,616
Deferred credit items	82,178	53,130	414	302	500	200,000
Surplus	777,220	499,922	399,190	218,289	.....	.....
Total	$15,024,758	$13,989,060	$11,497,679	$9,678,161	$9,134,575	$7,736,975

Comment: During the fiscal year 1916, the Lehigh & New England property further increased its outstanding bonded debt, but the increase was not large enough to materially change the capitalization of the company. As measured on a mileage basis the net capitalization is really very light in view of the earning power. It will be noted that the company has recently been reporting each year an average net income on net capital double that shown eight or nine years ago.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Lehigh & New Eng. first 5s	J&J	Jl 1945	(1st) 191	$5,235	$2,667	$170	94%	High	High	Aaa.
2. Lehigh & New Eng. gen. 5s	J&J	Jl 1954	(see text)	21,000	2,497	678	73%	"	"	Aa.
3. Equip. trusts, 4½s	Var.	(see text)	.....	.....	1,819	370	80%	"	"	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $1,000,000. Dated July 1, 1895; due July 1, 1945. Int. paid at company's office, Phila. Coupon, $1,000. First lien on 190.69 miles from Hauto, Pa., to Hainesburg Junc., N. J., 66 miles; from Swartswood Junc., N. J., to Liberty Corners, N. Y., 20.84 miles; and branches, 103.86 miles. Underlie No. 2, with provision by latter for retirement. Interest paid without deduction for normal income tax.

2. Auth., $15,000,000; outstanding, $4,000,000 Series A. Dated July 1, 1914; due July 1, 1954. Int. paid at office of company in Philadelphia. Coupon, $1,000. Follows No. 1 on 190.69 miles; also direct lien on leasehold in-

terests and on all securities of Campbell Hall Connecting R.R. and Pochuck R.R. Callable at 105 on 8 weeks' notice. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

3. Series A, 4½s, dated June 1, 1908; due $30,000 per annum to June 1, 1923; now outstanding $210,000. Guar. prin. and int., by Lehigh Coal & Nav. Co. Series B, 4½s, dated May 1, 1911; due $45,000 per annum to May 1, 1925, and $70,000 on May 1, 1926. Now outstanding, $475,000. Series C, 4½s, dated Feb. 1, 1913; due $35,000 per annum to Feb. 1, 1927, and $60,000 on Feb. 1, 1928; now outstanding, $410,000. Series D, 4½s, dated March 2, 1914; due $40,000 annually to March 1, 1929. Now outstanding, $520,000. Series E, 4½s, dated April 1, 1916; due $55,000 per annum to April 1, 1930, and $30,000 April 1, 1931. Now outstanding, $800,000. Total outstanding, $2,415,000. Interest paid without deduction for normal income tax.

Capital Stock: Auth., $7,500,000; outstanding June 30, 1916, $6,000,000; par $50. The outstanding issue was increased in 1913 from $1,000,000, a part of the new stock being used to retire $2,885,000 general 4s of 1958, and from $4,645,000 in 1915, the new stock being sold to pay the rental of the Panther Creek R.R., acquired in 1913. A majority of the issue is owned by the Lehigh Coal & Navigation Co., the latter being controlled by the Central R.R. of New Jersey. A dividend of 8% ($4 per share) was paid in 1915 and 11% in 1916. TRANSFER AGENT, H. H. Pease, Treasurer.

COMPANIES CONTROLLED BY LEHIGH & NEW ENGLAND RAILROAD CO.

CAMPBELL HALL CONNECTING RAILROAD

Origin: Incorporated under laws of New York, April 3, 1889. Line of road: Liberty Corners to Pine Island Junc., N. Y., 4.11 miles. Leased from Jan. 1, 1908, to Lehigh & New England R.R., which operates the property and pays taxes, but may discontinue lease on ten days' notice.

Management: OFFICERS: S. D. Warriner, Pres.; R. H. Wilbur, Vice-Pres.; Henry H. Pease, Sec. and Treas. Annual meeting, third Monday in April. OFFICE, 143 Liberty Street, New York.

Bonded Debt: $500,000 Campbell Hall Connecting R.R. first 5s; dated Aug. 1, 1889; due Aug. 1, 1939. Coupon, $1,000. By terms of lease, no interest is now paid on these bonds. First lien on entire property. All owned by Lehigh & New England R.R.

Capital Stock: Auth., $450,000; outstanding, $125,000; par $100. A majority is owned by Lehigh & New England Railroad.

POCHUCK RAILROAD

Origin: Incorporated under laws of New York, June 22, 1897. Line of road: Glenwood Junc. to Glenwood, N. J., and Alba, N. Y., to Empire quarries; total, 4.39 miles. Leased from Jan. 1, 1908, to Lehigh & New England R.R., lessee paying taxes and holding right to cancel lease on ten days' notice.

Management: OFFICERS: S. D. Warriner, Pres.; R. H. Wilbur, Vice-Pres.; Henry H. Pease, Sec. and Treas. Annual meeting, third Monday in April. OFFICE, 143 Liberty Street, New York.

Capital Stock: Auth. and issued, $20,000; par $50. All owned by Lehigh & New England R.R. No bonded debt.

LEHIGH VALLEY RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Pennsylvania laws, April 21, 1846, as the Delaware, Lehigh, Schuylkill & Susquehanna R.R.; changed to present title, January 7, 1853. In July, 1864, the Beaver Meadow R.R. was absorbed; in August, 1864, the Penn Haven & White Haven was acquired; in May and June, 1868, the Hazleton R.R. and the Lehigh & Luzerne R.R. were acquired. In 1871, the company leased the property of the Morris Canal & Banking Co., which it still controls, although the property many years ago was abandoned for transportation purposes. At the present time, the company controls, through stock ownership, the Lehigh Valley R.R. of New Jersey; the Easton & Northern R.R.; the Schuylkill & Lehigh Valley R.R.; the Delaware, Schuylkill & Susquehanna R.R.; the Pennsylvania & New York Canal & R.R.; the Loyalsock R.R.; the Montrose R.R.; the Lehigh Valley Railway (of New York); the Wyoming Valley Water Supply Co., and the Lehigh & New York R.R. Also controls by lease the State Line & Sullivan R.R., and the Hayt's Corners, Ovid & Willard R.R.

Location: The directly operated lines of the Lehigh Valley R.R. consisted, June 30, 1916, of 1,443.81 miles, as follows: Main lines owned in fee:—Phillipsburg to Wilkesbarre and Penn Haven Junc. to Mt. Carmel, Pa., and branches, 316.71 miles. Controlled by ownership of entire stock:—Lehigh Valley R.R. of New Jersey, Jersey City to Phillipsburg and branches, 122.25 miles; Penn. & New York Canal & R.R., Wilkesbarre to Penn. State line and branches, 137.08 miles; Lehigh Valley Railway (of New York), Penn. State line to Buffalo and branches, 514.22 miles; Delaware, Susquehanna & Schuylkill R.R., Eckley to Sheppton, Pa., and branches, 31.78 miles; Easton & Northern R.R., Easton to Belfast, Pa., and branches, 12.78 miles; Schuylkill & Lehigh R.R., Lizard Creek Junc. to Blackwood, Pa., and branches, 41.84 miles; Loyalsock R.R., Luzerne to Bernice, Pa., and branches, 50.29 miles; Montrose R.R., Tunkhannock to Montrose, Pa., 27.36 miles. Controlled by ownership of majority of stock:—Lehigh & New York R.R., Penn. State line to North Fair Haven, N. Y., 115.37 miles. Operated under lease: 27.63 miles. Trackage rights, 45.82 miles. Lines cross populous parts of Penn., N. J., and N. Y. Population of these States in 1890, 12,650,800; in 1900, 15,454,678; in 1910, 19,315,892.

Lehigh Valley Coal Co.: Incorporated May 29, 1871, under Pennsylvania laws as the Green Land Co.; name changed as above in 1875. Company owns the properties of the Delano Land Co., Hazleton Coal Co., Westwood Coal Co., Seneca Coal Co., and other properties on the lines of the Lehigh Valley R.R. The capital stock amounts to $1,965,000, and is all owned by the Lehigh Valley R.R., and the outstanding bonds of the company are guaranteed. For Lehigh Valley Coal Co. and Lehigh Valley Coal Sales Co., see "Moody's Analyses of Industrials."

Management: OFFICERS: E. B. Thomas, Pres.; J. A. Middleton, Vice-Pres.; F. L. Blendinger, Vice-Pres.; T. N. Jarvis, Vice-Pres.; L. D. Smith, Vice-Pres.; D. G. Baird, Sec.; C. J. Kulp, Treas. DIRECTORS: Geo. F. Baker, Fred M. Kirby, S. T. Bodine, Edward B. Smith, Edward T. Stotesbury, E. S. Moore, D. G. Reid, W. H. Moore, William R. Butler, H. B. Coxe, Morris L. Clothier, Wm. P. Clyde. Annual meeting, third Tuesday in January. NEW YORK OFFICE, 143 Liberty Street. PRINCIPAL OFFICE, 228 South Third Street, Philadelphia, Pennsylvania.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	9.64%	10.20%	10.30%	9.06%	8.73%	8.96%	9.46%	8.91%	10.26%	11.14%
Products of Animals	3.43	3.25	3.26	2.79	2.70	2.61	2.24	2.30	1.88	1.62
Products of Mines	59.61	62.01	60.50	60.90	62.73	61.97	63.86	64.20	63.58	60.96
Products of Forests	3.54	3.32	3.38	3.25	3.00	3.17	2.92	2.81	2.79	2.65
Manufactures	15.38	13.67	13.71	15.49	14.91	14.70	21.52	21.78	13.00	13.87
Merchandise and Miscel.	8.40	7.55	8.85	8.51	7.93	8.59			8.49	9.76

Total revenue tonnage, year ended June 30, 1909, 24,859,205 tons; 1910, 27,181,537 tons; 1911, 28,512,312 tons; in 1912, 28,013,300 tons; in 1913, 32,367,796 tons; 29,924,119 tons in 1914; 30,268,701 tons in 1915; 33,125,185 tons in 1916, of which 13,914,456 was anthracite coal, 3,503,877 bituminous coal and coke.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	1,443	656	857	515	42,692	83%	173,540	3,305,133	526	$2.67	1.74c	.63c
1908	1,448	673	885	537	43,681	85	170,648	3,312,336	530	2.65	1.68	.63
1909	1,446	672	873	528	43,206	82	154,466	3,042,056	535	2.64	1.75	.64
1910	1,440	687	874	520	44,797	83	171,912	3,288,705	542	2.74	1.75	.65
1911	1,432	698	887	557	44,663	80	180,105	3,410,068	544	2.75	1.77	.65
1912	1,441	717	903	652	44,358	80	183,933	3,321,310	566	2.78	1.77	.65
1913	1,451	733	903	572	44,456	85	187,244	4,005,862	599	2.97	1.79	.63
1914	1,440	740	917	598	46,823	84	184,264	3,624,158	595	2.96	1.81	.64
1915	1,444	739	945	639	46,500	83	149,353	3,688,593	597	3.07	1.88	.66
1916	1,441	741	971	631	44,840	83	158,084	4,148,521	639	3.28	1.88	.65
10-Year Average	1,443	706	905	575	44,602	83%	171,355	3,514,674	568	$2.85	1.78c	.64c

Yard tracks and sidings, June 30, 1916, 1,270 miles. There are outstanding about $500,000 equipment trusts (see Table D).

Comment: The freight density of the Lehigh Valley Railroad for the fiscal year ended June 30, 1916, reached the highest figures ever reported, and the average freight train load was also far above any previous year. While average freight rates showed no tendency to advance the company was able to report much better train mile earnings than in the past years. During the year the proportion of high grade freight, such as manufactures and miscellaneous articles tended to advance, but the transportation of mining products continues to represent more than 60% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$24,995	$2,215	$4,288	$6,503	$8,823	$9,670	$10,402	$458	$9,944	$1,258	57%	$5,686	$1,404
1908	24,509	2,414	4,135	6,549	8,797	9,163	10,240	587	9,653	3,787	61	5,866	1,678
1909	22,917	2,264	4,033	6,297	7,932	8,688	9,174	546	8,634	4,593	47	4,041	1,681
1910	25,116	2,405	4,164	6,569	8,489	10,058	10,834	769	10,065	4,414	56	5,651	1,680
1911	26,317	2,527	4,192	6,719	9,849	9,749	10,918	800	10,118	4,183	59	5,935	2,979
1912	25,383	2,726	4,342	7,068	9,934	8,381	9,723	910	8,813	4,085	54	4,728	4,206
1913	29,665	3,925	5,211	9,136	10,925	9,604	10,999	997	10,002	3,963	60	6,039	4,177
1914	27,628	3,177	4,869	8,046	11,127	8,455	10,248	1,076	9,172	4,272	53	4,900	4,209
1915	29,450	3,105	5,685	8,790	11,950	8,710	10,615	1,245	9,370	4,842	48	4,528	4,197
1916	32,807	3,226	6,485	9,711	13,206	9,890	12,308	1,181	11,127	5,669	49	5,458	4,197
10-Year Average	$26,879	$2,798	$4,741	$7,539	$10,101	$9,236	$10,547	$857	$9,690	$4,407	54%	$5,283	$3,041

Note: Above table is based on average mileage directly operated, whether owned, leased or otherwise. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $11,127; fixed charges consumed $5,669 or about 51% of this, leaving $5,458, a "margin of safety" of 49%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$47,373,984	$42,511,180	$39,783,564	$43,043,372	$36,905,935	$37,687,403	$36,167,398
Maintenance of way	4,657,854	4,483,925	4,575,062	5,694,422	3,963,589	3,620,176	3,462,903
Maintenance of equipment	9,364,629	8,207,491	7,011,946	7,561,271	6,313,317	6,003,287	5,995,810
All other operating expenses	19,070,495	17,255,971	16,022,154	15,852,127	14,443,344	13,783,854	12,225,434
Net operating revenues	$14,281,006	$12,563,793	$12,174,402	$13,935,552	$12,185,685	$14,280,084	$14,483,251
Operating ratio	69.8%	70.4%	69.4%	67.6%	67%	62.1%	60%
Outside operations	†	†	* 280,244	* 280,210	* 291,239	* 320,170	* 146,333
	$14,281,006	$12,563,793	$11,894,158	$13,655,342	$11,894,446	$13,959,914	$14,336,918
Other income	3,492,225	2,765,543	2,864,272	2,303,754	2,116,461	1,675,738	1,406,458
Total net income	$17,773,231	$15,329,336	$14,758,430	$15,959,096	$14,010,907	$15,635,652	$15,743,376
Taxes accrued	1,706,293	1,797,379	1,549,895	1,447,205	1,312,012	1,145,477	1,106,762
Balance for charges	$16,066,938	$13,531,957	$13,208,535	$14,511,891	$12,698,895	$14,490,175	$14,636,614
Fixed charges	8,186,036	6,992,928	6,151,875	5,750,063	5,544,931	5,990,169	6,449,213
Surplus over charges	$7,880,902	$6,539,029	$7,056,660	$8,761,828	$7,153,964	$8,500,006	$8,137,401
Dividends paid	‡	6,060,800	6,060,800	6,060,800	6,060,800	4,245,759	2,430,718
Additions and imps	.....	.....	.....	.....	340,944	980,549	843,877
Misc. appropriations	214,462	216,584	.....	.....	.....	.....	.....
Balance	$7,666,440	$261,645	$995,860	$2,701,028	$752,220	$3,273,698	$4,862,806
Earned on stock	13.00%	10.79%	11.65%	14.46%	11.89%	14.02%	20.12%

* Deficit.

† Outside operations included in gross and net revenues in 1915 and 1916.

‡ Dividends of $6,060,800 (10%) charged in Profit and Loss account in 1916.

NOTE: In above income account for 1916, fixed charges include interest, rentals, joint facilities, etc. Interest on bonds consumed $3,500,437; lease rentals, $2,142,589; joint facility rents, $212,625. Other income in 1914 included a dividend of $685,080 on Temple Iron Co. stock.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1916, $23,692,717; credit balance transferred from income account, $7,666,440; profit from liquidation of securities, $132,344; total, $31,491,501; Contra: Dividend appropriation out of surplus, $6,060,800; securities written off, $1,000,000; readjustment of real estate values, $246,078; debt discount extinguished through surplus, $179,194; loss on retired road and equipment, $13,408; miscellaneous debits, $30,157; balance carried to balance sheet, $23,961,863; total, $31,491,501.

Comment: The fiscal year 1916 was by far the best ever reported in gross revenues by the Lehigh Valley. Operating costs, however, were relatively high and therefore the net operating income was not quite as good as shown in 1910. However, revenue from investment sources underwent a sharp increase with the result that the surplus available for fixed charges was far in excess of any previous year. Fixed charges advanced radically, but notwithstanding this fact the surplus was equal to 13% on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.									Dividend Record.					
										Preferred Dividend.		Common Dividend.			
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Amt. per Mile.	Rate.	Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$28,025	31%	$61,817	69%	$30,498	$120,340	$58,482	$61,858	16.8%	Nom.	.....	$1,404	6%	.....	75%
1908	27,929	30	63,331	70	31,788	123,048	57,317	65,731	15.6	"	.....	1,678	6	.....	70
1909	29,992	33	61,514	67	32,040	123,546	55,021	68,525	13.4	"	.....	1,681	6	.....	60
1910	28,084	32	60,122	68	32,173	120,379	47,800	72,579	14.9	"	.....	1,680	6	.....	71
1911	42,324	41	61,734	59	31,929	135,987	43,733	92,254	12	"	.....	2,979	8	.....	50
1912	42,060	42	60,032	58	30,750	132,842	42,030	90,812	10.6	"	.....	4,206	10	.....	11
1913	41,770	41	59,160	59	30,866	131,796	42,857	88,939	12.4	"	....	4,177	10	.....	31
1914	42,089	39	66,556	64	30,728	139,373	46,636	92,737	11.1	"	.....	4,209	10	.....	14
1915	41,972	39	65,679	61	35,427	143,078	48,538	94,540	11.2	"	.....	4,190	10	.....	7
1916	41,972	37	71,840	63	36,137	149,949	54,591	95,358	12.9	"	.....	4,190	10	.....	23
10-Year Average	$36,622	37%	$63,179	63%	$32,233	$132.034	$49,701	$82,333	12.8%	Nom.	.....	$3,040	8.2%	.....	48%

Note: Above table is based on all mileage directly operated. Bonded-debt column includes bonds issued but in treasury, being offset in securities-owned column.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$156,899,511	$151,189,242	$150,312,031	$143,004,885	$139,062,267	$139,062,565
Working assets	41,175,042	33,756,129	37,151,939	37,626,184	39,384,083	44,857,769
Deferred debit items	3,215,443	3,179,208	2,608,948	1,856,623	1,714,941	1,593,879
Accrued income not due	220,361	199,398	233,150	231,719	205,999	70,636
Total	$201,510,357	$188,323,977	$190,306,068	$182,719,411	$180,367,290	$185,584,849

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$60,608,000	$60,608,000	$60,608,000	$60,608,000	$60,608,000	$60,608,000
Funded debt	103,737,669	94,840,669	95,840,669	85,840,669	86,505,669	88,405,669
Working liabilities	6,809,834	4,394,285	4,074,585	5,348,677	4,249,224	3,718,741
Accrued liabilities not due	3,085,119	2,880,536	2,954,020	4,537,092	4,606,997	1,495,439
Deferred credit items.....	3,307,872	1,907,770	2,930,110	1,318,742	952,697	1,026,452
Profit and loss surplus...	23,961,863	23,692,717	23,898,684	25,066,231	23,444,703	30,330,648
Total	$201,510,357	$188,323,977	$190,306,068	$182,719,411	$180,367,290	$185,584,849

Note: The securities owned by the company on June 30, 1916, amounted in par value to $97,912,897, of which $46,161,897 were stocks and $51,751,000 were bonds. Of the total, $63,610,575 were pledged and $34,302,322 were unpledged. The funded debt as shown for 1916 includes $18,760,000 securities held in treasury. Working assets in 1916 include $15,126,595 cash.

Comment: Bonded debt was further increased on the Lehigh Valley in the fiscal year ended June 30, 1916. The capitalization of the road as measured on the mileage basis in relatively high, but the earning power has in recent years been so heavy as to make it easy to carry this capitalization. It will be noted in 1916, the net income on net capital equaled nearly 13%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Lehigh Valley first ext. 4s .	J&D	Je 1948	(1st) 286	$17,480	$9,690	$139	98%	Very high	High	Aaa.
2. Lehigh Valley consol. 4½s.	J&D	D 1923	(1st) 30	72,550	9,551	880	91%	"	"	Aaa.
3. Lehigh Valley consol. 6s ...	J&D	and Ir.	(2d) 286							
4. Lehigh Valley gen. consol. 4s and 4½s..	M&N	My 2003	(see text)	.....	8,071	1,383	84%	"	"	Aaa.
5. Lehigh Valley col. tr. 4s ..	F&A	Ag 1917 to 1926	(coll. tr.)	.....		234	80%	High	"	Aaa.
6. Leh. & N. Y. R. R. first 4s	M&S	S 1945	(1st) 115	17,400		55	80%	"	"	Aaa.
7. Easton & Amboy first 5s .	M&N	My 1920	(1st) 68	88,230		207	80%	"	"	Aaa.
8. Leh. Valley Term. first 5s .	A&O	O 1941	(1st) 28	.....	7,288	346	80%	"	"	Aaa.
9. Leh. Valley of N. Y. first 4½s	J&J	Jl 1940	(1st) 431 (2d) 84	....		467	80%	"	"	Aaa.
10. Middlesex Valley first 5s .	M&N	N 1942	(1st) 29	7,000		8	80%	"	"	Aaa.
11. Lehigh & L. Erie first 4½s .	M&S	Mr 1957	(1st) Term.	.....		93	80%	"	"	Aa.
12. Easton & North. first 4½s.	M&N	N 1935	(1st) 13	4,000		. 2	80%	"	"	Aaa.
13. Penn. & N. Y. Canal & R. R. cons. 4s	A&O	Ap 1939						"	"	Aaa.
14. Penn. & N. Y. Canal & R. R. cons. 4½s.	A&O	Ap 1939	(1st) 137	62,000	5876	268	89%	"	"	Aaa.
15. Penn. & N. Y. Canal & R. R. cons. 5s	A&O	Ap 1939						"	"	Aaa.
16. State Line & Sull. first 4½s	J&J	Ja 1929	(1st) 24	11,340		8	89%	"	"	Aaa.
17. Equipment trust 4½s.....	M&S	(see text)	(see text)	. . .		362*	89%	"	"	Aaa.

* Includes maturing principal.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $5,000,000. Dated May 15, 1868; due June 1, 1948. Int. paid at company's office, Philadelphia and at J. P. Morgan & Co., New York. First lien on 286.22 miles, as follows: From Phillipsburg, N. J., to Wilkes-Barre, Pa., 99.28 miles; Gracedale to Avoca, Pa., 18.61 miles; Penn Haven June. to Mt. Carmel, 52.34 miles; Port Bowlkey to Luzerne, Pa., 2.30 miles; Hazleton to New Boston June., Pa., 17.10 miles; and branches and spurs to collieries, etc., 96.83 miles; together with lands, bulldings, etc. Underlie Nos. 2, 3 and 4 with provision by No. 4 to retire. Issue may be extended for a period not exceeding two years from 1948. Legal for Savings Banks in Conn., Cal., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax. Coupon and reg., $1,000.

2 and 3. Auth., $40,000,000; outstanding, $7,300,000 4½s and $15,700.000 6s (closed). Dated Nov. 13, 1873. Of the 6s, $10,062,000 are irredeemable, and of the 4½s, $2,538,000 are irredeemable; remainder of each are due Dec. 1, 1923. Int. paid at company's office, Philadelphia and at J. P. Morgan & Co., New York. First lien on 30.49 miles from Hazel Creek June. to Harleigh June., and from Stockton June. in another direction toward Harleigh June.; second lien on 286.22 miles, following No. 1. Underlies No. 4, with provision to retire, which may be extended for a period not exceeding two years. Coupon and reg., $1,000. Legal for S. B. in Conn., N. H., R. I. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth., $150,000,000; outstanding, $47,336,000, of which $26,639,000 bear 4% interest and $20,697,000 4½%. (In treasury, $13,000,000 4s and $1,000,000 4½s.) Dated Sept. 30, 1903; due May 1, 2003. Int. paid at company's office, Philadelphia and at J. P. Morgan & Co., New York. Direct general lien, subject to Nos. 1, 2 and 3, on 316.71 miles of road, and a first collateral lien on the entire capital stocks of various corporations owning 878.46 miles, and

REFERENCE NOTES ON BOND ISSUES (Continued)

a majority capital stock of a company owning 115.37 miles, comprising practically the entire Lehigh Valley system, and also on the entire equipment of the system, with the exception of that pledged to secure outstanding equipment trust obligations, and equipment belonging to the Lehigh & New York R.R. Co., also secured on real estate in Philadelphia, Jersey City, Bayonne, and Newark, together with terminals, depots, and all other property of every kind now or hereafter acquired for use in connection with any lines of railroad, now or hereafter subject to this lien; property covered is specifically as follows: Second lien on 30.49 miles, following Nos. 2 and 3; third lien on 286.41 miles, following No. 1, first lien on capital stock of 872.72 miles, as follows: Easton & Northern R.R., 12.78 miles; Lehigh Valley Rail-Way Co., 514.95 miles; Lehigh Valley R.R. Co. of New Jersey, 121.98 miles; Pennsylvania & New York Canal & R.R. Co., 137.08 miles; Loyalsock R.R., 50.29 miles; Schuylkill & Lehigh R.R., 41.84 miles; first collateral lien on $2,299,550, out of a total capitalization of $3,391,648 preferred stock outstanding, of the Lehigh & New York R.R., owning 115.37 miles; also first collateral lien on the following securities; $3,310,000 Lehigh Valley R.R. of New Jersey Deb. 5s; $6,643,000 Lehigh Valley Rail-Way Deb. 5s; $730,000 Lehigh Valley Trans. Co. Deb. 5s; $1,640,000 Pennsylvania & New York Canal & R.R. Deb. 5s; $23,000 Easton & Northern Deb. 5s; $1,965,000 (entire) Lehigh Valley Coal Co. stock, and $7,500,000 Lehigh Valley Coal Co. Deb. 4s; $1,510,000 (entire) Lehigh Valley Transportation Co. stock; $2,400,000 (entire) National Storage Co. stock, and $755,000 National Storage Debs.; $1,216,325 stock of the New York & Middle Coal Field R.R. & Coal Co., $6,000 Schuylkill & Lehigh Valley R.R. Debs., and $35,000 Loyalsock R.R. Debs. Coupon $1,000; reg., $1,000, $5,000 and $10,000. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax. Tax exempt in Penn.

5. Auth., $19,000,000; outstanding, $8,444,000 (closed). Dated Nov. 1, 1905; due in semi-annual instalments of $500,000 each from Aug. 1, 1907, to Feb. 1, 1926. Int. paid at J. P. Morgan & Co., New York, and at Philadelphia. Callable at 102½ and int. on 60 days' notice. First collateral lien on entire capital stock of Coxe Bros. & Co., Inc., and the Delaware, Susquehanna & Schuylkill R.R. Coupon $1,000. Legal for S. B. in N. H., R. I. Interest paid without deduction for normal income tax.

6. Auth. and outstanding, $2,000,000. Dated Aug. 24, 1895; due Sept. 1, 1945. Int. paid at J. P. Morgan & Co., New York and Company's office, Philadelphia. First lien, 115.37 miles, Penn. State line to North Fair Haven, N. Y. Guaranteed prin. and int. by Lehigh Valley R.R., by endorsement. Coupon, $1,000. Legal for S. B. in Maine, N. H., N. J., R. I., Mich., Minn. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

7. Auth. and outstanding, $6,000,000. Dated April 13, 1880; due May 1, 1920. Int. paid at 228 S. 3d St., Philadelphia. Guar. prin. and int. by Lehigh Valley R.R. by endorsement. Refunding: No. 4 provides for retirement of this issue, which may be extended for a period not exceeding two years. First lien from Phillipsburg, N. J., to Staten Island Sound in Perth Amboy, N. J., and branches to Clinton and Flemington, 68.50 miles. Reg., $1,000. Legal for S. B. in Maine, Mich., Minn. ,N. H., N. J., R.I. Listed on Philadelphia Stock Exchange. Interest paid without deduction for norma income tax.

8. Auth. and outstanding, $10,000,000. Dated Oct. 1, 1891; due Oct. 1, 1941. Int. paid at company's office, Philadelphia, and J. P. Morgan & Co., New York. Guaranteed prin. and int. by Lehigh Valley R.R. by endorsement. Refunding: No. 4 provides for the retirement of this issue, which may be extended for a period not exceeding two years. First lien on 27.90 miles from South Plainfield to Jersey City and branches; also 126.83 acres of terminal property fronting about 1,000 feet on Hudson River. Coupon, $1,000. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

9. Auth. and outstanding, $15,000,000. Dated June 23, 1890; due July 1, 1940. Int. paid at company's office, Philadelphia, and J. P. Morgan & Co., New York. Guar. prin. and int. by Lehigh Valley R.R. by endorsement. Refunding: No. 4 provides for retirement of this issue, which may, however, be extended two years. First lien from the Pennsylvania State line to Buffalo, N. Y., 174.48 miles; Pennsylvania State line to Waverly, N. Y., 0.41 mile; Van Etten Junc. to Geneva Junc.., N. Y., 59.49 miles; Ithaca to Auburn, N. Y., 42.46 miles; Cayuga Junc. to Cayuga, N. Y., 3.92 miles; Niagara Junc. to Tonawanda Junc., N. Y., 10.56 miles; Elmira to Cortland and De Ruyter to Camden, 139.14 miles; total, 430.46 miles, second lien on 29.42 miles, following No. 10, on 29.07 miles, from Rochester to Hemlock Lake, N. Y., following the first lien of the Rochester Southern 1st 5s; on 14.39 miles from Geneva Junc. to Seneca Falls, N. Y., following the first lien of the Seneca County Ry. 1st 5s, and on the 10.93 miles, following No. 11; total, 83.81 miles. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I. Listed on New York, Phiadelphia and London Stock Exchanges. Interest paid without deduction for normal income tax. Coupon, $1,000.

10. Auth., $600,000; outstanding, $200,000 (closed). Dated Aug. 26, 1892; due Nov. 1, 1942. Int. paid at Company's Office, Philadelphia and at J. P. Morgan & Co., New York. Coupon, $1,000. Guar. prin. and int. by the Lehigh Valley R.R. by endorsement. Refunding: No. 4 provides for retirement of this issue, which may however, be extended two years. First lien from Naples to Geneva, N. Y., 29.42 miles. Underlies No. 9. Legal for S. B. in Me., Mich., Minn., N. H., N. J., R. I. Normal income tax deducted from interest.

11. Auth. and outstanding, $3,000,000. Dated March 1, 1907; due March 1, 1957. Int. paid at Lehigh Valley R.R., Philadelphia, and at J. P. Morgan & Co., New York. Coupon, $1,000. Callable at 105 and int., on any interest date, on 60 days' notice. Guar. prin. and int. by Lehigh Valley R.R., by endorsement. First lien from Tifft Farm Junction to Tifft Farm, Buffalo, N. Y., 10.93 miles double track, and terminal property at and near Buffalo, inc. 189½ acres, together with other property. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I., Interest paid without deduction for normal income tax.

12. Auth., $300,000; outstanding, $51,000. Dated Oct. 7, 1895; due Nov. 1, 1935. Int. paid at company's office, Philadelphia. Coupon, $500 and $1,000. Guaranteed prin. and int. by Lehigh Valley R.R. by endorsement. First lien on 12.78 miles from Belfast to Easton, Pa. Refunding: No. 4 provides for retirement of this issue, which may, however, be extended for two years. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

13, 14 and 15. Auth., $10,000,000; outstanding, $4,000,000 5s; $1,500.000 4½s; $3,000,000 4s (closed). Dated Nov. 13, 1888; due April 1, 1939. Int. paid at office of Lehigh Valley R.R., Philadelphia. Reg.. $1,000. Guar. prin. and int. by Lehigh Valley R.R., by endorsement. Refunding: No. 4 provides for retirement of this issue, which may, however, be extended for a period not exceeding two years. First lien from Wilkes-Barre, Pa., to the New York State line at Sayre, Pa., and branches, 137.08 miles. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I., Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

16. Auth., $300,000; outstanding, $272,000. Dated Dec. 12, 1898; due Jan. 1, 1929. Int. paid at Union Trust Co., New York. Coupon, $1,000. Callable at 105 and int. and after 1914 at par and int. Road leased at $40,000 per annum to 1934, to Penn. & N. Y. Canal & R.R. and operated by Lehigh Valley. Sinking fund: Amount equal to any dividend or distribution of profits shall be used to retire these bonds. First lien on about 5,000 acres of coal land in Sullivan Co., Pa., and on the road from Monroeton to Bernice, Pa., 24.06 miles, inc. depot-land, etc. Legal for S. B. in Maine. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

17. Series J, 4½s; original amount, $5,000,000; now outstanding, $500.000. Dated Sept. 1, 1907; due $250,000 each M. and S. 1 to Sept. 1, 1917. Int. paid at Company's office, Philadelphia, Pa. Coupon, $1,000. First lien on 1,000 box cars, 1,000 steel gondola cars and 3,000 steel coal cars; total cost being $4,824,820. Interest paid without deduction for normal income tax. Legal for S. B. in Conn., N. H.

Note: There are three further issues of equipment trusts amounting to $2,900,000, all of which are held in the treasury of the company. They include: Series K, 4s, maturing $150,000 semi-annually to Sept. 1, 1917; Series L, 4½s, maturing $200,000 semi-annually to Oct. 1, 1919; Series M, 4½s; maturing $200,000 annually to March 1, 1923. In 1916 two new issues, $3,000,000, Series O, 4½s, and $2,400,000, Series R, 4½s, were authorized, and upon receipt of equipment these will be issued and placed in the treasury.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Morris Canal & Banking Co. guar. stock.. Outstanding, $903,600. Par $100.	10% F&A	.....			99%	High	High	Aaa.
2. Morris Canal & Banking Co. cons. gtd. stock. Outstanding, $706,700. Par $100.	4% F&A	.....	$5,283	$40	99%	"	"	Aaa.
3. Lehigh Val. R.R. preferred stock..... Outstanding, $106,300. Par $50.	10% J&J	.....		7	99%	"	"	Aaa.
4. Lehigh Valley R.R. common stock..... Outstanding, $60,501,700. Par $50.	10% J&J	$41,972	5,236	4,190	20%	"	"	Baa.*

* For 10% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON STOCK ISSUES

1 and 2. Property consists of canal extending from Jersey City to Phillipsburg, N. J., 106 miles (not now operating). The bond issue of $500,000 is entirely owned by the Lehigh Valley R.R., that company having leased the canal for 999 years from 1871, assuming the bonds, and guaranteeing dividends of 10% per annum on the guaranteed stock, and 4% per annum on the consolidated stock. Nearly all of both issues are now owned by the Lehigh Valley R.R. It is proposed to abandon the canal and pay off stock, as soon as legislation permitting this has been passed.

3 and 4. Auth., $80,000,000; outstanding, $60,608,000; par, $50; this includes $106,300 10% cumulative preferred. Dividends on common as follows: 1887, 4¼%; 1888 to 1891, 5% per annum; 1892, 5¼%; 1893, 4%; 1907 to July, 1909, 4% regular and 2% extra; 1910, 6%; 1911 to date, 10% per annum. Dividends are now paid quarterly Jan. On Feb. 28, 1912, an extra dividend of 10%, amounting to $6,060,800, was paid out of the accumulated surplus, and the right given to apply same in payment at par of 121,216 shares (par $50) of the capital stock of the Lehigh Valley Coal Sales Company. Transfer offices, 228 So. Third Street, Philadelphia, and 143 Liberty Street, New York. Listed on New York and Philadelphia Stock Exchanges.

COMPANY CONTROLLED BY LEHIGH VALLEY RAILROAD COMPANY

STATE LINE & SULLIVAN RAILROAD

Incorporated under laws of Pennsylvania, as successor to the Sullivan & Erie R.R., Dec. 2, 1874. Line of road: Monroeton to Bernice, Pa., 24.06 miles. The company also owns coal mines, which are separately leased to the Connell Anthracite Mining Co., Scranton, Pa. The company itself is leased to the Penna. & New York Canal & R.R. Co., until 1934, at an annual rental of $40,000. The latter company is controlled by Lehigh Valley R.R., which directly operates the State Line & Sullivan R.R.

Officers: R. J. Thomson, Pres.; E. M. Dunham, Vice-Pres.; T. V. Thomson, Sec.; R. W. Hale, Treas. Office, 204 Walnut Place, Philadelphia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$99,391	$91,750	$97,424	$93,442	$87,405	$40,000
Taxes	4,460	4,633	5,021	4,636	6,780	2,460
Fixed charges	16,360	12,240	16,363	16,325	12,240	12,240
Surplus.....	$78,571	$74,877	$76,040	$72,481	$68,385	$21,602

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $78,571; debit balance carried to balance sheet, $32,701; total, $111,272. Contra: Debit balance at beginning of year, $55,376; dividend appropriations of surplus, $55,896; total, $111,272.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000
Working assets	51,488	100,787	133,200	131,856	121,073	135,816
Accrued income not due	.....	.....	4,934	4,672	4,273	5,008
Deferred debit items	3	3	102	25	25	25
Profit and loss deficit	32,701	55,376	18,362	19,875	27,535	12,077
Total	$1,209,192	$1,281,166	$1,281,598	$1,281,428	$1,277,906	$1,277,926
LIABILITIES:						
Capital stock	$931,600	$980,250	$980,250	$980,250	$980,250	$980,250
Funded debt	272,000	295,000	295,000	295,000	295,000	295,000
Accrued liabilities not due	5,592	5,916	6,348	6,178	2,656	2,676
Total	$1,209,192	$1,281,166	$1,281,598	$1,281,428	$1,277,906	$1,277,926

Bonded Debt: $272,000 first 4½s; due Jan. 1, 1929. For details and ratings, see Lehigh Valley Bond Table, page 409.

Capital Stock: Auth., $1,000,000; outstanding, $931,600, of which $48,650 is in treasury; par, $50. Dividends in recent years as follows: 1908-9, 20%; 1909-10, 31%; 1910-11, 6%; 1911-12, 9%; 1912-13, 6%; 1913-14, 8%; 1914-15, 12%; 1916, 6%.

LOUISIANA & ARKANSAS RAILWAY

Origin: Incorporated under laws of Arkansas, June 10, 1902, as successor to the Louisiana & Arkansas Railroad Co.

Location: Operates 278.72 miles of road, of which 188.91 miles are from Hope, Ark., to Tioga, La. Branches extend to Wildsville Junc. and Shreveport. An extension from Wildsville Junc. to a point on the Mississippi River, opposite Natchez, is under construction. When the extensions are completed the company will connect with the St. Louis, Iron Mountain & Southern, the Illinois Central, and the Mississippi Central.

The Eastern Extension from the end of the line at Jena, Louisiana, to Jonesville, Louisiana, has been completed, and is laid with 75-lb. rail, and ballasted with the durable cement gravel found on the line of the railway. This line will connect with Natchez on the Mississippi River, giving the Louisiana and Arkansas Ry. a connection with the Illinois Central R.R., and also other connections at that point. The Extension of the line to the Mississippi River crosses the rich rice and cotton lands of the Tensas Delta.

Management: OFFICERS: Wm. Buchanan, Pres.; F. H. Drake, W. R. Grim, Vice-Pres.; J. A. Buchanan, Sec. and Treas. DIRECTORS: Wm. Buchanan, W. R. Grim, F. H. Drake, J. G. Ferguson, J. A. Buchanan, C. L. Cabe, T. A. Brown, Robt. Buchanan, W. J. Buchanan, Henry Moore, F. W. Green. Annual meeting, second Saturday in February. OFFICE, Texarkana, Ark.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	4.67%	6.70%	5.77%	6.41%	9.77%	7.76%
Products of Animals	.....	.....	.....	.....	.15	1.25	1.44	1.94	9.97	.98
Products of Mines	.....	.....	.....	.....	5.72	9.37	10.05	12.93	14.25	9.91
Products of Forests	.....	.....	.....	.....	83.36	76.39	76.85	70.92	60.82	69.20
Manufactures	.....	.....	.....	.....	2.82	3.72	3.24	4.93	12.04	10.00
Miscellaneous	.....	.....	.....	.....	3.28	2.57	2.65	2.87	2.15	2.15

Total revenue tonnage, 1909, 1,064,860 tons; 1910, 1,194.738 tons; 1911, 1,283,247 tons; 1912, 1,253,195 tons; 1913, 1,542,086 tons; 1,482,915 tons in 1914; 1,567,234 tons in 1915; 1,544,159 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	226	....	28	18	1,258	80%	26,356	388,119	295	$2.06	2.73c	1.05c
1909	226	....	27	20	1,251	82	25,010	417,715	338	2.15	2.75	1.04
1910	240	....	28	21	1,237	83	25,501	412,700	330	2.26	2.79	1.11
1911	255	....	28	23	1,211	82	28,870	411,741	334	2.15	2.64	1.13
1912	255	....	28	24	1,143	82	31,856	402,176	341	2.21	2.63	1.20
1913	255	....	33	22	1,142	82	35,599	451,028	360	2.40	2.69	1.20
1914	275	....	32	27	1,271	81	36,962	393,802	356	2.49	2.68	1.27
1915	279	....	31	27	1,259	85	27,237	494,393	367	2.34	2.70	1.04
1916	279	....	31	27	1,256	86	25,069	498,558	372	2.50	2.66	1.02
9-Year Average	254	....	30	23	1,225	83%	29,162	430,026	344	$2.28	2.70c	1.12c

Yard tracks and sidings, June 30, 1916, 71 miles.

Comment: The freight density on this property in 1916 was fully maintained and there was a further moderate improvement in the average freight train load. The train mile earnings on the property were also better than in the previous year. As usual the company reported a large proportion of lumber products in its freight tonnage, these representing nearly 70% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$5,064	$921	$823	$1,744	$1,754	$1,566	$1,783	$66	$1,717	$900	48%	$817	$498
1909	5,250	917	955	1,872	1,694	1,684	1,930	88	1,842	936	49	906	498
1910	5,511	808	862	1,670	1,694	2,147	2,370	116	2,254	1,014	55	1,240	470
1911	5,618	911	815	1,726	1,838	2,054	2,248	145	2,103	1,055	50	1,048	465
1912	5,863	960	887	1,847	1,927	2,089	2,240	178	2,062	1,209	41	853	245
1913	6,563	1,061	999	2,060	2,096	2,407	2,579	197	2,382	1,286	46	1,096	.....
1914	6,183	1,182	1,005	2,187	1,944	2,052	2,204	252	1,952	1,141	42	811	.....
1915	6,021	1,082	1,011	2,093	1,899	2,029	2,185	305	1,880	1,082	42	798	.....
1916	5,920	1,055	925	1,980	1,852	2,088	2,259	333	1,926	1,002	48	924	.....
9-Year Average	$5,777	$989	$920	$1,909	$1,855	$2,013	$2,200	$187	$2,013	$1,070	47%	$943	$242

Note: Above table is based on average mileage directly operated for each year, including trackage rights. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $1,926; fixed charges per mile consumed $1,002 of this, or about 52%, thus leaving $924, "a margin of safety" of about 48%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,651,589	$1,679,696	$1,700,208	$1,673,459	$1,495,111	$1,432,638	$1,322,761
Maintenance of way	294,361	301,887	325,039	270,644	244,542	232,385	193,891
Maintenance of equipment	258,088	281,988	276,273	254,707	226,253	207,770	206,869
All other operating expenses	516,663	529,846	534,553	534,367	491,573	468,729	406,713
Net operating revenues	$582,477	$565,974	$564,343	$613,741	$532,743	$523,754	$515,288
Operating ratio	64.7%	66.3%	66.8%	63.3%	64.4%	63.4%	61%
Other income	47,885	43,726	41,664	43,831	38,461	49,528	53,347
Total net income	$630,362	$609,700	$606,007	$657,572	$571,204	$573,282	$568,635
Taxes accrued	92,997	85,058	69,255	50,235	45,303	37,009	27,785
Balance for charges	$537,365	$524,642	$536,752	$607,337	$525,901	$536,273	$540,850
Fixed charges	279,562	301,909	313,766	328,038	308,292	268,947	243,500
Surplus over charges	$257,803	$222,733	$222,986	$279,299	$217,609	$267,326	$297,350
Dividends paid	.....	.....	.....	.....	62,500	118,750	112,500
Appropriation to sinking fund	35,150	29,492	.....	.....	.....	.....	.....
Balance	$222,653	$193,241	$222,986	$279,299	$155,109	$148,576	$184,850
Earned on stock	4.45%	3.8%	4.45%	5.58%	4.35%	5.34%	5.95%

Note: Fixed charges in 1916 included $235,119 for interest on bonds, $12,717 for hire of equipment, and $30,058 joint facility rents.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $1,315,534; credit balance transferred from income, $222,653; profit on road and equipment sold, $315; unrefundable overcharges, $113; miscellaneous credits, $10,845; total, $1,549,460. Contra: Surplus applied to sinking and other reserve funds, $83,596; loss on retired road and equipment, $3,096; miscellaneous debits, $288; credit balance carried to balance sheet, $1,462,480; total, $1,549,460.

Comment: There was a slight decline in the gross revenues on the Louisiana & Arkansas Ry. in 1916, but the net revenues and total net income underwent a moderate improvement. As fixed charges were further reduced the surplus equaled nearly 4½% on the outstanding capital stock as compared with 3.8% during the previous year. Since the close of the fiscal year the earnings of the property have been well maintained.

While the volume of business on this property during the past decade has not shown any tendency to increase rapidly, yet the total net income has each year ranged at a substantial figure, and even in the poorest years a liberal surplus has been reported above all fixed charge requirements. Thus, the company has been able to strengthen its financial position.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$16,548	49%	$17,248	51%	.....	$33,796	.....	$33,796	5.3%	.....	.....	$498	3%	.....	39%
1909	19,911	51	18,792	49	.....	38,703	.....	38,703	5	.....	.....	498	3	.....	45
1910	18,750	49	19,112	51	.....	37,862	.....	37,862	6.2	.....	.....	470	2½	.....	62
1911	19,605	52	17,988	48	.....	37,593	.....	37,593	6	.....	.....	465	2½	.....	56
1912	19,605	49	19,984	51	.....	39,589	$392	39,197	5.6	.....	.....	245	1¼	.....	71
1913	19,605	49	20,612	51	.....	40,217	.....	40,217	6.4	.....	.....	.....	.....	.....	.....
1914	18,182	48	19,644	52	.....	37,826	.....	37,826	5.8	.....	.....	.....	.....	.....	.....
1915	17,921	43	19,283	52	.....	37,204	.....	37,204	5.9	.....	.....	.....	.....	.....	.....
1916	17,921	43	19,283	52	.....	37,204	.....	37,204	6.1	.....	.....	.....	.....	.....	.....
9-Year Average	$18,672	49%	$19,105	51%	.....	$37,777	$44	$37,733	5.8%	.....	.....	$242	1.36%	.....	.....

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1912	1911
Property investment	$11,317,656	$11,407,484	$11,296,166	$11,043,135	$10,378,205	$10,017,992
Working assets	834,069	727,631	710,184	683,475	926,627	790,878
Deferred debit items	772,361	620,516	492,899	396,142	324,050	296,017
Total	$12,924,086	$12,755,631	$12,499,249	$12,122,752	$11,628,882	$11,104,887
LIABILITIES:						
Capital stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Funded debt	5,358,000	5,380,000	5,402,000	5,256,000	5,096,000	4,587,000
Working liabilities	156,989	202,817	171,764	166,254	131,519	198,143
Accrued liabilities not due	118,577	125,231	121,345	115,820	105,365	95,250
Deferred credit items	25,679	45,897	26,710	19,810	24,250	21,087
Appropriated surplus	802,363	652,973	542,786	443,448	359,145	301,988
Profit and loss surplus	1,462,480	1,348,713	1,234,644	1,121,420	912,603	901,419
Total	$12,924,086	$12,755,631	$12,499,249	$12,122,752	$11,628,882	$11,104,887

Comment: There were practically no capitalization changes on this property during the year 1916. The company is not heavily capitalized, and in recent years as measured on the mileage basis, there has been a tendency toward lower capitalization. Although the company is not a heavy earner, it has succeeded in reporting a net income on net capital in the neighborhood of 6%.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Louisiana & Ark. first 5s	M&S	S 1927	(1st) 273	$16,500	$2,013	$931	53%	Good	Fair	Baa.
2. Louisiana & Ark. equip. 6s	Text	Text	Equip.	.....		25	53%	"	"	Baa.

Note: Average income available is the annual average balance for charges per mile for the nine years ended June 30, 1916. Interest requirement is the present requirement. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $7,000,000; outstanding, $5,196,000. Dated Sept. 1, 1902; due Sept. 1, 1927. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. Callable as whole at 110 and int. on nine weeks' notice. Sinking Fund: $75,000 annually for purchase of these bonds at not more than 110 and int. Bonds so purchased to be kept alive in sinking fund. If not purchased at price stated, money to be invested in other approved securities. First lien on entire road (273 miles), mileage being as follows: From Hope, Ark., to Pineville, La., 193 miles, and extensions from Packton to Wildwoods Junc., 53.32 miles, and Minden to Shreveport, La., 27.15 miles, and on all other property of the company. Listed on New York and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

2. On June 30, 1916, the net equipment trusts outstanding were $162,000, carrying 6% interest and maturing as follows: First series, $3,000 each May and Nov. to Nov., 1923; second series, $8,000 each April and Oct. to Oct., 1923, making a total of $22,000 retired each year.

Capital Stock: Auth. and outstanding, $5,000,000; par, $100. Dividends: 1909, 3%; 1910, 2½%; 1911, 2½%; 1912, 1¼%; none since. TRANSFER AGENT, Guaranty Trust Co., New York.

LOUISIANA RAILWAY & NAVIGATION COMPANY

Origin: Incorporated under laws of Louisiana, May 9, 1903, as successor to the Shreveport & Red River Valley Ry. The company was first put in operation through to New Orleans, La., in October, 1906.

Location: Line of road, Shreveport, to New Orleans, with branches to Winnfield and Ems, La., making a total of 350.50 miles. Sidings 98.19 miles.

Management: OFFICERS: Wm. Edenborn, Pres.; New Orleans, La.; H. B. Helm, Vice-Pres.; L. M. McForlin, Treas.; J. J. Tippin, Sec. and Aud.; C. C. Colley, Pur. Agt., Shreveport, La. DIRECTORS: Wm. Edenborn, Sarah Edenborn, E. O. Mann, New Orleans, La.; H. B. Helm, W. F. Taylor, E. H. Randolph, J. J. Tippin, Shreveport, La. Annual meeting, first Tuesday after first Monday in January. MAIN OFFICE: Shreveport, La.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	25.7%	17.4%	17.3%	10.4%	20.3%	17.57%	22.9%	21.07%	30.4%	19.3%
Products of Animals	1.1	1.1	.9	1.2	1.2	1.54	1.7	1.12	.6	.9
Products of Mines	3.6	7.7	5.2	6.7	5.1	4.85	3.4	3.87	9.5	13.6
Products of Forests	46.9	57.2	43.0	43.9	41.2	43.20	42.7	37.81	28.9	34.9
Manufactures	8.3	9.1	10.8	17.7	25.2	27.28	24.0	25.95	26.3	27.0
Merchandise and Miscel.	4.4	7.5	22.8	20 3	7.0	5.56	5.3	10.18	4.3	4.3

Total revenue tonnage: 320,302 tons in 1907; 473,590 tons in 1908; 637,645 tons in 1909; 722,462 tons in 1910; 849,488 tons in 1911; 940,827 tons in 1912; 1,065,162 tons in 1913; 1,178,417 tons in 1914, and 1,355,475 tons in 1915.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	344	..	21	9	491	76%	15,648	96,977	137	$1.82	3.12c	1.87c
1908	343	..	32	21	802	76	15,278	154,083	151	1.48	3.32	1.41
1909	351	....	32	21	1,190	81	12,993	172,273	156	1.59	3.00	1.48
1910	351	....	32	21	1,225	76	18,111	212,132	175	1.67	3.06	1.27
1911	351	...	39	25	1,224	77	22,833	292,131	201	1.90	3.06	1.28
1912	351	..	40	26	1,225	78	21,073	297,195	214	2.09	3.16	1 33
1913	351	..	41	26	1,394	78	30,463	356,292	266	2.22	2.73	1.18
1914	351	..	44	26	1,386	79	32,631	386,020	298	2.20	2.55	1 15
1915	351	..	47	25	1,419	80	29,609	441,995	305	2.19	2.72	1.02
1916	351	....	47	25	1,384	78	36,083	418,009	304	2.44	2.63	1.16
10-Year Average	350	....	38	22	1,174	78%	23,772	285,711	221	$1.96	2.94c	1.32c

Yard tracks and sidings, 98.19 miles.

Comment: During the year ended June 30, 1916, the freight density on the Louisiana Ry. & Navigation Company was maintained in the neighborhood of recent totals, and the average freight train load was also held at a good figure. There was a substantial improvement in the train mile earnings due principally to the fact that the average freight rates were better than has recently been the case. This company depends to a substantial extent on forest products for its tonnage, but the proportion of high grade freight, such as manufactures, is large.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$2,191	$523	$227	$750	$1,113	$328	$328	$48	$280	$636	.....	$356*	.....
1908	2,875	863	461	1,324	1,514	37	79	108	29*	1,650	.....	1,679*	.....
1909	3,151	811	444	1,255	1,671	225	265	122	143	1,596	.....	1,453*	.....
1910	4,049	711	450	1,161	1,990	898	1,075	140	935	1,652	.....	717*	.....
1911	4,842	733	536	1,269	2,350	1,223	1,425	148	1,277	1,738	.....	461*	.....
1912	5,083	827	480	1,307	2,456	1,320	1,531	162	1,369	1,817	.....	448*	.....
1913	5,390	795	689	1,484	2,577	1,329	1,488	170	1,318	1,831	.....	513*	.....
1914	5,617	1,035	672	1,707	2,696	1,214	1,251	228	1,023	1,863	.....	840*	.....
1915	5,766	1,075	637	1,712	2,664	1,390	1,428	318	1,110	1,956	.....	846*	.....
1916	6,210	905	934	1,839	2,470	1,901	1,938	325	1,613	1,801	.....	188*	.....
10-Year Average	$4,517	$828	$553	$1,381	$2,149	$987	$1,081	$177	$904	$1,654	.....	$750*	.....

For explanations, see next page.

* Deficit.

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. In this case, there is no "margin of safety" as the company has not reported any surplus above its full fixed charges for many years, although the actual interest on the bond issue has been covered.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$2,179,872	$2,023,698	$1,971,718	$1,891,823	$1,783,969	$1,699,605	$1,421,250
Maintenance of way	317,634	377,392	363,295	279,162	290,157	257,307	249,460
Maintenance of equipment	327,992	223,530	235,970	241,866	168,688	188,289	157,983
All other operating expenses	867,159	934,808	946,335	904,399	861,923	824,815	698,439
Net operating revenues	$667,087	$487,968	$426,118	$466,396	$463,201	$429,194	$315,368
Operating ratio	69.39%	75.88%	78.38%	75.34%	74.04%	74.75%	77.81%
Other income	13,119	13,288	13,121	55,783	74,172	71,000	62,018
Total net income	$680,206	$501,256	$439,239	$522,179	$537,373	$500,194	$377,386
Taxes accrued	113,955	111,655	80,060	59,505	56,867	51,947	49,112
Balance for charges	$566,251	$389,601	$359,179	$462,674	$480,506	$448,247	$328,274
Fixed charges	632,187	686,485	654,062	642,697	637,848	610,101	580,047
Deficit	$65,936	$296,884	$294,883	$180,023	$157,342	$161,854	$251,773

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $801,221; miscellaneous credits, $426; total, $801,647. Contra: Debit balance transferred from income, $65,936; delayed income debits, $162; miscellaneous debits, $2,291; credit balance carried to balance sheet, $733.258; total, $801,647.

Comment: The gross and net revenues of this property for the year ended June 30, 1916, were much higher than in the previous year, and the balance available for charges was also much better than for many years past. Fixed charges were reduced moderately and therefore the deficit finally reported was much lighter than in recent years.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$14,211	50%	$14,142	50%	.....	$28,353	.....	$28,353	1.2%	.....	.....	.....	.....	.....	.....
1908	23,706	43	31,578	57	.....	55,284	.....	55,284	0.1	.....	.....	.....	.....	.....	.....
1909	23,165	43	30,942	57	.....	54,107	.....	54,107	0.5	.....	.....	.....	.....	.....	.....
1910	23,165	43	30,973	57	.....	54,138	.....	54,138	2.0	.....	.....	.....	.....	.....	.....
1911	23,165	44	30,066	56	.....	53,231	.....	53,231	2.7	.....	.....	.....	.....	.....	.....
1912	23,165	44	30,043	56	.....	53,208	.....	53,208	2.9	.....	.....	.....	.....	.....	.....
1913	23,165	44	30,043	56	.....	53,208	.....	53,208	2.8	.....	.....	.....	.....	.....	.....
1914	23,165	44	30,043	56	.....	53,208	.....	53,208	2.5	.....	.....	.....	.....	.....	.....
1915	23,165	44	30,043	56	.....	53,208	.....	53,208	2.7	.....	.....	.....	.....	.....	.....
1916	23,165	43	30,153	57	.....	53,318	.....	53,318	3.6	.....	.....	.....	.....	.....	.....
10-Year Average	$22,324	44%	$28,802	44%	.....	$51,126	.....	$51,126	2.1%	.....	.....	.....	.....	.....	.....

Comparative Condensed alance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$20,535,583	$20,383,708	$20,220,131	$20,103,580	$19,843,324	$19,695,602
Working assets	495,391	313,965	355,441	329,771	316,750	231,573
Deferred debit items	10,399	6,969	15,111	27,853	9,599	3,932
Profit and loss deficit	.....	.....	.....	2,385,774	2,205,751	2,052,840
Total	$21,041,373	$20,704,642	$20,590,683	$20,846,978	$22,375,424	$21,983,947
Liabilities:						
Capital stock	$8,131,000	$8,131,000	$8,131,000	$8,131,000	$8,131,000	$8,131,000
Funded debt	10,583,518	10,545,000	10,545,000	10,545,000	10,553,153	10,573,933
Working liabilities	1,559,795	1,198,796	786,152	4,134,612	3,684,522	$3,269,178
Deferred credit items	33,802	28,626	20,589	36,366	6,739	9,836
Profit and loss surplus	733,258	801,220	1,107,942	.....	.....	.....
Total	$21,041,373	$20,704,642	$20,590,683	$20,846,978	$22,375,424	$21,983,947

Comment: There were practically no capitalization changes on this property during the year 1916. The company is not heavily capitalized as measured on a mileage basis, but its earning power is relatively light, therefore the company has not in recent years been able to report any real surplus above its fixed charges. In the year 1916, however, the net income on net capital was well above the average for the decade.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Louisiana Ry. & Nav. first 4½s	J&J	Jl 1953	(1st) 351	$30,000	$904	$1,352	.....	Fair	.....	Caa.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $23,000 per mile, but limited to a total of $17,500,000. outstanding, $10,545,000. Dated July 1, 1903; due July 1, 1953. Int. paid at Shreveport, La. Coupon, $1,000. Principal may be registered. First lien on entire properties, except equipment covered by equipment trust obligations. Interest paid without deduction for normal income tax.

Note: There were also outstanding on June 30, 1916, $38,518 equipment trust notes, secured on 3 locomotives and 30 tank cars.

Capital Stock: Auth., $12,000,000; outstanding, $8,131,000; par, $100. No dividends.

MAINE CENTRAL RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Oct. 28, 1862, under Maine laws, as a consolidation of the Androscoggin & Kennebec R.R., and the Penobscot & Kennebec R.R. In 1874 the Portland & Kennebec R.R., the Somerset & Kennebec R.R., and the Leeds and Farmington R.R. were absorbed. The Maine Shore Line R.R. was absorbed in 1888, and the Knoxville & Lincoln Ry. in 1901. In addition to lines absorbed, the Maine Central controls a number of leased roads, including the Belfast & Moosehead Lake, leased in 1871 for fifty years; the Dexter & Newport, leased in 1888 for 999 years; the Dexter & Piscataquis, leased in 1888 for 999 years; the Eastern Maine Ry., leased in 1883 in perpetuity; the European & North American Ry., leased in 1882 for 999 years; the Hereford Ry., leased in 1890 for 999 years; the Portland & Ogdensburg Ry., leased in 1888 for 999 years; the Portland & Rumford Falls R.R. (including Portland & Rumford Falls Ry. and Rumford Falls & Rangeley Lakes R.R.), leased in 1907 for 1,000 years; the Upper Coos R.R., leased in 1890 for 999 years. In July, 1912, the Maine Central also leased the property of the St. Johnsbury & Lake Champlain (which see). On July 1, 1911, the Sebasticook & Moosehead R.R., the Somerset Ry., and the Washington County Ry. were formally merged into the Maine Central R.R. In addition, the Maine Central controls the Portland Terminal Co., the Sandy River & Rangeley Lakes R.R., the Bridgton & Saco R.R., and the Ricker Hotel Co.

Location: The directly operated lines of the Maine Central R.R. consisted, June 30, 1916, of 1,221.15 miles, classified as follows: Main and branch lines owned, 655.82 miles; leased main lines and branches (including 14.94 miles trackage rights), 565.33 miles. System extends northward and eastward from Portland, Maine, traversing a large part of both Maine and New Hampshire, and forming an extension of the Boston & Maine system. A portion also extends into the Province of Quebec, making connection with the Canadian Pacific and the Quebec Central. Population of Maine and New Hampshire in 1890, 1,037,616; in 1900, 1,106,054; in 1910, 1,172,943.

Acquisition of Control by Maine Railways Companies: An agreement was entered into on April 1, 1914, with three trustees of the Maine Railways Companies, involving the following plan: The Maine Central Railroad subscribed to and paid for at par the entire capital stock of the Maine Railways Companies, amounting to $3,000,000. The latter company issued its 5% notes, due April 1, 1919, to the amount of $12,202,000, and with these notes and the $3,000,000 received from the sale of its shares, purchased from the Boston & Maine Railroad 159,601 shares of the capital stock of the Maine Central Railroad at $95.25 per share. This stock was deposited with the Fidelity Trust Company of Portland, Maine, as security for the notes of the Maine Railways Companies. With the consent of the owners of the notes, $5,000,000 par value of these notes were endorsed as exchangeable for an equal amount of Maine Central Railroad stock on or before October 1, 1918, or prior to any date fixed for the redemption of the notes. Any profits from the operation of the trust, after paying interest charges and expenses of the Maine Railways Companies, will accrue to the Maine Central Railroad. Under the operation of the trust, the Maine Central Railroad stock will ultimately be distributed among individual stockholders.

The accounts of the Maine Rys. Cos. were closed May 31, 1916, and the Maine Central investment in the company's stock has been written off. On June 30, 1916, there were outstanding $2,492,000 Maine Rys. notes which were called for payment October 1, 1916. The balance of the notes were paid during the year and the Maine Central stock pledged thereunder was cancelled, sold or exchanged for Maine Rys. convertible notes.

Management: Officers: Morris McDonald, Pres.; G. S. Hobbs, 2d Vice-Pres.; Dana C. Douglass, Gen. Mgr.; Arthur P. Foss, Compt.; Frank W. York, Treas. Directors: J. W. Symonds, Edward P. Ricker, Morris McDonald, John S. Hyde, Weston Lewis, Wm. T. Cobb, Geo. A. Curran, F. H. Appleton, Geo. E. Macomber, E. R. Brown, Edward B. Winslow, Hugh J. Chisholm, Thos. P. Shaw, S. M. Carter. Annual meeting, third Wednesday in October. General Office, Portland Me.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	22.36%	15.42%	18.80%	16.23%	18.44%	19.44%	17.87%	20.51%	20.3%	16.3%
Products of Animals	1.68	1.63	1.75	1.57	1.63	1.79	1.81	1.78	1.7	1.7
Products of Mines	14.93	17.69	15.34	16.28	16.47	14.16	14.78	14.46	14.6	12.6
Products of Forests	28.97	32.95	32.68	33.66	32.26	32.86	33.62	32.84	31.5	34.7
Manufactures	21.33	21.98	21.36	21.66	20.79	19.66	19.76	19.78	20.7	23.0
Merchandise and Miscel	10.73	10.33	10.07	10.60	10.41	12.09	12.16	10.63	11.2	11.7

Total revenue tonnage, year ended June 30, 1900: 3,573,915 tons; 1909, 5,663,876 tons; 1910, 6,255,400 tons; 1911, 6,309,491 tons; 1912, 6,793,519 tons; 7,282,464 tons in 1913; 7,353,703 tons in 1914; 6,963,049 tons in 1915; 7,547,895 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	845	50	202	278	7,722	60%	157,360	480,308	289	$2.10	2.04c	1.02c
1908	931	52	204	288	7,754	60	148,692	514,957	259	2.02	2.07	1.06
1909	932	52	201	281	7,641	60	146,272	539,646	268	2.00	2.03	.99
1910	932	60	201	281	7,562	61	152,601	596,664	290	2.10	2.05	.98
1911	932	61	201	283	8,970	61	155,230	573,652	276	2.09	2.05	1.03
1912	1,192	71	218	309	9,736	63	135,359	513,938	251	2.07	2.07	1.09
1913	1,205	76	220	316	10,019	63	139,950	544,690	259	2.16	2.08	1.09
1914	1,206	76	221	311	10,300	64	133,464	587,465	271	2.20	2.18	1.05
1915	1,216	78	223	323	10,010	63	114,229	538,022	290	2.34	2.38	1.10
1916	1,220	78	215	315	9,706	65	118,374	598,906	318	2.49	2.30	1.06
10-Year Average	1,063	65	210	294	8,942	62%	140,153	548,825	277	$2.16	2.13c	1.04c

Yard tracks and sidings, June 30, 1916, 376 miles. Of the total mileage operated, 655.82 miles are directly owned, and the balance leased.

Comment: During the fiscal year ended June 30, 1916, the Maine Central Railroad reported a further substantial increase in the freight density, and there was also a noticeable improvement in the average train load. While average freight rates tended to decline moderately a better showing was made on train mile earnings than ever before.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$9,705	$1,274	$1,473	$2,747	$3,956	$3,002	$3,291	$367	$2,924	$1,464	50%	$1,460	$427
1908	9,131	1,331	1,343	2,674	3,684	2,773	2,850	404	2,446	1,804	26	642	428
1909	8,974	1,321	1,267	2,588	3,613	2,773	2,839	405	2,434	1,776	27	658	427
1910	9,573	1,400	1,377	2,777	3,770	3,026	3,208	477	2,731	2,020	26	711	427
1911	9,729	1,520	1,433	2,953	4,073	2,703	3,158	511	2,647	2,185	17	462	427
1912	8,929	1,577	1,203	2,780	3,671	2,478	2,609	445	2,164	1,723	20	441	373
1913	9,404	1,488	1,366	2,854	3,990	2,560	2,764	455	2,309	1,381	40	928	839
1914	9,690	1,386	1,490	2,876	4,162	2,652	3,001	507	2,494	1,344	46	1,150	1,237
1915	9,334	1,341	1,435	2,776	3,921	2,637	3,300	533	2,767	1,436	49	1,331	1,220
1916	9,837	1,348	1,387	2,735	3,981	3,121	3,631	522	3,109	1,797	42	1,312	911
10-Year Average	$9,430	$1,399	$1,377	$2,776	$3,882	$2,772	$3,065	$463	$2,602	$1,693	34%	$909	$672

Note: Above table is based on average mileage directly operated, including leased lines, trackage rights, etc. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $3,109; fixed charges consumed $1,797, or 58% of this, leaving $1,312, a "margin of safety" of 42%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$12,000,507	$11,350,232	$11,635,802	$11,291,013	$10,643,051	$9,067,803
Maintenance of way	1,644,715	1,630,530	1,671,469	1,792,298	1,880,247	1,416,938
Maintenance of equipment	1,691,646	1,745,053	1,796,981	1,646,418	1,434,053	1,335,278
All other oper. expenses	4,856,217	4,768,382	5,018,970	4,808,283	4,375,919	3,816,332
Net operating revenues	$3,807,929	$3,206,267	$3,148,382	$3,044,014	$2,952,832	$2,499,255
Operating ratio	68.3%	71.8%	72.9%	73%	72.3%	72.4%
Other income	621,332	806,578	470,454	286,863	160,189	444,190
Total net income	$4,429,261	$4,012,845	$3,618,836	$3,330,877	$3,113,021	$2,943,445
Taxes accrued	636,423	648,515	611,496	548,622	530,223	476,187
Balance for charges	$3,392,838	$3,364,330	$3,007,340	$2,782,255	$2,582,798	$2,467,258
Fixed charges	2,192,361	1,746,251	1,621,151	1,663,712	2,055,830	2,036,221
Surplus over charges	$1,600,477	$1,618,079	$1,386,189	$1,118,543	$526,968	$431,037
Dividends paid	1,111,123	1,483,002	1,491,797	1,010,277	441,897	398,152
Other deductions	241,496	114,693	38,128	80,000	61,849	26,311
Balance	$247,858	$20,384	(def.) $143,736	$28,266	$23,222	$6,574
Earned on common stock	12.08%	6.5%	5.54%	4.52%	5.28%	8.62%

Note: Fixed charges include rentals of leased lines, $909,491, improvements to leased roads charged to rental $297,878, interest and sinking funds $735,767, hire of equipment $119,354, etc.

Comment: Gross revenues underwent a further substantial improvement on the Maine Central in 1916, and as operating costs advanced only slightly, the net revenues also showed a sharp increase. The total income after deduction of taxes was far in excess of all fixed charge requirements, and the final balance equaled fully 9% on the outstanding stock. Conditions since the close of the fiscal year have continued to show marked improvement.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$5,808	30%	$14,073	70%	$14,339	$34,220	$1,652	$32,568	10.1 %	.....	.....	$427	7%	.....	70%
1908	5,358	29	12,784	71	18,887	37,029	1,528	35,501	8	.....	.....	428	8	.....	33
1909	5,360	29	12,788	71	18,886	37,034	1,519	35,515	8	.....	.....	427	8	.....	34
1910	5,360	22	20,271	78	18,888	44,519	1,516	43,003	7.5	.....	.....	427	8	.....	40
1911	5,360	19	23,037	81	18,888	47,285	2,915	44,370	7	.....	.....	427	8	.....	8
1912	8,372	31	18,235	69	15,872	42,479	2,852	39,627	6.5	.....	.....	373	6	.....	15
1913	20,559	72	8,083	28	16,696	45,338	3,318	42,020	6.6	.....	.....	839	6	.....	10
1914	20,656	65	11,048	35	18,390	50,094	5,829	44,265	6.8	.....	.....	1,237	6	.....	...
1915	20,483	61	11,681	36	15,665	47,829	6,489	41,340	8	.....	.....	1,220	6	.....	8
1916	14,681	45	17,617	55	14,793	52,091	5,296	46,795	7.8	$61	2½%	849	7	95%	32
10-Year Average	$11,200	43%	$14,061	57%	$17,631	$43,702	$3,291	$40,501	7.6 %	.....	.....	$665	7%	.....	.....

Note: Above table is based on average mileage directly operated, including leased lines. Rentals are lease rental capitalized at 5%, and reduced to mileage basis.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$42,294,118	$41,221,729	$39,525,537	$36,495,319	$34,047,632	$27,503,171
Working assets	7,636,924	4,659,709	5,672,046	5,688,998	5,529,745	5,892,082
Deferred debit items.....	1,454,288	2,357,829	2,371,189	648,030	630,190	587,056
Accrued income not due...	22,226	55,792	.....	.....	.....	.....
Total	$51,407,556	$48,295,059	$47,568,772	$42,832,347	$40,207,567	$33,982,309
Liabilities:						
Capital stock	$17,911,073	$24,910,923	$24,910,923	$24,774,142	$9,979,700	$4,995,700
Funded debt	21,493,000	14,204,000	13,323,500	9,740,324	9,740,324	21,471,016
Working liabilities	4,299,137	1,899,071	1,911,515	1,916,618	13,817,202	1,126,233
Accrued liabilities not due	236,058	202,853	205,360	1,153,293	296,625	340,430
Deferred credit items.....	1,343,506	1,408,839	1,381,646	1,546,487	1,797,688	1,562,983
Appropriated surplus	1,925,128	1,695,144	2,699,540	1,552,999	1,426,983	1,338,805
Profit and loss surplus...	4,199,655	3,974,229	3,136,288	3,148,484	3,149,045	3,147,142
Total	$51,407,556	$48,295,059	$47,568,772	$42,832,347	$40,207,567	$33,982,309

Note: The securities owned by Maine Central on June 30, 1916, consisted of $6,070,914 stocks and $583,800 bonds. These included $1,000,000 stock of Portland Terminal Co., $1,450,000 Ricker Hotel Co., $2,881,500 treasury stock. Sinking fund on June 30, 1916, amounted to $704,030. Included in working assets for 1916 was $2,513,737 cash.

Comment: The chief change in the capitalization exhibit of the Maine Central Railroad in 1916 was made in connection with the retirement of $10,000,000 of common stock and the creation of an issue of $3,000,000 preferred stock. The bonded debt underwent a substantial increase also as in December of 1915 the company issued a new refunding 4½% mortgage. While these increases in capitalization added greatly to the liabilities of the company, yet the progress in earning power has been so substantial that this new capitalization is being easily carried. It will be noted that for the year 1916 the net income on net capital was no less than 7.8%.

Since 1912 some radical readjustments have taken place in the capitalization structure of this company. These changes have chiefly grown out of the company's entanglement with the affairs of the Boston & Maine Railroad and the New York, New Haven & Hartford. On page 417 will be found full details of the acquisition of control by the Maine Railways Companies in 1914 and the final liquidation of the latter. The property is now entirely independent of the Boston & Maine or New York, New Haven & Hartford systems, and gives promise of substantial success in the future.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Maine Central coll. tr. s. f. 5s	J&D	Je 1923	(coll.) 41	$15,800		27	97%	Very high	High	Aaa.
2. Maine Central s. f. imp. B 4½s	J&J	Jl 1917	Not Mtge.	.....	$2,602	9	97%	"	"	Aaa.
3. Knox & Lincoln series A 5s.	F&A	F 1921	(2d) 49	8,350		16	97%	"	"	Aaa.
4. Maine Shore Line, first 6s..	J&D	J 1923	(1st) 41	1,925		4	97%	"	"	Aaa.
5. Penobscot Shore Line first 4s	F&A	Ag 1920	(1st) 49	27,100		43	97%	High	"	Aaa.
6. Maine Central 1st ref. 4½s	J&D	D 1935	(1st) 324 (gen.) 90	32,130	2,503	480	81%	"	"	Aa.
7. Dexter & Newport first 4s.	M&S	S 1917	(1st) 14	12,500		6	82%	"	"	Aa.
8. Dexter & Piseata, first 4s..	J&J	Jl 1929	(1st) 17	10,000		6	82%	"	"	Aa.
9. European & N. Am. 1st ref. 4s	J&J	Ja 1933	(1st) 55	18,200		33	82%	"	"	Aa.
10. Hereford Ry. first 4s.....	M&N	My 1930	(1st) 53	15,100		26	82%	"	"	Aa.
11. Portland & Rum. Falls s. f. 4s.....	M&N	N 1926	(1st) 64	14,100		30	82%	"	"	Aa.
12. Portland & Rum. Falls deb. s. f. 4s.....	F&A	Ag 1927	Not Mtge.	.....		12	82%	"	"	Aa.
13. Portland & Rum. Falls deb. 4s.....	J&D	Je 1935	"	.....		10	82%	"	"	Aa.
14. Portland & Rum. Falls coll. tr. 4s.....	F&A	F 1934	(coll.)	.....	2,023	17	82%	High	High	Aa.
15. Rumf. Falls & R. L. first 5s.	A&O	O 1937	(1st) 27	14,800		17	82%	"	"	Aa.
16. Rumf. Falls & R. L. trust 4s	M&N	N 1923	(1st) 11 (2d) 27	7,900		9	82%	"	"	Aa.
17. Upper Coos. first 4s.....	M&N	My 1930	(1st) 23	15,200		12	82%	"	"	Aa.
18. Upper Coos. exten. 4½s....	M&N	My 1930	(1st) 33	21,000		21	82%	"	"	Aa.
19. Portland & Ogdensb. 1st 4½s	M&N	N 1928	(1st) 102	20,775		78	82%	"	"	Aa.
20. Washington Co. Ry. 1st 3½s	J&J	Ja 1954	(1st) 138	18,100		65	82%	"	"	Aa.
21. Belf. & Moosehead R. R. first 4s.....	M&N	My 1920	(1st) 33	1,010		1	82%	"	"	Aa.
22. Somerset Ry. first 5s.....	J&J	Jl 1917	(1st) 42	5,357		9	82%	"	"	A.
23. Somerset Ry. cons. 4s.....	J&J	Jl 1950	(2d) 42	4,100		6	82%	"	"	A.
24. Somerset Ry. 1st and ref. 4s	J&J	Jl 1955	(gen.) 94	9,190		30	82%	"	"	A.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $700,000; outstanding, $648,000; retired by sinking fund, $52,000. Dated June 1, 1883; due June 1, 1923. Int. paid at American Trust Co., Boston. Coupon. $1.000. Sinking fund: 1% of outstanding bonds, less trustee's fees, to be used to purchase these bonds up to 105; otherwise to be invested in other securities with the assent of the company. First collateral lien on an equal amount of No. 4. Legal for Savings Banks in Conn., Maine, Mass., N. H., R. I., Vt. Normal income tax deducted from interest.

2. Auth. and outstanding, $250,000. Dated July 1, 1887; due July 1, 1917. Int. paid at First National Bank, Portland, Me., National Park Bank, New York, Treasurer's office, Portland, Me., or Second National Bank, Boston. Coupon, $1,000. Sinking fund: $3,750 annually for purchase of these bonds at up to 105 and int.; otherwise in other approved securities. Direct obligation of the company; also secured by Sinking Fund amounting on July 1, 1916, to $200,915 invested in bonds of the B. & M. system. Legal for S. B. in Conn., Maine, N. H., R. I. Normal income tax deducted from interest.

3. Auth. and outstanding, $400,000. Dated Feb. 1, 1891; due Feb. 1, 1921. Int. paid at First National Bank, Portland, Me., Second National Bank, Boston, National Park Bank, New York, or Treasurer's office, Portland, Me. Coupon, $1,000. Assumed by Maine Central R.R. Second lien on the railroad and ferry from Bath to Rockland, Me., following No. 5. Underlie No. 6 which provides for retirement. Legal for S. B. in Conn., Me., N. H., R. I. Normal income tax deducted from interest.

4. Auth., $750,000; outstanding, $102,000 of which $24,000 are in treasury (balance being deposited under No. 1). Dated June 1, 1883; due June 1, 1923. Int. paid at First National Bank, Portland, Me., Second National Bank, Boston, National Park Bank, New York, or at office of company. Coupon, $1,000. Assumed by Maine Central R.R. First lien from Brewer Junc. to Mt. Desert Ferry, Me., 41.13 miles. Underlie No. 6. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Normal income tax deducted from interest.

5. Auth. and outstanding, $1,300,000. Dated Aug. 1, 1890; due Aug. 1, 1920. Int. paid at First National Bank, Portland, Me., Second National Bank, Boston, National Park Bank, New York, or at office of company. Coupon and reg., $1,000. Assumed by Maine Central R.R. First lien from Woolwich to Rockland, Me., 47.13 miles; and branch in Rockland, 1.44 miles; also the Ferry between Woolwich and Bath. Underlie Nos. 3 and 6 with provision by latter for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

6. Auth., $25,000,000; outstanding, Series A, $7,000,000; Series B, $6,000,000. Dated Dec. 1, 1915, due Dec. 1, 1935. Int paid at Irving National Bank, New York, company's office, Portland, Me., and in Boston. Coupon, $1,000, reg. $1,000, etc., interchangeable. Series A is callable at 102 on 60 days notice after December 1, 1918. Series B, callable under the same conditions after June 1, 1918. First lien on 324.36 miles, Falmouth to Bangor, 130.04; Royal Junc. to Waterville, 72.30; Waterville Freight Yard to Skowhegan, 17.23; Oquossoc to Kennebago, 10.65; Pittsfield to Harmony, 17.76; Brunswick to Leeds Junc., 25.94; Crowley's Junc. to Lewiston, 4.88; Leeds Junc. to Farmington, 36.66; and Brunswick to Bath, 8.90 miles. A second lien on 41.13 miles following No. 4. A third lien on 48.57 miles following No. 5. Further secured on 311.59 miles of leaschold interests and by pledge of $1,000,000 capital stock of the Portland Terminal Co. Sufficient reserved to retire Nos. 3 and 5. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., R. I., Vt., Wis. Interest paid without deduction from normal income tax.

7. Auth. and outstanding, $175,000. Dated Sept. 1, 1897; due Sept. 1, 1917. Int. paid at First National Bank, Portland, Me., Second National Bank, Boston, National Park Bank, New York, or Treasurer's office, Portland. Coupon, $1,000. Guar. prin. and int. by Maine Central R.R., by endorsement. First lien from Newport to Dexter, Me., 14.23 miles. Legal for S. B. in Cal., Conn., Fla., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

8. Auth. and outstanding, $175,000. Dated July 1, 1889; due July 1, 1929. Int. paid at Boston Safe Deposit & Trust Co., Boston. Coupon, $1,000. Guar. prin. and int. by Maine Central R.R. First lien from Dexter to Foxcroft, Me., 16.54 miles. Legal for S. B. in Cal., Conn., Fla., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

9. Auth. and outstanding, $1,000,000. Dated Jan. 2, 1893; due Jan. 1, 1933. Int. paid at First National Bank, Portland, Me., Second National Bank, Boston, National Park Bank, New York or Treasurer's office, Portland, Me. Coupon, $1,000. First lien from Bangor to Winn., Me., 55 miles. Legal for S. B. in Cal., Conn., Fla., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

10. Auth. and outstanding, $800,000. Dated May 1, 1890; due May 1, 1930. Int. paid at First National Bank and office of Maine Central R.R., Portland, Me., Second National Bank, Boston, and National Park Bank, New York. Coupon, $1,000. Guar. prin. and int. by Maine Central R.R. by endorsement. First lien from International Boundary Line (Beecher Falls) to Lime Ridge, Can., 52.85 miles. Legal for S. B. in Cal., Me., Mich., N. H., N. J., N. Y., Wis. Normal income tax deducted from interest.

11. Auth., $1,000,000; outstanding, $901,000; retired by sinking fund, $99,000. Dated Nov. 2, 1896; due Nov. 2, 1926. Int. paid at Old Colony Trust Co., Boston. Coupon, $1,000. Sinking fund: Two-thirds of 1% per annum of par value of bonds issued to be used for purchase of these bonds at not exceeding par and int.; otherwise to be invested in approved securities. Guar. as to int. by Portland & Rumford Falls R.R. First lien from Rumford Junc. to Rumford Falls, 52.75 miles, and from Canton to Chisholm's Mills, etc., 11.21 miles; total, 63.96 miles. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. J., Wis. Normal income tax deducted from interest.

12. Auth. and outstanding, $350,000. Dated Aug. 1, 1897; due Aug. 1, 1927. Int. paid at Portland Trust Co., Portland, Me. Coupon $500 and $1,000. Guar. as to int. by Portland & Rumford Falls R.R. Not a mortgage. Legal for S. B. in Me., N. H. Normal income tax deducted from interest.

13. Auth. and outstanding, $300,000. Dated June 1, 1915; due June 1, 1935. Int. paid at company's office, Portland, Me. Coupon, $1,000. Guar. prin. and int. by Maine Central R.R. by endorsement. Legal for S. B. in Maine. Normal income tax deducted from interest.

14. Auth. and outstanding, $500,000. Dated Feb. 1, 1904; due Feb. 1, 1934. Int. paid at Portland Trust Co., Portland, Me. Coupon, $500 and $1,000. Callable at par and int. on any Feb. 1 beginning 1924; callable until then for Sinking Fund on any Feb. 1 at 105 and interest. Sinking fund: $10,000 annually to redeem these bonds at not exceeding 105 and Int. Guar. as to Int. by the Portland & Rumford Falls R.R. Direct obligation of the company and secured by the deposit of $87.000 6% twenty-year mortgage bonds of the Intl. Paper Co., and $450,000 5% twenty-year bonds of the Oxford Paper Co. Legal for S. B. in Maine, N. H. Interest paid without deduction for normal income tax.

15. Auth. and outstanding, $400,000. Dated Oct. 1, 1897; due Oct. 1, 1937. Int. paid at Old Colony Trust Co., Boston. Coupon, $500 and $1,000. Sinking fund: $3,000 annually to purchase these bonds at price to be agreed upon; otherwise to be invested in securities eligible under Mass. Savings Banks Law. First lien from Rumford Falls to Bemis, Me., 27 miles. Underlies No. 16. Legal for S. B. in Maine. Normal income tax deducted from interest.

16. Auth. and outstanding, $300,000. Dated Nov. 2, 1903; due Nov. 1, 1923. Int. paid at Union Safe Deposit & Trust Co., Portland, Me. Int. guar. by Portland & Rumford Falls R. R. Follow No. 15 on same property, and by first lien on 11 miles additional. Normal income tax deducted from interest.

17. Auth. and outstanding, $350,000. Dated May 1, 1890; due May 1, 1930. Int. paid at New York, Boston and Portland. Coupon, $500 and $1,000. Guar. prin. and int. by Maine Central R.R. by endorsement. First lien from North Stratford, N. H., to Canadian Boundary Line at Beecher Falls, 22.83 miles, and on leasehold of Upper Coos R.R., of Vt. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

18. Auth., $21,000 per mile; outstanding, $693,000, of which $118,000 are in treasury. Dated May 1, 1890; due May 1, 1930. Int. paid at New York, Boston and Portland, Me. Coupon, $1.000. Guar. prin and int. by Maine Central R.R. by endorsement. First lien from Stratford to Quebec Junc., N. H., 32.50 miles. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

19. Auth., $3,000,000; outstanding, $2,119,000. Dated Nov. 2, 1908; due Nov. 1, 1928. Int. paid at New York, Boston and Portland, Me. Coupon, $1,000; reg., $1,000, $5,000, etc. Assumed by Maine Central R.R.; also guaranteed. First lien from Portland, Me., to Lunenburg, Vt., 101.79 miles. Legal for S. B. in Cal., Conn., Fla., Maine, Mass., Mich., Minn., N. H., R. I., Vt. Normal income tax deducted from interest.

20. Auth., $20,000 per mile; outstanding, $2,500,000, of which $223,000 are in treasury. Dated Jan. 1, 1904; due Jan. 1, 1954. Int. paid at New York, Portland, Me., and Boston. Coupon, $1,000. Callable as whole, at par and int. on Jan. 1, 1924, or any int. date thereafter, by company or any guarantor, on sixty days' notice. Assumed by Maine Central R.R. Guar. prin. and int. by Maine Central R.R., by endorsement. First lien from Calais to Washington Junc., Me., 102.49 miles; Ayer Junc. to Eastport, Me., 16.48 miles; St. Croix Junc. to Princeton, Me., 17.85 miles; Woodland Junc. to Woodland, Me., 1.21 miles; total, 138.03 miles. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

21. Auth., $150,000; outstanding, $33,500; redeemed by sinking fund, $116,500. Dated May 15, 1888; due May 15, 1920. Int. paid at Belfast Savings Bank, Belfast, Me. Coupon, $500 and $1,000. Callable on any May 15 for sinking fund, at par and int. Sinking fund: Since 1893, the sum of $9,000 is set aside annually for the payment of int., and the balance remaining is applied to purchase of these bonds at not exceeding par and int. First lien from Belfast to Burnham, Me., 33.13 miles. Normal income tax deducted from interest. Legal for S. B. in Cal., Conn., Maine, Mass.

22. Auth. and outstanding, $225,000. Dated July 1, 1887; due July 1, 1917. Int. paid at National Shawmut Bank, Boston. Coupon, $500 and $1,000. Assumed by Maine Central R.R. First lien from Oakland to Bingham, Me., 42.08 miles. Underlie Nos. 23 and 24. Legal for S.B. in Cal., Conn., Me., Mass., Minn., N. H., N. J., N. Y., R. I., Vt. Normal income tax deducted from interest.

23. Auth., $420,000; outstanding, $172,500 (closed). Dated July 2, 1900; due July 1, 1950. Int. paid at National Shawmut Bank, Boston. Coupon, $500 and $1,000. Assumed by Maine Central R.R. Second lien on 42.08 miles, following No. 22. Underlie No. 24, with provision by latter to retire. Legal for S. B. in Cal., Conn., Me., N. Y. Normal income tax deducted from interest.

24. Auth., $1,500,000; outstanding, $864,000. Dated July 1, 1905; due July 1, 1955. Int. paid at American Trust Co., Boston. Coupon, $1,000. Assumed by Maine Central R.R. First lien on about 49.96 miles from Austin Junc. to Kineo Station; third lien on 42.08 miles, following No. 23. Legal for S. B. in Conn., Maine, Mass., N. H., R. I., Vt. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Belfast & Moosehead Lake pfd. stock..... Par $100. Outstanding, $267,700.	6% J&D	$8,100		$13	69%	High	High	A.
2. Dexter & Newport R.R. gtd. stock..... Par $100. Outstanding, $122,000.	5% J&J	8,700		5	69%	"	"	A.
3. Dexter & Piscataquis R.R. gtd. stock..... Par $100. Outstanding, $122,000.	5% J&J	7,200		5	69%	"	"	A.
4. Eastern Maine R.R. gtd. stock..... Par $100. Outstanding, $200,000.	4½%MN	10,530		8	69%	"	"	A.
5. European & No. American Ry. gtd. stock... Par $100. Outstanding, $2,494,100.	5% A&O	19,980	$1,293	102	69%	"	"	A.
6. Hereford Ry. gtd. stock..... Par $100. Outstanding, $800,000.	4%M&N	15,100		27	69%	"	"	A.
7. Portland & Ogdensburg Ry. gtd. stock..... Par $100. Outstanding, $4,392,538.	2% Qu F	40,000		73	69%	"	"	A.
8. Portland & Rumford Falls Ry. gtd. stock... Par $100. Outstanding, $2,000,000.	8%	31,000		133	69%	"	"	A.
9. Upper Coos R.R. gtd. stock..... Par $100. Outstanding, $350,000.	6%M&N	8,400		18	69%	"	"	A.
10. Maine Central R.R. pfd. stock..... Par $100. Outstanding, $3,000,000.	5% Qu D	2,460	909	123	87%	High	"	A.
11. Maine Central R.R. common..... Par $100. Outstanding, $12,006,900	6% J&J	12,200	786	590	25%	Large	"	Baa.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, except guaranteed dividends for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. BELFAST & MOOSEHEAD LAKE R.R.: Leased to Maine Central R.R. for 50 years from May 10, 1871, at annual rental of $36,000. This covers int. on bonds, 6% on pfd. stock, and balance for common. Outstanding, $267,700 preferred and $340,800 common. City of Belfast, Me., owns $139,600 preferred and $360,400 common, and town of Brooks owns $20,000 common. Full divs. paid on preferred; on common from 1900 to date, 2.84% per annum. Preferred legal for S. B. in New Hampshire. Company owns 33.13 miles, Belfast to Burnham, Me.

2. DEXTER & NEWPORT R.R.: Leased to Maine Central for 999 years from 1888, rental being prin. and int. on bonds and 5% per annum on stock. Legal for S. B. in Maine and N. H. Company owns 14.23 miles, Newport Junc. to Dexter, Me.

3. DEXTER & PISCATAQUIS R.R.: Leased to Maine Central R.R. for 999 years from 1888, rental being int. on bonds and 5% on stock. Legal for S. B. in Maine and N. H. Company owns 16.54 miles, Dexter Junc. to Foxcroft, Me.

4. EASTERN MAINE RY.: Leased in perpetuity to Maine Central, rental being 4½% per annum on $200,000 stock. Legal for S. B. in Maine and N. H. Company owns 19.07 miles, Bangor Junc. to Bucksport, Me.

5. EUROPEAN & NORTH AMERICAN RY.: Leased to Maine Central for 999 years from 1882, at annual rental of $165,500. This covers interest on bonds and 5% on $2,494,100 stock. Legal for S. B. in N. H. Company owns 126.07 miles, Bangor to Vanceboro, Me., and branches.

6. HEREFORD RAILWAY: Leased to Maine Central for 999 years from 1890, rental being int. on bonds, 4% on stock, and $500 per annum for organization expenses. Legal for S. B. in N. H. Company owns 52.85 miles, International boundary near Beecher Falls, Vt., Lime Ridge, Que.

7. PORTLAND & OGDENSBURG RY.: Leased to Maine Central for 999 years from 1888, at rental of 2% on stock and int. on bonds. Maine Central owns $593,420 of the issue. Legal for S. B. in N. H. Company owns 110.44 miles, Westbrook Line to Lunenburg, Vt.

REFERENCE NOTES ON STOCK ISSUES (Continued)

8. PORTLAND & RUMFORD FALLS RY.: Leased to Portland & Rumford Falls R.R. for 1,000 years from 1907, at rental of int. and sinking fund on bonds and 8% on $2,000,000 stock. The Portland & Rumford Falls R.R. is itself leased to Maine Central for 999 years from 1907, at an annual rental of $328,000. The stock of the latter company is $1,000,000, on which 6% per annum is paid. This company also leases the Rumford Falls & Rangeley Lakes R.R. for 1,000 years from 1907, rental being int. on bonds and 2% on $300,000 stock. Company owns 65.49 miles, Rumford Junc. to Rumford, Me., and branches.

9. UPPER COOS R.R.: Leased to Maine Central for 999 years from 1890, at rental equaling int. on bonds and 6% per annum on $350,000 Upper Coos R.R. of N. H. stock. Legal for S. B. in Maine and N. H. Company owns 41.52 miles, Quebec Junc., N. H., to Canaan, Vt.

10. Auth. and outstanding, $3,000,000. Issued in Nov., 1915. in connection with retirement of $10,000,000 common (see below). Is preferred as to assets and 5% cumulative dividends but has no voting power. Initial quarterly dividend of 1¼% paid Dec., 1915, and regularly since.

11. Auth., $15,000,000; outstanding, $14,880,400, of which $2,881,500 is in treasury. The amount was increased on May 24, 1912, by vote of the directors to $15,000,000, and by vote of the stockholders on Jan. 8, 1913, to $25,000,000. The increase of 1912, amounting to $5,000,000, was offered to stockholders at par, payable as follows: $25, Oct. 1, 1912; $25, Jan. 1, 1913; $50, March 1, 1913; or in full on Oct. 1, 1912, or $25, Oct. 1, 1912, and $75, Jan. 1, 1913. The increase of Jan. 1, 1913, was offered to stockholders at par, payable $50, Mar. 1, 1913; $25, July 1, 1913; $25, July 1, 1914, or optionally in full on any of said dates. In October, 1915, the company retired $10,000,000 stock, and issued $3,000,000 5% preferred and $7,000,000 new 20-year 4½% bonds. Dividends on Maine Central stock in recent years are as follows: 1884 to 1902, 6% yearly; 1903, 6¼%; 1904 to 1906, 7%; 1907, 7¼%; 1908 to 1910, 8%; 1911, 7½%; 1912, 6%; 1913, 6%; 1914, 6%; 1915 and 1916, 6% each. In 1916, a dividend of 1% in addition was paid on exchange of stock. Treasurer of company acts as TRANSFER AGENT AND REGISTRAR.

COMPANIES CONTROLLED BY MAINE CENTRAL RAILROAD, SEPARATELY OPERATED

BRIDGTON & SACO RIVER RAILROAD

Incorporated under Maine laws, July 30, 1881. Line of road, Harrison to Bridgton Junc., Maine, 21.23 miles. Sidings 2.96 miles. Controlled by Maine Central R.R. through stock ownership, but separately operated.

Management: OFFICERS: Morris McDonald, Pres.; George S. Hobbs, Vice-Pres.; F. W. York, Treas.; A. P. Foss, Compt.; E. A. Crosby, Gen. Mgr.; C. H. Blatchford, Clerk. Annual meeting, third Wednesday in October. OFFICE, Portland, Me.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$60,353	$59,756	$56,207	$57,487	$55,612	$51,673	$51,907
Net earnings	14,475	16,290	12,338	18,688	16,310	14,447	14,647
Total net income	14,737	18,306	12,721	18,994	16,643	14,447	14,647
Fixed charges	* $7,773	* 7,929	7,727	6,800	6,912	6,874	6,606
Dividends paid	6,135	6,135	4,090	5,368	4,090	4,090	4,090

*Includes $1,129 taxes in 1915 and $973 in 1916.

Comment: This small property has for many years earned a substantial surplus above its fixed charge requirements and has steadily paid substantial dividends. The two small bond issues are well protected.

Comparative Condensed alance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$288,918	$299,290	$292,390	$286,372	$279,820	$281,264
Working assets	19,994	16,300	12,858	23,414	10,355	6,671
Deferred debit items	243	1,155	.....	527	.....	.....
Total	$309,155	$316,745	$305,248	$310,313	$290,175	$287,935
LIABILITIES:						
Capital stock	$102,250	$102,250	$102,250	$102,250	$102,250	$102,250
Funded debt	170,000	170,000	170,000	170,000	170,000	163,000
Working liabilities	6,995	6,212	7,185	14,772	1,626	10,561
Accrued liabilities not due	567	567	1,584	567	567	431
Deferred credit items	43	9,245	.....	.....	.....	.....
Appropriated surplus	6,566	6,566	5,555	5,556	1,554	2,828
Profit and loss surplus	22,734	21,905	18,674	17,168	14,178	8,865
Total	$309,155	$316,745	$305,248	$310,313	$290,175	$287,935

Bonded Debt: (1) $135,000 Bridgton & Saco R.R. first 4s; dated June 1, 1898; due June 1, 1928; int. paid at Union Safe Deposit & Trust Co., Portland, Me. Coupon, $500 and $1,000. First lien on entire property of company. Auth. $135,000. Normal income tax deducted from interest. Net Rating, Baa.

(2) $35,000 Bridgton & Saco River R.R. second 4s; dated Dec. 2, 1901; due June 1, 1928; int. paid at Union Safe Deposit & Trust Co., Portland, Maine. Coupon, $500 and $1,000. Follows No. 1 on same property. Normal income tax deducted from interest. Net Rating, Ba.

Capital Stock: Auth., $110,000; outstanding, $102,250; par $50. All owned by Maine Central R.R. Dividend at 4% per annum from 1906 to 1912; 1913, 5¼%; 1914, 4%; 1915, 6%; 1916, 6%.

PORTLAND TERMINAL COMPANY

Incorporated under Maine laws, Feb. 24, 1887, as the Portland Union Station Co.; name changed as above on July 1, 1911. The company has purchased from the Boston & Maine and the Maine Central R.R. all the railroad properties of these companies within the city limits of Portland, South Portland, and Westbrook. The property owned consists of the freight and passenger terminals in these cities, used by the Boston & Maine and Maine Central companies. Under the terms of the charter the Boston & Maine R.R. and the Maine Central R.R., and all other companies using the terminal, must pay for such use such amounts as may be necessary to cover expenses and maintenance, int. on bonds, and dividends not to exceed 5% on the capital stock.

Management: OFFICERS: Morris McDonald, Pres.; G. S. Hobbs, Vice-Pres.; F. W. York, Treas.; Chas. H. Blatchford, Clerk; D. C. Douglass, Gen. Mgr. DIRECTORS: E. B. Winslow, W. Lewis, J. S. Hyde, F. H. Appleton, Morris McDonald, Edward P. Ricker, Joseph W. Symonds, Elisha R. Brown, Thos. P. Shaw. Annual meeting third Wednesday in October. OFFICE, Portland, Me.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenue	$262,838	$220,948	$164,418	$245,803	$243,021
Operating expenses	118,442	114,340	.....	125,529	106,226
Net operating revenues	$144,396	$106,608	$128,099	$120,274	$136,795
Other income	219,149	239,222	226,672	228,394	224,019
Total net income	$363,545	$345,830	$354,777	$348,668	$360,874
Taxes	41,620	41,705	301,469	40,790	40,428
Fixed charges	248,311	245,170		248,986	243,793
Surplus	$73,614	$58,955	$53,302	$58,892	$76,593
Dividends	50,000	50,000	50,000	50,000	37,500
Other deductions	9,595	8,611	.....	7,677	.....
Balance	$14,019	$344	$3,302	$1,215	$39,093

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $12,771; credit balance transferred from income, $14,019; donations, $1,840; miscellaneous credits, $377; total, $29,007. Contra: Loss on retired road and equipment, $2,302; credit balance carried to balance sheet, $25,564; miscellaneous credits, $1,141; total, $29,007.

Comment: The property owned by this company is of substantial and growing value. Revenues are very substantial and the practical guarantee of an adequate income hy the companies using the terminal properties, places the bond issues in a strong investment position.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,232,949	$5,130,136	$5,081,328	$5,082,680	$5,035,404	$407,085
Working assets	960,276	889,216	944,501	953,583	730,340	63,792
Deferred debit items	66,396	160,977	201,320	196,258	124,747	114,521
Total	$6,259,621	$6,180,329	$6,227,149	$6,232,521	$5,890,491	$585,398
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$130,000
Funded debt	4,752,000	4,752,000	4,800,000	4,800,000	300,000	300,000
Working liabilities	277,103	219,988	240,110	252,666	4,411,275	36,000
Accrued liabilities not due	52,542	53,088	38,672	40,123	38,995	4,256
Deferred credit items	291	50	.....	.....	.....	.....
Appropriated surplus	152,121	142,432	133,869	125,918	118,241	113,673
Profit and loss surplus	25,564	12,771	14,498	13,814	21,980	1,469
Total	$6,259,621	$6,180,329	$6,227,149	$6,232,521	$5,890,491	$585,398

Bonded Debt: (1) $252,000, Portland Union Station Co. sinking fund 4s, of which $200,000 are Series A, due July 1, 1927, and $100,000 are Series B, due Jan. 1, 1929. Int. on both series paid J. and J., at Fidelity Trust Co., Portland, Me. Sinking fund will ultimately retire the issue; now in fund, $133,869. Guar. prin. and int. by Boston & Maine R.R. and Maine Central R.R., jointly. Normal income tax deducted from interest. Net Rating, Aaa.

(2) $4,500,000, Portland Terminal Co. first 4s; dated July 1, 1911; due July 1, 1961; int. paid J. and J. 1, in New York, Boston, or Portland. Coupon and reg., $1,000. Auth., $10,000,000. Guar. prin. and int. by the Maine Central R.R. by endorsement. Secured by first lien on the terminal properties, including 23 miles of first track, 9 miles of second track, and 56 miles of sidings, including a belt railroad, the union passenger station, a new freight station, etc., and 534 acres of real estate aside from the right of way. The Boston & Maine and Maine Central companies pay for the use of the terminal property, all operating, maintenance and other expenses, including the interest on these bonds, and by charter provision this is made an operating expense of the companies named. Legal for Savings Banks in Maine, Mass., N. H. Interest paid without deduction for normal income tax. Net Rating, A.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

Capital Stock: Auth. and outstanding, $1,000,000; par, $100. All owned by Maine Central R.R. Co. Dividends 5% per annum, payable quarterly, Jan.

SANDY RIVER & RANGELEY LAKES RAILROAD

Incorporated under Maine laws, Jan. 30, 1908, and in same year purchased the Phillips & Rangeley R.R. and the Madrid R.R. In 1911, acquired the Eustis R.R. Company operates 103.35 miles of narrow gauge lines north of Farmington, Me. Controlled by Maine Central R.R., through stock ownership. Equipment: Locomotives, 14; cars, 319.

Management: Morris McDonald, Pres.; Geo. S. Hobbs, Vice-Pres.; F. W. York, Treas.; A. P. Foss, Compt.; C. H. Blatchford, Clerk. Annual meeting, third Wednesday in October. OFFICE, Portland, Me.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$197,328	$177,276	$174,369	$176,267	$166,697	$153,173	$162,654
Net earnings	52,987	47,973	42,027	44,532	47,939	47,500	53,220
Total net income	54,318	48,261	42,280	46,111	48,017	47,658	53,301
Interest charges and taxes	38,971	37,540	35,558	35,653	33,764	32,982	32,599
Dividends paid	6,800	6,800	3,250	11,688	11,000	9,664	9,664

Comment: This subsidiary company, controlled by the Maine Central Railroad, has maintained substantial earning power during recent years although there has been no unusual tendency towards growth in its business. The small bond issue appears to be quite well protected, however, and is entitled to a fair investment rating.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,153,633	$1,163,975	$1,148,503	$1,136,119	$1,082,246	$1,160,466
Working assets	46,820	52,732	40,550	56,257	53,219	46,908
Deferred debit items	33,260	22,698	23,614	25,295	26,937	5,250
Total	$1,233,713	$1,239,405	$1,212,667	$1,217,671	$1,162,402	$1,212,624
LIABILITIES:						
Capital stock	$340,000	$340,000	$325,000	$300,000	$256,600	$241,600
Funded debt	837,000	837,000	837,000	837,000	837,000	730,000
Working liabilities	11,294	13,319	4,704	32,681	17,291	194,896
Accrued liabilities not due	13,950	13,950	13,950	13,950	13,950	10,083
Deferred credit items	233	211	.....	.....	.....	.....
Appropriated surplus	2,500	2,500	.....	.....	.....	.....
Profit and loss surplus	28,735	32,425	32,013	34,040	37,561	36,045
Total	$1,233,713	$1,239,405	$1,212,667	$1,217,671	$1,162,402	$1,212,624

Bonded Debt: $837,000 Sandy River & Rangeley Lakes first 4s; dated Feb. 1, 1908; due Feb. 1, 1928; int. paid Feb. and Aug. 1, at Portland National Bank, Portland, Me. Coupon, $1,000. Callable on any interest date at par. Auth., $1,000,000. Direct lien on about 101 miles of road. The Maine Central R.R. owns $232,000 of the issue. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Auth., $500,000; outstanding, $340,000; par $100. All owned by Maine Central R.R. Dividends: 1908 to 1911 inclusive, 4% per annum; 1912, 4½%; 1913, 4%; 1914, 1%; 1915, 2%; 1916, 2%.

MARYLAND & PENNSYLVANIA RAILROAD

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in Maryland and Pennsylvania, February, 1901. Consolidation of Baltimore & Lehigh Ry. and York Southern R.R. Owns all stock of Maryland and Pennsylvania Terminal Ry., which connects the road with the Baltimore & Ohio R.R.

Location: Line of road, Baltimore, Md., to York, Pa., 78.1 miles and branch to Dallastown, Pa., .8 mile; leased 1 mile. Operates in all 79.9 miles, of standard gauge line.

Management: OFFICERS: O. H. Nance, Pres.; Walter B. Brooks, Vice-Pres.; John McHenry, Treas.; Thos. H. Fitchett, Sec. DIRECTORS: Alex. Brown, J. W. Brown, W. B. Brooks, Sol. Frank, B. H. Griswold, Jr., Henry C. Niles, Howard E. Young, O. H. Nance, T. M. Maynadier. Annual meeting, fourth Tuesday in January. OFFICE, Baltimore.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	14.00%	12.48%	13.73%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.76	.....	.48
Products of Mines	.....	.....	.....	.....	.....	.....	.....	45.39	43.36	41.94
Products of Forests	.....	.....	.....	.....	.....	.....	.....	8.23	10.77	10.70
Manufactures	.....	.....	.....	.....	.....	.....	.....	26.84	30.86	17.60
Miscellaneous	.....	.....	.....	.....	.....	.....	.....	4.78	2.53	15.55

Total revenue tonnage: 1914, 418,708 tons; 1915, 372,336 tons; 1916, 266,482 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Passenger Rate per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	80	....	12	25	192	52%	71,574	65,700	103	$1.06	3.03c	3.92c
1909	80	....	12	25	188	52	75,125	70,736	118	1.47	2.66	3.46
1910	80	....	11	28	173	53	83,173	70,570	112	1.47	1.95	3.90
1911	80	....	12	27	189	54	87,590	79,787	127	1.48	1.97	3.66
1912	80	....	12	29	189	53	85,825	81,546	128	1.67	2.60	3.61
1913	80	....	14	30	137	55	97,844	99,071	120	1.68	1.96	3.51
1914	80	....	15	31	159	55	99,637	100,315	111	1.53	1.93	3.67
1915	80	....	16	30	169	53	88,149	94,818	122	1.66	1.97	3.59
1916	80	....	16	30	165	..	63,908	88,626	125	1.76	2.12	3.46
9-Year Average	80	....	13	28	174	48%	83,647	83,463	118	$1.53	2.24c	3.64c

Yard tracks and sidings, 12.04 miles on June 30, 1915, and 22.84 miles on June 30, 1916.

Comment: There was no gross increase shown in the operating density of this property during the year ended June 30, 1916. The company succeeded, however, in increasing freight train load slightly, and the train mile earnings averaged better than during the previous year. The tonnage carried by this road is light, but the average freight rates range at unusually high figures.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$4,792	$615	$545	$1,160	$2,010	$1,622	$1,643	$427	$1,216	$881	28%	$335	.....
1909	4,725	621	557	1,178	2,013	1,534	1,553	145	1,408	1,207	14	201	.....
1910	5,115	788	585	1,373	2,203	1,539	1,559	151	1,408	1,680	.....	272*	.....
1911	5,477	685	597	1,282	2,300	1,895	1,920	160	1,760	1,293	27	467	.....
1912	5,572	959	665	1,624	2,363	1,585	1,585	176	1,409	1,348	4	61	.....
1913	6,336	996	777	1,773	2,783	1,780	1,794	176	1,618	1,476	9	142	.....
1914	6,655	1,142	864	2,006	3,108	1,541	1,605	182	1,423	1,742	.....	319*	.....
1915	6,396	1,038	740	1,778	2,974	1,644	1,666	202	1,464	1,373	6	91	.....
1916	5,937	963	637	1,600	2,624	1,713	1,293	181	1,612	1,200	26	412	.....
9-Year Average	$5,667	$867	$663	$1,530	$2,486	$1,651	$1,680	$200	$1,480	$1,356	13%	$124	.....

* Deficit.

Note: Above figures are based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) was $1,612; fixed charges consumed $1,200 or 74% of this, leaving $412, a "margin of safety" of 26%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$474,955	$511,648	$532,417	$506,861	$445,791	$438,147	$409,229
Maintenance of way	77,003	83,015	91,321	79,659	76,690	54,826	63,041
Maintenance of equipment	50,976	59,196	69,145	2,188	53,220	47,745	46,797
All other operating expenses	209,909	237,888	248,623	222,679	189,039	183,998	176,281
Net operating revenues	$137,067	$131,549	$123,328	$142,335	$126,842	$151,578	$123,110
Operating ratio	71%	74.3%	76.8%	71.9%	71.6%	65.4%	69.9%
Other income	6,344	1,711	5,071	1,184	.....	1,991	1,575
Total net income	$143,411	$133,260	$128,399	$143,519	$126,842	$153,569	$124,685
Taxes accrued	14,446	16,143	14,535	14,117	14,064	12,812	12,084
Balance for charges	$128,965	$117,117	$113,864	$129,402	$112,778	$140,757	$112,601
Fixed charges	96,037	109,876	139,420	118,035	107,886	103,398	134,392
Surplus over charges	$32,928	$7,241	def.$25,556	$11,367	$4,892	$37,359	def.$21,791
Dividends paid	.....	.....	.....	26,098	.....	.....	.....
Other deductions	.....	.....	.....	.....	17,012	24,290	.....
Balance	$32,928	$7,241	def. $25,556	def.$14,731	def.$12,120	$13,069	def.$21.791

Profit and Loss Account, year ended June 30, 1916: Credit balance from income account, $32,928; donations, $196; miscellaneous credits, $513; total, $33,637. Contra: Debit balance at beginning of year, $15,387; loss on retired road and equipment, $665; miscellaneous debits, $3,640; credit balance at close of year, $13,945; total, $33,637.

Comment: Gross revenues fell off moderately on this property in the year 1916, but there was a moderate improvement in the net operating receipts and the total gross income. As interest charges were reduced considerably, the company was able to report a final surplus very much better than any shown in recent years.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$20,031	44%	$24,993	56%	$2,500	$47,524	$500	$47,024	3.5%	.....	.....	.....	.....	.....	.....
1909	20,031	44	24,993	56	2,500	47,524	500	47,024	3.5	.....	.....	.....	.....	.....	.....
1910	20,031	42	29,474	58	2,500	52,005	500	51,505	3	.....	.....	.....	.....	.....	.....
1911	20,031	42	29,424	58	2,500	51,955	500	51,455	3.7	.....	.....	.....	.....	.....	.....
1912	20,031	42	29,318	58	2,500	51,849	500	51,349	3.1	.....	.....	.....	.....	.....	.....
1913	20,031	40	29,837	60	2,500	52,368	500	51,868	3.5	.....	.....	.....	.....	.....	.....
1914	20,031	37	33,418	63	2,605	56,054	500	55,554	2.9	.....	.....	.....	.....	.....	.....
1915	20,031	36	35,750	62	2,652	58,433	500	57,933	2.9	.....	.....	.....	.....	.....	.....
1916	20,031	36	35,643	62	2,500	58,174	500	57,674	3.1	.....	.....	.....	.....	.....	.....
9-Year Average	$20,031	40%	$30,310	60%	$2,529	$52,876	$500	$52,376	3.2%	.....	.....	.....	.....	.....	.....

Note: Above table is based on average mileage directly operated. The rental item is the lease rental to the Maryland & Penn. Terminal Co., capitalized at 5%.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$4,377,635	$4,371,404	$4,018,038	$3,768,333	$3,749,165	
Working assets	343,383	338,076	200,812	262,113	232,487	$4,414,476
Deferred debit items	33,070	36,722	314,954	279,844	219,459	
Profit and loss deficit	.....	15,387	.....	56,629	17,264	4,486
Total	$4,754,088	$4,761,589	$4,533,804	$4,366,919	$4,218,375	$4,418,962
Liabilities:						
Capital stock	†$1,602,500	$1,602,500	$1,602,500	$2,602,500	$1,602,500	$1,602,500
Funded debt	2,851,450	2,859,950	2,673,450	2,386,950	2,345,450	2,353,950
Working liabilities	85,854	107,065	72,553	103,447	40,222	
Accrued liabilities not due	20,438	22,165	46,018	46,428	38,536	462,512
Deferred credit items	3,929	*6,063	1,199	2,359	1,030	
Appropriated surplus	175,972	175,972	138,084	225,235	190,636	.....
Profit and loss surplus	13,945	.....	.....	.....	.....	.....
Total	$4,754,088	$4,761,589	$4,533,804	$4,366,919	$4,218,375	$4,418,962

*Reverse entry for deferred credit items. †Does not include $1,997,500 stock in treasury.

Comment: There were no important capitalization changes on the Maryland and Pennsylvania in the fiscal year ended June 30, 1916. The capitalization of the property as measured on a mileage basis is rather heavy and in recent years the net income on net capital has not shown any real improvement. The company has not been able to accumulate any substantial surplus, although a fair amount of earnings has been appropriated from time to time for improvement accounts.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1 York & Peach Bottom series B, 5s	M&S	Ap 1932	(1st) 40	$5,000	$1,480	$125	92%	High	Fair	Aa.
2 Maryland & Penna. first 4s	M&S	Mr 1951	(see text)	11,200	1,355	450	67%	Good	"	Ba.
3. Maryland & Penna. income 4s	A&O	Ap 1951	"	11,200	905	450*	50%	Fair	"	Caa.
4 Maryland & Penna. Terminal first 5s	M&N	My 1936	(1st)Term.	.....	455	125	72%	Good	"	Ba.
5. Equipment trusts 5s	A&O	1917–23	.....	.....	330	28	23%	"	"	A.
6. Maryland & Penna. conv. 6s	J&J	O 1923	.....	.....		225	23%	Fair	"	B.

For Reference Notes, see next page. * Interest not being paid.

Note: "Average income available" is the average net income available per mile for interest charges, after deducting taxes for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The

ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Outstanding, $202,450; dated April 1, 1882; due April 1, 1932; int. paid at Security Title & Trust Co., York, Pa. Assumed by Maryland & Penna. R.R. First lien on 40 miles, from York to Peach Bottom, Pa. Underlie No. 2 which provide for retirement. Interest paid without deduction for normal income tax. Listed on Baltimore Stock Exchange.

2. Auth., $1,200,000; outstanding, $897,000. Dated Mar. 1, 1901; due Mar. 1, 1951. Int. paid at Brown Brothers & Co., New York, and Alexander Brown & Sons, Baltimore. Callable at 105 and int. on 60 days' notice. First lien on 38.90 miles, Baltimore to Peach Bottom, and second lien, following No. 1, on 40 miles. Coupon, $1,000. Interest paid without deduction for normal income tax. Listed on Baltimore Stock Exchange.

3. Auth. and outstanding, $900,000. Dated April 1, 1901; due April 1, 1951. Int. paid when earned at Brown Bros. & Co., New York, and Alex. Brown & Sons, Baltimore. Interest is cumulative. Callable at par and int. Follows No. 2 on same mileage. Int. on these bonds has been paid as follows: 1901, 3%; 1902 to 1913 inc., 4% each; 1914, 2%; none since.

4. Auth. and outstanding, $200,000. Dated May 1, 1906; due May 1, 1936. Int. paid at Alexander Brown & Sons, Baltimore. Callable at 110. Guar. prin. and int. by Maryland & Penna. R.R. by endorsement. First lien on terminal property at Baltimore, used by the Maryland & Penna. R.R., which has leased the company in perpetuity. Normal income tax deducted from interest.

5. Auth., $35,000; now outstanding, $14,000 equipment 5s; dated April 1, 1910; due $3,500 annually to Apr. 1, 1920. First lien on 1 locomotive and 3 cars. Series C 5s; auth., $50,000; now outstanding, $30,000; dated Jan. 1, 1913; due $5,000 each, Jan. 1 to Jan. 1, 1923. Int. paid J. and J. 1, at Mercantile Trust & Deposit Co., Baltimore. Coupon, $1,000. First lien on 2 locomotives, 1 passenger car and 25 steel underframe box cars. Interest paid without deduction for normal income tax.

6. Auth., $500,000; outstanding, $300,000. Dated Oct. 1, 1913; due Oct. 1, 1923; int. paid at Alex. Brown & Sons, Balt., Md. Coupon, $100, $500, and $1,000. Convertible into common stock at rate of $100 in bonds for $200 in stock until July 1, 1923. Callable at 102½ on 60 days' notice. Offered to stockholders at 99 in Oct., 1913. Interest paid without deduction for normal income tax.

Capital Stock: Auth., $3,600,000; outstanding, $1,602,500; balance in treasury; par $100. No dividends. Listed on Baltimore Stock Exchange.

MIDLAND VALLEY RAILROAD

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated June 3, 1903, under laws of Arkansas. Road opened in August, 1907. Controlled by Cherokee Construction Co. Company also owns a one-quarter interest in the Glenn Pool Tank Line Co.

Location: The company owns and operates from Excelsior, Ark., south to Hoye, Ark., and north to Fidelity, Ark.; also from Excelsior west to Silverdale, Kan., and from Jenks, Okla., to Glenpool, Okla., a total of 304 miles. Operates under lease the Wichita & Midland Valley R.R. Co. from Arkansas City, Kan., to Wichita, Kan., 51 miles (opened Oct. 4, 1911), and has trackage rights over St. Louis & San Francisco R.R. between Maney Junc., Okla., and Fort Smith, Ark., 16 miles, and over Missouri Pacific Ry., between Silverdale, Kan., and Arkansas City, Kan., 9 miles. Total operated 380 miles. Gauge, 4 ft. 8½ in. Rail (steel), 65 and 75 pounds.

The Wichita & Midland Valley R.R. opened in October, 1911, from Arkansas City, Kan., to Wichita, Kan., 51.25 miles, is leased for fifty years from July 29, 1910, to Midland Valley R.R. Co., at a rental equal to 25% of the entire gross earnings, with minimum guaranty of int. on first mortgage bonds and taxes. It owns no equipment. There are outstanding $503,300 common stock and $483,300 6% non-cumulative preferred stock; also $1,025,000 first mortgage twenty-year 5% gold bonds, due Jan. 1, 1931; guar. as to prin. and int. by Midland Valley R.R. Co.

Management: OFFICERS: Charles E. Ingersoll, Pres.; Henry Wood, Vice-Pres.; A. W. Lefeber, Vice-Pres. and Gen. Mgr.; H. E. Yarnall, Sec. and Treas., all of Philadelphia. DIRECTORS: Charles E. Ingersoll, Francis I. Gowen, John S. Jenks, Jr., A. E. Newbold, W. Hinckle Smith, Ira D. Oglesby, R. T. Powell, John W. Howell, Rudolph Ney, B. D. Crane and Ira D. Oglesby, Jr., E. C. Granbery, W. H. Johnson. Annual meeting, first Monday in February. MAIN OFFICE, Franklin Bank Bldg., Philadelphia, Pa.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	6.5%	10.4%	6.3%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	3.6	3.1
Products of Mines	.....	.....	.....	.....	.....	.....	.....	62.3	51.4	44.0
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	3.0	3.7
Manufactures	.....	.....	.....	.....	.....	.....	.....	18.74	26.2	38.3
Miscellaneous	.....	.....	.....	.....	.....	.....	.....	12.46	5.4	4.6

Total revenue tonnage: 1914, 1,125,537 tons; 1915, 831,454 tons; 1916, 1,269,958 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	324	....	38	24	2,487	64%	28,790	235,802	284	$1.79	2.44c	.99c
1909	324	....	38	28	2,581	67	33,500	194,552	244	1.70	2.49	1.05
1910	324	....	38	32	2,570	70	41,844	198,742	277	1.85	2.50	.97
1911	324	....	38	37	2,568	64	50,188	155,555	206	2.00	2.59	1.67
1912	375	...	38	36	2,564	65	45,883	158,441	180	1.48	2.62	1.54
1913	375	....	40	37	2,581	63	49,070	190,660	197	1.79	2.63	1.33
1914	380	...	40	36	2,567	64	50,968	226,229	221	1.92	2.51	1.21
1915	380	...	40	36	2,527	65	40,812	186,045	220	1.88	2.61	1.31
1916	381	...	37	36	2,364	72	43,720	291,734	260	2.28	2.55	1.21
9-Year Average	354	....	39	34	2,534	66%	42,753	204,184	237	$1.85	2.55c	1.25c

Yard tracks and sidings, 61 miles.

Comment: For the year ended June 30, 1916, there was a very heavy increase in freight density on this property, and the company also succeeded in reporting a better average train load than in any year since 1910. Freight rates tended to decline, but the train mile earnings were better than usual and the total tonnage underwent an increase of nearly 50%, as compared with 1915.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$3,183	$801	$613	$1,414	$1,197	$572	$752	$98	$654	$999	.....	$345*	.....
1909	3,108	688	666	1,354	1,234	520	535	269	266	1,724	.....	1,458*	.....
1910	4,161	690	779	1,469	1,370	1,322	1,527	237	1,290	1,078	16%	212	.....
1911	4,175	703	650	1,353	1,503	1,319	1,655	203	1,452	1,397	4	55	.....
1912	3,828	800	661	1,461	1,485	882	1,186	180	1,006	1,251	.....	245*	.....
1913	4,052	1,001	744	1,745	1,632	675	1,089	192	897	935	.....	38*	.....
1914	4,257	915	811	1,756	1,781	720	1,154	208	946	839	11	107	.....
1915	3,665	715	621	1,339	1,506	820	1,218	185	1,033	873	16	160	.....
1916	4,887	878	788	1,666	1,788	1,433	1,611	205	1,406	881	37	525	.....
9-Year Average	$3,924	$809	$697	$1,506	$1,500	$918	$1,192	$198	$994	$1,109	.....	$115*	.....

* Deficit.

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) was $1,406; fixed charges consumed $881 per mile or 63% of this, leaving $525, a "margin of safety" of 37%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$1,861,960	$1,392,086	$1,618,581	$1,519,703	$1,435,446	$1,352,607
Maintenance of way	334,566	271,571	359,079	375,462	322,054	227,740
Maintenance of equipment	300,461	236,965	308,143	279,157	225,449	210,422
All other operating exps.	681,132	572,287	676,729	611,814	556,722	487,015
Net operating revenues	$545,801	$311,263	$274,630	$253,270	$331,221	$427,430
Operating ratio	70.7%	77.6%	83%	83.3%	76.9%	68.4%
Other income	68,141	151,497	164,188	155,092	113,306	108,846
Total net income	$613,942	$462,760	$438,818	$408,362	$444,527	$536,276
Taxes accrued	78,220	70,208	78,984	71,840	67,534	65,811
Balance for charges	$535,722	$392,552	$359,834	$336,522	$376,993	$470,465
Fixed charges	335,806	331,694	318,926	350,867	469,297	452,719
Surplus over charges	$199,916	$60,858	$40,908	(def.) $14,347	(def.) $92,304	$17,746
Earned on preferred stock	5.0%	1.5%	1%	.....	.....	0.5%

Note: Other income in 1916 included hire of equipment credits, $8,028. Fixed charges included interest, lease rentals, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income account, $199,916; donations, $289; miscellaneous credits, $2,976; debit balance carried to balance sheet, $2,156,475; total, $2,359,656. Contra: Debit balance at beginning of year, $1,121,228; loss on retired road and equipment, $6,026; miscellaneous debits, $1,232,402; total, $2,359,656.

Comment: Gross operating revenues sharply increased on the Midland Valley property in 1916, and as operating costs did not expand rapidly, the net receipts were also far higher than in the previous year. The total balance remaining after fixed charges equaled no less than 5% on the outstanding preferred stock. This compared with only 1½% reported in 1915.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$24,731	52%	$22,778	48%	.....	$47,509	$150	$47,359	1.6%	.....	.....	.....	.....	.....	.....
1909	24,731	52	22,778	48	.....	47,509	151	47,358	1.1	.....	.....	.....	.....	.....	.....
1910	24,731	52	22,315	48	.....	47,046	21	47,025	3.2	.....	.....	.....	.....	.....	.....
1911	24,731	52	22,520	48	.....	47,251	150	47,101	3.5	.....	.....	.....	.....	.....	.....
1912	21,367	43	27,600	57	.....	48,967	130	48,837	2.4	.....	.....	.....	.....	.....	.....
1913	21,367	44	26,700	56	$3,000	51,067	1,447	49,620	2.1	.....	.....	.....	.....	.....	.....
1914	21,087	43	27,664	57	3,000	51,751	1,428	50,323	2.2	.....	.....	.....	.....	.....	.....
1915	21,087	43	27,664	57	3,000	51,751	1,428	50,323	2.4	.....	.....	.....	.....	.....	.....
1916	21,031	43	27,592	57	494	49,117	1,424	47,693	3.4	.....	.....	.....	.....	.....	.....
9-Year Average	$22,763	47%	$25,290	53%	$1,055	$49,108	$703	$48,405	2.5%	.....	.....	.....	.....	.....	.....

Note: Above table is based on average mileage operated each year. Rental item is lease rental, capitalized at 5%.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$16,387,114	$17,531,885	$17,436,098	$16,845,237	$18,336,036	$18,265,803
Working assets	572,611	338,606	501,463	704,116	801,079	854,776
Accrued income not due..	.....	.....	37,949	.....	.....	.....
Deferred debit items.....	4,551	32,106	.....	.....	.....	.....
Profit and loss deficit.....	2,156,475	1,121,228	970,668	1,046,247	63,027	.....
Total	$19,120,751	$19,023,825	$18,946,178	$18,595,600	$19,200,142	$19,120,579
Liabilities:						
Capital stock	$8,013,000	$8,013,000	$8,013,000	$8,013,000	$8,013,000	$8,013,000
Funded debt	10,512,500	10,512,500	10,512,500	10,012,500	10,351,194	10,385,470
Working liabilities	276,656	182,464	300,178	366,532	422,400	296,181
Accrued liabilities not due	102,001	101,664	104,085	.....	209,980	191,371
Deferred credit items....	13,026	10,629	16,415	.....	.....	.....
Appropriated surplus	203,568	203,568	.....	203,568	203,568	203,568
Profit and loss surplus...	.....	.....	.....	.....	.....	30,989
Total	$19,120,751	$19,023,825	$18,946,178	$18,595,600	$19,200,142	$19,120,579

Note: Funded debt in above statement does not include bonds of leased line, interest on which is charged as lease rental.

Comment: There were practically no capitalization changes on this property during the year ending June 30, 1916. The company is rather heavily capitalized and has found it difficult in some years in showing very large net income on net capital. In the year just closed, however, the average shown was far above any figures reported since 1911, and this result added substantially to the credit of the property.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Midland Valley R.R. first 5s.	A&O	Ap 1943	(1st) 355	$14,100	$994	$660	34%	Fair	Fair	Ba.
2. Midland Valley inc. 5s.....	Sep.	Ap 1953	(2d) 355	.....	402	See Text	.....	.....	.....	Ca.
3. Wichita & Midland Valley first 5s.....	A&O	Ja 1931	(1st) 51	20,000	....	"	.....	Fair	.....	text

Note: "Average income available" is the average net income available per mile for interest charges, after deducting taxes for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $15,000,000; outstanding, $5,000,000. Dated Apr. 1, 1913; due Apr. 1, 1943. Int. paid in Girard Trust Co., Phila. Coupon, $1,000. Callable at 102½ and int. on or after April 1, 1916, on six weeks' notice. First lien on entire property and by deposit of $1,025,000 of No. 3, and other collateral of a par value of $1,960,000, thus covering about 355 miles in all. Interest paid without deduction for normal income tax.

2. Auth. and issued, $5,512,500, of which $3,512,500 are Series A, and $2,000,000, Series B. Dated April 2, 1913; due April 2, 1953; int. paid annually in Sept. if earned. Coupon, $500 and $1,000. If the Cherokee Construction Co. exercises its option to purchase preferred stock, the interest on these bonds shall become cumulative. No interest now paid. Interest when paid is without deduction for normal income tax.

3. Auth., $1,100,000; outstanding, $1,025,000. Dated Jan. 1, 1911; due Jan. 1, 1931; int. Apr. and Oct. 1. Guar. prin. and int. by Midland Valley R.R. Co. Entire issue deposited under No. 1. First lien on 51 miles, Arkansas City to Wichita, Kans.

Capital Stock: Auth., $16,000,000 common and $5,000,000 preferred; issued $4,006,500 of each; par $50. All held in voting trust, consisting of Edward T. Stotesbury, Sidney F. Tyler, J. R. McAllister, Lloyd W. Smith and Francis I. Gowen. Trust extends to Jan. 1, 1924, but may be terminated at option of trustees, any time after May 1, 1918. Preferred stock is callable at par after July 1, 1916; and is subject to an option of purchase by the Cherokee Construction Co. from 1914 to 1923 at from 35% to 55% of par. TRANSFER OFFICE, Franklin Bank Building, Philadelphia, Pa.

MINNEAPOLIS & ST. LOUIS RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in Iowa June 30, 1916, as a consolidation of a Minnesota company of the same name and the Iowa Central & Western Ry. The old company was successor in 1884 to the Minneapolis & St. Louis Ry. which company controlled by stock ownership the Des Moines & Fort Dodge Ry., operating about 138 miles from Ruthven to Des Moines, Ia. This property was formerly leased to the Chicago, Rock Island & Pacific Ry., but on Jan. 1, 1905, the Minneapolis & St. Louis took over the operation of the road on a lease extending to Jan. 1, 1935. In Aug., 1915, the Minn. & St. Louis R.R. acquired this property by purchase and the company was directly merged. In December, 1911, the properties of the Minnesota, Dakota & Pacific Ry. were formally merged, and the mileage placed under the new refunding and extension mortgage. On Dec. 20, 1911, the Iowa Central Railway, with its leased and operated lines, and all other property, was formally merged with the Minneapolis & St. Louis.

Purchase of Des Moines & Fort Dodge: On Aug. 9, 1915, the Des Moines & Fort Dodge R.R. formerly operated under lease, was purchased and directly merged with the Minn. & St. Louis. In the exchange of stock one share of common was given for two shares of common of Des Moines & Fort Dodge and preferred stockholders were given 50% in preferred stock and 50% in refunding 5s of the Minn. & St. Louis.

Capital Readjustment: In order to provide cash for the retirement of the old company's $2,500,000 6% notes maturing February 1, 1916, to retire floating debt and secure new working capital, the company authorized a single stock issue of $26,000,000, of which $25,692,600 was issued on the following plan:

(1) To holders of old preferred stock in exchange for former holdings, 70% in new stock, requiring $4,385,570.

(2) To holders of old preferred stock who paid a cash assessment of $20 per share, 80% additional in new stock, requiring $5,012,080.

(3) To holders of old common stock in exchange for former holdings, 22% of new stock, requiring $3,604,898.

(4) To holders of old common stock who paid a cash assessment of $20 per share, 78% in new stock, requiring $12,781,002.

Location: The directly operated lines of the Minneapolis & St. Louis R.R. consisted on June 30, 1916, of 1,646.47 miles, as follows: Lines owned, 1,500.81 miles; lines leased, 36.60 miles; trackage rights, 109.06 miles. Mileage is mainly in States of Minnesota, South Dakota and Iowa. Population of these States in 1890, 3,542,530; in 1900, 4,384,817; in 1910, 4,884,367.

Management: OFFICERS: Chas. Hayden, Chairman; E. L. Brown; Pres.; Jas. Russell, Vice-Pres. and Gen. Mgr.; F. H. Davis, Vice-Pres. and Treas.; J. S. Bache, Vice-Pres.; A. C. Doan, Sec. DIRECTORS: F. H. Davis, H. E. Huntington, Frank P. Frazier, Chas. Hayden, J. A. Spoor, J. S. Bache, S. B. November, J. J. Slocum, C. F. McElroy, E. V. R. Thayer, E. L. Brown. Annual meeting, first Tuesday in October. MAIN OFFICE, Minneapolis, Minn. NEW YORK OFFICE, 25 Broad Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	40.28%	39.44%	39.78%	40.61%	34.39%	31.68%	33.59%	34.15%	37.28%	31.89%
Products of Animals	3.91	3.80	3.80	3.12	4.64	4.41	3.59	4.33	4.56	5.00
Products of Mines	18.34	22.20	20.96	20.48	29.41	33.08	30.39	29.24	27.62	31.00
Products of Forests	9.91	8.58	7.51	7.80	6.61	5.92	6.33	6.07	5.71	5.99
Manufactures	8.64	7.49	7.55	14.38	8.73	8.44	10.76	17.63	17.91	19.45
Merchandise and Miscel.	18.92	18.49	20.40	13.61	16.22	15.47	15.34	8.58	6.92	6.67

Total revenue tonnage, year ended June 30: In 1900, 1,605,383 tons; in 1909, 2,528,748 tons; in 1910, 3,006,219 tons; in 1911, 4,692,981 tons; in 1912, 4,747,163 tons; 5,613,954 tons in 1913; 5,582,567 tons in 1914; 5,901,775 tons in 1915; 6,194,332 tons in 1916.

Note: Figures prior to 1911 do not cover operations of Iowa Central lines.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	798	24	97	94	4,278	69%	63,972	299,235	257	$1.90	1.93c	1.12c
1908.....	1,005	24	97	93	4,159	66	54,755	239,194	236	1.72	1.82	1.06
1909.....	1,027	24	89	95	4,607	67	56,423	253,211	238	1.79	1.86	1.07
1910.....	1,027	24	103	92	4,638	68	63,014	315,009	267	1.98	1.88	1.05
1911.....	1,586	24	219	143	8,189	71	59,131	498,066	283	1.79	1.89	.80
1912.....	1,586	24	219	143	8,059	72	53,058	476,716	273	1.66	2.03	.76
1913.....	1,586	24	224	139	7,871	75	55,318	571,209	304	1.95	2.13	.80
1914.....	1,646	24	209	129	7,726	74	58,101	516,390	292	1.96	2.08	.84
1915.....	1,646	24	219	131	7,618	75	56,735	581,740	309	1.95	2.06	.80
1916.....	1,646	24	218	129	7,942	76	56,302	621,925	347	2.12	2.11	.80
10-Year Average }	1,355	24	169	119	6,509	71%	57,681	437,270	281	$1.88	1.98c	.91c

Yard tracks and sidings, 362 miles.

Note: Figures prior to 1911 do not cover Iowa Central lines. For statistics of latter company in prior years, see 1912 edition of "Moody's Analyses."

Comment: A sharp increase occurred in freight density of the Minneapolis & St. Louis property for the year ended June 30, 1916. The management also succeeded in further improving the average freight train load, while train mile earnings rose to a new high figure. The freight tonnage was well diversified during the year and the total tonnage carried was very much in excess of that reported in earlier years.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$4,854	$551	$575	$1,126	$1,857	$1,871	$2,238	$194	$2,044	$1,650	19%	$394	$251
1908.....	3,807	459	499	958	1,678	1,171	1,470	138	1,332	1,200	10	132	199
1909.....	4,062	451	558	1,009	1,762	1,291	1,621	139	1,482	1,363	8	119	195
1910.....	4,815	532	573	1,105	2,224	1,487	1,614	154	1,460	1,407	4	53	97
1911.....	5,426	572	806	1,378	2,528	1,520	1,599	145	1,454	1,416	3	38	.....
1912.....	5,015	622	735	1,357	2,536	1,122	1,190	212	978	1,399	.....	421*	.....
1913.....	6,120	788	762	1,550	2,679	1,891	1,989	225	1,764	1,479	16	285	.....
1914.....	5,845	790	860	1,650	2,537	1,658	1,814	249	1,565	1,754	.....	189*	.....
1915.....	6,143	709	841	1,550	2,644	1,949	2,107	263	1,844	1,823	1	21	.....
1916.....	6,511	678	927	1,605	2,661	2,245	2,411	283	2,128	1,740	18	388	.....
10-Year Average }	$5,260	$615	$714	$1,329	$2,311	$1,620	$1,805	$200	$1,605	$1,523	8%	$82	$74

* Deficit.

Note: Above table is based on average mileage directly operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. In 1916, the "balance for charges" (per mile) amounted to $2,128; fixed charges consumed $1,740, or 82% of this, leaving $388, a "margin of safety" of 18%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$10,717,841	$10,111,968	$9,620,347	$9,707,003	$7,954,116	$8,605,554
Maintenance of way.....	1,116,266	1,167,392	1,300,283	1,249,821	987,086	907,378
Maintenance of equipment	1,525,268	1,383,529	1,415,997	1,208,865	1,165,079	1,278,410
All other oper. expenses.	4,380,564	4,352,673	4,175,533	4,249,064	4,032,269	4,009,019
Net operating revs...	$3,695,743	$3,208,374	$2,728,534	$2,999,253	$1,779,682	$2,410,747
Operating ratio	65.5%	68.2%	71.6%	69%	72.5%	72.4%
Other income	272,923	259,166	257,823	309,822	108,520	125,509
Total net income....	$3,968,666	$3,467,540	$2,986,357	$3,309,438	$1,888,202	$2,536,256
Taxes accrued	465,429	432,067	410,361	356,822	336,679	229,561
Balance for charges..	$3,503,237	$3,035,473	$2,575,996	$2,952,616	$1,551,523	$2,306,695
Fixed charges	2,864,140	3,000,513	2,887,022	2,582,389	2,891,922	2,246,839
Surplus over charges.	$639,097	$34,960	(def.)$311,026	$370,227	(def.)$667,041	$59,856
Dividends paid	.....	.....	.....	.....	.....	.....
Balance	$639,097	$34,960	(def.)$311,026	$451,894	(def.)$667,041	$59,856

Note: For 1911 and thereafter the figures cover the consolidated company, including Iowa Central; the earlier years cover Minneapolis and St. Louis only. For income figures of Iowa Central prior to 1911 see "Moody's Analyses" for 1912.

Profit and Loss Account, year ended June 30, 1916: Credit Balance June 30, 1915, $289,881; credit balance transferred from income, $639,097; unrefundable overcharges, $11,188; miscellaneous credits, $21,734; total, $961,900. Contra: Miscellaneous appropriations of surplus, $165,949; loss on retired road and equipment, $77,723; delayed income debits, $37,754; miscellaneous debits, $21,904; credit balance carried to balance sheet, $658,570; total, $961,900.

Comment: Both gross and net revenues underwent a sharp advance on this property in the year 1916, and the balance available for charges was much higher than has ever before been reported. As fixed charges did not increase, but tended to decline, the final surplus was equal to no less than 10% on the present outstanding preferred stock issue. Conditions since the close of the fiscal year have continued to be very favorable.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$12,532	30%	$29,407	70%	.....	$41,939	$2,759	$39,180	5.7%	$251	5%	.....	.....	37%	.....
1908	9,950	30	23,566	70	....	33,516	1,973	31,543	4.7	199	5	.....	.....	.....	.....
1909	9,737	33	20,292	66	....	30,029	1,008	29,021	5.8	195	5	.....	.....	.....	.....
1910	9,737	26	28,060	74	.....	37,797	1,130	36,667	4.5	97	2½	.....	.....	.....	.....
1911	9,737	26	27,343	74	....	37,080	2,019	35,061	4.6	.....	.....	.....	.....	.....	.....
1912	13,420	33	27,369	67	..	40,789	2,480	38,309	3.1	.....	.....	.....	.....	.....	.....
1913	13,420	33	27,734	67	.. ..	41,154	2,648	38,506	5.2	.....	.....	.....	.....	.....	.....
1914	12,933	32	27,070	68	..	40,003	1,795	38,208	4.7	.....	.....	.....	.....	.....	.....
1915	12,933	32	27,200	68	....	40,133	1,807	38,326	5.5	.....	.....	.....	.....	.....	.....
1916	14,466	31	32,834	69	.. ..	47,300	1,415	45,885	5.3	.....	.....	.....	.....	.....	.....
10-Year Average	$11,887	31%	$27,087	69%	.....	$38,974	$1,903	$37,071	4.8%	$74	1.75%	.....	.....	.....	.....

Note: Lease rentals are not capitalized in above statement. Increase in funded debt in 1916 due to inclusion of Des Moines & Fort Dodge bonds which have been assumed. Stock outstanding is that of old company. New company has stock outstanding at rate of about $16,000 per mile.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$68,103,511	$65,490,534	$65,149,385	$63,888,470	$63,784,008	$32,416,827
Working assets	10,420,377	3,787,672	3,886,272	5,682,694	5,363,710	3,107,191
Deferred credit items....	4,285,850	1,655,462	1,560,731	938,611	182,238	5,328,827
Accrued income not due..	13,781	21,611	11,189	.....	.....	.....
Total	$82,823,519	$70,955,279	$70,607,577	$70,509,775	$69,329,956	$40,852,845
Liabilities:						
Capital stock	$23,811,000	$21,287,700	$21,287,700	$21,287,700	$21,287,790	$10,000,000
Funded debt	54,044,845	44,770,845	44,557,095	43,986,095	43,200,095	25,398,000
Working liabilities	2,901,802	3,233,023	3,401,411	3,127,167	2,649,553	2,281,169
Accrued liabilities not due	837,021	829,859	787,976	781,185	748,313	672,322
Deferred credit items....	570,281	543,971	287,555	91,558	94,662	1,350,602
Profit and loss surplus....	658,570	289,881	285,840	1,236,070	1,349,633	1,150,752
Total	$82,823,519	$70,955,279	$70,607,577	$70,509,775	$69,329,956	$40,852,845

Note: In above balance-sheet, the figures prior to 1912 do not include those of the Iowa Central, which was merged during 1911. The large increases in capital stock and bonded debt in 1912 are due to this merger. Of funded debt for 1916, shown above, $1,275,310 was held in the treasury unpledged on June 30. The property of Des Moines and Fort Dodge was acquired Aug. 9, 1915, which accounts for the large increase in securities outstanding. New company has $25,972,600 capital stock all of one class.

Comment: The capitalization of the Minneapolis & St. Louis was radically readjusted during the fiscal year ended June 30, 1916. The bonded debt was increased as was also the capital stock, and at the present time the net capitalization as measured on the mileage basis is far higher than ever before. The earnings of the company, however, have grown so substantially that in the year just closed the net income on net capital was maintained well above the average for the decade.

The capital readjustment has had the favorable effect of providing for the matured notes and liquidating the floating debt, as well as furnishing the company with a substantial amount of new cash. Under these changed conditions the outlook for the company is much more favorable than it was a year or two ago.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Minn. & St. L. R.R. first 7s	J&D	Je 1927	(1st) 109	$8,715	$1,605	$40	94%	Very high	High	Aaa.
2. Minn. & St. L. Pacific ext.. first 6s	A&O	Ap 1921	103	13,710		50	94%	"	"	Aaa.
3. Minn. & St. L. first consol. 5s	M&N	N 1934	(cons.) 354	15,000	1,515	160	89%	High	"	A.
4. Minn. & St. L. first and refund. 4s	M&S	Mr 1949	(1st & gen.)	17,200	1,355	322	70%	Good	"	B.
5. Des M. & Ft. Dodge first 4s	J&J	Ja 1935	(1st) 138	22,266		75	70%	"	"	Ba.
6. Iowa Central first 5s	J&D	Je 1938	(1st) 501	15,270	958	231	58%	Good	"	A.
7. Iowa Central refunding 4s	M&S	Mr 1951	541	13,250		174	58%	Fair	"	B.
8. Minn. & St. L. ref. and extension. 5s	QuF	F 1962	gen. 1,539	2,700	553	124	72%	"	Fair	B.
9. Minn. & St. L. equips	Var.	(see text)	.....	.....		24	72%	Good	"	A.
10. Iowa Central equips	Var.	"	.....	.....		5	72%	"	"	A.

Note: Average income available is the annual average per mile of total net income, after deducting taxes, for the ten years ended June 30, 1916. Interest requirements are present requirements. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,100,000; outstanding, $950,000 (closed). Dated Feb. 1, 1877; due June 1, 1927. Int. paid at company's office, New York. First lien on 108.86 miles, Minneapolis to Albert Lea, Minn. Underlie Nos. 2, 3, 4, and 8, with provision by latter to retire. Coupon, $500 and $1,000. Legal for S. B. in Me. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth., $6,000,000; outstanding, $1,382,000 (closed). Dated June 1, 1881; due April 1, 1921. Int. paid at company's office, New York. Coupon, $1,000. First lien on 94.34 miles from Hopkins to Morton, Minn.; second lien on 9 miles from Minneapolis to Hopkins, following No. 1. Underlie Nos. 3, 4 and 8, with provision by latter to retire. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth., $10,000,000; outstanding, $5,282,000 (closed). Dated Nov. 2, 1894; due Nov. 1, 1934. Int. paid at company's office, New York. Coupon, $1,000. First lien on 152.18 miles from Albert Lea, Minn., to Angus, Ia.; also second lien on 194.20 miles, following No. 2, and third lien on 9 miles, following No. 2. Further secured by first collateral lien on $95,000 bonds and $7,000 stock of Minnesota Transfer Ry. Co. Underlie Nos. 4 and 8, with provision by latter to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth., $25,000,000; outstanding, $13,244,000 (closed). Dated Mar. 1, 1899; due Mar. 1, 1949. Int. paid at company's office, New York. Coupon, $1,000. First lien on 276.68 miles, as follows: Morton, Minn., to Watertown, S. D., 123.18 miles; Winthrop, Minn., to Storm Lake, Ia., 153.50 miles; also second lien on 289.80 miles, following Nos. 3 and 5; also third lien on 194.20 miles, following No. 3; also fourth lien on 9 miles, following No. 3; also first collateral lien on nearly all the stock of the Railway Transfer Co., of Minneapolis. Underlie No. 8, which provides for retirement. This mortgage is now closed. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $3,072,000. Dated Jan. 1, 1905; due Jan. 1, 1935. Int. paid at Central Trust Co., New York. Guar. prin. and int. by Minneapolis & St. Louis R.R., by endorsement and now assumed. First lien on 137.62 miles from Ruthven to Des Moines, Ia., and on terminals at Fort Dodge. Underlie No. 8, which provides for retirement. Coupon, $1,000. Interest paid without deduction for normal income tax. Listed on New York and Amsterdam Stock Exchanges.

6. Auth. and outstanding, $7,050,000. Dated June 1, 1888; due June 1, 1938. Int. paid at M. & St. L. R.R. office, New York. Coupon, $1,000. Assumed by Minn. & St. L. R.R. First lien on 501.68 miles, as follows: Albia to Northwood, Ia., 189.50 miles; Oskaloosa to Mississippi River, 96.30 miles; Keithsburg to Iowa Junc., Ill., 88.20 miles; Hampton to Belmond, Ia., 22.35 miles; Minnerva Junc. to Story City, Ia., 34.48 miles; Newberg to State Center, Ia., 26.58 miles; New Sharon to Newton, Ia., 28.21 miles; smaller branches, 16.06 miles. Underlie Nos. 7 and 8, with provision by latter to retire. Legal for S. B. in Me. Listed on New York Stock Exchange. Normal income tax deducted from interest.

7. Auth., $25,000,000; outstanding, $7,156,000 (closed). Dated Mar. 1, 1901; due Mar. 1, 1951. Int. paid at Minn. St. L. R.R. office, New York. Coupon, $1,000. Assumed by Minn. & St. Louis R.R. First lien on Keithsburg bridge over Mississippi River to Elliott, Ia., 1.60 miles; first collateral lien on 37 miles from Belmond to Algona, Ia.; second lien on 501.68, miles following No. 6. Underlie No. 8, which provides for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

8. Auth., $75,000,000; outstanding, $4,085,806; in treasury, $7,534,194. Dated Jan. 1, 1912; due Feb. 1, 1962. Int. paid quarterly at company's office, New York. Coupon and reg., $1,000. Callable at 105 and int. on sixty days' notice. First lien on 229.60 miles from Watertown to Leola and from Conde to Le Beau, S. D.; second lien on 276.68 miles following No. 4, and on 1.60 miles following No. 7; second collateral lien on 37 miles, following No. 7; third lien on 791.48 miles, following Nos. 4 and 7; a fourth lien on 194.20 miles following No. 4; fifth lien 9 miles, following No. 4; further secured on all collateral following the liens of Nos. 3, 4 and 7. Of those not in hands of public, $1,485,000 are pledged under bills payable; $39,301,000 are reserved for refunding underlying bonds, and balance for improvements, equipment, etc. Interest paid without deduction for normal income tax.

9. Series A, 5s, due $60,000 annually until April 1, 1919; now outstanding, $180,000. Series B, 5s, due $18,000 annually to Oct. 1, 1920; now outstanding, $72.000. Series C, 5s, due $19.000 each Nov. 1 to Nov. 1, 1918; $18,000 thereafter to Nov. 1, 1922, now outstanding, $110,000. Int. dates on Series A and B, April and Oct.; on Series C, May and Nov. All coupons, $1,000. Interest paid without deduction for normal income tax. Series D, 6s; dated Nov. 1, 1915; due $40,000 each Nov. 1 to Nov. 1, 1925. Int. paid M. & N. at Penn. Co. for Ins. on Lives, etc. Coupon,

$1,000. Now outstanding, $360,000. First lien on equipment costing $470,900. Normal income tax deducted from interest.

10. Series A, 5s, due $32,000 annually to May 1, 1919; now outstanding, $96,000. Series B. 5s, due $15,000 annually to Oct. 1, 1920; now outstanding, $60,000. Interest paid without deduction for normal income tax.

Note: Provision is made by No. 8 for retirement of all equipment bonds.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Minneapolis & St. Louis R.R. stock..... Par $100. Outstanding, $25,972,600.	None	.....	$82	.....	.....	Small	Poor	Ca.

For Key to Stock Ratings, see page 21.

REFERENCE NOTES ON STOCK ISSUES

1. Auth., $26,000,000; outstanding, $25,972,600; par, $100. Issued in 1916 in exchange for $6,265,100 old preferred and $16,385,900 old common stocks and payment of $20 per share in cash; $9,000 issued to acquire stock of Iowa Central & Western Ry. and balance sold for cash and underwritten under plan of recapitalization by which $2,500,000 notes were paid off Aug. 1, 1916. See note on page 431. Listed on New York Stock Exchange.

MISSISSIPPI CENTRAL RAILROAD

Origin: Incorporated in Mississippi, March, 1904. Reorganization of the Pearl & Leaf Rivers R.R. Absorbed the Natchez & Eastern Ry. in 1909.

Location: Owns 164 miles of road, Hattiesburg to Natchez, Miss., and 23 miles of yard tracks and sidings. Company is controlled by the United States Lumber Co. It is proposed to extend the lines to a port on the Gulf of Mexico. The lines operate through extensive timber lands, estimated to contain over 8,000,000,000 feet of standing timber. About 300,000,000 feet of lumber is shipped over the line annually.

Management: Officers: F. L. Peck, Pres.; C. S. Woolworth, 1st Vice-Pres.; R. K. Smith, 2d Vice-Pres. and Gen. Mgr.; John T. Porter, Treas.; G. F. Royce, Sec. Directors: A. D. Dean, D. B. Hand, C. D. Jones, F. L. Peck, J. T. Porter, W. G. Robertson, C. H. Welles, C. S. Woolworth, E. S. Peck, R. K. Smith, F. M. Kirby, R. H. Higgins, E. J. Lynett. Annual meeting, second Tuesday in February. Office, Hattiesburg, Miss.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture...	3.17%	3.02%	4.78%	6.55%	5.21%	4.80%	3.71%	3.60%	3.35%	3.00%
Products of Animals	.06	.05	.06	.06	.06	.05	.12	.27	.11	.19
Products of Mines..... ..	.53	.35	.85	1.80	1.89	3.18	4.07	2.34	2.41	2.54
Products of Forests	93.00	91.65	87.59	82.60	85.23	83.73	83.47	86.88	87.86	87.47
Manufactures	3.24	4.89	6.72	8.94	7.35	7.96	8.38	3.15	2.58	2.96
Miscellaneous	.54	.51	.22	.05	.26	.28	.25	3.76	3.69	3.84

Total revenue tonnage: 1910, 473,361 tons; 1911, 523,353 tons; 1912, 508,159 tons; 599,910 tons in 1913; 605,073 tons in 1914; 490,250 tons in 1915; 520,601 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907. ...	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908. ...	84	.. .	17	13	1,152	76%	37,695	170,405	194	$2.42	2.99c	2.48c
1909	164	....	19	18	1,115	70	38,456	117,327	200	2.19	2.57	2.39
1910	164	....	19	18	1,102	67	42,911	115,411	170	2.56	2.67	3.32
1911..	164	....	17	18	1,094	69	42,251	117,507	186	2.73	2.60	3.06
1912	164	....	17	18	1,083	72	38,713	115,728	205	2.50	2.65	3.26
1913.	164	....	17	18	1,066	68	41,323	148,519	194	2.77	2.77	2.69
1914	164	....	17	18	1,053	69	38,145	146,321	203	2.77	2.83	2.73
1915.....	164	....	17	18	1,042	69	31,226	101,707	189	2.48	2.70	3.21
1916.... ..	164	....	16	18	1,020	71	30,056	125,461	198	2.50	2.71	2.81
9-Year Average	155	....	17	17	1,081	62%	37,864	127,598	193	$2.55	2.72c	2.88c

Yard tracks and sidings, 22.88 miles.

Comment: During the fiscal year ended June 30, 1916, both freight and passenger density improved on the Mississippi Central R.R., and a moderately higher figure was reached for the average train load. Train mile earnings were also increased above those reported in 1915, but did not reach as high a figure as reported in earlier years. As has always been the case this company depends mainly on lumber for its freight tonnage, this type of traffic representing last year more than 80% of the tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$5,679	$688	$1,229	$1,917	$1,711	$2,051	$2,832	$149	$2,683	$1,377	49%	$1,306	$268
1909	3,975	543	763	1,306	1,303	1,366	1,650	83	1,567	1,281	18	286	.....
1910	5,176	868	836	1,704	1,523	1,949	2,219	107	2,112	1,250	41	862	.....
1911	5,200	868	898	1,766	1,529	1,905	2,288	165	2,123	1,249	41	874	.....
1912	5,017	800	966	1,766	1,535	1,716	2,141	184	1,957	1,554	25	403	.....
1913	5,906	841	1,075	1,916	1,806	2,184	2,708	210	2,498	1,550	38	948	.....
1914	5,767	942	1,145	2,087	1,627	2,053	2,563	180	2,383	1,566	34	817	480
1915	4,704	748	1,007	1,755	1,306	1,643	2,137	175	1,962	1,566	20	396	480
1916	4,955	793	941	1,734	1,397	1,824	2,333	179	2,153	1,174	45	979	480
9-Year Average	$5,153	$788	$984	$1,772	$1,526	$1,855	$2,319	$159	$2,160	$1,397	35%	$763	$190

Note: Above statement is based on average mileage directly operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" was (per mile) $2,153; fixed charges consumed, $1,174 or 55% of this, leaving $979, a "margin of safety" of 45%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$812,609	$771,329	$945,741	$968,536	$822,762	$852,898	$848,817
Maintenance of way	130,131	122,721	154,496	137,973	127,856	142,413	142,276
Maintenance of equipment	154,273	165,106	187,840	176,253	158,424	147,265	137,140
All other operating expenses	229,132	214,196	266,910	296,171	255,053	250,816	249,634
Net operating revenues	$299,073	$269,306	$336,495	$358,139	$281,429	$312,404	$319,767
Operating ratio	63.1%	65.1%	64.4%	63%	66%	63.4%	62.3%
Other income	83,386	81,235	83,889	86,030	69,938	62,805	44,223
Total net income	$382,459	$350,541	$420,384	$444,169	$351,367	$375,209	$363,990
Taxes accrued	29,309	28,788	29,534	34,400	30,200	27,000	17,600
Balance for charges	$353,150	$321,753	$390,850	$409,769	$321,167	$348,209	$346,390
Fixed charges	192,576	256,774	256,734	254,200	254,200	205,000	205,000
Surplus over charges	$160,574	$64,979	$134,116	$155,569	$66,967	$143,209	$141,390
Dividends paid	*	78,660	78,758	.....	.....	.....	.....
Other deductions	60,715	.....	.....	.....	.....	.....	46,240
Balance	$99,859	def.$13,681	$55,358	$155,569	$66,967	$143,209	$95,150
Earned on stock	4.1%	1.6%	3.4%	4.9%	1.7%	3.6%	3.5%

* Dividend was paid from profit and loss. See below.

Note: Fixed charges included interest, and sinking fund. Other income consisted of hire of equipment credits and interest.

Profit and Loss Account, year ending June 30, 1916: Credit balance at beginning of year, $656,885; credit balance transferred from income, $99,858; donations, $480; miscellaneous credits, $16,794; total, $774.017. Contra: Surplus applied to sinking and other reserve funds, $6,415; dividend appropriations of surplus, $78,715; surplus appropriated for investment in physical property, $480; loss on retired road and equipment, $4,414; miscellaneous debits, $7,998; credit balance carried to balance sheet, $675,995; total, $774,017.

Comment: Both gross and net operating revenues increased substantially on this property during the year 1916, and as there was a sharp decline in the total fixed charges the final surplus ranged well above the figures of 1915. The balance finally reported was equal to 4.1% on the outstanding stock.

Viewing the exhibit for the entire decade, the company has not shown any real growth in earning power; while as measured on the mileage basis there has been an actual decline in revenues. Fixed charges, however, have not advanced and therefore a substantial average has been maintained for the margin of safety.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$17,858	45%	$21,833	55%	.....	$39,691	.....	$39,691	7.1%	.....	.....	.....	.....	.....	.....
1909	24,025	70	9,480	30	.....	33,505	.....	33,505	4.9	.....	.....	.....	.....	.....	.....
1910	24,025	49	25,000	51	.....	49,025	.....	49,025	4.5	.....	.....	.....	.....	.....	.....
1911	24,025	49	25,000	51	.....	49,025	.....	49,025	4.7	.....	.....	.....	.....	.....	.....
1912	24,025	49	25,000	51	.....	49,025	.....	49,025	4.4	.....	.....	.....	.....	.....	.....
1913	24,025	49	25,000	51	.....	49,025	.....	49,025	5.5	.....	.....	.....	.....	.....	.....
1914	24,025	49	25,000	51	.....	49,025	.....	49,025	5.2	.....	.....	$480	2%	.....	.....
1915	24,024	49	25,000	51	.....	49,024	$424	48,600	4.4	.....	.....	480	2	.....	.....
1916	24,024	49	25,000	51	.....	49,024	701	48,323	4.8	.....	.....	480	2	.....	.....
9-Year Average	$23,339	51%	$22,924	49%	.....	$46,263	$125	$46,138	5%	.....	.....	.....	.....	.....	.....

Note: Above table is based on average mileage directly operated.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$7,983,318	$8,016,395	$8,032,667	$8,048,938	$8,067,744	$8,079,854
Workings assets	930,764	876,538	847,025	845,551	664,304	538,235
Deferred debit items	261,859	184,704	147,391	71,393	13,043	16,085
Total	$9,175,941	$9,077,637	$9,027,083	$8,965,882	$8,745,091	$8,634,174
Liabilities:						
Capital stock	$3,940,000	$3,940,000	$3,940,000	$3,940,000	$3,940,000	$3,940,000
Funded debt	4,100,000	4,100,000	4,100,000	4,100,000	4,100,000	4,100,000
Working liabilities	136,810	133,387	141,279	166,384	151,540	164,173
Accrued liabilities not due.	11,049	11,502	14,155	15,602	8,725	1,809
Deferred credit items	20,085	11,456	11,477	28,724	34,710	41,826
Appropriated surplus	292,002	224,407	155,550	100,975	49,200	.....
Profit and loss surplus	675,995	656,885	664,622	614,197	460,916	386,367
Total	$9,175,941	$9,077,637	$9,027,083	$8,965,882	$8,745,091	$8,634,174

Note: Working assets in 1916 included $115,000 of the company's own bonds. Funded debt outstanding, as shown above, includes $230,500 bonds held alive in sinking fund.

Comment: There were no capitalization changes of importance on the Mississippi Central Railroad in the year ended June 30, 1916. The road is rather heavily capitalized considering its traffic density, but in recent years the company has succeeded fairly well in carrying this capitalization. It has steadily added to its profit and loss surplus which now stands at substantial figures.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile on Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Mississippi Central R. R first 5s	J&J	Jl 1949	(1st) 164	$23,600	$2,160	$1,180	45%	Good	Fair	Ba.

Note: Average income available is the annual average balance per mile, after deducting taxes, for the nine years ended June 30, 1916. Interest requirements are present requirements. For Key to Ratings, see pages 19-21.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $10,000,000; outstanding, $3,869,500. Dated July 1, 1909; due July 1, 1949. Int. paid at Callaway, Fisk & Co., New York. Callable at 110 and int. on 6 weeks' notice. Sinking Fund: $300 for each completed mile of road, not inc. sidings and switches, for the purchase in open market or by lot, of outstanding bonds at not to exceed 110 and interest; all such bonds to be kept alive in sinking fund and int. on them added to the fund. Guar. prin., int. and sinking fund payments by United States Lumber Co. by endorsement. First lien on entire property of the company, including 164 miles of main line with 23 miles of yard tracks and sidings, and rolling stock. There are now $230,500 of bonds alive in the sinking fund, while $5,900,000 unissued are reserved for extensions, etc. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding., $3,940,000; par, $100. Dividend of 1% in Aug., 1914; 1% Feb., 1915; 1% Aug., 1915; 1% Feb., 1916. Majority owned by United States Lumber Co. Transfer Office, Scranton, Pa.

THE MONONGAHELA RAILWAY COMPANY

Origin: Incorporated under Pennsylvania laws, Dec. 31, 1900 as Monongahela R.R.. Road opened for operation Aug. 31, 1903. Named changed as above July 1, 1905, on consolidation with the Buckhannon & Northern R.R.

Location: Road extends from Brownsville Junc., Pa., to Fairmount, W. Va., 69.38 miles; Rush Run Branch, 1.50 miles; Paw Paw Branch, 2.45 miles; Middle Run Branch, 3.23 miles; Moser Run Branch, 3.67 miles; Cat's Run Branch, 1.09 miles; Parshall Branch, 0.74 mile; total owned, 82.06 miles. Leased: Connellsville & Monongahela Ry., Brownsville to Moser Run Junc., 15.68 miles; Low Phos Branch, 2.46 miles; Lilley Run Branch, 2.46 miles; Shamrock Branch, 1.37 miles; three smaller branches, 1.78 miles. Trackage: Redstone Central R.R., 2.39 miles; total operated, 108.20 miles.

Management: OFFICERS: J. J. Turner, Pres.; J. M. Schoonmaker, Vice-Pres., Pittsburgh; Lewis Neilson, Sec., Philadelphia; John J. Robinson, Treas., Pittsburgh; C. K. Elder, Aud.; G. B. Obey, Supt. and Pur. Agt., Brownsville, Pa. DIRECTORS: A. J. County, Samuel Rea, W. W. Atterbury, Philadelphia; A. H. Smith, W. K. Vanderbilt, Jr., C. F. Daly, New York; J. M. Schoonmaker, J. J. Turner, Pittsburgh. GENERAL OFFICE: Philadelphia, Pa.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.31%	.41%	.33%	.30%	.31%	.26%	.25%	.27%	.31%	.23%
Products of Animals.....	.02	.04	.03	.04	.03	.02	.01	.01	.01	.01
Products of Mines.....	96.29	96.46	96.35	96.34	96.73	96.65	96.62	96.70	96.75	96.64
Products of Forests.....	.54	.41	.65	1.07	.94	1.02	1.11	1.02	1.05	1.35
Manufactures.....	1.80	2.00	1.93	1.74	1.48	1.51	1.37	1.38	1.30	1.20
Merchandise and Miscel...	1.04	.68	.71	.51	.51	.54	.64	.62	.58	.57

Total Revenue Freight Tonnage: In 1907, 4,565,722 tons; in 1908,, 3,872.660 tons; in 1909, 4,345,802; in 1910, 7,323,755 tons; in 1911, 6,034,113 tons; in 1912, 6,747,983 tons; in 1913, 8,400,282 tons; in 1914, 7,055,786 tons; in 1915, 5,595,160 tons; in 1916, 9,152,616 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Opeated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	57	1	22	6	31	94%	29,811	1,355,641	445	$3.90	2.70c	1.19c
1908.....	58	1	28	6	31	93	31,029	1,013,919	456	4.08	2.21	1.33
1909.....	58	1	29	6	31	95	22,784	1,150,601	495	4.37	1.99	1.32
1910.....	65	1	29	6	33	97	22,102	1,684,553	630	5.85	2.04	1.32
1911.....	65	2	37	6	36	96	15,908	1,284,487	597	5.56	2.92	1.43
1912.....	64	2	26	6	38	97	14,827	1,441,423	626	5.84	2.88	1.41
1913.....	67	2	32	6	38	97	16,650	1,788,974	710	6.65	2.78	1.36
1914.....	67	2	38	6	39	96	18,095	1,488,121	675	6.08	2.72	1.38
1915.....	72	2	38	6	40	96	12,252	1,086,309	592	4.95	2.71	1.38
1916.....	97	2	41	8	42	95	28,766	1,441,829	596	4.80	2.70	1.29
10-Year Average	67	2	32	6	36	96%	21,202	1,373,586	582	$5.21	2.57c	1.34c

Yard tracks and sidings on June 30, 1916, 117.72 miles.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$17,272	$3,252	$1,213	$4,465	$4,544	$8,263	$8,273	$226	$8,047	$6,964	13%	$1,083	.....
1908.....	22,903	3,325	1,662	4,987	5,145	12,771	12,813	328	12,485	3,811	69	8,674	.....
1909.....	16,050	1,955	893	2,848	4,103	9,099	9,172	248	8,924	3,391	62	5,533	.....
1910.....	14,574	2,305	1,420	3,725	4,177	6,672	6,719	261	6,458	2,942	54	3,516	$1,320
1911.....	19,096	3,743	1,562	5,305	4,765	9,026	9,044	378	8,666	4,422	49	4,244	.....
1912.....	21,289	3,118	1,858	4,976	4,680	11,633	11,683	460	11,223	4,080	64	7,143	1,338
1913.....	25,103	3,166	1,701	4,867	5,198	15,038	15,069	454	14,615	4,659	68	9,956	1,279
1914.....	21,298	2,705	1,231	3,936	4,935	12,427	12,460	406	12,054	4,523	63	7,531	1,279
1915.....	15,626	2,874	1,479	4,353	4,257	7,016	7,123	284	6,839	3,747	45	3,092	1,190
1916.....	19,652	2,699	1,686	4,385	4,733	10,534	10,663	607	10,056	4,315	56	5,741	2,062
10-Year Average	$19,286	$2,914	$1,471	$4,385	$4,653	$10,248	$10,302	$365	$9,937	$4,285	54%	$5,652	$847

Note: Above table is based on average mileage directly operated for each year, including mileage operated under traffic rights.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,906,247	$1,125,100	$1,426,965	$1,681,861	$1,362,487	$1,241,244	$1,488,664
Maintenance of way	261,776	206,949	181,230	212,154	199,556	243,271	216,102
Maintenance of equipment	163,547	106,515	82,465	113,983	118,897	101,515	108,019
All other operating expenses	459,129	306,475	330,618	348,248	299,509	309,719	334,406
Net operating revenues	$1,021,795	$505,161	$832,652	$1,007,476	$744,525	$586,739	$830,137
Operating ratio	46.4%	55.1%	41.6%	40.1%	45.4%	52.7%	44.2%
Other income	12,511	7,717	2,201	2,140	3,215	1,149	2,701
Total net income	$1,034,306	$512,877	$834,853	$1,009,616	$747,740	$587,888	$832,838
Taxes	58,855	20,481	27,200	30,444	29,429	24,553	21,346
Balance for charges	$975,451	$492,396	$807,653	*$979,172	$718,311	$563,335	$811,492
Fixed charges	418,584	269,764	303,026	312,180	261,139	287,436	247,745
Surplus over charges	$556,867	$222,632	$504,627	$666,992	$457,172	$275,899	$563,747
Dividends	$200,000	85,680	85,680	85,680	*	.....	*
Other deductions	118,662	64,792	49,599	73,048	20,088	121,515	591,278
Balance	$238,205	$72,160	$369.348	$508,264	$477,260	$154,384	†$27,531
Earned on stock	11.14%	15.59%	35.34%	46.71%	32.01%	19.32%	39.48%

* $85,680 dividends declared from profit and loss account. † Deficit.

Profit and Loss Account, year ending June 30, 1916: Credit balance on June 30, 1915, $7,335; credit balance transferred from income, $238,204; unrefundable overcharges, $1,138; miscellaneous credits, $650; total, $247,327. Contra: Loss on retired road and equipment, $160,114; miscellaneous debits, $24; credit balance carried to balance sheet, $87,189; total, $247,327.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Dividend Record. Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$25,053	51%	$24,561	49%	$24,701	$74,315	.....	$74,315	11.1 %	.....	.....	.....	.....	.....	.....
1908	24,621	51	23,897	49	26,286	74,804	.....	74,804	17.1	.....	.....	.....	.....	.....	.....
1909	24,621	51	23,655	49	26,286	74,562	.....	74,562	12.3	.....	.....	.....	.....	.....	.....
1910	21,969	51	21,323	49	22,832	66,124	.....	66,124	10.1	.....	.....	$1,320	6%	.....	62%
1911	21,969	52	20,615	48	32,586	75,170	.....	75,170	12	.....	.....	.....	.....	.....	.....
1912	22,313	52	20,687	48	23,492	66,492	.....	66,492	17.4	.....	.....	1,338	6	.....	81
1913	21,313	52	19,508	48	22,440	63,261	.....	63,261	23.8	.....	.....	1,279	6	.....	87
1914	21,313	53	19,254	47	22,441	63,008	.....	63,008	19.8	.....	.....	1,279	6	.....	83
1915	19,833	53	17,667	47	20,883	58,383	.....	58,383	12.2	.....	.....	1,190	6	.....	62
1916	51,546	69	23,203	31	15,122	89,871	.....	89,871	11.9	.....	.....	2,062	4	.....	64
10-Year Average	$25,455	54%	$21,437	46%	$23,707	$70,599	.....	$70,599	14.6 %	.....	.....	$847	3.4%	.....	85%

Note: Above table is based on average mileage directly operated for each year, including mileage operated under traffic rights.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$11,901,529	$6,086,568	$6,066,130	$5,885,600	$5,351,598	$4,058,621
Working assets	488,468	371,270	263,582	366,079	329,450	298,490
Deferred debit items	29,958	12,382	13,250	12,319	2,052	44,736
Total	$12,419,955	$6,470,220	$6,342,962	$6,263,998	$5,683,100	$4,401,847
Liabilities:						
Capital stock	$5,000,000	$1,428,000	$1,428,000	$1,428,000	$1,428,000	$1,428,000
Funded debt	2,250,650	1,272,000	1,290,000	1,307,000	1,324,000	1,340,000
Working liabilities	3,755,347	660,529	662,895	976,062	963,119	377,704
Accrued liabilities	25,843	40,053	29,210	41,232	38,698	35,636
Deferred credit items	48,137	3,177	3,576	1,830	932	922
Appropriated surplus	1,252,789	1,134,126	1,069,334	1,019,735	946,688	624,874
Profit and loss surplus	87,189	1,932,335	1,859,947	1,490,139	981,663	594,711
Total	$12,419,955	$6,470,220	$6,342,962	$6,263,998	$5,683,100	$4,401,847

Note: Funded debt in 1916 included $996,650 advances by proprietary companies.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Monongahela R.R. first 3½s.	A&O	O 1942	(1st) 41	$30,000	$9,937	$453	95%	High	.....	Aaa.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $1,500,000; outstanding, $1,254,000. Dated Oct. 1, 1902; due Oct. 1, 1942. Int. paid A. and O. at company's office, Philadelphia. Coupon, $1,000. Commercial Trust Co., Philadelphia, Trustee. First lien on 40.80 miles from Brownsville Junc., to Martin, Pa., and smaller branches. Outstanding bonds are owned jointly by the Pennsylvania R.R. Co. and the Pittsburgh & Lake Erie R.R. Co., which companies jointly and severally guarantee prin. and int. Interest paid without deduction for normal income tax.

Capital Stock: Auth., $10,000,000; outstanding, $5,000,000; par, $50. Owned jointly by the Pennsylvania R.R. Co. and the Pittsburgh & Lake Erie R.R. Co. Dividends of 3% paid in 1908; 7% in 1909; 6% in 1910; 1911, none; 1912, 6%; 6% in 1913, 1914 and 1915; 1916, 4%.

NEVADA-CALIFORNIA-OREGON RAILWAY

Note: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in Nevada, March, 1888. Sierra & Mohawk Ry. consolidated with company, Jan. 1, 1915.

Location: Line of road: Reno, Nev., to Lakeview, Ore., 237.85 miles; Plumas Junc. to Clio, Cal., 36.73 miles. Total mileage operated, 272.44 miles.

Management: Officers: Chas. Moran, Pres.; Chas. Hamilton, Vice-Pres.; R. M. Cox, Treas. and Genl. Mgr.; S. H. McCartney, Sec. Directors: Chas. Moran, R. M. Cox, Wm. T. Gould, S. H. McCartney, Chas. Hamilton, Jas. Glynn, Wm. T. Gould, M. S. McConihe, D. E. Moran, Lorenzo Semple, H. O. Whatley, Geo. Wingfield. Office: Reno, Nev. New York Office, 68 William Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	7.5%	12.3%	8.7%	9.3%	6.8%	7.7%	6.9%	4.8%	4.8%
Products of Animals	.....	31.1	28.0	44.9	43.3	31.6	38.8	54.9	47.1	43.0
Products of Mines	.....	2.9	2.1	1.9	1.7	3.9	3.8	3.7	8.9	4.6
Products of Forests	.....	38.5	33.8	22.8	15.4	22.4	17.4	7.9	10.5	21.4
Manufactures	.....	12.1	13.6	12.9	20.2	22.3	8.3	8.3	8.1	6.5
Miscellaneous	.....	7.9	10.2	8.8	10.1	13.0	24.0	18.3	20.6	19.7

Total Revenue Tonnage: 1908, 56,770 tons; 1909, 57,748 tons; 1910, 54,707 tons; 1911, 42,024 tons; 1912, 43,905 tons; 1913, 47,054 tons; 46,703 tons in 1914; 1915, 50,967 tons; 1916, 54,967 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	159	....	8	9	150	62%	9,810	27,143	.....	.....	6.57c	4.85c
1909	176	....	8	9	172	63	10,475	25,452	.....	.....	6.73	5.65
1910	184	....	10	12	173	60	12,441	30,842	.....	.....	6.43	4.73
1911	184	....	10	12	184	57	10,840	25,132	.....	.....	5.62	4.20
1912	238	....	12	14	200	58	10,336	20,829	.....	.....	5.81	4.25
1913	238	....	12	14	226	56	11,088	22,350	.....	.....	5.81	4.24
1914	239	....	12	12	232	60	8,500	23,775	63	$1.59	5.91	3.88
1915	254	....	14	18	302	59	7,603	21,542	55	1.39	5.64	4.06
1916	272	....	14	18	304	62	7,005	19,296	64	1.52	5.01	4.33
9-Year Average	216	....	11	13	216	60%	9,789	24,040	.....	.....	5.95c	4.47c

Yard-tracks and sidings, 17.57 miles. Gauge, 3 feet. 40-lb. rails.

Comment: This small property has not in recent years shown any progress in its volume of business and in 1916 both the passenger and freight density were lower than during any year in the past decade. It will be noticed also that the average freight train load is very light. Freight business is all of a local nature and the only reason why the company can make any money at all is that it secures unusually high freight rates. The tonnage is well diversified, as is shown by the above classification table.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$2,130	$295	$252	$547	$532	$1,051	$1,176	$70	$1,106	$587	47%	$519	$236
1909	2,311	280	226	506	504	1,301	1,383	71	1,312	242	82	1,070	295
1910	2,434	350	239	589	600	1,245	1,317	91	1,226	196	84	1,030	282
1911	1,842	549	224	773	547	522	573	119	454	236	48	218	122
1912	1,625	413	192	605	495	525	548	79	469	236	50	233	63
1913	1,698	373	193	566	626	506	519	79	440	289	34	151	.....
1914	1,537	436	224	660	588	289	310	88	222	289	.....	60*	.....
1915	1,487	608	192	800	647	40	50	85	35*	235	.....	270*	.....
1916	1,357	344	169	512	573	271	277	88	191	235	.....	44*	.....
9-Year Average	$1,825	$400	$212	$618	$568	$639	$684	$86	$598	$283	38%	$315	$111

* Deficit.

Note: Above figures are based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. During the past three years the "balance for charges" has not equalled the fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$369,121	$377,642	$368,285	$403,620	$386,590	$338,967	$447,857
Maintenance of way	93,473	154,424	104,206	88,905	98,264	100,975	64,322
Maintenance of equipment	45,920	48,758	53,547	45,828	45,708	41,183	43,969
All other operating expenses	155,937	164,376	140,442	148,899	116,634	98,834	110,314
Net operating revenues	$73,791	$10,084	$70,090	$119,988	$125,984	$95,975	$229,252
Operating ratio	80%	97.3%	81%	70.2%	67.7%	71.7%	48.8%
Other income	2,036	2,579	4,098	3,442	4,378	9,491	13,114
Total net income	$75,827	$12,663	$74,188	$123,430	$130,362	$105,466	$242,366
Taxes accrued	23,951	21,509	20,988	18,841	18,841	21,858	16,652
Balance for charges	$51,876	def.$8,846	$53,200	$104,589	$111,521	$83,608	$225,714
Fixed charges	63,835	59,776	69,057	68,585	56,063	43,535	36,139
Surplus	def.$11,959	def.$68,622	def. $15,857	$36,004	$55,458	$40,073	$189,575
Dividends paid	.....	.....	.....	.....	.....	22,500	52,000
Other deductions	13,640	13,795	.....	.....	.....	15,392	101,009
Balance	def.$25,599	def.$82,417	def. $15,857	$36,004	$55,458	$2,181	$36,566

Profit and Loss Account, year ending June 30, 1916: Credit balance June 30, 1915, $91,896; miscellaneous credits, $2,390; total, $94,286. Contra: Debit balance transferred from income, $25,599; surplus appropriated for investment in physical property, $1,088; debt discount extinguished through surplus, $5,800; loss on retired road and equipment, $3,233; miscellaneous debits, $6,033; credit balance carried to balance sheet, $52,533; total, $94,286.

Comment: Gross revenues declined moderately on this property during the year ended June 30, 1916, but there was so large a reduction in maintenance and operating costs that net receipts were far above those of the previous year. The company did not, however, earn its full fixed chargess and for the third time was obliged to report a considerable deficit.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$13,836	73%	$5,006	27%	.....	$18,842	$1,319	$17,523	6.7%	$236	5%	.....	.....	54%	.....
1909	12,500	74	4,483	26	.....	16,983	1,191	15,792	8.8	213	5	$82	1%	80	90%
1910	11,957	69	5,332	31	.....	17,289	2,167	15,122	8.7	204	5	79	1	80	90
1911	11,957	69	5,277	31	.....	17,234	2,148	15,086	3.8	122	3	.....	.....	44	.....
1912	9,244	61	5,945	39	.....	15,189	2,563	12,626	4.4	63	2	.....	.....	73	.....
1913	9,244	61	5,887	39	.....	15,131	1,989	13,142	4	.....	.....	.....	.....	.....	.....
1914	9,205	61	5,803	39	.....	15,008	1,468	13,540	2.3	.....	.....	.....	.....	.....	.....
1915	8,661	62	5,402	38	.....	14,063	539	13,524	.4	.....	.....	.....	.....	.....	.....
1916	8,088	62	4,985	38	.....	13,073	290	12,783	2.2	.....	.....	.....	.....	.....	.....
9-Year Average	$10,521	66%	$5,347	34%	.....	$15,868	$1,519	$14,349	4.8%	$93	2%	$18	.2%	.....	.....

* Based on securities held unpledged.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911	1910
Property investment	$4,052,201	$4,033,061	$3,949,269	$3,920,889	$3,850,155	$3,341,119	$3,233,854
Working assets	155,829	216,267	481,729	590,438	727,514	419,985	720,657
Deferred debit items	3,434	5,562	2,826	4,208	1,407	208,712	24,235
Accrued income not due	41	73	82	.....	.....	.....	.....
Total	$4,211,505	$4,254,963	$4,433,906	$4,515,535	$4,579,076	$3,969,816	$3,978,746
LIABILITIES:							
Capital stock	$2,200,000	$2,200,000	$2,200,000	$2,200,000	$2,200,000	$2,200,000	$2,200,000
Funded debt	1,356,000	1,372,000	1,387,000	1,401,000	1,415,000	971,000	981,000
Working liabilities	56,411	66,812	98,687	153,477	214,628	60,135	58,554
Accrued liabilities not due	21,986	14,578	10,647	10,474	8,326	28,288	52,000
Deferred credit items	536	365	8,621	9,903	8,356	7,769	7,264
Appropriated surplus	524,039	509,312	495,517	481,577	459,511	232,434	207,231
Profit and loss surplus	52,533	91,896	233,434	259,104	273,255	470,190	472,697
Total	$4,211,505	$4,254,963	$4,433,906	$4,515,535	$4,579,056	$3,969,816	$3,978,746

Comment: The Nevada-California-Oregon Railway reports practically no changes in its capitalization figures for the year ended June 30, 1916. The company is lightly capitalized as measured on a mileage basis and in recent years the net capitalization has steadily tended downward. But earnings have also fallen off without interruption and at the present time the net income on net capital ranges far below the figures of seven or eight years ago.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Nevada-Cal.-Oreg. Ry. first 5s	M&N	My 1919	(1st) 272	$5,000	$598	$250	58%	High	High	B.

For Key to Ratings, see pages 19-21.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $1,500,000; outstanding, $1,356,000; in treasury, $79,000. Dated May 1, 1899; due May 1, 1919. Int. paid at Company's office, 68 William St., New York. Coupon, $1,000. Sinking fund retires $14,000 per annum. First lien on entire property owned, consisting of 272 miles from Reno, Nev., to Lake View, Ore., and from Plumas Junc., to Clio, Cal. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $750,000 preferred and $1,450,000 common; par $100. Preferred has preference to 5% dividends; then common receives 5%, after which both classes share alike. Dividends have been paid on preferred as follows: 1906, 3%; 1907, 4%; 1908 to 1910, 5% each; 1911, 3%. None since. In 1909 and 1910 common received 1% each year. Transfer office, 68 William St., New York.

NEW ORLEANS GREAT NORTHERN RAILROAD

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years.
For Definition and Key to Ratings, see pages 19-26.

Origin: Incorporated in Louisiana, January, 1905, to construct a line from Jackson, Miss., to New Orleans, La., etc. The company purchased the property of the East Louisiana R.R. and also merged the New Orleans Great Northern R.R. of Mississippi.

Location: Operates 284.60 miles, chiefly in Louisiana, of which 243.04 miles are owned, and 41.56 miles used under traffic rights. Main line extends from Slidell, La., to Nogan, Miss., with branches from North Slidell to Folsom, and Rio, La., to Louisiana-Mississippi State line, etc. Company does a large business in transportation of lumber.

Management: OFFICERS: Walter P. Cooke, Pres.; C. I. James, A. C. Goodyear, Wm. E. Farris, Vice-Prests.; F. A. Lehr, Sec. and Treas. DIRECTORS: C. I. James, W. H. Sullivan, W. P. Cooke, A. C. Goodyear, F. H. Goodyear, Wm. E. Farris, M. J. McMahon, Jerry Crary, Lane S. Hart. Annual meeting, second Monday in January. OFFICE, Bogalusa, La.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	4.96%	4.86%	4.93%	4.39%	4.36%	3.74%
Products of Animals	.....	.....	.....	.....	1.04	.63	.66	.82	.64	1.00
Products of Mines	.....	.....	.....	.....	3.95	5.74	6.79	8.16	16.25	15.67
Products of Forests	.....	.....	.....	.....	83.73	81.44	81.28	79.95	71.90	70.54
Manufactures	.....	.....	.....	.....	5.24	6.82	5.54	5.66	6.10	7.42
Miscellaneous	.....	.....	.....	.....	1.08	.53	.80	1.02	.75	1.63

Total Revenue Tonnage: 1911, 888,065 tons; 1912, 935,305 tons; 1913, 1,021,394 tons; 1,066,832 tons in 1914; 1,038,386 tons in 1915; 1,172,834 tons in 1916. Of the total tonnage transported in 1916, 735,639 tons (62.72%) was lumber.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	108	....	32	24	1,158	50%	117,000	77,983	140	$2.72	1.65c	3.27c
1909	100	....	23	24	1,643	63	99,786	136,005	220	3.00	1.91	2.86
1910	276	....	25	30	1,598	66	69,102	222,300	258	2.49	1.86	1.78
1911	281	....	25	29	1,552	70	67,484	254,551	271	2.47	1.95	1.71
1912	285	....	26	30	1,566	70	56,918	251,139	286	2.49	2.12	1.69
1913	283	....	25	30	1,553	72	63,639	287,097	303	2.71	2.02	1.66
1914	283	....	25	30	1,494	71	68,830	305,617	309	2.82	2.00	1.57
1915	285	....	25	30	1,469	73	51,902	280,195	346	2.58	1.89	1.47
1916	285	....	24	32	1,464	77	58,886	345,031	351	2.52	1.91	1.38
9-Year Average	243	....	26	29	1,500	68%	72,616	238,880	276	$2.64	1.92c	1.93c

Yard tracks and sidings owned, 64.70 miles.

Comment: The operating results of this property during the year ended June 30, 1916, reflected very substantial progress, especially in its freight business. The freight density was higher than during any previous year and it will be noted that the average freight train load also improved. There was but slight change in the freight and passenger rates and a small decline was reported in the average train mile earnings. As usual, the property depended mainly upon the transportation of lumber for its freight tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$4,992	$902	$987	$1,889	$2,038	$1,065	$1,890	$111	$1,779	$1,753	2%	$26	.....
1909	6,134	1,033	1,279	2,312	3,443	379	1,903	132	1,771	2,549	.....	778*	.....
1910	5,446	878	687	1,565	1,731	2,150	2,768	52	2,716	2,014	26	702	.....
1911	5,956	861	816	1,677	2,114	2,165	2,223	84	2,139	1,830	14	309	.....
1912	5,738	828	735	1,563	2,239	1,936	1,956	75	1,881	1,863	1	18	.....
1913	6,365	937	585	1,522	2,270	2,573	2,648	95	2,553	1,859	27	694	.....
1914	6,621	879	808	1,687	2,306	2,628	2,637	119	2,518	1,971	22	547	.....
1915	5,613	724	898	1,622	2,066	1,925	1,950	125	1,825	1,875	.....	50*	.....
1916	6,204	583	896	1,479	2,032	2,693	2,873	148	2,725	1,899	30	826	.....
9-Year Average	$5,897	$847	$855	$1,702	$2,249	$1,946	$2,316	$104	$2,212	$1,957	14%	$255	.....

* Deficit.

Note: Above table is based on average miles operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) amounted to $2,725; fixed charges consumed $1,899 or 70% of this, leaving $826, a "margin of safety" of 30%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,768,234	$1,599,680	$1,872,733	$1,800,623	$1,635,282	$1,697,622	$1,497,649
Maintenance of way	166,159	206,452	248,658	265,124	234,561	245,560	241,638
Maintenance of equipment	255,251	255,898	228,788	165,602	219,611	232,696	189,036
All other operating expenses	579,141	588,789	652,505	642,599	631,655	602,306	476,024
Net operating revenues	$767,683	$548,541	$742,782	$727,298	$549,455	$617,060	$590,951
Operating ratio	56.6%	65.7%	60.3%	59.6%	66.3%	63.6%	60.5%
Other income	51,040	7,312	3,572	22,216	5,633	16,548	170,272
Total net income	$818,723	$555,853	$746,354	$749,514	$555,088	$633,608	$761,223
Taxes accrued	42,058	35,549	33,583	26,758	21,423	23,511	14,400
Balance for charges	$776,665	$520,304	$712,771	$722,756	$533,665	$610,097	$746,823
Fixed charges	541,143	534,368	557,792	526,345	528,406	522,149	553,714
Surplus over charges	$235,522	def. $14,064	$154,979	$196,411	$5,259	$87,948	$193,109
Earned on stock	3.14%	.....	2.08%	2.60%	.....	1.2%	2.6%

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $420,419; credit balance transferred from income, $235,522; unrefundable overcharges, $1,853; donations, $30,264; miscellaneous credits, $5,181; total, $639,239. Contra: Surplus appropriated for investment in physical property, $30,264; loss on retired road and equipment, $5,331; delayed income debits, $2,199; miscellaneous debits, $3,122; credit balance carried to balance sheet, $652,323; total, $693,239.

Comment: Both gross and net operating revenues underwent very substantial improvement on the New Orleans Great Northern Railroad during the year ended June 30, 1916. Income from outside sources was also higher than usual and the balance carried forward after payment of the fixed charges was, therefore, very substantial. The company reported surplus earnings of more than 3% on its outstanding stock, as compared with a moderate deficit during the previous year.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$15,476,723	$15,368,529	$15,407,092	$15,385,666	$15,302,482	$15,184,726
Working assets	501,561	413,130	475,823	420,476	252,133	
Deferred debit items	1,020,794	1,025,677	1,020,029	820,334	781,279	1,081,970
Accrued income not due..	.....	.....	.....	.....	5,542	
Total	$16,999,078	$16,807,336	$16,902,944	$16,626,476	$16,341,436	$16,266,696
LIABILITIES:						
Capital stock	$7,500,000	$7,500,000	$7,500,000	$7,500,000	$7,500,000	$7,500,000
Funded debt	8,423,000	8,473,000	8,558,000	8,380,000	8,375,000	7,925,000
Working liabilities	117,571	134,266	128,325	133,857	117,320	
Accrued liabilities not due	202,756	199,196	198,111	186,849	180,695	758,610
Deferred credit items.....	73,163	80,455	75,447	93,714	73,858	
Appropriated surplus	30,264	.....	.....	37,017	.....	.....
Profit and loss surplus....	652,323	420,419	443,061	295,039	94,563	83,086
Total	$16,999,078	$16,807,336	$16,902,944	$16,626,476	$16,341,436	$16,266,696

Comment: There were practically no changes in the financial statement of the New Orleans Great Northern property during the fiscal year ended June 30, 1916. The company is not very heavily capitalized and in recent years has shown a considerable improvement in financial strength.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. New Orleans Gt. Northern first 5s.....	F&A	Ag 1955	(1st) 243	$34,000	$2,212	$1,447	34%	Good	Fair	B.
2. Equipment notes 5s.....	F&A	1917–18	(see text)	.....		26	34%	"	Good	Baa.

Note: Average income available is the annual average net income per mile, after deducting taxes, for the nine years ended June 30, 1916. Interest requirements are current requirements. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For Key to Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $10,000,000; outstanding, $8,248,000. Dated Aug. 1, 1905; due Aug. 1, 1955. Int. paid at Columbia Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000. First lien on 243.04 miles, as follows: from Slidell to Louisiana-Mississippi State line, 51.23 miles; North Slidell to Folsom, La., 43.38 miles; Florenceville to St. Tammany, La., 3.42 miles; Florenceville to Pearl River, La., 6.41 miles; Rio to Louisiana-Mississippi State line, 32.26 miles; Mississippi-Louisiana State line to Nogan, Miss., 95 miles; Mississippi-Louisiana State line to Tylertown, Miss., 8.86 miles; West Columbia to Columbia, Miss., 2.48 miles; also secured on all other property of the company, excepting equipment, held under car trusts. Interest payable without deduction for normal income tax.

2. Series A 5s; dated Feb. 1, 1909; due $25,000 each Feb. and Aug. 1 to Aug. 1, 1917 inc.; $50,000 Feb. and Aug. 1, 1918; original amount, $500,000; now outstanding, $150,000. Int. paid at New York Trust Co. Coupon, $1,000. First lien on 300 box cars, 200 flat cars, 65 stock cars, 200 gondola cars. Interest payable without deduction for normal income tax.

Capital Stock: Auth., $10,00,0000; outstanding, $7,500,000; par, $100. No dividends. TRANSFER OFFICE, Bogalusa, La.

THE NEW YORK CENTRAL RAILROAD COMPANY

Origin: Incorporated under the laws of New York, Ohio, Illinois, Indiana and Pennsylvania on Dec. 22, 1914, and under the laws of Michigan on Dec. 23, 1914. The company has been formed by consolidation of the New York Central & Hudson River Railroad Co., the Lake Shore & Michigan Southern Railway Co., Geneva, Corning & Southern Railroad Co., the Terminal Railway of Buffalo, the Dunkirk, Allegheny Valley & Pittsburgh Railroad Co., the Chicago, Indiana & Southern Railroad Co., the Detroit & Chicago Railroad Co., the Detroit, Monroe & Toledo Railroad Co., the Kalamazoo & White Pigeon Railroad Co., the Northern Central Michigan Railroad Co. and the Swan Creek Railroad Co. of Toledo, under agreement for consolidation, dated April 29, 1914. In 1915 company merged the Jamestown, Franklin & Clearfield R.R., Cleveland Short Line Ry., Sturgis, Goshen & St. Louis Ry., and Elkhart & Western R.R. In July, 1916, the company sold its controlling interest in the New York, Chicago & St. Louis R.R. to Cleveland bankers for $8,500,000, of which $2,000,000 was paid in cash and balance in notes.

The agreement for consolidation, dated April 29, 1914, provided that all shares of the capital stock of any of the consolidating companies which at the time of making said agreement were held by any of said consolidating companies, should be canceled, and that the remaining outstanding shares of the capital stock of the said consolidating companies should be converted into shares of the consolidated corporation.

For each share of stock of The New York Central & Hudson River Railroad Company, one share of stock of the Consolidated Corporation.

For each share of stock of The Lake Shore & Michigan Southern Railway Company, five shares of stock of the Consolidated Corporation.

For each share of stock of Geneva, Corning & Southern Railroad Company, seven-eighths of one share of stock of the Consolidated Corporation.

For each share of stock of The Dunkirk, Allegheny Valley & Pittsburgh Railroad Company, three-eighths of one share of stock of the Consolidated Corporation.

For each share of stock of Chicago, Indiana & Southern Railroad Company, one-half of one share of stock of the Consolidated Corporation.

For each share of stock of Detroit & Chicago Railroad Company, one share of stock of the Consolidated Corporation.

For each share of stock of Detroit, Monroe & Toledo Railroad Company, two shares of stock of the Consolidated Corporation.

For each share of stock of the Kalamazoo & White Pigeon Railroad Company, one-half of one share of stock of the Consolidated Corporation.

For each share of stock of The Northern Central Michigan Railroad Company, one-half of one share of stock of the Consolidated Corporation.

For each share of stock of The Swan Creek Railway Company of Toledo, one-half of one share of stock of the Consolidated Corporation.

The agreement for consolidation provided that the amount of the capital stock of the Consolidated Corporation should be $300,000,000 divided into 3,000,000 shares of the par value of $100 each. Of this amount, $249,590,460 was issuable to stockholders of the constituent companies in exchange for outstanding stock of those companies as follows:

The New York Central & Hudson River R. R. Co. (which includes the unexchanged certificates of stock of the R., W. & O. R.R. Co. 4,164 shares, U. & B. R. R.R. Co. 959 shares, O. & R. R.R. Co. 62 shares and C., W. & S. H. R.R. Co. 22 shares)	$225,581,066
The Lake Shore & Michigan Southern Ry. Co.	23,534,500
Geneva, Corning & Southern R.R. Co.	441,175
The Dunkirk, Allegheny Valley & Pittsburgh R.R. Co.	26,869
Chicago, Indiana & Southern R.R. Co.	900
Detroit & Chicago R.R. Co.	900
Detroit, Monroe & Toledo R.R. Co.	2,200
Kalamazoo & White Pigeon R.R. Co.	700
The Northern Central Michigan R.R. Co.	1,650
The Swan Creek Railway Company of Toledo	500
	$249,590,460

For further details regarding exchange of securities in the formation of the merger, see pages 431 and 432 of the 1915 edition of MOODY'S ANALYSES OF RAILROADS.

Location: The directly operated mileage of The New York Central Railroad Company embraces the main line from New York to Chicago, 953.47 miles, and various branches in New York State, Ohio, Indiana, Illinois, Michigan, etc., about 2,745.98 miles; proprietary and leased lines and mileage operated under contract, about 1,473.99 miles; trackage rights, 466.79 miles; making 5,640.23 miles in all. In addition, the Boston & Albany R.R., 393.97 miles is leased but separately operated. Other controlled lines separately operated constitute 6,609.91 miles; making a total in the New York Central system, as of Jan. 1, 1916 (less duplications), 12,644.11 miles.

The mileage of the New York Central R.R. is classified as follows:

Lines owned:	Miles
New York to Chicago	953
Branches	2,746
Proprietary and Leased Lines:	
Cornwall Bridge Co.	1
Detroit, Toledo & Milwaukee R.R.	47
Battle Creek & Sturgis	7
West Shore R.R.	479
Troy & Greenbush	6
New York & Harlem	136
New Jersey Junction R.R.	5
Boston & Albany R.R.	394
Beech Creek R.R.	164

Lines leased (continued):	Miles
Beech Creek Extension R.R.	135
Wallkill Valley	33
Mahoning Coal R.R.	71
Detroit, Hillsdale & Southwestern R.R.	65
Fort Wayne & Jackson R.R.	98
Lake Erie, Alliance & Wheeling R.R.	88
Erie & Kalamazoo R.R.	22
Kalamazoo, Alleg. & Grand Rapids R.R.	58
Operated Under Contract:	
St. Lawrence & Adirondack	56
Dolgeville & Salisbury R.R.	4
Trackage	467

The Controlled Separately Operated Lines are as follows: Michigan Central R.R. system; C., C., C. & St. Louis Ry. system; Lake Erie & Western R.R.; Cincinnati Northern R.R.; Pittsburg & Lake Erie R.R.; Chicago, Kalamazoo & Saginaw R.R.; Detroit & Charlevoix R.R.; Toledo & Ohio Central Railway; Kanawha & Michigan R.R.; Zanesville & Western R.R.; Indiana Harbor Belt R.R. (joint control); Rutland R.R.; Toronto, Hamilton & Buffalo R.R. (joint control). See following pages for full analyses and descriptions of these separately-operated properties.

Note: Predecessor company (The New York Central & Hudson River R.R.), incorporated under laws of State of New York for 500 years, on April 16, 1913, as a consolidation of the old New York Central & Hudson River R.R., the Rome, Watertown & Ogdensburg, the Utica & Black River, the Oswego & Rome, the Carthage, Watertown & Sackets Harbor R.R., the Little Falls & Dolgeville, and the Niagara Falls Branch R.R. Prior to this date, the old New York Central & Hudson River R.R. had formally merged the Spuyten Duyvil & Mount Morris R.R., the New York & Putnam R.R., the Mohawk & Malone Ry., Carthage & Adirondack Ry., Gouverneur & Oswegatchie R.R., the New York & Ottawa R.R., Tivoli Hollow R.R., Buffalo Erie Basin R.R., New York Central Niagara River R.R., and Tonawanda Island Bridge Co. These latter properties had previously made up a part of the directly-operated lines of the system, being controlled by either lease or stock ownership, but had maintained their separate organizations. Prior to the consolidation of subsidiaries as above, the outstanding stock of the New York Central & Hudson River R.R. Co. was $222,729,300. Under the consolidation, the amount of stock outstanding of the new company is increased to $225,581,100. The terms of consolidation were as follows: Exchange of share for share of old company for new company; 1 28-100 shares in new company for one share of Rome, Watertown & Ogdensburg R.R.; 1 80-100 shares in new company for one share of Utica & Black River R.R.; 30-100 share in new company for one share of Oswego & Rome stock; two shares in new company for one share in Carthage, Watertown & Sackets Harbor R.R.; one share in new company for one share in Little Falls & Dolgeville R.R. These exchanges involved in all, the issuance of $2,851,766 in new stock of consolidated company, beyond the amount outstanding of the original New York Central & Hudson River R.R. Co. For earlier details, see back issues of MOODY'S ANALYSES OF RAILROADS.

Management: OFFICERS: Chauncey M. Depew, Chairman of Board; Alfred H. Smith, Pres.; John Carstensen, Chas. F. Daly, Ira A. Place, Wm. K. Vanderbilt, Jr., A. T. Hardin, A. H. Harris, John J. Bernet, H. M. Biscoe, Vice-Presidents; E. L. Rossiter, Treas.; Dwight W. Pardee, Sec. DIRECTORS: Wm. K. Vanderbilt, F. W. Vanderbilt, Harold S. Vanderbilt, Chauncey M. Depew, William Rockefeller, William H. Newman, Marvin Hughitt, A. H. Smith, Geo. F. Baker, Wm. K. Vanderbilt, Jr., Horace E. Andrews, Robert S. Lovett, Ogden Mills, Leonard J. Hackney, Frank J. Jerome. Annual meeting, second Wednesday in January, at Albany, New York. Office, Grand Central Terminal, New York City.

Note: ON ANALYTICAL EXHIBITS: In the preparation of the analysis for 1915, the accounts of the New York Central & Hudson River R.R., Lake Shore & Michigan Southern R.R., Chicago, Indiana & Southern R.R., Dunkirk, Allegheny Valley & Pittsburgh R.R., and Terminal Ry. of Buffalo as filed with the Interstate Commerce Commission for the first half of the fiscal year 1915 have been consolidated with the figures reported by the present New York Central R.R. for the period January-June, 1915. The capitalization factors, as shown in Table C are based on the balance sheet of the New York Central R.R. as of June 30, 1915. Rentals include $1,289,600 paid by the Lake Shore & Michigan Southern and $3,894,369 paid by the New York Central & Hudson River R.R. for leased lines for the period July-December, 1914, and $4,788,725 lease rentals paid by the New York Central for the period January-June, 1915. The amount paid by the New York Central & Hudson River R.R. for the lease of the Dunkirk, Allegheny Valley & Pittsburg R.R. from July to December, 1914, was excluded from the accounts of each company.

Classification of Freight Tonnage (Years Ending December 31, 1907-1912, and June 30, 1913-1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	12.66%	13.81%	12.07%	11.73%	13.31%	12.83%	12.70%	12.71%	12.33%	10.61%
Products of Animals.....	4.85	5.88	4.92	4.47	4.86	4.59	4.36	4.94	3.92	3.09
Products of Mines.....	46.41	46.55	46.54	47.04	46.38	46.55	47.48	47.54	51.11	52.27
Products of Forests.....	6.54	6.39	6.56	6.34	6.24	6.36	6.37	6.19	4.71	4.25
Manufactures, Mdse., etc..	29.54	27.37	29.91	30.42	31.21	29.67	29.09	28.62	27.93	29.78

Total revenue tonnage: In 1908, 39,078,162 tons; in 1909, 44,171,954 tons; in 1910, 47,066,839 tons; in 1911, 48,250,535 tons; 51,901,182 tons in 1912; 55,582,087 in 1913; 51,198,706 tons in 1914; in 1915, 86,264,541 tons; 103,860,652 tons in 1916. (See note above.)

Bituminous coal is the heaviest single item of tonnage on this line. For the year 1911, there were 11,682,625 tons transported; 12,513,455 tons in 1912; 14,866,447 in year ended Dec. 31, 1913. Products of mines, 44,094,242 tons in 1915; 54,292,582 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	3,782	2,153	2,060	2,343	70,531	60%	481,051	2,853,610	419	$2.07	1.72c	.62c
1908 "	3,781	2,191	1,924	2,326	66,348	57	437,713	2,373,683	384	1.92	1.76	.64
1909 "	3,782	2,255	1,858	2,365	65,528	59	474,773	2,291,148	404	2.00	1.75	.63
1910 "	3,785	2,312	1,847	2,351	68,645	59	506,301	2,460,620	417	2.04	1.75	.63
1911 "	3,790	2,337	1,807	2,345	65,485	60	513,532	2,558,896	430	2.13	1.77	.63
1912 "	3,791	2,392	1,777	2,289	62,784	60	536,016	2,753,318	465	2.25	1.77	.63
1913 June 30	3,740	2,389	1,886	2,580	84,789	60	564,972	3,038,779	598	2.32	1.77	.61
1914 "	3,755	2,423	1,960	2,741	83,040	58	573,639	2,788,075	503	2.39	1.76	.63
1915 "	5,980	3,889	3,623	3,619	148,097	59	402,747	2,803,146	643	2.80	1.87	.61
1916 "	6,026	3,943	3,436	3,442	145,832	63	467,943	3,620,792	716	3.16	1.91	.61
10-Year Average	4,221	2,628	2,218	2,640	86,108	60%	495,868	2,752,067	488	$2.31	1.78c	.62c

Fiscal year ends Dec. 31. Above figures since 1912 are those filed with Interstate Commerce Commission.

Note: The 1915 figures, as presented above, embrace the operations of the new New York Central R.R. for the six months to June 30, 1915, and are a consolidation of the results of the old New York Central & Hudson River R.R., Lake Shore & Michigan Southern R.R., Chicago, Indiana & Southern R.R., Dunkirk, Allegheny Valley & Pittsburg R.R. and Terminal Ry. of Buffalo for the last six months of 1914; these being the former separately operated properties which now constitute the New York Central R.R. Co. (See note above.)

Comment: For the year ended June 30, 1916, the tonnage figures of the New York Central Railroad Company underwent a very remarkable improvement. The freight density was far higher than ever before, while the passenger density improved considerably over recent figures. I will be noted that the company made a noticeable improvement in its average freight train load and also increased its train mile earnings to a new high figure. As usual the freight tonnage of the property was well diversified, the proportion of high-grade freight being larger this year than usual.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907, Dec. 31	$26,010	$3,295	$3,929	$7,221	$12,819	$5,967	$9,001	$1,074	$7,927	$4,996	37%	$2,931	$2,834
1908 "	23,499	2,848	3,549	6,397	10,905	6,197	8,939	901	8,038	5,638	30	2,400	2,362
1909 "	24,636	3,039	4,078	7,117	9,962	7,557	10,623	1,197	9,246	5,805	39	3,621	2,362
1910 "	26,396	3,714	4,474	8,188	11,384	6,824	10,873	1,241	9,632	5,838	39	3,794	3,530
1911 "	27,427	3,631	4,462	8,096	11,468	7,863	12,151	1,437	10,714	6,672	38	4,042	2,938
1912 "	28,990	3,879	5,392	9,271	12,178	7,541	12,343	1,561	10,782	7,121	34	3,661	2,938
1913, June 30	30,772	4,226	5,711	9,937	12,555	8,280	13,062	1,681	11,381	7,159	37	4,222	2,987
1914 "	30,015	4,278	5,964	10,242	12,586	7,187	11,536	1,653	9,883	5,050	49	4,833	3,004
1915 "	28,543	3,165	5,477	8,642	11,389	8,512	11,371	1,544	9,827	7,294	26	2,533	2,035
1916 "	34,930	3,408	6,018	9,426	12,636	12,667	15,709	1,477	14,232	7,523	47	6,709	2,069
10-Year Average	$28,122	$3,549	$4,905	$8,451	$11,788	$7,860	$11,561	$1,377	$10,184	$6,310	38%	$3,874	$2,706

Note: Above exhibit for 1915 covers the mileage of the new system (including Lake Shore & Michigan Southern R.R., Chicago, Indiana & Western, etc.) for the full year ended June 30, 1915, with "directly operated" mileage of 5,980 miles. The earlier years cover the old New York Central & Hudson River R.R. only. For separate report on the years prior to 1915, on the Lake Shore & Michigan Southern, see 1915 edition of MOODY'S ANALYSES OF INVESTMENTS.

Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) was $14,232; fixed charges consumed $7,523 of this, or about 53%, leaving $6,709, a "margin of safety" of 47%.

Comparative Income Account, Years Ended December 31, 1911-1912, and June 30, 1913-1916

	1916	1915	1914	1913	1912	1911
Gross revenues	$209,282,299	$170,686,564	$112,705,211	$115,087,952	$109,900,016	$103,954,862
Maintenance of way	20,537,477	18,926,009	16,064,579	15,806,646	14,705,289	13,723,709
Maintenance of equipment	36,264,195	32,751,400	22,394,718	21,357,112	20,440,446	16,911,146
All other operating exps.	76,147,499	68,109,283	47,259,046	46,956,439	46,165,418	43,837,723
Net operating revs.	$76,333,128	$50,899,872	$26,986,868	$30,967,755	$28,588,863	$29,482,284
Operating ratio	63.5%	70.2%	76.1%	73.1%	74%	71.6%
Outside operations	*	*	(def.) 264,708	374,800	324,026	321,476
Other income	18,276,552	17,098,230	16,594,670	17,509,310	17,880,592	16,236,180
Total net income	$94,609,680	$67,998,102	$43,316,829	$48,851,865	$46,793,481	$46,039,940
Taxes accrued	8,901,570	9,235,125	6,206,869	6,286,443	5,918,483	5,447,759
Balance for charges	$85,708,110	$58,762,977	$37,109,960	$42,565,422	$40,874,998	$40,592,181
Fixed charges	45,334,426	43,614,371	26,471,777	26,775,092	26,995,161	25,287,732
Surplus over charges	$40,373,684	$15,148,606	$10,638,183	$15,790,330	$13,879,837	$15,304,449
Dividends paid	12,466,561	9,062,603	11,278,517	11,171,975	11,136,465	11,136,465
App. for impvts., etc.	.....	20,194	.....	.....	.....	2,500,000
Balance	$27,907,123	$6,065,809	(def.) $640,334	$4,618,355	$2,743,372	$1,667.984
Earned on stock	16.2%	6.07%	4.74%	7%	6.23%	6.87%

* Outside operations included in operating revenues in 1915 and 1916.

Note: Above income statement for 1915 covers the entire merged property for the full year to June 30th. The figures are those filed with the Interstate Commerce Commission.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $25,366,666; credit balance transferred from income account, $27,907,123; profit on road and equipment sold, $41,302; unrefundable overcharges, $83,064; donations, $8,585; miscellaneous credits, $214,145; total, $53,620,885. Contra: Surplus appropriated for investment in physical property, $8,585; debt discount extinguished through surplus, $90,919; loss on retired road and equipment, $618,902; miscellaneous debits, $3,058,456; credit balance carried to balance sheet, $49,844,023; total, $53,620,885.

Comment: For the year ended June 30, 1916, the New York Central R.R. reported the best income results in the history of the property. Both gross and net revenues underwent sharp advances, the net operating receipts being more than 50% higher than those of the previous year. Fixed charges tended to decline, and it will be noted that the surplus above charges was very heavy and equalled no less than 16.2% on the outstanding capital stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$47,232	41%	$67,534	59%	$50,938	$165,704	$42,205	$123,499	7.3 %	.....	.....	$2,834	6%	.....	3%
1908 "	47,242	40	71,030	60	51,379	169,651	40,697	128,954	7	.....	.....	2,362	5	.....	1
1909 "	47,194	39	72,688	61	52,584	172,466	43,000	129,466	8.2	.....	.....	2,362	5	.....	34
1910 "	58,845	45	71,593	55	53,150	183,588	44,352	139,236	7.8	.....	.....	3,530	6	.....	7
1911 "	58,768	43	79,123	57	54,298	192,189	44,088	148,101	8.2	.....	.....	2,938	5	.....	23
1912 "	58,752	39	91,276	61	53,048	203,076	53,005	150,071	8.2	.....	.....	2,938	5	.....	20
1913 June 30	60,316	37	100,961	63	51,203	212,480	48,031	164,449	7.9	.....	.....	2,987	5	.....	29
1914 "	60,075	37	104,222	63	42,970	207,267	49,190	158,077	7.3	.....	.....	3,004	5	.....	...
1915 "	41,738	27	114,205	73	33,353	189,296	30,618	158,678	7.2	.....	.....	2,035	5	.....	20
1916 "	41,419	27	112,722	73	32,900	187,041	29,508	157,533	10	.....	.....	2,069	5	.....	69
10-Year Average	$52,158	37%	$88,535	63%	$47,582	$188,275	$42,469	$145,806	7.9 %	.....	.....	$2,706	5.2%	.....	30%

Note: The above exhibit for 1915 and 1916 is based on the mileage of the consolidated property, and covers the capitalization figures for years ended June 30. Securities owned, as shown in the table, include the total book value of all stocks and bonds owned by the New York Central R.R., on June 30, 1916. Notes owned by the company are not included with securities owned, in above column.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912, and June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$963,293,099	$959,841,158	$588,218,264	$559,128,980	$505,340,989	$446,202,439
Working assets	72,266,727	73,760,975	92,894,753	94,150,477	91,876,488	96,482,454
Deferred debit items.....	14,091,669	13,203,562	31,452,132	29,537,793	31,335,815	20,481,025
Accrued income not due...	2,897,485	2,984,693	3,655,395	3,648,539	3,542,609	3,056,442
Total	$1,052,548,980	$1,049,790,388	$716,220,544	$686,465,789	$632,095,901	$566,222,360
Liabilities:						
Capital stock	$249,590,460	$249,595,410	$225,581,066	$225,581,066	$222,729,300	$222,729,300
Funded debt	679,263,153	683,100,572	391,351,882	377,595,725	346,028,225	299,870,608
Working liabilities	41,885,778	78,334,322	71,926,425	52,225,205	36,748,728	18,443,222
Accrued liabilities not due	9,117,832	9,666,311	7,653,268	8,112,406	7,013,730	6,757,597
Deferred credit items.....	22,623,143	3,667,501	1,936,888	3,129,514	669,100	2,928
Appropriated surplus	224,591	59,606	5,743,201	5,772,684	5,721,405	4,970,037
Profit and loss surplus...	49,844,023	25,366,666	12,027,814	14,049,189	13,185,413	13,448,668
Total	$1,052,548,980	$1,049,790,388	$716,220,544	$686,465,789	$632,095,901	$566,222,360

Note: Above balance sheet for 1915 and 1916 is that of the New York Central R.R., and includes the bonded debts now directly assumed of the Lake Shore & Michigan Southern, Chicago, Indiana & Western, etc.

Investments as of December 31, 1915

Investments in affiliated companies: Stocks, par value, $159,586,900; ledger value, $136,651,233; bonds, par value, $9,845,444; ledger value, $7,765,389; notes, par value, $38,822,062; ledger value, $38,164,673; advances, $8,645,216; miscellaneous, ledger value, $1,770,000; total, $192,996,512.

Other investments: Stocks, par value, $38,011,155; ledger value, $31,128,115; bonds, par value, $2,013,621; ledger value, $1,834,960; notes, par value, $2,780,026; ledger value, $2,780,026; advances, $45; miscellaneous, $262,675; total, $36,005,823; total investments, $229,002,335.

Comment: During the year ended June 30, 1916, there were practically no capitalization changes on the New York Central Railroad. It will be noted that as measured on the mileage basis there was a slight decline in the net capitalization. The earnings of the property, however, increased so rapidly that the net income on net capital averaged no less than 10% on this net capitalization. During the year 1916 the company almost doubled its profit and loss surplus.

TABLE D.—Bond Record and Ratings (Based on 2-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. N. Y. Cent. & H. R. R. R. Ref'dg. 3½s	J&J	Jl 1997	(1st) 856 (2d) 663 (3d) 241	$53,443		$541	93%	Very high	Very high	Aaa.
2. L. Shore & M. S. Ry. first 3½s	J&D	Je 1997	(1st) 964 (2d) 36	50,000	$12,030	290	93%	"	"	Aaa.
3. L. Shore & M. S. Deben. 4s	M&S	S 1928		50,000		333	87%	"	"	Aaa.
4. Lake Shore & Mich. S. 25-yr. Deben. 4s	M&N	My 1931	(2d) 964 (3d) 36	50,000		333	87%	"	"	Aaa.
5. Kalamazoo & White Pigeon first 5s	J&J	Ja 1940	(1st) 37	10,800		4	87%	"	"	Aaa.
6. Kal., Alleg. & G. R. first 5s	J&J	Jl 1938	(1st) 59	14,500		7	87%	"	"	Aaa.
7. Mahon. Coal R. R. first 5s	J&J	Jl 1934	(1st) 63	23,800		12	87%	"	"	Aaa.
8. James., F. & Clfield. first 4s	J&D	Je 1959	(1st) 122	90,160		73	87%	"	"	Aaa.
9. Stur. Goshen & St.L. first 3s	J&D	D 1989	(1st) 29	11,100		2	87%	"	"	Aaa.
10. Cleve. Short Line first 4½s	A&O	Ap 1961	(1st) 20	Term.		88	87%	High	"	Aaa.
11. N. Y. Cent. & H. R. R. R. Lake Sh. Coll. 3½s	F&A	F 1998	(see text)	.....	11,199	156	87%	"	High	Aaa.
12. N. Y. Cent. & H. R. R. R. Mich. Cent. Coll. 3½s	F&A	F 1998	"	.....		112	87%	"	"	Aaa.
13. N. Y. Cent. & H. R. R. R. Debenture 3½s	J&J	Jl 2000	"	.....		32	87%	"	"	Aaa.
14. N. Y. Cent. & H. R. R. R. Debenture 4s	M&N	My 1931	"	.....		320	87%	"	Very high	Aaa.
15. Beech Creek Ext. first 3½s	A&O	Ap 1951	(1st) 58	60,345		20	80%	"	High	Aaa.
16. Beech Creek Ext. R. R. Consol. 4s	A&O	Ap 1955	(1st) 69 (2d) 58	31,212		(owned)	80%	"	"	Aaa.
17. Beech Creek R. R. first 4s	J&J	Jl 1936	(1st) 164	30,487		33	80%	"	"	Aaa.
18. Beech Creek R. R. second 5s	J&J	Jl 1936	(2d) 164	6,100		4	80%	"	"	Aaa.
19. Boston & Albany R. R. 3½s	A&O	Ap 1952	Not mtg.	.....		23	80%	"	"	Aaa.
20. N. Y. Cent. & H. R. R. R. Debenture 4s	J&J	Ja 1942	"	.....		61	80%	"	"	Aaa.
21. Boston & Albany R. R. Currency 3½s	J&J	Ja 1951	"	.....		6	80%	"	"	Aaa.
22. Boston & Albany R. R. 25-yr. gtd. 4s and 5s	(text)	1933-63	"	.....		144	80%	"	"	Aaa.
23. Carthage & Adir. first 4s	J&D	D 1981	(1st) 46	23,925		7	80%	"	"	Aaa.
24. Carthage, W'ton & Sack. H. cons. 5s	J&J	Jl 1931	(1st) 29	10,345		3	80%	"	"	Aaa.
25. Gouverneur & Oswegatchie first 5s	J&D	Je 1942	(1st) 13	23,000		3	80%	"	"	Aaa.
26. Mohawk & Malone first 4s	M&S	S 1991	(1st) 182	13,700		17	80%	"	"	Aaa.
27. Mohawk&Malone cons. 3½s	M&S	Mr 2002	(2d) 182	21,430		21	80%	"	"	Aaa.
28. New Jersey Jct. R.R. first 4s	F&A	F 1986	(1st) 5	.....		10	80%	"	"	Aaa.
29. N. Y. & Harlem Ref. 3½s	M&N	My 2000	(1st) 136	88,240		70	80%	"	"	Aaa.
30. New York & Nor. Ry. first 5s	A&O	O 1927	(1st) 59	20,340	9,727	10	80%	"	"	Aaa.
31. New York & Putnam first cons. 4s	A&O	O 1993	(2d) 59	67,575		27	80%	"	"	Aaa.
32. Pine Creek Ry. first 6s	J&D	D 1932	(1st) 75	46,670		35	80%	"	"	Aaa.
33. Rome, Water. & Og. first cons. 3½s	A&O	Jl 1922				3	80%	"	"	Aaa.
34. Rome, Water. & Og. first cons. 4s and 5s	A&O	Jl 1922	(1st) 413	24,200		78	80%	"	"	Aaa.
35. R. W. & Og. Term. first 5s	M&N	My 1918	(1st) 7	53,570		3	80%	"	"	Aaa.
36. St. Lawr. & Adir. first 5s	J&J	Jl 1996	(1st) 43	18,600		7	80%	"	"	Aa.
37. St. Lawrence & Adir. 2d 6s	A&O	O 1996	(2d) 43	9,300		4	80%	"	"	A.
38. Utica & Black Riv. first 4s	J&J	Jl 1922	(1st) 150	13,000		13	80%	"	"	Aaa.
39. West Shore first 4s	J&J	Ja 2361	(1st) 479	104,380		333	80%	"	"	Aaa.
40. Ind., Ill. & Iowa R.R. first 4s	J&J	Jl 1950	(1st) 204	23,775		32	80%	"	"	Aaa.
41. Chic., Ind. & So.R.R. first 4s	J&J	Ja 1956	(1st) 127 (2d) 204	45,633		101	80%	"	"	A.
42. Geneva,C.& So.first&ref. 4s	M&N	My 1959	(1st) 232	.....		4	80%	"	"	Aa.
43. Spuy. D. & Pt. M. first 3½s	J&D	Je 1959	(1st) 6	.....		14	80%	"	"	Aa.
44. Little Falls & Dolg. first 3s	J&J	Jl 1932	(1st) 10	25,000		2	80%	"	"	A.
45. N.Y.C. & H.R.R.R. cons. 4s	F&A	F 1998	(gen.) 1,844	35,360		433	80%	"	"	Aa.
46. N. Y. C. & H. R. R.R. ref. & imp. Ser. "A," 4½s	A&O	O 2013	(gen.) 3,716	10,764		300	80%	"	"	Aa.
47. N.Y.C. Lines eq. 5s and 4½s	(text)	(see text)	(Equip.)	.....		202	84%	"	"	Aa.
48. N. Y. C. B. & A. equip. 4½s	(text)	(see text)	(Equip.)	.....	7,906	41	84%	"	"	Aa.
49. N. Y. C. conv. deben. 6s	M&N	My 1935	(Not lien)	.....		1,000	84%	"	"	A.

For Reference Notes, see next page.

Note: It is not possible to base the above averages on 10-year results, because of the fact that earnings of the Lake Shore & Michigan Southern, Chicago, Indiana & Southern and other merged lines were reported separately prior to 1915. We therefore show the "income available" in all cases, as shown from the results of the consolidated property for the two years ended June 30, 1916, as reported to the Interstate Commerce Commission.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $100,000,000; outstanding, $94,000,000. Dated June 1, 1897; due July 1, 1997. Int. paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000, $50,000. First lien on 855.74 miles, as follows: New York City to Buffalo, 440.33 miles; Syracuse to Rochester, 96.29 miles; Troy to Schnectady, 20.91 miles; Geneva to Lyons, 14.08 miles; Rochester to Niagara Falls, 74.05 miles; East Syracuse to Syracuse Junc., 8.31 miles; Rochester Junc. to Ontario Beach, 7.43 miles; Batavia to Attica, 10.67 miles; Canandaigua to North Tonawanda, 85.80 miles; Lockport Junc. to North Tonawanda, 11.17 miles; Buffalo to Lewiston, 28.86 miles; East Buffalo to North Buffalo, 7.23 miles; Norwood to Massena Springs, 12.89 miles; other small branches, 37.72 miles. Second lien on 663.47 miles, of which 5.31 miles follows No. 43; 13.07 miles follows No. 25; 45.86 miles follows No. 23; 28.96 miles follows No. 24; 150.17 miles follows No. 39; 7.27 miles follows No. 35; 412.83 miles follows Nos. 33 and 34. Third lien on 241.03 miles, of which 182.15 miles follows Nos. 26 and 27; 58.88 miles follows Nos. 30 and 31. Also a first collateral lien on 75% of the stock of Hudson River Bridge Co., owning the two bridges at Albany, N. Y.; also secured on leasehold interests in the Troy & Greenbush R.R., West Shore R.R., New York & Harlem R.R. and Beech Creek R.R. The total prior liens, following which these bonds are either a second or third mortgage, aggregate $28,107,000. By the terms of the new consolidated mortgage (No. 45), all these prior liens are closed, but the right is reserved to extend any of them to a date not later than Sept. 1, 2013. This mortgage is prior in lien to Nos. 11, 12, 14, 20, 45 and 46, and No. 47 provides for its retirement. Legal for Savings Banks in Cal., Conn., Mass., N. H., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $50,000,000. Dated June 1, 1897; due June 1, 1997. Int. paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $1,000 and multiples. First lien on 963.77 miles, as follows: Buffalo, N. Y., via Fremont to Toledo, O., 293.71 miles, Palmyra, Mich., to Chicago, Ill., 217.16 miles; Elyria to Millbury, Ohio, 73.00 miles; Air Line Junc. to Elkhart, Ind., 131.87 miles; Ashtabula, Ohio to Pennsylvania State Line, 33.05 miles; Air Line Junc. to Ohio-Michigan State Line, 7.42 miles; Monroe to Jackson, Mich., 71.61 miles; Carson to Mann, Ohio, 18.10 miles; Jonesville to North Lansing, Mich., 61.34 miles. Ohio State Line to Detroit, Mich., 51.43 miles; branches, 5.08 miles. Also a second lien on 36.54 miles, following No. 5. Also a lien on leasehold interests in 21.82 miles additional. Assumed by the New York Central R.R.; underlie Nos. 3, 4, 11, 45 and 46; provided for at maturity by No. 46. Legal for Savings Banks in Cal., Conn., Me., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $50,000,000. Dated Nov. 18, 1903; due Sept. 1, 1928. Int. paid at Grand Central Terminal, New York. Coupon, $1,000 and $5,000; reg., $1,000, $5,000 and multiples. Now cover by second and third lien, jointly with No. 4, all the property covered by No. 2, and are prior in lien to Nos. 11, 45 and 46; latter providing for retirement. Assumed by New York Central R.R. Legal for Savings Banks in Cal., N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $50,000,000. Dated May 1, 1906; due May 1, 1931. Int. paid at Grand Central Terminal, New York. Coupon, $1,000 and $5,000; reg., $1,000, $5,000 and multiples. Now cover by second and third lien jointly with No. 3, all the property covered by No. 2, and are prior in lien to Nos. 11, 45 and 46; latter providing for retirement. Assumed by New York Central R.R. Legal for Savings Banks in N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $400,000. Dated Jan. 1, 1890; due Jan. 1, 1940. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Guar. prin. and int. by the Lake Shore & Michigan Southern Ry. by endorsement; assumed by the New York Central R.R. First lien from White Pigeon to Kalamazoo, Mich., 36.54 miles; underlie Nos. 2, 3, 4, 11, 45 and 46, latter providing for retirement. Legal for Savings Banks in Conn., Me., Mich., Minn., Mo., N. H., N. J., R. I., Wis. Interest paid without deduction for normal income tax.

6. Auth. and outstanding, $840,000. Dated July 2, 1888; due July 1, 1938. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Guar. prin. and int. by Lake Shore & Michigan Southern Ry.; guaranty assumed by the New York Central R.R. First lien from Kalamazoo to Grand Rapids, Mich., 58.45 miles. Legal for Savings Banks in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

7. Auth. and outstanding, $1,500,000. Dated July 1, 1884; due July 1, 1934. Int. paid at Union Trust Co., New York. Coupon, $1.000. Guar. prin. and int. by Lake Shore & Michigan Southern Ry. by endorsement; guaranty assumed by New York Central R.R. First lien on 62.68 miles, as follows: Andover to Youngstown, Ohio, 38.19 miles; Mann to Brookfield, Pa., 24.49 miles. Legal for Savings Banks in Cal., Conn., Me., Mass., Mich., Minn., Mo., N. H., N. J., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest.

8. Auth., $25,000,000; outstanding, $11,000,000 (closed). Dated June 1, 1909; due June 1, 1959. Int. paid at Grand Central Terminal, New York. Coupon and reg., $1,000. Assumed by the New York Central R.R. First lien on 122.05 miles, as follows: From the Ohio-Pennsylvania State Line to Rose Siding via Franklin, 103.56 miles; Franklin to Oil City, 7.78 miles; Polk Junc. to Belmar, 10.7 miles, all in State of Pennsylvania. Underlies No. 46, which provides for retirement. Legal for S. B. in Me., Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

9. Auth., $322,000; outstanding, $322,000 (closed). Dated Dec. 1, 1889; due Dec. 1, 1989. Int. paid at Grand Central Terminal, New York. Coupon, $1.000. Guar. prin. and int. by the Lake Shore & Michigan Southern Ry. by endorsement, and now assumed by the New York Central R.R. First lien from Goshen, Ind., to Sturgis, Mich., 28.92 miles. Underlies No. 46, which provides for retirement. Legal for Savings Banks in Me., Mo., Mich., Minn., N. H., N. J., R. I. and Wis. Normal income tax deducted from interest.

10. Auth., $20,000,000; outstanding, $11,800,000 (closed). Dated April 1, 1911; due April 1, 1961. Int. paid at Grand Central Terminal, New York and in London. Coupon, $1,000; reg., $1,000, $5,000 and multiples. Guar. prin. and int. by Lake Shore & Michigan Southern Ry., and now assumed by the New York Central R.R. First lien on entire property, which consists of a belt line or cut-off of 19.64 miles around the city of Cleveland, on which over $13,000,000 had been spent in developments up to the end of 1912. The lines cross all roads entering the city, thus

facilitating interchange of traffic, etc. Underlie No. 46, which provides for retirement. Legal for S. B. in Me., Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

11. Auth., $100,000,000; outstanding, $25,372,400 (closed). Dated Feb. 4, 1898; due Feb. 1, 1998. Int. paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $1,000 to $50,000. Formerly secured on $45,289,200 capital stock of the Lake Shore & Michigan Southern Ry. out of a total of $50,000,000. The deed provided that the company could not issue any mortgage on its railroad without including these 3½% collateral bonds as a *prior lien* thereto. Under the new consolidation, the issue has become a direct lien on all the property covered by Nos. 2 and 3 (jointly with No. 12, which, however, does not cover mileage covered by first lien of Nos. 2 and 5), but subject thereto, being a first lien on 73.57 miles, second lien on 865.82 miles, third lien on 1,627.24 miles, fourth lien on 277.57 miles. Underlies Nos. 14, 20, 45 and 46 with provision for retirement by No. 45. Legal for S. B. in Cal., Conn., Mass., R. I., Vt. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

12. Auth., $21,550,000; oustanding, $19,336,000 (closed). Dated April 13, 1898; due Feb. 1, 1998. Int. paid at Grand Central Terminal, New York. Coupon and reg., $1,000. Secured by deposit with trustee of $16,819,250 capital stock of the Michigan Central Railroad, out of a total of $18,738,000, being at the rate of $100 in stock for $115 in bonds. The company cannot hereafter issue any mortgage on its railroad without including these bonds as a *prior lien* thereto, excepting the issue of $100,000,000 of No. 2 (above), which shall be secured equally with these bonds, now directly assumed by New York Central R.R. and directly secured (jointly with No. 11) by first lien on 73.57 miles; second lien on 865.82 miles; third lien on 663.47 miles; fourth lien on 241.03 miles, etc., etc. (See No. 1). Underlie Nos. 14, 20, 45 and 46, with provision for retirement by No. 45. Legal for S. B. in N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

13. Auth. and outstanding, $5,500,000. Dated July 1, 1900; due July 1, 2000. Int. paid at Grand Central Terminal, New York. Not a mortgage. Issued as part payment on lease of Boston & Albany R.R. Interest paid without deduction for normal income tax. In form of one bond owned by Boston & Albany R.R.

14. Auth., $50,000,000; outstanding, $48,000,000 (closed). Dated May 12, 1904; due May 1, 1934. Int. paid at Grand Central Terminal, New York. Coupon and reg., $1,000. Assumed by New York Central R.R. Secured jointly with No. 20 and No. 45, following Nos. 11 and 12, and all liens prior thereto. Underlie No. 47; retirement provided for by No. 45. Legal for S. B. in N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

15. Auth., $4,500,000; outstanding, $3,500,000 (closed). Dated May 1, 1901; due Apr. 1, 1951. Int. paid at Grand Central Terminal, New York. Coupon, $1,000, reg., $1,000, $5,000 and $10,000. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement; guaranty assumed by New York Central R. R. First lien, 58.27 miles, Keating to Clearfield, Pa., and branches. Underlie No. 16, which provide for retirement. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

16. Auth., $20,000,000; oustanding, $3,964,000. Dated May 31, 1905; due April 1, 1955. Int. paid at Grand Central Terminal, New York. Coupon and reg., $1,000. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement, guarantee assumed by New York Central R.R. First lien, 69.15 miles, Dimeling to Irvona, Curwensville to Curry, Mahaffey to Arcadia, Pa., and branches; also second lien on 58.27 miles, following No. 15. Legal for S. B. in N. H., Minn. All owned by New York Central R.R. and deposited under No. 46. Interest paid without deduction for normal income tax.

17. Auth. and outstanding, $5,000,000. Dated July 1,1886; due July 1, 1936. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement; guaranty assumed by New York Central R.R. First lien, 163.83 miles, Jersey Shore to Mahaffey, Pa., and branches. Underlie No. 18. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., R. I., Vt., Wis. Coupon and reg., $1,000. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

18. Auth. and outstanding, $1,000,000, of which $500.000 are deposited under No. 46. Dated July 1, 1892; due July 1, 1936. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement; guaranty assumed by New York Central R.R. Second lien on 163.83 miles, following No. 17. Coupon, $1,000. Legal for S. B. in N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

19. Auth. and outstanding, $3,858,000. Dated 1882; extended 1902; due April 1, 1952. Int. paid at Terminal Station, Boston. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement; guaranty assumed by New York Central R.R. Not a mortgage. Legal for S. B. in Conn., N. H., Mass., R. I. Coupon and reg., $1,000. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

20. Auth., $50,000,000; outstanding, $9,188,000 (closed). Dated Jan. 1, 1912; due Jan. 1, 1942. Int. paid at Grand Central Terminal, New York. Coupon and reg., $1,000; interchangeable; assumed by New York Central R.R. Secured jointly with Nos. 14 and 45, following Nos. 11 and 12, and all liens prior thereto. Underlie No. 46; retirement provided for by No. 45. Legal for S. B. in N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

21. Auth., $2,500,000; outstanding, $1,000,000. Dated Jan. 1, 1901; due Jan. 1, 1951. Int. paid at Terminal Station, Boston. Coupon, $1,000. Int. guar. by N. Y. C. & H. R. R.R.; guaranty assumed by New York Central R.R. Not a mortgage. Legal for S. B. in Conn., Mass., N. H. Normal income tax deducted from interest.

22. Auth. and outstanding, $20,142,000 in six series, as follows: (1) $7,000,000 4s; dated May 1, 1903; due May 1, 1933. Int. paid at Terminal Station, Boston. Guar. prin. and int. by N. Y. C. & H. R. R.R., by endorsement. Not a mortgage. (2) $4,500,000 4s; dated May 1, 1909; due May 1, 1934. Int. paid at Boston Terminal. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement. Not a mortgage. (3) $2,000.000 4s; dated May 1, 1910; due May 1, 1935. Int. paid at Boston Terminal. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement. Not a mortgage. (4) $1,000,000 4½s; dated July 1, 1912; due July 1, 1937. Int. paid at Terminal Station, Boston. (5) $2,015,000 5s; dated July 1, 1913; due July 1, 1938. Int. paid at Boston Terminal. Guar. prin. and int. by N. Y. C. & H. R. R.R. Not a mortgage. (6) $3,627,000 5s; dated Oct. 1, 1913; due Oct. 1, 1963. Int. paid April and Oct. 1 at Boston Terminal. Not a mortgage. All legal for S. B. in Conn., Mass., N. H., R. I., Vt. Guarantees on all issues assumed by New York Central R.R. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

23. Auth., $1,600,000; outstanding, $1,100,000. Dated Dec. 1, 1892; due Dec. 1, 1981. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement, and now assumed by New York Central R.R. Co. First lien, 45.86 miles, Carthage to Newton Falls, N. Y. Underlies Nos. 1, 11, 12, 14, 20, 45 and 46, latter providing for retirement. Coupon, $1,000. Legal for S.B. in Cal., Conn., Me., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal tax.

24. Auth. and outstanding, $300,000. Dated July 1, 1891; due July 1, 1931. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement, and now assumed by New York Central R.R. First lien, 28.96 miles, Carthage to Sacket's Harbor, N. Y. Underlies Nos. 1, 11, 12, 14, 20, 45 and 46, latter providing for retirement. Coupon, $1,000. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Interest paid without deduction for normal income tax.

25. Auth. and outstanding, $300,000. Dated June 1, 1892; due June 1, 1942. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement and now assumed by New York Central R.R. First lien, 13.07 miles, Gouverneur to Ft. Edward, N. Y. Underlies Nos. 1, 11, 12, 14, 20, 45 and 46, latter providing for retirement. Coupon, $1,000. Legal for S. B. in Cal., Conn., Me., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

26. Auth. and outstanding, $2,500,000. Dated July 1, 1892; due Sept. 1, 1991. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement and now assumed by New York Central R.R. First lien, 182.15 miles, Herkimer to Malone Junc., N. Y., and Hinckley to Saranac Lake. Underlie Nos. 27, 1, 11, 12, 14, 20, 45 and 46, latter providing for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Coupon, $1,000. Interest paid without deduction for normal income tax.

27. Auth., $10,000,000; outstanding, $3,900,000. Dated March 1, 1902; due March 1, 2002. Int. paid at Grand Central Terminal, New York. Coupon and reg., $1,000. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement and now assumed by New York Central R.R. Second lien, 182.15 miles, following No. 26. Underlie Nos. 1, 11, 12, 14, 20, 45 and 46, latter providing for retirement. Legal for S. B. in Cal., Conn., N. H., N. Y., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

28. Auth., $4,000,000; outstanding, $1,700,000. Dated June 30, 1886; due Feb. 1, 1986. Int. paid at Grand Central Terminal, New York. Coupon and reg., $1,000. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement; guaranty assumed by New York Central R.R. First lien, 4.78 miles terminal property from Weehawken to Jersey City, N. J., connecting West Shore, D. L. & W., Erie and Penna. R.R.s. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest.

29. Auth. and outstanding, $12,000,000. Dated June 1, 1897; due May 1, 2000. Int. paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000. Guar. prin. and int. by N. Y. C. & H. R. R.R.; guaranty assumed by New York Central R.R. First lien, 136.41 miles, New York City to Chatham, N. Y., and branches; also on Grand Central Terminal and other realty in New York and Chatham. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

30. Auth. and outstanding, $1,200,000. Dated, Oct. 1, 1887; due Oct. 1, 1927. Int. paid at Grand Central Terminal, New York; assumed by New York Central R.R. First lien, 58.88 miles, from 155th St., New York, to Brewster, with branch to Yonkers. Underlie Nos. 31, 1, 11, 12, 14, 20, 45 and 46, the latter providing for retirement. Coupon, $1,000. Legal for S. B. in Cal., Conn., Maine, Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

31. Auth., $6,200,000; outstanding, $3,987,000 (closed). Dated June 15, 1894; due Oct. 1, 1993. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement and now assumed by New York Central R.R. Second lien on 58.88 miles, following No. 30. Underlie Nos. 1, 11, 12, 14, 20, 45 and 46, the latter providing for retirement. Legal for S. B. in Cal., Conn., N. H., N. Y., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

32. Auth. and outstanding, $3,500,000. Dated Dec. 9, 1882; due Dec. 1, 1932. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. jointly and severally, by N. Y. C. & H. R. R.R. and Philadelphia & Reading R. R. Now assumed by New York Central R.R. First lien, 74.96 miles, Stokesdale to Newberry Junc., Pa. Prior to No. 46, which provides for retirement. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Reg., $1,000. Interest paid without deduction for normal income tax.

33 and 34. Auth., $10,000,000; outstanding, $9,076,000 5s; $500,000 3½s, and $419,000 4s. Dated July 1, 1874; due July 1, 1922. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. by N. Y. C. & H. R. R.R. and now assumed by New York Central R.R. First lien, 412.83 miles, as follows: Syracuse to Norwood, 148.04 miles; Suspension Bridge to Pulaski, 175.27 miles; Richland to Rome, 45.32 miles; Watertown to Cape Vincent, 24.10 miles; branch, 1.21 miles. Underlies Nos. 1, 11, 12, 14, 20, 45 and 46, the latter providing for retirement. Legal for S. B. in Cal., Conn., Me., Mich., Mass., Minn., Mo., N. H., N. J., N. Y., R. I., Vt. and Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000.

35. Auth. and outstanding, $375,000. Dated March 12, 1888; due May 1, 1918. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Assumed by New York Central R.R. First lien, 7.27 miles, Rochester to Windsor Beach, N. Y. Underlie Nos. 1, 11, 12, 14, 20, 45 and 46, the latter providing for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

36. Auth. and outstanding, $800,000. Dated July 1, 1896; due July 1, 1996. Int. paid at New York Trust Co., New York. Coupon, $1,000. First lien, 43.07 miles, Malone, N. Y., to Valleyfield, Que., and from Beauharnois to Adirondack Junc., Que. The company leases the intervening mileage between Valleyfield and Beauharnois. Underlie No. 37. Road is leased for 21 years from 1915 to New York Central R.R. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

37. Auth. and outstanding, $400,000. Dated Oct. 1, 1896; due Oct. 1, 1996. Int. paid at Equitable Trust Co., New York. Coupon, $1,000. Second lien, 43.07 miles, following No. 36. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

38. Auth., $2,000,000; outstanding, $1,950,000 (closed). Dated May 1, 1890; due July 1, 1922. Int. paid at Grand Central Terminal, New York. Assumed by New York Central R.R. First lien, 150.17 miles, Utica to Ogdensburg, with branch to Clayton, N. Y. Underlie Nos. 1, 11, 12, 14, 20, 45 and 46, the latter providing for retirement. Legal for S. B. in Cal., Conn., Maine, Mich., Mass., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Normal income tax deducted from interest. Coupon, $1,000.

39. Auth. and outstanding, $50,000,000. Dated Dec. 5, 1885; due Jan. 1, 2361. Int. paid at Grand Central Terminal, New York. Guar. prin. and int. by N. Y. C. & H. R. R.R. by endorsement; guaranty assumed by New York Central R.R. First lien, 479.11 miles, Weehawken, N. J., to Buffalo, N. Y., including branch from Syracuse to Earlville, etc. Legal for S. B. in Maine, Mich., Minn., N. H., N. J., R. I. Coupon, $1,000; reg., $500, $1,000, etc. Listed on New York and Philadelphia Stock Exchanges. Normal income tax deducted from interest.

40. Auth., $12,000,000; outstanding, $4,850,000 (closed). Dated July 1, 1900; due July 1, 1950. Int. paid at Grand Central Terminal, New York. Assumed by New York Central R.R. First lien on 204.01 miles, as follows: From South Bend, Ind., to Seatonville, Junc., Ill., 191.59 miles; branch to Churchill and other branches, aggregating 12.54 miles. Underlie Nos. 41 and 46, latter providing for retirement. Legal for Savings Banks in Mc., Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax. Coupon, $1,000.

41. Auth., $20,000,000; outstanding, $15,150,000 (closed). Dated June 27, 1906; due Jan. 1, 1956. Int. paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000 and multiples. Guar. prin. and int. by L. S. & M. S. Ry. by endorsement and now assumed by New York Central R.R. First lien on 127.57 miles, as follows: From Indiana Harbor, Ind., to Danville, Ill., 109.26 miles; Hammond to Ivanhoe, Ind., and from Indiana Harbor to Dune Park, Ind., 18.31 miles; second lien on 204.01 miles, following No. 40. Underlies No. 46, which provides for retirement. Legal for S. B. in N. H. and R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

42. Auth., $10,000,000; to be issued, $600,000. Dated May 1, 1909; due May 1, 1959. First lien, 232 miles, subject to No. 25 on 76 miles. Company formed in 1909 as a consolidation of Syracuse, Geneva & Corning, Pine Creek and Fall Brook Rys., now assumed by New York Central R.R. Underlie No. 46, which provides for retirement. Mortgage now closed. All owned by company.

43. Auth., $20,000,000; outstanding, $2,500,000 (closed). Dated June 1, 1909; due June 1, 1959. Int. paid at Grand Central Station, New York. An obligation of the N. Y. C. & H. R. R.R.; assumed by New York Central R.R. First lien on terminal property railway connection with N. Y. C. & H. R. R.R. and Harlem R.R. in the Bronx, New York City. Underlie Nos. 1, 11, 12, 14, 20, 45 and 46, latter providing for retirement. Legal for S. B. in Cal., Conn., Maine, Mo., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Interest paid without deduction for normal income tax. Coupon, $1,000; reg., $1,000, etc.

44. Auth. and outstanding, $250,000. Dated July 1, 1902; due July 1, 1932. Int. paid at Amer. Ex. Nat. Bank, New York. Coupon, $100, $500 and $1,000. Assumed by New York Central R.R. First lien, 10.08 miles, Little Falls to Dolgeville, N. Y. Underlies Nos. 11, 12, 14, 20, 45 and 46, latter providing for retirement. Legal for S. B. in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Interest paid without deduction for normal income tax.

45. Auth., $167,102,400; outstanding, $65,206,000 series A; to be issued in four series as follows: Series A, $90,578,400 in exchange for Lake Shore collateral 3½s (No. 11); Series B, $19,336,000 in exchange for Michigan Central collateral 3½s (No. 12); Series C, $48,000,000 in exchange for debenture 4s due 1934 (No. 14); Series D, $9,188,000 in exchange for debenture 4s due 1942 (No. 20). Dated Aug. 1, 1913; due Feb. 1, 1998. Int. paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $1,000, $5,000 and multiples. Series A bonds have been offered in exchange for N. Y. C.-Lake Shore collateral 3½s, par for par. Those which are thus exchanged are to be secured by a supplemental indenture on the Lake Shore property, subject to the Lake Shore first mortgage 3½s, Lake Shore debenture (two issues) and such of the collateral 3½s as are not exchanged. When Series B are issued a similar provision will be made with respect to the bonds on that property, and the Michigan Central collateral 3½s will be a prior lien to these bonds on the Michigan Central property. This mortgage further secures the debentures of 1934 and 1942 (Nos. 14 and 20), their lien being on an equality with the bonds issued under this mortgage.

This "Consolidation" mortgage is a direct obligation and secured on 1,843.89 miles of road as follows: Second lien on 73.57 miles, including Tupper Lake to Nyando, 69.27 miles; Tonawanda to Tonawanda Island, Tivoli Hollow R.R., Buffalo Erie Basin, etc.; third lien on 865.82 miles, including 855.74 miles covered by No. 1 and 10.08 miles covered by No. 44; fourth lien on 663.47 miles, covered by No. 1 by second lien; fifth lien on 241.03 miles, covered by No. 1 by third lien. Also a lien subject to No. 1, on the collateral, terminals and trackage rights covered by that mortgage; also a third lien on leasehold interests and trackage rights covered by No. 6. Series A are further secured subject to the N. Y. C.-Lake Shore collateral 3½s on all the Lake Shore property. The prior liens on the New York Central system, which they follow, cannot be increased (except the N. Y. C. first 3½s), but the company reserves the right to extend any of them to any date prior to Sept. 2, 2013. This "Consolidation" mortgage underlies No. 46, which provides for the retirement or refunding of this issue and all underlying and prior liens. Assumed by New York Central R.R. Nos. 14 and 20 are equally secured. Series A listed on New York Stock Exchange. Legal for S. B. in Cal., Conn., Mass., Vt. Normal income tax deducted from interest.

46. Auth., $500,000,000 (and additional amounts for refunding); now outstanding, $40,000,000 Series "A" (of which series $70,000,000 may be issued). Ultimate limit of issue shall be equal to three times the amount of stock outstanding, together with all prior liens outstanding, less bonds reserved to retire said debt. Dated Oct. 1, 1913; due Oct. 1, 2013. Int. paid at Grand Central Terminal, New York. Coupon, $100, $500 and $1,000; reg., $1,000 and multiples. Mortgage provides that any series may be convertible or callable. Series A is not convertible, but is callable at 110 on 3 months' notice. Interest rate on any series must be limited to 6%; Series A is 4½%.

This "Refunding and Improvement" mortgage is a direct lien on all the property covered by the "Consolidation" mortgage (No. 45), but subject thereto, as to part. A total of 3,715.96 miles, of which 294.61 miles is first lien; 373.14 miles is second lien; 277.58 miles is third lien; 865.82 miles is fourth lien; 1,627.24 miles is fifth lien; 277.57 miles is sixth lien. It is further secured by leasehold interests in 981.82 miles of road, as follows: Beech Creek Extension R.R., 137.43 miles; New Jersey Junction R.R., 4.78 miles; Wallkill Valley R.R., 32.88 miles; Erie & Kalamazoo R.R., 21.82 miles (fourth lien); West Shore R.R., 479.11 miles (fourth lien); Beech Creek R.R., 163.83 miles (fourth lien); New York & Harlem R.R., 136.41 miles (fourth lien); Troy & Greenbush R.R., 5.56 miles (fourth lien). Also a collateral lien on the following securities: About 61% of the total capital stock of the New York &

REFERENCE NOTES ON BOND ISSUES (Continued)

Harlem R.R. (to be increased); all the stock of the West Shore R.R.; all the stock of the Beech Creek Extension R.R.; nearly all the stock of the New Jersey Junction R.R.; $3,964,000 Beech Creek Extension R.R. first 4s of 1955; $500,000 Beech Creek R.R. second 5s, due 1936; $375,000 stock of Hudson River Bridge Co. (fourth lien). Further, the bonds are a general lien on rights of way, structures, etc., now owned or hereafter acquired; on all equipment, and on all securities which may be acquired by use of these bonds. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on N. Y. Stock Exchange. Normal income tax deducted from interest.

47. New York Central Lines Equipment Trusts: Issued in four Series of which those of 1907, 1910 and 1912 are a joint and several obligation of the New York Central R.R., the Michigan Central Ry. and the C. C. C. & St. Louis Ry. Those issued in 1913 are the joint and several obligations of the New York Central, Mich. Central, C. C. C. & St. Louis, Pitts. & Lake Erie and Toledo & Ohio Central Companies.

Series of 1907: gold 5s; original issue $30,000,000; now outstanding, $12,000,000; dated Nov. 1, 1907; due $2,000,000 annually on Nov. 1, until Nov. 1, 1922. Coupon, $1,000; reg., $5,000, $10,000 and $50,000. Int. paid May and Nov. 1, at Guaranty Trust Co., New York. Prin. and int. guar. jointly and severally by the companies participating. First lien on 691 locomotives, 153 passenger cars, 16,425 freight cars and 65 service cars, all costing over $33,000,000. Of the $12,000,000 outstanding on Jan. 1, 1917, New York Central's proportion still to pay is $8,957,308; that of the Mich. Cent. R.R. is $1,562,553; that of C. C. C. & St. Louis Ry. is $1,480,139. Legal for S. B. in Conn. and N. H. Normal income tax deducted from interest.

Series of 1910: gold 4½s; original issue, $30,000,000; now outstanding, $16,000,000; dated Jan. 1, 1910; due $2,000,000 each Jan. 1 to Jan. 1, 1925. Coupon, $1,000; reg., $5,000, $10,000 and $50,000. Int. paid at Guaranty Trust Co., New York. Prin. and int. jointly and severally guar. by the companies participating. First lien on 425 locomotives, 132 passenger cars, 22,400 freight cars, and 240 service cars, all costing over $33,000,000. Of the $16,000,000 outstanding, New York Central's proportion is now $11,458,836; that of the Michigan Central is $2,944,158; that of C. C. C. & St. Louis is $1,597,006. Legal for S. B. in Conn., N. H. Listed on New York Stock Exchange. Normal income tax deducted from interest.

Series of 1912: gold 4½s; original issue $15,000,000; now outstanding, $10,000,000; dated Jan. 1, 1912; due $1,000,000 each Jan. 1 to Jan. 1, 1927. Coupon, $1,000; reg., $5,000, $10,000 and $50,000. Int. paid at Guaranty Trust Co., New York. Prin. and int. guar. jointly and severally by the companies participating. First lien on 118 locomotives, 95 passenger cars, 14,350 freight cars and 150 service cars, all costing over $16,500.000. Of the total still outstanding, New York Central's proportion still to pay is $6,883,989; that of Mich. Cent. R.R. is $1,517,109; that of C. C. C. & St. Louis Ry. is $1,598,902. Legal for S. B. in Conn., N. H. Normal income tax deducted from interest.

Series of 1913: gold 4½s; authorized, $24,000,000; original issue, $22,438,000; now outstanding, $17,600,000; dated Jan. 1, 1913; due $1,600,000 yearly to Jan. 1, 1928. Coupon, $1,000; reg., $5,000, $10,000 and $50,000. Int. paid at Guaranty Trust Co., New York. Prin. and int. guar. jointly and severally by N. Y. C. R.R., Mich. Cent., C. C. C. & St. L. Ry., Pitts. & L. E. R.R. and Toledo & Ohio Central Ry. First lien on 340 locomotives, 110 passenger cars, and 10,500 freight cars, all costing over 10% in excess of par value of all issues of this series. New York Central's proportion of unpaid amount is now $8,355,400. Legal for S. B. in Conn., N. H. Normal income tax deducted from interest.

48. Boston & Albany Equipment: 4½s; original amount, $7,500,000; now outstanding, $5,500,000; dated Oct. 1, 1912; due $500,000 annually to Oct. 1, 1927. Coupon, $1,000; reg., $1,000, etc. Int. paid April & Oct. 1, at Guaranty Trust Co., New York. First lien on equipment costing over $8,250,000 purchased for use of Boston & Albany R.R. Legal for S. B. in Conn., N. H. Normal income tax deducted from interest.

49. New York Central Railroad Convertible Debenture 6s: Auth. and outstanding, $100,000.000. Dated May 1, 1915; due May 1, 1935. Interest paid at Grand Central Terminal, New York. Coupon, $100, $500 and $1,000; reg., $100, $500, $1,000, $5,000 and $10,000; interchangeable in $1,000 amounts. Redeemable as a whole or in any part, not less than $5,000,000, on May 1, 1918, or on any interest date thereafter at 110 and interest, on three months' notice. Convertible into New York Central Railroad stock at option of holder at 105 (that is, $105 par of bonds must be turned in for $100 par of stock), between May 1, 1917, and May 1, 1925. If bonds are called for redemption they may be converted 30 days prior to the date mentioned in the call for redemption. Not secured by mortgage. Listed on New York Stock Exchange. Legal for S. B. in N. H. Normal income tax deducted from interest.

Dividends: From the date of its organization to June 30. 1916, the New York Central R.R. Co. (and predecessor companies) paid cash dividends aggregating 265¾%, or $814,177,129.

Years.	Rate.	Amount.	Years.	Rate.	Amount.	Years.	Rate.	Amount.
1870.....	8%	$6,861,241	1886.....	4%	$3,577,132	1901-02.....	5%	$5,961,411
1871.....	8	7,258,742	1887.....	4	3,577,132	1902-03.....	5	6,604,158
1872.....	8	7,244,832	1888.....	4	3,577,132	1903-04.....	5	6,612,500
1873.....	8	7,136,790	1889.....	4½	4.024.274	1904-05.....	†2½	3,306,250
1874.....	8	7,136,885	1890.....	3	2,682,849	1905.....	5	6,612,500
1875.....	10	8,920,850	1890-91.....	4½	4,024,273	1906.....	5¼	7,832,885
1876.....	8	7,139,528	1891-92.....	5	4,471.415	1907.....	6	10.717,920
1877.....	8	7,140,659	1892-93.....	5	4,471,415	1908.....	5	8,931,600
1878.....	8	7,139,528	1893-94.....	5	4,588.826	1909.....	5	8,931.600
1879.....	8	7,139,528	1894-95.....	4½	4,339,990	1910.....	6	13,363,758
1880.....	8	7,141,513	1895-96.....	4	4,000.000	1911.....	5	11,136,465
1881.....	8	7,138,344	1896-97.....	4	4,000.000	1912.....	5	11,136.465
1882.....	8	7,145,513	1897-98.....	4	4.000.000	1913.....	5	11,243,021
1883.....	8	7,148,132	1898-99.....	4	4,000.000	1914.....	5	11,278,517
1884.....	8	7,159,644	1899-00.....	4¾	4,937,500	1915.....	5	12,178,326
1885.....	5	4,471.415	1900-01.....	5	5,750,000	1916.....	5	12,466,561

TABLE E.—Stock Record and Ratings (Based on 2-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Beech Creek R.R. guaranteed stock..... Par $50. Outstanding, $6,000,000.	4% Qu Ja	$36,360		$40	86%	High	High	Aaa.
2. Boston & Albany R.R. gtd. stock..... Par $100. Outstanding, $25,000,000.	8% QuMr	63,800		333	86%	"	"	Aa.
3. Pittsfield & No. Adams R.R. gtd. stock..... Par $100. Outstanding, $450,000.	5% J&J	24,000		3	86%	"	"	Aaa.
4. Ware River R.R. guaranteed stock .... Par $100. Outstanding, $750,000.	7% J&J	15,000		8	86%	"	"	Aaa.
5. New York & Harlem R.R. gtd. stock..... Par $50. Outstanding, $10,000,000.	See text	.. ..		233	86%	"	"	Aaa.
6. Troy & Greenbush R.R. gtd. stock..... Par $50. Outstanding, $275,000	7% J&D15	55,000		3	86%	"	"	Aaa.
7. Wallkill Val. R.R. guaranteed stock..... Par $100. Outstanding, $330,000.	3½% QuF	10,000	$5,412	2	86%	"	"	Aaa.
8. Det. Hillsdale & So. W. R.R. gtd. stock..... Par $100. Outstanding, $1,350,000.	4% J & J5	20,000		9	86%	Very high	Very high	Aaa.
9. Fort Wayne & Jackson R.R. gtd. stock .. Par $100. Outstanding, $2,291,416.	5½% M&S	23,300		20	86%	"	"	Aaa.
10. Kalam. Alleg. & Gr. Rapids gtd. stock .... Par $100. Outstanding, $610,000.	6% A&O	10,500		6	86%	"	"	Aaa.
11. Mahoning Coal R.R. gtd. preferred stock. . Par $50 Outstanding, $661,367.	5% J&J	5,143		5	86%	"	"	Aaa.
12. Mahoning Coal R.R common . . . Par $50 Outstanding, $1,500,000.	See text	21,444		124*	86%	"	"	Aaa.
13. Erie & Kalamazoo gtd. stock . . . . Par $50. Outstanding, $300,000.	10% F&A	33,090		5	86%	"	"	Aaa.
14. New York Central R.R. stock . . . Par $100. Outstanding, $249,590,460.	5% QuF	41,419	4,621	2,069*	55%	High	"	A.

* For 5%.

Note: Average income available, as shown above, for Nos. 1 to 13, is the two years average surplus of the New York Central Railroad Co. above all taxes and interest charges, but not after deducting rental items represented by guaranteed or assumed dividends on above stocks. The period covered is for the two years ended June 30, 1916. That on No. 14 is the two-year average surplus above all fixed charges including rentals and dividend payments on guaranteed stocks, etc. The dividend requirement on No. 14 is that for the past year. For 1917 the requirement will be 10% greater, as the company has just issued $25,000,000 additional stock. For Key to Stock Ratings, see pages 21-23.

REFERENCE NOTES ON STOCK ISSUES

1. BEECH CREEK R.R.: Line of road, Jersey Shore to Mahaffey, Pa., with branches, 165 miles. Leased for 999 years from 1890 to New York Central & Hudson River R.R., at rental equivalent to interest on bonds and guarantee of 4% dividends per annum on stock. Lease assumed by the New York Central Railroad Co. For full description of company, see following pages.

2. BOSTON & ALBANY R.R.: Line of road: Boston to Albany, N. Y., with branches, 392 miles. Leased for 99 years from 1900 to New York Central & Hudson River R.R., at rental equivalent to 8% on stock, interest, taxes, maintenance and organization expenses. The company received from the New York Central for certain property not included in the lease, $5,500,000 in 3½% 100-year debenture bonds, thus enabling the company to pay 8¾% on stock. Lease has been assumed by the New York Central R.R. For full description see following pages.

3. PITTSFIELD & NORTH ADAMS R.R.: Road leased to Boston & Albany R.R. at rental of 5% per annum on stock; rental guarantee assumed by New York Central & Hudson River R.R., and now assumed by the New York Central Railroad Co. See description of Boston & Albany R.R. on following pages.

4. WARE RIVER R.R.: Road leased to Boston & Albany R.R. at rental of 7% per annum on stock; rental guarantee assumed by New York Central & Hudson River R.R., and now assumed by the New York Central Railroad Co. See description of Boston & Albany R.R. on following pages.

5. NEW YORK & HARLEM R.R.: Steam section of road leased to New York Central for 401 years at rental of interest on bonds and 8% per annum on stock. Under supplemental agreement, the rental was changed to a basis of 10% per annum on stock. Company also owns the Fourth Avenue Street Railway in New York City, which was leased to the New York Rys. Co. on 999-year lease at a rental of $400,000 per annum, equaling 4% additional on stock.

6. TROY & GREENBUSH R.R.: Line of road: Troy to Rensselaer, N. Y., 6 miles. Lease to old Hudson River R.R. in 1851 at 7% on stock; lease assumed by New York Central & Hudson River R.R., and now assumed by the New York Central Railroad Co.

7. WALLKILL VALLEY R.R.: Leased to New York Central & Hudson River R.R. for its corporate existence at rental of interest on bonds and 3½% dividends on stock. Lease assumed by the New York Central Railroad Co.

8. DETROIT, HILLSDALE & SOUTHWESTERN R.R.: Line of road: Ypsilanti to Bankers, Mich., 64.74 miles, leased in perpetuity to L. S. & M. S. Ry., at rental of 4% on stock and organization expenses. Lease assumed by the New York Central R.R. Co. Auth., $1,350,000. TRANSFER AGENTS, Farmers' Loan & Trust Co., New York.

9. FORT WAYNE & JACKSON R.R.: Line of road: Fort Wayne, Ind., to Jackson, Mich., 97.53 miles. Leased in perpetuity to L. S. & M. S. Ry., at rental of 5½% on preferred (with 2% on common when earnings exceed 8% on pfd.), and organization expenses. Lease assumed by the New York Central R.R. Co. Pfd. auth. and outstanding, $2,291,416; common, $436,132. Nothing now paid on common. TRANSFER AGENTS, Farmers' Loan & Trust Co., New York.

10. KALAMAZOO, ALLEGAN & GRAND RAPIDS R.R.: Line of road: Kalamazoo to Grand Rapids, Mich., 58.45 miles. Leased for 999 years to L. S. & M. S. Ry., at rental of 6% on stock and interest on bonds. Lease assumed by the New York Central R.R. Co. Auth. and outstanding, $610,000. TRANSFER AGENT, H. B. Corner, Treas., Cleveland, Ohio.

11. and 12. MAHONING COAL R.R.: Line of road: Andover to Youngstown, O., and branches, 70.62 miles. Leased in perpetuity to L. S. & M. S. Ry., at 40% of gross earnings. Lease assumed by the New York Central R.R. Stock auth., $800,000 5% preferred and $1,500,000 common; outstanding, $661,367 preferred and all the common. The New York Central R.R. owns $399,500 preferred and $865,900 common. Full dividends paid on preferred. On common: 10% per annum to 1908; 1909, 12%; 1910 to date, 20% per annum, with 50% extra in Feb., 1910, Mar., 1911, and May, 1913; 40% extra in 1914; 30% extra in 1915 and 1916. TRANSFER OFFICE, Grand Central Terminal, New York.

13. ERIE & KALAMAZOO R.R.: Line of road: Toledo, O., to Adrian, Mich., 32.80 miles. Leased in perpetuity to L. S. & M. S. Ry., at rental of $30,000 per annum, equaling 10% on outstanding stock. Lease was assumed by the New York Central R.R. Co.

14. NEW YORK CENTRAL RAILROAD CO. STOCK: Authorized, $400,000,000; outstanding, $249,590,450; par $100. The outstanding amount, as above, was issued at the time of the "consolidation" in December, 1914, as follows: For exchange of stock of New York Central & Hudson River R.R. (par for par), $225,581,066; for Lake Shore & Michigan Southern Ry. minority stock ($4,706,900), $23,534,500; minority stocks of other companies merged, $474,934. April 20, 1915, the stockholders authorized the issue of $100,000,000 additional stock to be used as required for conversion of 6% debenture bonds after May 1, 1917. In Oct., 1916, an additional issue of $25,000,000 was authorized to be offered to stockholders at par to the extent of 10% of their holdings. Dividends at rate of 5% per annum paid in 1915 and 1916. TRANSFER OFFICE, Grand Central Terminal, New York City. (See full dividend record of old company on page 454.)

COMPANIES CONTROLLED BY NEW YORK CENTRAL R.R. (DIRECTLY OPERATED)

BEECH CREEK RAILROAD COMPANY

Origin: Incorporated under laws of New York, May 11, 1898, as a consolidation of the Beech Creek R.R. and the Cambria County R.R. The former Beech Creek R.R. was successor in 1886 to the Beech, Clearfield & Southwestern R.R., which was formed in 1883 as successor of the Susquehanna & Southwestern R.R. The present Beech Creek R.R. is leased from Dec. 15, 1890, to the New York Central R.R. for 999 years, rental being 4% per annum on the capital stock of $5,000,000 then issued and any further issues which might be made; 4% interest on the then outstanding bonds and upon any additional bonds which might be issued; taxes, and $6,000 per annum for organization expenses.

Location: Line of road, Jersey Shore to Mahaffey Junc., Pa., 112.31 miles; branches, 51.52 miles; total operated, 163.83 miles. Second track, 11.52 miles, sidings, 155.90 miles. Equipment supplies by New York Central R.R., which directly operates the property.

Management: OFFICERS: John S. Fisher, Pres., Indiana, Pa.; A. H. Smith, Vice-Pres.; W. K. Vanderbilt, Jr., Vice-Pres.; E. L. Rossiter, Treas.; D. W. Pardee, Sec. Annual meeting, first Friday after first Wednesday in May. OFFICE, Grand Central Terminal, N. Y.

Bonded Debt: (1) $5,000,000 Beech Creek R.R. 1st 4s dated July 1, 1886; due July 1, 1936. For full details and rating, see New York Central R.R. bond statement, No. 17, on pages 449 and 451.
(2) $1,000,000 Beech Creek R.R. 2nd 5s. dated July 1, 1892; due July 1, 1936. For full details and rating, see New York Central R.R. bond statement, No. 18, on pages 449 and 451.

Capital Stock: Auth. and issue, $6,000,000. Par, $50. Dividends, 4% per annum. Quarterly Jan. 1. TRANSFER AGENT, E. L. Rossiter, Grand Central Terminal, N. Y. For rating, see New York Central R.R. Guaranteed stock statement.

BEECH CREEK EXTENSION RAILROAD

Origin: Incorporated under laws of Pa., April 1, 1905, as a consolidation of the original company of the same name with the Curwensville & Bower R.R., the Pittsburg & Eastern R.R. and the Clearfield and Southern R.R. In December, 1913, the company absorbed the Hooverhurst & Southwestern R.R. Leased to New York Central R.R. for 999 years from June 1, 1905, rental being guarantee of principal and interest on the entire bonded debt of the company.

Location: Line of road, Keating to Clearfield, Curry to Curwensville and Bower Junction, Dimeling to Irvona, Mahaffey to Arcadia and branches, a total of 135.35 miles. Second track, 3.91 miles; sidings, 62.11 miles. Directly operated under the lease by the New York Central R.R.

Management: OFFICERS: John S. Fisher, Pres., Indiana, Pa.; A. H. Smith and John Carstensen, Vice-Pres.; E. L. Rossiter, Treas.; D. W. Pardee, Sec. Annual meeting, second Monday in January. NEW YORK OFFICE, Grand Central Terminal.

Bonded Debt: (1) $3,964,000 Beech Creek extension first 4s dated May 31, 1905, due Apr. 1, 1955. For details and rating see New York Central bond table, No. 16, on pages 449 and 451.
(2) $3,500,000 Beech Creek Extension R.R. 1st 3½s, dated Apr. 1, 1901, due Apr. 1, 1951. For details and rating, see New York Central bond table, No. 15, on pages 449 and 451.

Capital Stock: Auth., $10,000,000; outstanding, $5,179,000; par, $100. All owned by N. Y. Central. No dividends.

BOSTON & ALBANY RAILROAD

Origin: Incorporated under laws of Massachusetts, May 24, 1867, as a consolidation of the Boston & Worcester R.R., and the Western R.R. Corporation. In 1870 absorbed the Albany & West Stockbridge R.R. and the Hudson & Boston R.R.; in 1867 the Grand Junction R.R. was acquired; in 1880, the Springfield & Northeastern R.R. and in 1889 the Spencer R.R. Subsequently the company leased the North Brookfield R.R., the Pittsfield & North Adams R.R., and the Ware River R.R., and also made operating contracts with the Chester & Becket R.R., and the Providence, Webster & Springfield R.R. On Nov. 15, 1899, the property was leased to the New York Central R.R. for 99 years, at a cash rental of $2,000,000 a year, equaling 8% on capital stock in addition to interest on the bonds, rentals of leased lines, taxes, and organization expenses. For certain property not included in the lease, the company received $5,500,000 in 3½% 100-year debenture bonds of the New York Central & Hudson River R.R. On Feb. 16, 1911, an arrangement was made with the New York, New Haven & Hartford R.R. whereby the latter acquired traffic rights over portions of the Boston & Albany R.R. and a half share in the net results of such operations. On January 2, 1914, the New York, New Haven & Hartford R.R. announced that it would cancel this arrangement on Jan. 31, in accordance with the opinion of the Federal Government. The Chester & Becket R.R. is now leased for 99 years at guaranty of interest on bonds, etc.

Location: Line of road, Boston, Mass., to Rensselaer, N. Y., 199.26 miles; Springfield to Athol, 45.21 miles; Chatham to Hudson, N. Y., 17.12 miles, also numerous small branches and connections, making total mileage operated 303.63 miles, of which 219 miles is double tracked and 83 miles triple tracked, 25 miles of 4th track and 375 miles of sidings. Equipment supplied by the New York Central R.R., which has directly operated the property, although income figures are also separately reported.

Management: OFFICERS: C. S. Sargent, Pres., Brookline, Mass.; G. P. Furber, Sec.; F. H. Ratcliffe, Treas., Boston, Mass. DIRECTORS: R. Foster, A. G. Bullock, L. Davis, Zenas Crane, C. C. Rumrill, Wm. Endicott, C. S. Sargent, R. H. Gardiner, W. K. Vanderbilt, Jr., C. W. Bliss. Annual meeting, fourth Wednesday in September. OFFICE, Terminal Station, Boston.

Comparative Income Account, Years Ended June 30

	1915-16	1914-15	1913-14	1912-13	1911-12	1910-11
Gross earnings	$19,939,260	$16,552,500	$16,835,041	$16,957,367	$15,710,512	$14,593,463
Operating expenses	13,723,821	12,426,958	13,431,194	11,996,003	10,870,955	11,433,820
Net earnings	$6,215,439	$4,125,542	$3,403,847	$4,961,364	$4,839,557	$3,159,643
Other income	391,458	353,380	356,055	283,233	277,528	166,896
Total income	$6,606,897	$4,478,923	$3,759,902	$5,244,597	$5,117,085	$3,326,539
Charges, inc. divs.	4,778,588	4,637,142	4,543,460	5,449,435	5,153,404	4,803,970
Deficit (sur.)	$1,828,309	$158,219	$783,558	$204,838	$36,319	$1,477,431

Note: Taxes are included in operating expenses in 1914, 1915, 1916; in prior years they are included in fixed charges. Figures as above are operating returns. For income from lease see below.

Income Account, year ended June 30, 1916: Income from lease, $3,323,160; fixed charges and dividends, $3,321,267; surplus, $1,893.

Profit and Loss Account, year ended June 30, 1916. Credit balance transferred from income, $1,893; profit on road and equipment sold, $54,196; total, $56,089. Contra: Loss on retired road and equipment, $10,569; miscellaneous debits, $43,627; delayed income debits, $1,893; total, $56,089.

Comment: The separately operated figures of the Boston & Albany underwent unusual improvement in the year ended June 30, 1916, and a very liberal surplus was shown for the first time in many years, after deducting the fixed charges and dividend requirements.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$54,865,322	$55,052,735	$54,342,933	$53,134,453	$51,520,180	$48,738,254
Working assets	168,496	161,558	2,605,781	2,554,860	2,533,277	2,535,203
Accrued income not due	169,095	169,095	169,095	160,027	160,028	160,028
Deferred debit items	2,440,983	2,752,881	680,781	287,511	401,257	3,165,116
Total	$57,643,896	$58,136,269	$57,798,590	$56,136,851	$54,614,742	$54,598,601
LIABILITIES:						
Capital stock	$25,000,000	$25,000,000	$25,000,000	$25,000,000	$25,000,000	$25,000,000
Funded debt	25,000,000	25,000,000	25,000,000	22,985,000	21,985,000	21,985,000
Working liabilities	122,874	152,424	156,178	104,683	83,134	84,781
Accrued liabilities not due	169,621	169,562	169,594	160,027	160,027	160,027
Deferred credit items	169,530	371,263	49,638	480,814	5,566,601	5,560,082
Appropriated surplus	7,181,871	5,894,148	5,879,312	5,862,459	276,112	264,843
Profit and loss surplus		1,548,872	1,543,868	1,543,868	1,543,868	1,543,868
Total	$57,643,896	$58,136,269	$57,798,590	$56,136,851	$54,614,742	$54,598,601

Bonded Debt: For full details of bonded debt and ratings on all the issues, see bond table of New York Central Railroad, page 449.

Capital Stock: Authorized, $30,000,000. Outstanding, $25,000,000. Par, $100. Dividends paid 8¾% per annum, payable 2% March 31; 2½% June 30; 2% Sept. 30, and 2¼% Dec. 31. TRANSFER AGENT, Frank H. Ratcliffe, Boston, Mass. Listed on Boston Stock Exchange. For rating, see New York Central Guaranteed Stock Table, page 455.

NEW YORK & HARLEM RAILROAD

Origin: Incorporated under laws of New York, April 25, 1831. Originally operated a surface road in New York City only, but in 1852 completed a steam extension to Chatham, N. Y. Leased April 1, 1873, for 401 years to the New York Central R.R., rental being 8% on stock, increased to 10% after May 1, 1900, and interest on bonds. In refunding the original 7% bonds in 1900, the rate of interest was reduced to 3½% and under agreement the company receives $200,000 of this saving and the lessee $220,000. The company owns the Fourth Avenue Street Ry. in the City of New York, the latter being leased to the New York Railways Co. at a rental of $400,000 per annum.

Location: Line of road, New York to Chatham, with branches, 146.21 miles. Second track, 65.39 miles; third track, 12.51 miles; fourth track, 12.51 miles; sidings, 134.02 miles. The street car line in New York City, which is leased to the N. Y. Rys. is 9.8 miles. The company owns the Grand Central Terminal and station property in New York City, and the station property at Chatham Four Corners.

Management: OFFICERS: W. K. Vanderbilt, Pres.; W. K. Vanderbilt, Jr., Vice-Pres.; M. S. Barger, Treas.; D. W. Pardee, Sec. Annual meeting, third Tuesday in May. OFFICE, Grand Central Terminal, New York.

Bonded Debt: For full details and rating see New York Central R.R. bond table, Nos. 29, 30 and 31, pages 449 and 452.

Capital Stock: Authorized and outstanding, $1,343,950 pfd., and $8,656,050 common; par $50. Dividends 10% per annum on both classes of stock. In addition, 4% per annum is paid out of the rental received for the street railway properties. TRANSFER OFFICE, Grand Central Terminal, New York City.

Purchase of Stock by New York Central & Hudson River R.R.: On December 28, 1911, the lessee offered to purchase any of the $10,000,000 at $175 per share or 350%. The stockholders were also offered the right to subscribe with the proceeds for New York Central & Hudson River 30-year 4% debentures at 92. As of Oct. 31, 1916, the New York Central had acquired $5,284,150 common stock and $1,131,400 preferred stock. It is proposed if the entire stock can be secured, to merge the New York & Harlem R.R. directly with the New York Central Railroad Co.

ST. LAWRENCE & ADIRONDACK RAILWAY

Origin: Incorporated under the laws of New York and of Canada, July 2, 1896, as a consolidation of the old company of the same name and the Southwestern Ry. Under date of June 1, 1898, the New York Central R.R. became agents of the St. Lawrence & Adirondack Ry., under an agreement terminable on 60 days' notice, by which it operated the entire line, without participating in the profits or sharing the losses. In 1905 the New York Central R.R. acquired the entire outstanding stock. In 1915, the road was leased to the New York Central R.R. for 21 years from Jan. 1, 1916 at a rental equal to interest on outstanding bonds.

Location: Line of road, Malone Junc., N. Y., to Valleyfield, Que., 30.17 miles; Beauharnois to Adirondack Junc., Que., 12.9 miles. Also operates under lease 13.3 miles of the Grand Trunk Ry. and has trackage rights over 8.8 miles of the Canadian Pacific Ry., making total operated, 65.17 miles, and forming a line from Malone, N. Y., to Montreal, Can. Sidings 20.64 miles.

Management: OFFICERS: A. H. Smith, Pres.; Ira A. Place, Vice-Pres.; C. F. Daly, J. Carstensen, W. K. Vanderbilt, Jr., Vice-Pres.; E. L. Rossiter, Treas.; D. W. Pardee, Sec. Annual meeting, first Wednesday in September. NEW YORK OFFICE, Grand Central Terminal.

Bonded Debt: For full details, see New York Central R.R. Bond Table, Nos. 36 and 37, pages 449 and 452.

Capital Stock: Authorized and outstanding, $1,615,000; par, $100. All owned by New York Central R.R.

FULTON CHAIN RAILWAY

Origin: Incorporated under laws of New York, Feb. 5, 1902, as a successor to the Fulton Chain R.R. Owns 2.21 miles from Fulton Chain to Old Forge, N. Y., and is operated by New York Central R.R. as agent.

Management: OFFICERS: Wm. S. Webb, Pres.; Wm. P. Hamilton, Vice-Pres.; Chas. Snyder, Sec.; Thos. Regan, Treas. DIRECTORS: H. P. Whitney, Thomas J. Regan, R. C. Vanderbilt, Wm. P. Hamilton, H. E. Huntington, Roy C. Gasser, W. S. Webb, J. P. Morgan, Emery L. Ferris, W. Seward Webb, Jr., Maurice Callahan, C. E. Graham, Elliott C. Bacon. Anual meeting, third Wednesday in August. OFFICE, Grand Central Terminal, New York.

Income Account, year ended June 30, 1916. Gross revenues, $11,971; operating expenses, $6,220; net earnings, $5,751; total net income, $5,806. Fixed charges, $2,154; surplus, $3,652.

Bonded Debt: $21,000 Fulton Chain Ry. 1st 5s. Dated Nov. 1, 1902; due Jan. 1, 1950. Interest paid M. and N. 1. First lien on entire property. This mortgage is followed by $21,000 6% income bonds on which no interest is now being paid. Rating, Ba.

Capital Stock: Auth. and issued, $21,000; par, $100. No dividends.

OTTAWA AND NEW YORK RAILWAY

Origin: Incorporated under Ontario laws in 1882 as the Ontario & Pacific Ry.; name changed in 1897. Line of road, Ottawa to St. Lawrence River at Kingston, Ont., where connection is made by bridge with the former New York & Ottawa R.R., the latter now being directly merged into the New York Central R.R. Road leased to New York Central R.R. for 21 years from Jan. 1, 1916 at annual rental equal to interest on outstanding bonds.

Management: OFFICERS: A. H. Smith, Pres.; J. Carstensen, Ira A. Place, C. F. Daly, W. K. Vanderbilt, Jr., Vice-Presidents; E. L. Rossiter, Treas.; D. W. Pardee, Sec. Annual meeting, third Tuesday in September. OFFICE, Ottawa, Ont.

Bonded Debt: Entire debt is owned by New York Central R.R. and consists of $825,000 first collateral 4s, due Nov. 1, 1917; $275,000 2d collateral income 6s, matured July 1, 1912; $500,000 first 4s (bridge bonds), due Nov. 1, 1917.

Capital Stock: Auth. and issued, $1,000,000; par, $100. All owned by New York Central R.R. Co.

RAQUETTE LAKE RAILWAY

Origin: Incorporated under laws of N. Y., Feb. 7, 1899, and operates a line from Carter to Raquette Lake, N. Y., which with trackage is 24.27 miles. Sidings, 3.40 miles. Operated by New York Central R.R. Co. as agents.
Management: Same as Fulton Chain Ry. OFFICE, Grand Central Terminal, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$49,745	$45,104	$38,687	$42,245	$33,330	$38,169
Operating expenses	50,783	46,678	46,185	23,329	36,162	29,969
Net revenues	(def.) $1,038	(def.) $1,574	(def.) $7,498	$18,916	(def.) $2,832	$8,200
Other income	365	314	161	92	64	72
Total net income	(def.) $673	(def.) $1,260	(def.) $7,337	$19,008	(def.) $2,768	$8,272
Taxes	2,382	2,130	19,853	2,418	2,728	2,595
Fixed charges	16,668	16,133		17,859	14,710	16,687
Surplus	(def.) $19,724	(def.) $19,703	(def.) $27,190	(def.) $1,269	(def.) $20,206	(def.) $11,009

Profit and Loss Account, year ended June 30, 1916. Miscellaneous credits, $5,432; debit balance carried to balance sheet, $204,760; total, $210,192. Contra: Debit balance at beginning of year, $190,468; debit balance transferred from income, $19,724; total, $210,192.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$526,626	$527,841	$513,288	$512,407	$506,761	$506,762
Working assets	7,994	19,779	14,122	15,023	11,536	10,207
Deferred debit items	10,257	2,850	1,740	1,950	1,957	68
Profit and loss deficit	204,760	190,468	153,303	126,115	124,845	104,639
Total	$749,637	$740,938	$682,453	$655,495	$645,099	$621,676
LIABILITIES:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Funded debt	250,000	250,000	250,000	250,000	250,000	250,000
Working liabilities	247,542	233,528	182,360	153,411	143,016	119,592
Accrued liabilities	2,083	2,083	93	2,084	2,083	2,084
Deferred credit items	12	5,327	.....	.....	.....	.....
Total	$749,637	$740,938	$682,453	$655,495	$645,099	$621,676

Bonded Debt: $250,000 Raquette Lake Ry. 1st 5s, dated Jan. 1, 1899; due Jan. 1, 1950. Interest payable May and Nov. 1, at office of J. P. Floyd, New York. Defaulted Nov. 1, 1909. First lien on 18.13 miles from Carter to Raquette Lake.

Capital Stock: Auth. and outstanding, $250,000; par, $100. No dividends.

WESTERN TRANSIT COMPANY

Origin: Incorporated under laws of New York, Dec. 4, 1883, for the purpose of operating a steamship line on the Great Lakes between Buffalo, Milwaukee and Chicago, and between Buffalo and Duluth in the interest of the New York Central R.R. Formerly had ten steamers in operation with a total capacity of 53,100 tons, but these were sold in 1915 under order of the Federal government. Owns valuable wharves and terminal properties.

Management: OFFICERS: A. H. Smith, Pres.; J. Carstensen and W. B. Pollock, Vice-Pres.; M. S. Barger, Treas.; D. W. Pardee, Sec. Annual meeting, third Wednesday in January. NEW YORK OFFICE, Grand Central Terminal.

Bonded Debt: $1,500,000 Western Transit Co., 1st 3½s, dated Feb. 1, 1884; due Feb. 1, 1923. Interest paid Feb. and Aug. 1, at Grand Central Terminal, New York. Coupon, $1,000. Guaranteed principal and interest by New York Central R.R. which has deposited cash to liquidate at or before maturity. Normal income tax deducted from interest. Net Rating, Aaa.

Capital Stock: Auth. and outstanding, $1,000,000; par, $100. All owned by New York Central R.R. Co.

THE CINCINNATI NORTHERN RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in June, 1897, under laws of Ohio, and acquired the Jackson & Cincinnati R.R. and also the Ohio division of the Cincinnati, Jackson & Mackinaw Ry., thus forming a direct line from Jackson, Mich., southward to Franklin Junction, Ohio.

Location: The directly operated lines of the company on Dec. 31, 1915, were 245.68 miles, of which the main line owned consisted of 206.26 miles, and trackage rights, giving the company entrance into Cincinnati, 39.42 miles. Mileage mainly in Ohio. Population of Ohio in 1890, 3,672,316; in 1900, 4,157,545; in 1910, 4,767,121.

Control: The Cleveland, Cincinnati, Chicago & St. Louis Railway owns $1,707,400 out of $3,000,000 stock of this company. The C., C., C. & St. Louis is itself controlled by the New York Central Railroad Co. For full details of consolidation, see New York Central Railroad.

Management: OFFICERS: A. H. Smith, Pres.; W. K. Vanderbilt, Jr., Vice-Pres.; A. H. Harris, Vice-Pres.; D. W. Pardee, Sec.; Milton S. Barger, Treas.; H. A. Worcester, Gen. Mgr. DIRECTORS: Alfred H. Smith, Geo. R. Sheldon, Harry A. Worcester, John Q. Van Winkle, W. H. Newman. Annual meeting, fourth Wednesday in October. NEW YORK OFFICE, Grand Central Terminal. MAIN OFFICE, Cincinnati, Ohio.

Classification of Freight Tonnage (Years Ending December 31, 1907-1912, and June 30, 1913-1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	14.02%	14.44%	11.73%	13.65%	15.85%	13.00%	13.29%	12.82%	12.1%	9.4%
Products of Animals.....	1.87	2.41	1.84	2.01	3.08	1.73	1.75	1.71	1.7	1.1
Products of Mines.....	45.79	49.26	52.38	57.19	59.05	65.76	62.81	61.30	68.2	71.3
Products of Forests.....	15.89	11.76	13.34	9.39	6.47	5.89	7.01	8.49	5.5	5.3
Manufactures, Mdsc., etc..	22.43	22.13	20.71	17.76	16.55	13.62	15.14	15.68	12.5	12.9

Total revenue tonnage: 1904, 644,213 tons; in 1906, 1,182,726 tons; in 1908, 1,080,817 tons; in 1909, 1,380,058 tons; in 1910, 1,581,986 tons; in 1911, 1,603,885 tons; 1,945,223 tons in 1912; 1,880,381 in year ended June 30, 1913; 1,944,498 tons in 1914; 2,038,666 tons in 1915; 2,510,398 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	248	....	29	23	1,966	78%	51,805	495,955	344	$1.54	1.72c	.65c
1908 "	248	....	29	23	1,821	76	56,739	446,599	295	1.49	1.67	.69
1909 "	248	....	29	23	1,701	79	58,594	638,952	365	1.61	1.68	.58
1910 "	246	....	32	22	1,506	79	62,102	721,771	379	1.65	1.70	.57
1911 "	245	....	32	22	1,366	79	59,525	647,500	352	1.62	1.76	.61
1912 "	245	....	37	21	1,306	81	53,754	866,359	374	1.63	1.89	.54
1913 June 30	245	....	37	21	1,247	80	45,907	805,943	405	1.79	1.88	.57
1914 "	245	....	35	21	1,168	80	48,539	880,248	442	1.75	1.90	.54
1915 "	246	....	40	21	1,128	83	43,019	974,389	553	2.10	1.95	.53
1916 "	246	....	40	21	1,661	85	43,131	1,256,153	717	2.37	1.95	.50
10-Year Average	246	....	30	22	1,487	80%	52,311	773,386	423	$1.76	1.81c	.58c

Yard tracks and sidings, Dec. 31, 1915, 55.09 miles. Equipment figures include all owned or leased. Fiscal year ends Dec. 31.

Comment: For the year ended June 30, 1916 the freight density on the Cincinnati Northern reached a figure which was more than double that reported ten years ago. The average freight train load also underwent marked improvement and notwithstanding the fact that freight rates averaged lower than usual, the train mile earnings reached a new high figure. As usual the freight business was made up mainly of transportation of coal, which represented during the past year more than 71% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907, Dec. 31...	$4,053	$861	$766	$1,627	$1,578	$848	$848	$144	$704	$209	70%	$495	....
1908 " ...	3,955	711	872	1,583	1,805	567	569	179	390	172	61	218	....
1909 " ...	4,749	772	939	1,711	1,915	1,123	1,266	191	1,075	401	63	674	$362
1910 " ...	5,261	815	1,134	1,949	2,211	1,101	1,255	228	1,027	419	59	608	366
1911 " ...	5,097	1,075	1,008	2,083	2,272	742	841	258	583	388	33	195	184
1912 " ...	5,790	939	1,151	2,090	2,779	921	1,013	264	749	665	11	84	184
1913, June 30...	5,783	1,067	1,215	2,282	2,681	820	923	264	654	503	23	151	184
1914 " ...	5,956	1,298	1,605	2,903	2,965	88	130	286	156*	677	....	833*	....
1915 " ...	6,266	1,017	1,295	2,312	2,403	1,551	1,609	262	1,347	667	50	680	....
1916 " ...	7,383	1,221	1,228	2,449	2,645	2,289	2,357	278	2,079	741	64	1,338	366
10-Year Average	$5,429	$978	$1,121	$2,099	$2,325	$1,005	$1,081	$236	$845	$484	44%	$361	$165

*Deficit.

Note: Above table is based on average mileage directly operated for each year, including that operated under traffic rights. Margin of safety is the proportion of surplus left over after providing for fixed charges.

Comparative Income Account, Years Ended December 31, 1910-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,816,296	$1,540,794	$1,459,278	$1,416,922	$1,418,645	$1,248,670	$1,294,277
Maintenance of way	300,424	250,157	317,900	261,441	230,144	263,358	200,555
Maintenance of equipment	301,984	318,531	393,311	297,575	281,873	246,788	278,885
All other operating expenses	650,664	591,049	726,330	656,765	680,895	556,650	544,049
Net operating revenues	$563,224	$381,057	$21,737	$201,140	$225,733	$181,874	$270,788
Operating ratio	69%	75.3%	98.5%	85.8%	84.1%	85.4%	79.1%
Other income	16,685	14,860	10,088	25,007	22,356	24,265	37,867
Total net income	$579,909	$395,917	$31,825	$226,146	$248,119	$206,139	$308,655
Taxes accrued	68,371	64,463	70,059	65,861	64,662	63,291	56,105
Balance for charges	$511,538	$331,454	(df.) $38,234	$160,285	$183,457	$142,848	$252,550
Fixed charges	182,205	160,040	165,924	123,276	163,007	95,012	102,982
Surplus over charges	$329,333	$167,414	(df.) $204,158	$37,009	$20,450	$47,836	$149,568
Dividends paid	[a]	.....	.....	45,000	45,000	45,000	90,000
Appropriations for impr.	.....	.....	.....	.....	.....	.....	29,715
Balance	$329,333	$167,414	(df.) $204,158	(df.) $7,991	(df.) $24,550	$2,836	$29,852
Earned on stock	11%	5.58%	.....	1.23%	0.68%	1.59%	4.98%

[a] Dividend (3%) paid from profit and loss in 1916.

Note: Fixed charges include bond interest ($40,000), rentals, hire of equipment, etc. The above figures for 1913, 1914 and 1915 are those furnished the Interstate Commerce Commission, the fiscal year ending Dec. 31 and not June 30.

Profit and Loss Account, year ended June 30, 1916. Credit balance June 30, 1915, $21,723; credit balance transferred from income, $329,333; unrefundable overcharges, $113; donations, $2,602; miscellaneous credits, $77; total, $353,848. Contra: Dividend appropriations of surplus, $90,000; surplus appropriated for investment in physical property, $2,144; loss on retired road and equipment, $24,252; miscellaneous debits $2; credit balance carried to balance sheet, $237,450; total, $253,848.

Comment: Gross and net operating revenues on the Cincinnati Northern for the year ended June 30, 1916, were the best ever reported. The balance available for charges was also far higher than in any previous year, and although the fixed charges increased somewhat, yet the final surplus equalled over 11% on the outstanding stock. During the year a dividend of 3% was paid from the surplus account. This is the first disbursement since 1913.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.							Dividend Record.					
Years Ended	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$12,097	75%	$4,032	25%	.....	$16,129	.....	$16,129	5.2%	.....	.....	.....	.....	.....	.....
1908 "	12,097	75	4,032	25	.....	16,129	.....	16,129	3.5	.....	.....	.....	.....	.....	.....
1909 "	12,097	75	4,032	25	.....	16,129	.....	16,129	7.9	.....	.....	$362	3%	.....	.....
1910 "	12,196	75	4,065	25	.....	16,261	.....	16,261	7.7	.....	.....	366	3	.....	.....
1911 "	12,244	75	4,081	25	.....	16,325	.....	16,325	5.2	.....	.....	184	1½	.....	.....
1912 "	12,244	75	4,081	25	.....	16,325	.....	16,325	6.2	.....	.....	184	1½	.....	.....
1913 June 30	12,244	75	4,081	25	.....	16,325	.....	16,325	5.7	.....	.....	184	1½	.....	.....
1914 "	12,244	75	4,081	25	.....	16,325	.....	16,325	.8	.....	.....	.....	.....	.....	.....
1915 "	12,195	75	4,065	25	.....	16,260	.....	16,260	9.9	.....	.....	.....	.....	.....	.....
1916 "	12,195	66	6,248	34	.....	18,443	.....	18,443	12.8	.....	.....	366	3	.....	.....
10-Year Average	$12,185	74%	$4,280	26%	.....	$16,465	.....	$16,465	6.5%	.....	.....	$165	1.4%	.....	.....

Note: Above table is based on the average mileage directly operated, including that used under traffic rights. Net income on net capital is the percentage on the capital per mile as shown.

Comparative Condensed Balance Sheet, as of December 31, 1910-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$4,597,204	$4,011,663	$3,942,961	$3,881,157	$3,908,971	$3,855,729	$3,882,688
Working assets	500,378	402,287	322,253	469,156	547,624	617,749	606,049
Deferred debit items	62,811	41,406	15,092	16,399	244	248	248
Accrued income not due	.....	.....	.....	729	8,176	.....	.....
Profit and loss deficit	.....	.....	46,492	.....	.....	.....	.....
Total	$5,160,393	$4,455,356	$4,327,068	$4,367,411	$4,465,015	$4,473,726	$4,488,985

LIABILITIES:	1916	1915	1914	1913	1912	1911	1910
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	1,537,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Working liabilities	289,413	337,904	320,968	201,481	220,574	164,744	141,281
Accrued liabilities not due	10,084	4,228	4,041	2,384	.....	45,000	90,000
Deferred credit items	*10,384	*3,185	2,059	6,591	4,729	.....	92
Appropriated surplus	96,830	94,686	.....	94,686	94,686	94,686	94,686
Profit and loss surplus	237,450	21,723	.....	62,299	145,026	169,296	162,926
Total	$5,160,393	$4,455,356	$4,327,068	$4,367,411	$4,465,015	$4,473,726	$4,488,985

* Reverse item.

Comment: The chief capitalization change in the Cincinnati Northern during the year ended June 30, 1916, was an increase in the funded debt caused by the sale of a substantial amount of the equipment notes. The property, however, is very lightly capitalized and even in the poorest years the company has succeeded in earning a fair net income on this net capital. For the year just closed the percentage was nearly 13%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Cinn. Northern R.R. first 4s.	J&J	Jl 1951	(1st) 206	$4,854	$845	$163	81%	High	High	Baa.
2. Cinn. Northern R.R. equip. 5s	M&S	1917-25	Equip.	.....	682	79	88%	,,	,,	A.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,000,000; outstanding, $1,000,000. Dated Sept. 23, 1901; due July 1, 1951. Int. paid at Guaranty Trust Co., New York. Coupon and reg., $1,000. First lien on 206.30 miles, as follows: From Franklin Junc., Ohio, to Jackson, Mich., 205.18 miles, with branches from Lewisburg and Germantown, 1.12 miles. Legal for Savings Banks in Maine. Interest paid without deduction for normal income tax. The C., C., C. & St. Louis Ry. owns $581,000 of the bonds.

2. Auth., $500,000; outstanding, $387,000. Dated Sept. 1, 1915; due $43,000 annually to Sept. 1, 1925. Int. paid in New York and Philadelphia. Coupon, $1.000. First lien on 500 steel underframe box cars, costing $482,000. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME AND DETAILS OF ISSUE.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	BASIS FOR RATING. Equity.	BASIS FOR RATING. Salability.	Net Rating.
Cincinnati Nor. R.R. stock. Par $100. Outstanding, $3,000,000.	See text	$12,195	$361	$366*	.....	Fair	Fair	Caa.

For Key to Stock Ratings, see pages 21 to 23. * For 3% dividend.

On Dec. 1, 1915, the C., C., C. & St. Louis Ry. owned $1,707,400 of the stock of this road. Dividends of 3% paid in 1909 and 1910; 1½% in 1911, 1912 and 1913; 1914 and 1915, none; 1916, 3%. TRANSFER OFFICE, Grand Central Terminal, New York.

CLEVELAND, CINCINNATI, CHICAGO & ST. LOUIS RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated June 27, 1889, under Ohio laws as a consolidation of the Cincinnati, Indianapolis, St. Louis & Chicago, the Cleveland, Columbus, Cincinnati & Indianapolis and the Indianapolis & St. Louis Ry. Cos. The following year the company acquired the Cincinnati, Sandusky & Cleveland, the Columbus, Springfield & Cincinnati, the Cairo, Vincennes & Chicago, the Cincinnati, Lafayette & Chicago, the White Water R.R., the Cincinnati & Springfield Ry., the Cincinnati, Wabash & Michigan Ry., and the main line of the St. Louis, Alton & Terre Haute R.R.

Location: The directly operated lines of the system consisted on Dec. 31, 1915, of 2,384.88 miles, as follows: Main lines owned, 1,451.99 miles; branches owned, 235.88 miles; proprietary lines, 126.09; leased lines, 204.40; trackage rights, 165.15 miles. The Peoria & Eastern Ry., consisting of 201.37 miles from Pekin, Ill., to Indianapolis, is now directly operated under contract. The lines radiate throughout the States of Ohio, Indiana and Illinois, entering Cleveland, Columbus, Cincinnati, Chicago, St. Louis, Cairo, Louisville, etc. Population of these three States in 1890, 9,691,071; in 1900, 11,495,557; in 1910, 13,106,588.

Controlled Roads: In addition to its directly operated properties, the C., C., C. & St. L. Ry. Co. controls the Cincinnati Northern R.R., the Mount Gilead Short Line R.R. and has a half interest with the Chesapeake & Ohio in the Louisville & Jeffersonville Bridge Co., guaranteeing interest on $3,000,000 bonds of the latter. The company also has an interest in the Central Indiana Ry. and in a number of terminal and union station companies.

Control: The New York Central Railroad Co. owns $30,207,000 out of $47,056,300 common stock.

Management: OFFICERS: A. H. Smith, Pres.; W. K. Vanderbilt, Jr., Vice-Pres.; A. H. Harris, Vice-Pres.; D. W. Pardee, Sec.; M. S. Barger, Treas. DIRECTORS: W. P. Bliss, F. W. Vanderbilt, W. K. Vanderbilt, C. M. Depew, W. H. Newman, Geo. F. Baker, Wm. Rockefeller, W. K. Vanderbilt, Jr., Leonard J. Hackney, F. J. Jerome, A. H. Smith, H. S. Vanderbilt, Wm. C. Brown, R. S. Lovett, H. A. Worcester. Annual meeting, last Wednesday in October. MAIN OFFICE, Cincinnati, Ohio. NEW YORK OFFICE, Grand Central Terminal.

Classification of Freight Tonnage (Years Ending December 31, 1907-1912, and June 30, 1913-1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	14.84%	15.61%	13.01%	12.79%	12.33%	11.92%	12.05%	11.19%	10.7%	10.2%
Products of Animals	3.97	4.72	4.15	3.71	4.14	3.55	3.50	3.49	3.7	3.0
Products of Mines	44.07	47.70	49.74	49.25	51.89	53.09	51.77	53.20	56.5	55.3
Products of Forests	10.15	7.66	8.80	9.13	8.25	8.16	7.77	8.52	7.0	7.4
Manufactures	14.12	13.25	24.30	25.12	23.39	23.28	17.73	16.81	16.1	16.9
Merchandise and Miscel.	12.85	11.06					6.18	6.79	6.0	7.2

Total tonnage carried; 1910, 22,929,632 tons; 1911, 23,339,590 tons; 25,816,649 tons in 1912; 26,691,732 tons year ended June 30, 1913; 25,430,992 tons, year ended June 30, 1914; 26,114,345 tons, year ended June 30, 1915; 31,443,141 tons year ended June 30, 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	1,983	301	634	496	23,490	65%	191,081	1,548,224	422	$1.86	1.84c	.57c
1908 "	1,982	339	629	494	24,090	61	183,770	1,441,184	383	1.72	1.86	.57
1909 "	1,982	339	599	485	23,477	66	202,511	1,667,828	430	1.83	1.79	.54
1910 "	1,982	378	591	481	22,471	66	219,542	1,841,755	431	1.83	1.79	.55
1911 "	2,012	424	552	482	21,833	66	213,405	1,801,779	445	1.94	1.82	.55
1912 "	2,012	426	540	466	20,923	68	203,678	2,033,210	474	2.07	1.90	.54
1913 June 30	2,013	426	787	514	25,518	68	207,765	2,119,438	485	2.12	1.90	.54
1914 "	2,187	428	791	580	27,043	66	207,416	1,896,495	507	2.12	1.90	.55
1915 "	2,373	534	859	603	33,319	68	177,341	1,877,010	559	2.25	1.99	.54
1916 "	2,383	540	804	531	31,445	70	190,837	2,346,460	619	2.58	2.01	.55
10-Year Average	2,091	414	679	513	25,361	67%	199,735	1,857,639	479	$2.03	1.88c	.55c

Yard tracks and sidings, June 30, 1916, 1,303 miles.

Comment: For the year ended June 30, 1916 the Cleveland, Cincinnati, Chicago & St. Louis Railway reported a very pronounced improvement in both passenger and freight density. The freight density well exceeded figures of any previous years, while the average freight train load was moved up to a new high figure. Although there was no important change in passenger or freight rates it will be noted that the train mile earnings ranged at a high level and far above the average for the decade.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907, Dec. 31	$13,338	$1,731	$2,123	$3,854	$6,330	$3,154	$3,278	$419	$2,859	$1,863	35%	$996	$964
1908 "	12,423	1,317	1,918	3,235	6,468	2,720	2,789	399	2,390	2,033	15	357	252
1909 "	13,954	1,594	2,347	3,941	6,004	4,009	4,324	443	3,881	2,480	36	1,401	727
1910 "	15,349	1,985	2,612	4,597	7,306	3,446	3,856	479	3,377	2,637	22	740	727
1911 "	15,125	1,675	2,471	4,146	6,907	4,072	4,424	528	3,896	2,977	24	919	248
1912 "	16,260	1,946	2,919	4,865	7,243	4,152	4,514	593	3,921	2,756	30	1,165	248
1913, June 30	16,882	2,382	3,371	5,753	7,589	3,540	3,921	618	3,303	2,866	13	437	248
1914 "	15,677	2,357	3,918	6,275	7,683	1,719	2,081	646	1,435	3,314	....	1,879*	....
1915 "	15,097	1,716	3,038	4,754	6,632	3,711	4,292	651	3,638	3,218	12	390	....
1916 "	18,241	1,881	3,433	5,317	5,934	5,990	6,646	653	5,993	3,012	50	2,981	52
10-Year Average	$15,235	$1,859	$2,815	$4,674	$6,910	$3,651	$4,013	$543	$3,470	$2,719	24%	$751	$347

* Deficit.

Note: Foregoing table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, the "balance for charges" (per mile) in 1916 amounted to $5,993; fixed charges consumed $3,012 of this or about 50%, thus leaving $2,981, a "margin of safety" of 50%.

Income Account, Years Ended December 31, 1910-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$43,469,314	$35,815,242	34,274,795	$33,969,933	$32,685,756	$30,431,915	$30,423,005
Maintenance of way	4,489,879	4,072,159	5,154,940	4,795,550	3,915,421	3,370,476	3,934,281
Maintenance of equipment	8,181,629	7,209,496	8,567,664	6,785,848	5,872,422	4,972,330	5,177,765
All other operating expenses	16,523,722	15,736,660	16,802,198	15,277,602	14,571,902	13,942,673	14,481,756
Net operating revenues	$14,274,084	$8,796,927	$3,749,993	$7,110,933	$8,326,011	$8,146,436	$6,829,203
Operating ratio	67.1%	75.4%	89.1%	79.1%	74.5%	73.1%	77.2%
Other income	1,563,053	1,390,775	802,067	781,820	756,809	707,731	820,814
Total net income	$15,837,137	$10,187,702	$4,552,060	$7,892,753	$9,082,820	$8,854,167	$7,650,017
Taxes accrued	1,556,131	1,551,610	1,412,162	1,243,043	1,193,213	1,062,512	949,548
Balance for charges	$14,281,006	$8,636,092	$3,139,898	$6,649,710	$7,889,607	$7,791,655	$6,700,469
Fixed charges	7,177,917	7,711,038	7,248,549	5,770,595	5,545,255	5,990,040	5,229,972
Surplus over charges	$7,103,089	$925,053 d.	$4,108,651	$879,115	$2,344,352	$1,801,615	$1,475,497
Dividends paid	124,981	.....	.....	500,000	500,000	500,000	1,441,126
Appropriations for imp	111,833	34,212	.....	.....	.....	.....	.....
Balance	$6,866,275	$890,841 d.	$4,108,651	$379,115	$1,844,352	$1,301,615	$34,371
Earned on stock: Preferred	71.03%	9.25%	.....	8.79%	23.44%	18.02%	14.75%
Common	14.83%	.....	.....	.81%	3.92%	2.77%	2.07%

Note: Fixed charges, as shown above, include interest charges, rentals of leased lines, hire of equipment, loss on operation of Central Indiana Ry., joint facilities, rents, and in 1911, the "equipment reserve" item of $446,316. The latter was the company's proportionate obligation for the year of the New York Central Equipment Trusts. The figures as shown above for 1913, 1914, 1915 and 1916, are those submitted to the Interstate Commerce Commission.

Profit and Loss Account, year ended June 30, 1916. Credit balance transferred from income, $6,866,275; unrefundable overcharges, $5,872; donations, $11,297; miscellaneous credits, $204,703; total, $7,088,147. Contra: Debit balance at beginning of year, $4,358,493; appropriations for property, $19,899; loss on retired road and equipment, $939,732; miscellaneous debits, $6,090; credit balance carried to balance sheet, $1,763,933; total, $7,088,147.

Comment: Both gross and net operating revenues increased sharply on the Cleveland, Cincinnati, Chicago & St. Louis property during the year ended June 30, 1916. The total net income after payment of taxes was nearly 80% above the figures of 1915 and almost five times the figures reported in 1914. Fixed charges tended to decline during the year and therefore the balance carried over reached a remarkable total. This surplus was equal to no less than 71% on the outstanding preferred stock. With this result accomplished the company was fully justified in resuming preferred dividends during the year and is at present in a very strong position to begin payments on the outstanding common stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$28,773	45%	$35,105	55%	Nom.	$63,878	$3,010	$60,868	5.4%	$252	5%	$712	3%	74%	4%
1908 "	28,787	45	35,627	55	"	64,414	1,830	62,584	4.5	252	5	.....	....	30	....
1909 "	28,793	45	35,629	55	"	64,422	1,021	63,401	7	252	5	475	2	82	62
1910 "	28,793	40	43,810	60	"	72,603	1,040	71,563	5.4	252	5	475	2	66	2
1911 "	28,571	40	43,418	60	"	71,989	1,623	70,366	6.8	248	5	.....	....	72	....
1912 "	28,577	39	43,606	61	$2,995	75,178	2,275	72,903	6.2	248	5	.....	....	79	....
1913 June 30	28,349	38	45,438	62	3,074	76,861	8,533	68,328	5.7	248	5	.....	....	43	....
1914 "	26,094	37	43,904	63	3,492	73,490	8,250	65,240	3.2	....	.....	.....	....	....	....
1915 "	24,044	37	41,138	63	5,645	70,827	7,649	63,178	....	....	.....	.....	....	....	....
1916 "	23,943	34	46,846	66	4,793	75,582	5,660	69,922	9.5	52	1¼	.....	....	98	....
10-Year Average	$27,472	40%	$41,452	60%	$2,000	$70,924	$4,089	$66,835	6%	$180	4%	$166	.7%	54%	....

Note: Above table is based on the average mileage directly operated for each year.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$164,978,485	$161,015,719	$152,529,063	$148,603,944	$144,113,739	$146,952,698
Working assets	11,549,630	8,563,953	9,510,122	11,001,429	10,572,800	8,584,165
Deferred debit items	4,110,423	2,941,338	7,125,539	3,069,955	2,729,408	1,343,002
Accrued income not due	7,405	6,250	6,250	10,884	5,208	.....
Profit and loss deficit	.....	4,358,493	3,336,446	358,868	.....	.....
Total	$180,645,944	$176,885,753	$172,507,420	$163,045,080	$157,421,155	$156,879,865
LIABILITIES:						
Capital stock	$57,056,300	$57,056,300	$57,066,936	$57,066,982	$57,067,017	$57,496,014
Funded debt	111,634,891	102,699,051	96,017,080	91,466,961	87,735,723	87,357,685
Working liabilities	7,020,350	14,435,233	17,388,313	11,635,779	8,235,072	7,839,541
Accrued liabilities not due	732,285	664,781	721,264	690,294	818,426	644,064
Deferred credit items	1,237,391	868,479	1,313,827	1,109,650	1,005,141	668,178
Appropriaed surplus	1,200,794	1,161,909	.....	1,075,414	1,061,836	705,230
Profit and loss surplus	1,763,933	.....	.....	.....	1,497,940	2,169,153
Total	$180,645,944	$176,885,753	$172,507,420	$163,045,080	$157,421,155	$156,879,865

Note: Balance sheet in 1915 and 1916 above includes "open accounts," not included in Bonds outstanding in Table C.

Comment: During the year ended June 30, 1916, the Cleveland, Cincinnati, Chicago & St. Louis property substantially increased its outstanding funded debt and the total net capitalization at the present time is much higher as measured on a mileage basis than for some years past, but operating results were so good that the net income on this net capital ranged at remarkably high figures, being no less than 9.5%.

Securities Owned: The investment holdings of the company at the beginning of 1916 were as follows:

Stocks—	Total Par Value.
Central Indiana Ry. Co	$60,000.00
Central Union Depot & Ry. Co. Com	75,000.00
Central Union Depot & Ry. Co. Pref	200,000.00
Chicago, Indianapolis & St. Louis Short Line Ry. Co.	55,000.00
Chicago & Harrisburg Coal Co	1,500,000.00
Cin. & South. Ohio River R.R. Co	150,000.00
Cincinnati & Springfield R.R. Co	890,600.00
Cin. La Fayette & Chi. R.R. Com	35,000.00
Cincinnati, La Fayette & Chicago R.R. Co., Preferred	1,798,150.00
Cincinnati Northern R.R. Co	1,707,400.00
Cin., Sandusky & Cleveland R.R. Co	4,001,750.00
Cin., Wabash & Michigan Ry. Co	2,044,158.30
Cleveland, Cincinnati, Chicago & St. Louis Ry. Co., Com	27,600.00
Cleveland, Cincinnati, Chicago & St. Louis Ry. Co., Preferred	1,500.00
Columbus, Hope & Greensb'g R.R. Co	152,750.00
Dayton & Union R.R. Co	38,500.00
Dayton Union Ry. Co	107,000.00
Evansville, Mt. Carmel & North'n Ry. Co.	500,000.00
Fairl'd, Frank. & Martinsville R.R. Co	50,000.00
Findlay Belt Ry. Co	86,500.00
Kankakee & Seneca R.R. Co	5,000.00
Louisville & Jeffersonville Bridge Co	950,000.00
Missouri & Ill. Bridge & Belt Ry. Co	13,000.00
Muncie Belt Ry. Co	$34,450.00
Peoria & Eastern Ry. Co	5,000,100.00
Saline Valley Ry. Co	250,000.00
Terminal R.R. Association of St. Louis	205,800.00
Union Depot Co. of Columbus	250,000.00
Vernon, Greensb'g & Rushv. R.R. Co	452,000.00
White Water R.R. Co., Common	975,000.00
White Water R.R. Co., Preferred	325,000.00
White Water R.R. Co., Scrip	17,260.00
Miscellaneous	350.00
Total par-value stock	$21,958,518.30
Bonds—	**Total Held.**
Cairo, Vincennes & Chicago Ry	$10,000,000.00
Cincinnati & Springfield Ry. Co	2,651,000.00
Cin., La Fayette & Chicago Ry. Co	2,240,000.00
Cincinnati Northern R.R. Co	581,000.00
Cin., Ind., St. L. & Chi. Ry. Co	157,000.00
Clevel'd, Cin., Chic. & St. L. Ry. Co	710,230.00
Columbus, Hope & Greensb'g R.R. Co	275,000.00
Evansville, Mt. Carmel & North'n Ry. Co.	2,118,000.00
Kankakee & Seneca R.R. Co	325,000.00
Saline Valley Ry. Co	575,000.00
Vernon, Greensb'g & Rushv. R.R. Co	450,000.00
Total par-value bonds	$20,082,230.00

The total securities were carried at a book value of $14,001,461.01.

SUPPLEMENTARY SERVICE Users of this book should not overlook our Supplementary Investment Service. For a moderate annual fee we undertake to keep investors in the above and all other securities constantly up to date. Send for full details.

MOODY'S INVESTMENT SERVICE

35 NASSAU STREET NEW YORK CITY

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Cinn. Ind. St. L. & Chic. first consol. 6s	M&N	My 1920	(1st) 173	$3,410		$15	92%	Very high	High	Aaa.
2. Cinn. Ind. St. L. & Chic. gen. first 4s	QuF	Ag 1936	(1st) 171 (2d) 173	20,100	$3,470	116	92%	"	"	Aaa.
3. Clev. Col. Cin. & I. gen. 6s	J&J	Ja 1934	(1st) 391	8,200		80	92%	"	"	Aaa.
4. Indianapolis & St. L. first 7s	Var.	Jl 1919	(1st) 72	27,800		58	92%	"	"	Aaa.
5. Cin. Sandusky & Clev. consol. 5s	J&J	Ja 1928	(1st) 170	15,100		54	88%	"	"	Aaa.
6. C. C. C. & St. L. Cairo Div. first 4s	J&J	Ja 1939	(1st) 268	18,650		84	88%	High	"	Aa.
7. C. C. C. & St. L. Spfld. & Col. Div. first 4s	M&S	S 1940	(1st) 45	24,510		18	88%	"	"	Aa.
8. C. C. C. & St. L. Wh. Water V. Div. first 4s	J&J	Jl 1940	(1st) 63	10,320	3,201	11	88%	"	"	Aa.
9. C. C. C. & St. Louis Div. first coll. 4s	M&N	N 1990	(1st) 194	47,890		159	88%	"	"	Aa.
10. C. C. C. & St. L. Cin. Wab. & Mich. Div. first 4s	J&J	Jl 1991	(1st) 204	19,600		67	88%	"	"	Aa.
11. C. C. C. & St. L. gen. 100-yr. 4s and 5s	J&D	Je 1993	(gen.) 1,765	18,550		567	78%	"	"	A.
12. Chic. Ind. & St. L. Sh. Line first gtd. 4s	A&O	Ap 1953	(1st) 44	68,000	2,808	50	78%	"	Good	A.
13. C. C. C. & St. L. Eu. loan 4s	J&D	Je 1930	Not mtg.	.....		162	77%	Fair	"	Baa.
14. C. C. C. & St. L. 4½s	J&J	Ja 1931	"	.....	2,191	94	77%	"	"	Baa.
15. Equipment trusts	Var.	(see text)	Equip.	.....		240	77%	Good	"	A.
16. Ind. Bloom & W. first pfd. 4s	A&O	Ap 1940	(1st) 199	4,950		16	90%	Very high	High	Aa.
17. Ohio, Ind. & W. first pfd. 5s	QuJ	Ap 1938	(1st) 139 (2d) 199	1,476	1,695	11	90%	"	"	Aa.
18. Peoria & E. first cons. 4s	A&O	Ap 1940	(2d) 139 (3d) 199	25,147		142	90%	High	"	Baa.
19. Peoria & E. income 4s	Ann.	Ap 1990	(3d) 139 (4th) 199	11,900	See note	67*	.....	Moderate	"	Ca.

* For 4% interest.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

Note: The bond obligations of the C., C., C. & St. Louis Railway, for the most part, stand on a strong investment plane. Nos. 16 to 19 are obligations of the Peoria & Eastern Ry., but the latter road is now directly operated by the C., C., C. & St. Louis Ry., which guarantees the interest on Nos. 16 to 18 under terms of the lease.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $7,500,000; outstanding, $590,000 (closed). Dated March 8, 1880; due May 1, 1920. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Sinking fund equals 1% of outstanding bonds annually for purchase of these bonds at 105. Assumed by C., C., C. & St. L. Ry. First lien, 173.39 miles, Cincinnati, O., to Lafayette, Ind., with branch to Lawrenceburg. Underlie Nos. 2 and 11 with provision by former for retirement. Legal for Savings Bank in Maine. Interest paid without deduction for normal income tax. Listed on New York and Cincinnati Stock Exchanges.

2. Auth., $10,000,000; outstanding, $6,915,000 (closed). Dated Aug. 2, 1886; due Aug. 1, 1936. Int. paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000. Sinking fund: Annual amount equal to 1% of bonds outstanding to be used for purchase of bonds at not exceeding 102½ and int. Assumed by Cleveland, Cincinnati, Chicago & St. Louis Ry. First lien on 45.54 miles: Valley Junc. to Harrison, O., 7.70 miles and Fairland to Martinsville, Ind., 37.84 miles. First collateral lien on 125.45 miles, as follows: On the 24.28 miles from Greensburg to Columbus, Ind.; on the 44.39 miles from Rushville to N. Vernon, Ind.; on $328,000 out of $1,120,000 Cin., Laf. & Chi. 1st 7s of 1901 (bal., $792,000 being held alive under No. 12); on $1,120,000 (entire issue) of the Cin., Laf. & Chic. 2d 7s of 1914, both of which cover the 56.72 miles from Kankakee, Ill., to Templeton, Ind.; second lien on 173.39 miles from Cincinnati, O., to Lafayette, Ind., and branch to Lawrenceburg, following No. 1: also secured on $325,000 out of a total issue of $650,000 Kankakee & Seneca 1st 6s of 1922, covering 42.52 miles; on $5,000 out of $10,000 capital stock of the Kankakee & Seneca R.R.; on $360,000 out of $500,000 capital stock of the Vernon, Greensburg & Rushville R.R.; on $152,750 out of $250,000 capital stock of the Col., Hope & Greensburg R.R.; on $1,771,850 preferred stock of the Cinn., Laf. & Chic. R.R.; on $200,000 preferred stock of the Cent. Union Depot & Ry. Co., and on one share, being one-fifth the capital, of the Indianapolis Union Ry. Underlie No. 11, with provision by same to retire. Listed on New York and Cincinnati Stock Exchanges. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

3. Auth., $12,000,000; outstanding, $3,205,000 (closed). Dated Jan. 1, 1884; due Jan. 1, 1934. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Assumed by Clev., Cin., Chic. & St. L. Ry. First lien on 390.58 miles from Cleveland to Columbus, from Galion to Indianapolis, from Delaware to Springfield, O. Underlie No. 11, with provision by latter to retire. Legal for S. B. in Me. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $2,000,000. Dated July 1, 1869; due July 1, 1919. Int. paid (Series A, J. and J. 1; Series B, M. and S. 1; Series C, May and Nov. 1), at Grand Central Terminal, New York. Coupon, $1,000. Assumed by Cleveland, Cin., Chic. & St. L. Ry. First lien from Indianapolis to Terre Haute, Ind., 71.40 miles. Underlie No. 11, with provision by latter to retire. Legal for S. B. in Maine. Normal income tax deducted from interest.

5. Auth., $3,000,000; outstanding, $2,571,000; balance of $429,000 reserved for exchange for preferred stock of company. Dated Jan. 1, 1888; due Jan. 1, 1928. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Guar. as to int. by Cleveland, Cin., Chic. & St. L. Ry. First lien from Dayton, via Bellefontaine, to Sandusky, Ohio, 154.70 miles, and branch from Carey to Findlay, Ohio, 15.34 miles; total, 170.04 miles. Underlie No. 11, which provides for retirement. Legal for S. B. in Maine. Listed on New York nnd Boston Stock Exchanges. Normal income tax deducted from interest.

6. Auth. and outstanding, $5,000,000. Dated Jan. 1, 1890; due Jan. 1, 1939. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. First lien on the following: Danville to Cairo, Ill., 259.43 miles, and branch to Vincennes, 8.30 miles; total, 267.73 miles. Underlie No. 11. Legal for S. B. in Maine. Listed on New York, London and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

7. Auth., $1,250,000; outstanding, $1,103,500. Dated Oct. 30, 1890; due Sept. 1, 1940. Int. paid nt Grnnd Central Terminal, New York. Coupon, $500 and $1,000. First lien from Springfield to Columbus, Ohio, 45.13 miles. Underlie No. 11, which provides for retirement. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

8. Auth. and outstanding, $650,000. Dated Nov. 1, 1890; due July 1, 1940. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. First lien from Harrison to Hagerstown, Ind., 62.36 miles. Underlies No. 11, with provision by same to retire. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

9. Auth., $10,000,000; outstanding, $9,290,000. Dated Nov. 1, 1890; due Nov. 1, 1990. Int .paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $1,000 and multiples. Sinking fund: $250,000 bonds shall be delivered to trustee, to be known as sinking fund bonds, and int. on same to be used for purchase of these bonds at not exceeding 105 and int. Bonds so purchased to be kept alive; on Dec. 31, 1915, $710,000 bonds were in fund. First collateral lien on 193.63 miles from Terre Haute, Ind., to East St. Louis, Ill., 189.39 miles, and branch to Alton, Ill., 4.24 miles. Underlie No. 11. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

10. Auth. and outstanding, $4,000,000. Dated May 9, 1891; due July 1, 1991. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. First lien from Benton Harbor, Mich., *via* Goshen and Marion to Rushville, Ind., 203.78 miles. Legal for S. B. in Maine. Underlie No. 11. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

11. Auth., $50,000,000; outstanding, $28,579,000 4s and $4,161,000 Series B, 5s; dated May 15, 1893; due June 1, 1993. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Covers entire property of company by direct or collateral lien, except the Peoria division, being a first lien on 49.16 miles; Dayton to Ludlow Grove, O., 46.97 miles, and Franklin Junc. to Wells, O., 2.19 miles; second lien on 1,280.68 miles following Nos. 2, 3, 4, 6, 7, 8, 9, 10; second collateral lien on 125.45 miles following No. 2; third lien on 309.48 miles, following Nos. 2 and 17. Also second lien on securities following No. 2 and further secured by pledge of $3,981,500 stock of Cinc., Sandusky & Cleve. Ry. and one-half the stock of the Peoria & Eastern Ry. Unissued amount reserved to retire prior liens. The Series B 5s were issued in 1914. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

12. Auth. and outstanding, $3,000,000. Dated April 1, 1903; due April 1, 1953. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Guar. prin. and int. by Cleveland, Cincinnati, Chicago & St. Louis Ry. by endorsement. First lien from Hillsboro to Lenox, Ill., 43.57 miles. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

13. Auth. and outstanding, 50,000,000 francs, or $9,650,181. Dated 1910; due June 1, 1930. Int. paid at Morgan, Harjes & Co., Paris. Not a mortgage. Listed on Parquet of the Paris Bourse. Interest paid without deduction for normal income tax.

14. Auth., $10,000,000; outstanding, $5,000,000. Dated Jan. 1, 1911; due Jan. 1, 1931. Int. paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $1,000, etc. Not a mortgage. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

15. Jointly with four other roads the company is obligated to pay interest and principal of $48,000,000 New York Central Lines equipment trusts issued in 1907 and 1910, and jointly with three other roads, $15,000,000 issued in 1912; and $24,000,000 4½s issued in 1913. The amounts still outstanding in each series for which the C., C., C. & St. Louis is liable are as follows: Series of 1907, 5s, $1,480,139; series of 1910, 4½s, $1,597,007; series of 1912, 4½s, $1,598,902; series of 1913, 4½s, $1,284,071. For full details, see under New York Central R.R. Co. Big Four Ry Issues (1) Auth., $5,600,000; now outstanding, $4,112,000 5s. Dated June 1, 1914; due $258,000 annually to 1929. Int. June and Dec. 1. Coupon, $1,000. First lien on equipment costing 20% in excess of total certificates issued. (2) Auth., $2,000,000; now outstanding, $1,610,000 5s; dated Jan. 1, 1915; due, $115,000 each July to 1929. Int. paid J. and J. Coupon, $1,000. First lien on equipment costing 20% in excess of these notes. See under statement of New York Central lines. Normal income tax deducted from interest.

16. Auth., $1,000,000; outstanding, $982,500. Dated April 15, 1879; due April 1, 1940. Int. paid at J. P. Morgan & Co., New York. Sinking fund: $15,000 annually for the redemption of these bonds nt not exceeding 105. Assumed by the Peoria & Eastern Ry. Co. Guar. as to Int. by the C., C., C. & St. L. Ry. Co. First lien from Indianapolis, Ind., to Pekin, Ill., 198.68 miles. Underlie Nos. 17, 18 and 19, with provision by No. 18 to retire. Legal for Savings Banks in Maine, Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000.

REFERENCE NOTES ON BOND ISSUES (Continued)

17. Auth. and outstanding, $500,000. Dated April 1, 1888; due April 1, 1938. Int. paid at J. P. Morgan & Co., New York. Coupon, $500 and $1,000. Assumed by the Peoria & Eastern Ry. Guar. as to int. by the Cleveland, Cincinnati, Chicago & St. Louis Ry. First lien on 139.24 miles from Indianapolis, Ind., to Springfield, Ohio; second lien on 198.68 miles, following No. 16. Underlie C., C., C. & St. L. purchase money lien and C., C., C. & St. L. Ry. Gen. 4s of 1993 on the 198.68 miles covered by No. 16. Also underlie Nos. 18 and 19, with provision by No. 18 to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

18. Auth., $10,000,000; outstanding, $8,500,000. Dated Feb. 22, 1890; due April 1, 1940. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Guar. as to int. by C., C., C. & St. L. Ry. Second lien on 139.23 miles from Indianapolis, Ind., to Springfield, Ohio, following No. 17; first collateral lien on the C., C., C. & St. L. purchase money lien, which covers the said 139.24 miles by direct second lien; direct third lien on 198.68 miles, following Nos. 16 and 17. Underlie No. 19. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

19. Auth. and outstanding, $4,000,000. Dated Feb. 22, 1890; due April 1, 1990. Int. paid April 1, when earned and non-cumulative. Third lien on 139.24 miles, following No. 18; direct fourth lien on 198.68 miles, following Nos. 16, 17 and 18. Full rate (4%) was paid from 1902 to 1908; in 1908, nothing; in 1909 and 1910, 4%; 1911, nothing; 1912, 4%; 1913, 4%; 1914, 1915 and 1916, none. A committee of which F. D. Ketchan, 80 Broadway, New York, is Sec., has been formed in the interests of holders of these bonds to investigate company's failure to pay interest. Listed on New York Stock Exchange. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
C., C., C. & St. Louis Ry. pfd. stock..... Par $100. Outstanding, $10,000,000.	5% QuJa	$4,200	$751	$210*	72%	Fair	Fair	A.
C., C., C. & St. Louis Ry. common..... Par $100. Outstanding, $47,056,300.	See text	19,743	541	.....	.....	Moderate	"	B.

* For a 5% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUES

Note: Preferred stock, auth. and issued, $10,000,000; entitled to 5% non-cumulative dividends. Dividends paid at rate of 5% per annum from 1891 to July, 1913; none to July, 1916, when 5% rate was resumed. Common stock authorized, $50,000,000. On common, 4% annually waspaid from 1902 to 1907, in 1908, 1%; in 1909, none; March and September, 1910, 2% each; none since. Of the total common stock issue, The New York Central R.R. owns $30,207,500. Transfer Office, Grand Central Terminal, New York. Both issues listed on New York Stock Exchange.

CINCINNATI, SANDUSKY & CLEVELAND RAILROAD

Incorporated under laws of Ohio, Jan. 11, 1868, as successor to the Sandusky & Cincinnati Railroad. Line of road: Sandusky to Dayton, Ohio, 154.47 miles; Carey to Findlay, 15.37 miles; total operated, 169.84 miles. Sidings 74.73 miles. Leased to C., C., C. & St. Louis Ry. for 99 years from Oct. 30, 1890, rental being guaranty of interest on bonds, 6% on outstanding preferred stock and on each share of common stock, 40% of any dividend which the C., C., C. & St. Louis may declare on its own common stock. Road is directly operated by lessee.

Management: Officers: A. H. Smith, Pres.; W. K. Vanderbilt, Jr., Vice-Pres.; J. J. Bernet, Vice-Pres.; D. W. Pardee, Sec.; M. S. Barger, Treas. Annual meeting, third Wednesday in October. Office, Cincinnati, Ohio.

Bonded Debt: $2,571,000 first 5s; dated Jan. 1, 1888; due Jan. 1, 1928. Int. paid Jan. and July 1 at J. P. Morgan & Co., New York and National Reserve Bank, Boston. First lien on entire property. Auth., $3,000,000 of which $429,000 reserved to retire the outstanding preferred stock. Int. guar. under lease by C., C., C. & St. L. Ry. For Rating, see that company's bond table, page 466.

Caiptal Stock: Auth., $475,000 preferred and $6,000,000 common; outstanding, $428,997 preferred and $4,003,000 common; par $50. The C., C., C. & St. L. Ry. owns $4,001,750 of the common and guarantees 6% on the preferred. Latter is exchangeable for first 5s, par for par. Preferred dividend is paid May and November 1 by J. P. Morgan & Co.

INDIANA HARBOR BELT RAILROAD

Origin: Incorporated under Indiana laws May 16, 1896, under name of East Chicago Belt R.R. Name changed to above on June 29, 1907. On the latter date the company took over the rights of the Michigan Central Railroad in thetracks of the Chicago Junction Railway, operating from Whiting, Ind., to Franklin Park, Ill.; also the property from Hammond to Grasselli, Ind., and the Terminal Railroad extending from the Union Station Stock Yards to Argo, Ill. That section of the Chicago Junction Railway known as the "Outer Belt," which originally belonged to the Chicago, Hammond & Western Railroad, was sold in June, 1907. Until 1911 the Indiana Harbor Belt Railroad was owned jointly by the Lake Shore & Michigan Southern Railway and the Michigan Central Railroad. In April, 1911, however, an agreement was made between the Chicago, Milwaukee & St. Paul, the Chicago & Northwestern, the Michigan Central, and the Lake Shore & Michigan Southern, whereby the two latter companies sold in equal proportions to the former companies 40% of their entire holdings in the capital stock of the Indiana Harbor Belt Railroad, and a similar interest in certain other obligations of the company. The Lake Shore & Michigan Southern guaranteed the bond issue of the Indiana Harbor Belt, and to the extent of 20% each, the Chicago, Milwaukee & St. Paul and the Chicago & Northwestern further agree to protect the guarantors of these bonds.

Location: Lines of road operated 109.54 miles, consisting of 45.47 miles owned and balance operated under contract and trackage rights. The entire system forms the Outer Belt Line around the City of Chicago. Total track, including second track, sidings, etc., 412.44 miles.

Management: OFFICERS: Alfred H. Smith, Pres., New York, N. Y.; W. K. Vanderbilt, Jr., Vice-Pres., New York, J. J. Bernet, Vice-Pres., Chicago, Ill.; D. W. Pardee, Sec.; M. S. Barger, Treas., New York, N. Y. DIRECTORS: H. B. Ledyard, Detroit, Mich.; A. H. Smith, W. C. Brown, Wm. H. Newman, Wm. K. Vanderbilt, Wm. Rockefeller, New York, N. Y.; Marvin Hughitt, Wm. A. Gardner, A. J. Earling, E. D. Sewall, Chicago, Ill. Annual meeting, first Tuesday in October. OFFICE, Gibson, Ind.

Note: The Indiana Harbor Belt Railroad being a switching and terminal company, its reports to the Interstate Commerce Commission do not contain statistics as to classification of freight tonnage and operation, such as freight density, average rate per ton mile, etc. Table A is therefore omitted as no data are available for the compilation of this table other than figures as to mileage operated. Equipment: Locomotives, 51; cars, 159.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	....	.....	....
1908	$15,234	$3,188	$2,752	$5,940	$10,539	$1,245*	$159	$364	$205*	$7,005	....	$7,210*	....
1909	14,433	2,883	1,667	4,550	8,674	1,209	4,260	346	3,914	6,722	....	2,808*	....
1910	18,843	3,200	2,280	5,480	10,794	2,569	7,592	491	7,101	7,101	....	.....	....
1911	22,275	3,137	2,797	5,934	12,432	3,909	6,673	597	6,076	7,017	....	941*	....
1912	25,019	3,020	2,811	5,831	12,438	6,750	7,868	522	7,346	7,939	....	593*	....
1913	30,789	3,712	3,688	7,400	12,648	8,741	9,668	633	9,035	9,403	....	368*	....
1914	30,135	4,101	3,737	7,838	15,407	6,890	7,970	693	7,277	10,180	....	2,903*	....
1915	29,784	3,827	2,825	6,652	13,916	9,216	10,158	842	9,316	12,442	....	3,126*	....
1916	37,604	4,267	4,147	8,414	15,998	13,192	14,228	830	13,398	11,981	11%	1,417	....
9-Year Average	$24,902	$3,482	$2,967	$6,449	$12,761	$5,692	$7,620	$591	$7,029	$8,866	.....	$1,837*	....

* Deficit.

Note: Above figures are based on average mileage operated each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) was $13,398; fixed charges consumed $11,981, leaving $1,417, or a "margin of safety" of 11%. In earlier years full fixed charges have not been covered.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$4,135,184	$3,275,505	$3,374,866	$3,254,279	$2,658,346	$2,447,538	$2,128,168
Maintenance of Way	469,396	420,995	447,026	389,744	317,142	341,900	361,648
Maintenance of equipment	456,222	310,707	407,308	387,268	295,124	304,807	257,591
All other operating expenses	1,759,733	$1,530,744	1,739,974	1,537,912	1,305,996	1,355,056	1,219,747
Net operating revenue	$1,449,833	$1,013,059	$780,558	$939,355	$740,084	$445,775	$289,182
Operating ratio	64.9%	69.1%	77.1%	71.1%	72.2%	81%	86.4%
Other income	115,208	104,340	88,128	75,890	86,006	281,635	568,667
Total net income	$1,565,041	$1,117,399	$868,686	$1,015,246	$826,090	$727,410	$857,849
Taxes accrued	91,248	92,627	75,541	66,554	54,817	65,095	55,459
Balance for charges	$1,473,793	$1,024,772	$793,145	$948,692	$771,273	$662,315	$802,390
Fixed charges	1,317,929	1,368,628	1,109,620	987,363	833,543	764,874	802,390
Deficit	(sur.) $155,864	$343,856	$316,475	$38,671	$62,270	$102,559	.....

Profit and Loss Account, year ending June 30, 1916: Debit balance at beginning of year, $2,394,453; loss on retired road and equipment, $658; miscellaneous debits, $2,086; total, $2,398,197. Contra: Credit balance transferred from income, $155,862; unrefundable overcharges, $844; miscellaneous credits, $849; debit balance carried to balance sheet, $2,240,642; total, $2,398,197.

Comment: While the Indiana Harbor Belt property has shown great growth in earning power during the past ten years, yet the fixed charges have grown proportionately, and not until 1916 did the company report any final surplus. The properties are, however, of great value to the owners, and the strength of the bond obligations is based on the joint guarantees.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$23,786	30%	$55,583	70%	$10,113	$89,482	.....	$89,482	.2%	.....	.....	.....	.....	.....	.....
1909	22,897	27	62,850	73	.....	85,747	.....	85,747	5	.....	.....	.....	.....	.....	.....
1910	21,681	27	59,513	73	.....	81,194	.....	81,194	9.4	.....	.....	.....	.....	.....	.....
1911	22,477	27	61,697	73	.....	84,174	.....	84,174	7.9	.....	.....	.....	.....	.....	.....
1912	23,333	27	64,048	73	.....	87,381	.....	87,381	9	.....	.....	.....	.....	.....	.....
1913	23,333	27	64,048	73	.....	87,381	.....	87,381	11.1	.....	.....	.....	.....	.....	.....
1914	22,477	27	61,697	73	.....	84,174	.....	84,174	9.5	.....	.....	.....	.....	.....	.....
1915	22,273	27	61,136	73	.....	83,409	.....	83,409	12.2	.....	.....	.....	.....	.....	.....
1916	22,273	27	61,136	73	.....	83,409	.....	83,409	17.1	.....	.....	.....	.....	.....	.....
9-Year Average	$22,726	27%	$61,301	73%	$1,123	$85,150	.....	$85,150	8.9%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$11,308,545	$10,952,925	$10,899,251	$10,044,046	$9,721,197	$9,486,783
Working assets	2,107,130	1,818,695	1,382,032	1,304,908	1,509,905	1,341,649
Accrued income not due	7,676	*	1,646	7,834	.....	.....
Deferred debit items	96,880	129,025	129,370	53,870	74,706	33,840
Profit and loss deficit	2,240,642	2,394,863	2,045,658	1,725,403	1,687,137	1,690,562
Total	$15,760,873	$15,295,508	$14,457,957	$13,136,061	$12,892,945	$12,552,834
Liabilities:						
Capital stock	$2,450,000	$2,450,000	$2,450,000	$2,450,000	$2,450,000	$2,450,000
Funded debt	†11,886,693	†11,336,693	6,725,000	7,467,280	6,725,000	6,725,000
Working liabilities	1,133,768	1,427,573	5,211,094	3,009,428	3,535,208	3,193,078
Accrued liabilities not due	112,531	83.609	62,174	148,209	145,919	165,494
Deferred credit items	177,881	‡2,367	9,689	61,144	36,818	19,262
Total	$15,760,873	$15,295,508	$14,457,957	$13,136,061	$12,892,945	$12,552,834

* Included in working assets. † Includes long term advances. ‡ Reverse item.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Chic. Ham. & West. first 6s.	J&J	Ja 1927	(1st) 25	$100,000	$7,029	$1,364	81%	Very high	High	Aaa.
2. Indiana Harbor Belt gen. 4s.	J&J	Jl 1957	(1st) 21 (2d) 25	93,889	5,665	1,537	73%	"	"	Aaa.

For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $2,500,000; dated Jan. 1, 1897; due Jan. 1, 1927. Int. J. and J. 1 at Grand Central Terminal, New York. Coupon, $500 and $1,000. First lien on the Chicago "outer belt line," 24.58 miles as follows: Franklin Park to McCook, Ill., 10.52 miles and Blue Island, Ill. to Whiting, Ind., 14.06 miles. Assumed by Indiana Harbor Belt R.R. and underlie No. 2 which provides for retirement. Legal for S. B. in Me. Listed on Boston Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $25,000,000; outstanding, $4,225,000; dated Nov. 1, 1907; due July 1, 1957. Int. J. and J. 1, at Grand Central Terminal, New York. Coupon and reg., $1,000. Interest, 3% until 1917, and 4% thereafter, on $2,500,000, and full 4% on $1,725,000. First lien on 20.89 miles as follows: Argo, Ill., to Union Stock Yards, Chicago, 10.62 miles; Grasselli, Ind. to Illinois State Line, 5.52; branches, 4.75 miles; second lien on 24.58 miles following No. 1. Also a lien on 27.26 miles operated under contract and 36.81 miles of trackage rights. Provision for retiring underlying issue at maturity. Guaranteed, prin. and int., by N. Y. Central R.R. Co., Michigan Central R.R. Co., the Chicago, Milwaukee & St. Paul Ry. and the Chicago & North Western Ry., to the extent of the ownership of each of these railroads in the company. Legal for S. B. in Minn., N. H., R. I. Listed on Boston Stock Exchange. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $2,450,000; par, $100. Of total, 30% is owned by New York Central R.R.; 30% by Michigan Central; 20% by Chicago, Milwaukee & St. Paul, and 20% by Chicago & North Western Railway.

THE LAKE ERIE AND WESTERN RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Ohio laws, Feb. 10, 1887, as successor to the Lake Erie & Western Railway, which was sold under foreclosure. On April 1, 1885, the company leased the Northern Ohio Ry. for 999 years, guaranteeing its bonds, both principal and interest. It also owns the entire stock of the Northern Ohio Ry. Controlled by The New York Central Railroad Co., which owns $5,930,000 preferred and $5,940,000 common stock.

Location: The operated lines of the Lake Erie & Western consist of 900.01 miles, as follows: Main line, Sandusky, Ohio, to Peoria, Ill., 412.77 miles; Indianapolis to Michigan City, Ind., 158.64 miles; Fort Wayne to Connersville, Ind., 104.59 miles; branches, 34.04 miles; Northern Ohio Ry., from Delphos to Akron, 161.74 miles; trackage rights, 28.23 miles. Mileage mainly in Ohio and Indiana. Population of these States in 1890, 5,864,720; in 1900, 6,6740,007; in 1910, 7,467,121.

Management: OFFICERS: Alfred H. Smith, Pres.; W. K. Vanderbilt, Jr., Vice-Pres.; D. W. Pardee, Sec.; Milton S. Barger, Treas. DIRECTORS: W. K. Vanderbilt, Geo. F. Baker, F. W. Vanderbilt, Wm. H. Newman, William Rockefeller, W. K. Vanderbilt, Jr., H. S. Vanderbilt, A. H. Smith, R. S. Lovett. Annual meeting, first Wednesday in October. MAIN OFFICE, Indianapolis, Ind. NEW YORK OFFICE, Grand Central Terminal.

Classification of Freight Tonnage (Years Ending December 31, 1907-1912, and June 30, 1913-1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	17.3%	18.0%	16.71%	18.42%	19.42%	17.10%	17.42%	15.27%	17.55%	17.01%
Products of Animals	3.2	3.5	2.67	2.63	3.23	2.82	2.69	3.12	3.04	2.80
Products of Mines	32.1	37.2	36.30	37.25	38.23	38.98	37.84	38.91	39.31	37.37
Products of Forests	9.2	7.5	6.68	7.49	7.40	7.54	7.92	8.15	7.04	7.04
Manufactures and Miscel.	38.2	33.8	37.64	34.21	31.72	33.56	34.13	34.55	33.06	35.75

Total revenue tonnage: 1904, 3,799,365 tons; 1908, 3,696,681 tons; 1909, 4,487,722 tons; 1910, 4,938,818 tons; 1911, 4,991,361 tons; 5,472,630 tons in 1912; 5,682,797 tons year to June 30, 1913; 5,469,031 tons in 1914; 5,447,487 tons in 1915; 6,311,790 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	886	9	147	87	5,217	80%	52,887	675,203	332	$1.69	1.73c	.70c
1908 "	886	9	147	86	4,917	77	56,384	573,643	295	1.59	1.57	.74
1909 "	886	9	145	86	4,498	79	57,917	659,143	328	1 69	1.58	.69
1910 "	886	9	140	81	4,207	80	63,515	754,130	348	1.73	1.57	.66
1911 "	886	9	140	81	3,801	79	62,269	757,902	345	1.68	1 63	.61
1912 "	906	9	145	78	3,445	80	51,482	808,198	359	1.80	1.87	.66
1913 June 30	903	9	135	76	3,333	80	53,369	820,669	377	1.87	1.81	.65
1914 "	906	9	150	76	2,073	79	51,266	760,246	356	1.82	1.83	.66
1915 "	900	9	149	76	5,024	82	44,846	787,515	363	1.86	1.84	.66
1916 "	900	9	154	70	4,916	84	44,740	959,255	418	2.19	1.84	.68
10-Year Average	895	9	145	80	4,236	80%	53,868	755,590	352	$1.79	1.73c	.67c

Yard tracks and sidings, June 30, 1916, 275.33 miles. Weight of rails, 52 to 90 lbs.

Comment: During the year ended June 30, 1916 the Lake Erie & Western property reported a very substantial improvement in its volume of freight business. Freight density rose to new high figures and the average freight train load for the first time in many years underwent a sharp advance. Train mile earnings were also very much better than usual.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907, Dec. 31	$5,718	$809	$921	$1,730	$2,620	$1,368	$1,376	$264	$1,112	$837	25%	$275	$267
1908 "	5,118	882	879	1,761	2,491	866	875	225	650	934	....	284*	....
1909 "	5,693	868	1,107	1,975	2,382	1,336	1,449	245	1,204	1,034	14	167	....
1910 "	6,223	980	1,168	2,148	2,702	1,373	1,491	253	1,238	1,116	10	122	....
1911 "	6,118	950	1,125	2,075	2,773	1,270	1,405	261	1,144	1,157	....	13*	....
1912 "	6,445	936	1,164	2,100	2,822	1,523	1,648	264	1,381	1,149	17	235	....
1913, June 30	6,691	988	1,256	2,244	2,869	1,578	1,706	273	1,433	1,211	15	221	....
1914 "	6,340	974	1,283	2,257	2,960	1,123	1,252	295	957	1,308	....	351*	....
1915 "	6,315	881	1,158	2,039	2,861	1,415	1,578	312	1,266	1,195	6	71	....
1916 "	7,712	880	1,356	2,236	2,884	2,592	2,756	316	2,440	1,095	55	1,345	....
10-Year Average	$6,237	$915	$1,142	$2,057	$2,736	$1,441	$1,554	$271	$1,283	$1,104	14%	$179	$27

* Deficit.

Comparative Income Account, Years Ended December 31, 1910-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$6,940,391	$5,682,493	$5,743,649	$6,062,327	$5,839,630	$5,420,821	$5,513,326
Maintenance of way	791,896	793,064	882,715	894,907	847,667	841,728	869,039
Maintenance of equipment	1,219,981	1,041,865	1,163,306	1,138,283	1,054,620	996,600	1,032,747
All other operating expenses	2,595,909	2,574,817	2,682,207	2,599,629	2,557,079	2,457,293	2,395,307
Net operating revenues	$2,332,605	$1,272,247	$1,015,421	$1,429,508	$1,380,264	$1,125,200	$1,216,233
Operating ratio	66.4%	77.6%	82.3%	76.4%	76.4%	79.2%	77.9%
Other income	147,524	147,746	118,879	115,741	113,037	119,471	108,063
Total net income	$2,480,129	$1,419,723	$1,134,300	$1,545,249	$1,493,301	$1,244,671	$1,324,296
Taxes accrued	283,803	280,540	267,640	247,269	238,867	231,532	224,482
Balance for charges	$2,196,326	$1,139,183	$866,660	$1,297,980	$1,254,434	$1,013,139	$1,099,814
Fixed charges	985,738	1,203,647	1,184,609	1,097,963	1,041,753	1,025,363	988,859
Surplus over charges	$1,210,588 (df.)	$63,964 (df.)	$317,949	$200,017	$212,681 (df.)	$12,224	$110,955
Dividends paid	.....	.....	.....	.....	.....	.....	.....
Appropriations for imp	.....	.....	.....	209,442	209,442	.....	136,764
Balance	$1,210,588 (df.)	$63,964 (df.)	$317,949	(df.) $9,425	$3,239 (df.)	$12,224 (df.)	$25,809
Earned on stock: Preferred	10.22%	.....	.....	1.69%	1.89%	.....	.94%

Note: Fixed charges include rentals of leased line, interest on bonds, hire of equipment, etc.

Profit and Loss Account, year ended June 30, 1916. Credit balance from income account, $1,210,588; profit on road and equipment sold, $8,735; unrefundable overcharges, $3,409; miscellaneous credits, $3,062; total, $1,225,794. Contra: Debit balance at beginning of year, $521,339; loss on retired road and equipment, $38,243; miscellaneous debits, $8,988; credit balance at close of year, $657,224; total, $1,225,794.

Comment: Both gross and net revenues increased sharply on the Lake Erie & Western property in the year ended June 30, 1916, the net revenues being nearly double those reported for 1915. As the company actually decreased its fixed charges to some extent a very large surplus was reported. This surplus equalled over 10% on the outstanding preferred stock, as compared with deficits during the three previous years.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road: Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record: Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$26,726	64%	$15,096	36%	.....	$41,822	$173	$41,649	3.3%	$267	2%	.....	.....	4%	.....
1908 "	26,726	64	15,096	36	.....	41,822	170	41,652	2.5	.....	.....	.....	.....	.....	.....
1909 "	26,726	64	15,356	36	.....	42,082	152	41,930	3.5	.....	.....	.....	.....	.....	.....
1910 "	26,726	63	16,510	37	.....	43,236	173	43,063	3.5	.....	.....	.....	.....	.....	.....
1911 "	26,726	64	15,262	36	.....	41,988	242	41,746	3.4	.....	.....	.....	.....	.....	.....
1912 "	26,137	64	14,763	36	.....	40,900	240	40,660	4	.....	.....	.....	.....	.....	.....
1913 June 30	26,137	64	14,763	36	.....	40,900	242	40,658	4.2	.....	.....	.....	.....	.....	.....
1914 "	26,137	64	14,763	36	.....	40,900	237	40,663	3.1	.....	.....	.....	.....	.....	.....
1915 "	26,311	64	14,861	36	.....	41,172	233	40,939	3.9	.....	.....	.....	.....	.....	.....
1916 "	26,311	64	14,861	36	.....	41,172	227	40,945	6.7	.....	.....	.....	.....	.....	.....
10-Year Average	$26,466	64%	$15,133	36%	.....	$41,599	$209	$41,390	3.8%	$27	.....	.....	.....	.....	.....

Note: In the above tabulation the Northern Ohio Railway bonds, a guaranteed issue, are included in the bond column, so that no rental charge has been capitalized. The table is based on the average mileage directly operated, including the Northern Ohio Lines.

Special Reports: Special reports and analyses of any of the bond issues in this railroad system will be furnished by our Investors Service. Our experts analyze securities of every type and furnish advice and opinions regarding their investment value, etc. Write us for full information.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$36,538,103	$36,396,722	$36,282,970	$36,184,091	$36,272,435	$36,129,906
Working assets	1,680,489	1,397,673	1,533,844	1,622,917	1,594,247	1,440,261
Deferred debit items	85,054	120,647	269,740	274,660	134,542	153,492
Accrued income not due	1,148	1,252	.....	.....	.....	.....
Profit and loss deficit	.....	521,339	35,806	.....	4,474	19,684
Total	$38,304,794	$38,437,633	$38,122,360	$38,081,668	$38,005,698	$37,743,343

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$23,680,000	$23,680,000	$23,680,000	$23,680,000	$23,680,000	$23,680,000
Funded debt	10,875,000	10,875,000	10,875,000	10,875,000	10,875,000	10,938,334
Working liabilities	2,375,302	3,212,812	3,308,792	2,974,823	2,837,260	2,720,375
Accrued liabilities not due.	209,053	233,271	183,864	189,589	199,491	202,539
Deferred credit items.....	105,044	33,379	74,704	68,416	10,776	8,367
Appropriated surplus	403,171	403,171	.....	.....	403,171	193,728
Profit and loss surplus....	657,224	.....	.....	293,840	.....	.....
Total	$38,304,794	$38,437,633	$38,122,360	$38,081,668	$38,005,698	$37,743,343

Note: Above balance sheet does not include the bonds of the Northern Ohio Railway, which are a guaranteed liability.

Comment: There was no capitalization change in the Lake Erie & Western during the year ended June 30, 1916. The road is not heavily capitalized as measured on a mileage basis, which heretofore has been a light earner and the net income on net capital has, therefore, ranged low. For the year just closed, however, this net income equalled 6.7%, which is the best exhibit ever shown by the property.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Lake Erie & Western first 5s	J&J	Ja 1937	(1st) 710	$10,000	$1,283	$400	69%	High	High	A.
2. Lake Erie & West. second 5s	J&J	Jl 1941	(2d) 710	5,000		200	55%	Fair	"	Ba.
3. Northern Ohio Ry. first 5s	A&O	O 1945	(1st) 162	15,000	883	139	55%	"	"	Ba.
4. Lake Erie & West. equip. 4½s	J&J	1917-27	(equip.)	.....		55	55%	Good	"	Baa.

For reference notes on bond issues, see next page.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $10,000 per mile; outstanding, $7,250,000. Dated Feb. 21, 1887; due Jan. 1, 1937. Int. paid at Chase National Bank, N. Y. Coupon, $1,000. First lien on 710.10 miles, as follows: Sandusky, O., to Peoria, Ill., 412.79 miles; Indianapolis to Michigan City, Ind., 158.64 miles; Fort Wayne to Connersville, Ind., 104.59 miles, with branch to Rushville, Ind., 24.13 miles; St. Mary's to Minster, O., 9.95 miles. Underlies No. 2. Legal for Savings Banks in Me. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $3,625,000. Dated June 30, 1891; due July 1, 1941. Int. paid at Chase National Bank, New York. Coupon, $1,000. Second lien on 710.10 miles, following No. 1. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $4,000,000 at the rate of $15,000 per mile; outstanding, $2,500,000. Dated Oct. 1, 1895; due Oct. 1, 1945. Int. paid at Chase National Bank, New York. Coupon, $1,000. Guar. prin. and int. by endorsement by the Lake Erie & Western Ry. First lien from Akron to Delphos, O., 161.75 miles. Legal for S. B. in Me. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $1,100,000. Dated Jan. 1, 1917; due, $110,000 annually to Jan. 1, 1927. Int. paid at Commercial Trust Co., Philadelphia. Coupon, $1,000. First lien on 1,000 steel underframe box cars costing $1,390,000.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME AND DETAILS OF ISSUE.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	BASIS FOR RATING. Equity.	BASIS FOR RATING. Salability.	Net Rating.
Lake Erie & Western R.R. pfd. stock ..... Par $100. Outstanding, $11,840,000.	None	$13,155	$179	.....	.....	Moderate	Fair	Ca.
Lake Erie & Western R.R. common ..... Par $100. Outstanding, $11,840,000.	"	13,156	.....	.....	.....	Small	"	C.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUES

Auth., $25,000,000 preferred and $25,000,000 common. Preferred is 6% non-cumulative. No dividends paid since Jan., 1903. The New York Central Railroad Co. owns $5,930,000 of the preferred and $5,940,000 of the common. TRANSFER OFFICE, Grand Central Terminal, New York. Listed on New York Stock Exchange.

THE PITTSBURGH & LAKE ERIE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated May 18, 1875, under laws of Pennsylvania and opened for traffic in 1879. On Jan. 1, 1884, the company leased for 999 years the Pittsburgh, McKeesport & Youghiogheny R.R.; on November 26, 1895, leased the Mahoning State Line R.R. for 99 years, and May 10, 1899, leased the Beaver & Ellwood R.R. for 20 years. The company also owns jointly with the Pennsylvania Railroad Co. the Monongahela Railway, which was built in 1903. In Jan., 1910, a 99-year traffic agreement was made with the Western Maryland Railway, which is building an 87-mile connecting line with the Pittsburgh & Lake Erie.

Location: The directly operated lines of the Pittsburgh & Lake Erie on Dec. 31, 1915, consisted of 224.56 miles as follows: Main line, Pittsburgh, Pa., to Hasleton, Ohio, 64.62 miles; branches owned, 7.15 miles; Beaver & Ellwood R.R., Ellwood City to West Ellwood Junc., 3.61 miles; Mahoning State line R.R., Bentley, O., to Shaw Junc., Pa., 3.10 miles; Pittsburgh, McKeesport & Youghiogheny R.R., Pittsburgh to Connellsville, Belle Vernon Junc. to Brownsville Junc., etc., 116.22 miles; Youghiogheny Northern R.R., Broad Ford to Summit, Pa., 2 miles; trackage rights, 27.86 miles. Mileage mainly in Pennsylvania. Population of Pennsylvania in 1890, 5,258,014; in 1900, 6,302,115; in 1910, 7,665,111.

Control: The Pittsburgh & Lake Erie R.R. is controlled by the New York Central R.R. Co., the latter owning $14,994,250 out of $29,988,285 outstanding capital stock.

Management: OFFICERS: Alfred H. Smith, Pres.; W. K. Vanderbilt, Jr., Asst. to Pres.; James M. Schoonmaker, Vice-Pres.; John Carstensen, Vice-Pres.; Chas. F. Daly, Vice-Pres.; A. H. Harris, Vice-Pres.; D. W. Pardee, Sec.; John G. Robinson, Treas. and Asst. Sec. DIRECTORS: W. K. Vanderbilt, F. W. Vanderbilt, Wm. Rockefeller, W. K. Vanderbilt, Jr., J. M. Schoonmaker, J. G. Robinson, D. Leet Wilson, Geo. E. Shaw, Alfred H. Smith, J. Denniston Lyon, James J. Donnell, W. H. Newman, H. S. Vanderbilt. Annual meeting, fourth Tuesday in January. MAIN OFFICE, Pittsburgh, Pa. NEW YORK OFFICE, Grand Central Terminal.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907–1912; June 30, 1913–1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.58%	.56%	.45%	.46%	.55%	.50%	.55%	.67%	.80%	1.35%
Products of Animals.....	.11	.09	.05	.04	.04	.06	.08	.11	.19	.10
Products of Mines.....	76.22	77.25	77.78	76.87	76.48	75.00	75.83	77.44	75.04	72.60
Products of Forests.....	1.51	1.06	1.04	1.18	1.15	1.19	1.26	1.33	1.43	1.12
Manufactures, Mdse., etc..	21.58	21.04	20.68	21.51	21.78	23.25	22.28	20.45	22.54	24.83

Total revenue tonnage in 1908, 19,215,998 tons; in 1909, 28, 232,941 tons; in 1910, 31,378,435 tons; in 1911, 27,513,466 tons; in 1912, 32,327,112 tons; 35,586,165 tons, year ended June 30, 1913; 32,068,275 tons in 1914; 26,266,618 tons in 1915; 41,087,047 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	191	215	220	134	17,206	90	434,550	9,728,612	1,131	$5.40	1.80c	.73c
1908 "	191	222	217	137	18,495	86	396,633	6,762,316	1,058	4.45	1.74	.70
1909 "	191	228	213	132	19,694	90	457,506	9,384,297	1,230	5.49	1.72	.73
1910 "	191	216	233	132	23,212	88	546,591	10,493200	1,207	5.84	1.71	.75
1911 "	215	252	231	138	23,787	87	520,631	8,038,451	1,159	5.59	1.72	.77
1912 "	223	261	249	137	24,770	87	514,602	9,111,019	1,215	6.18	1.82	.78
1913 June 30	222	261	251	139	27,470	88	415,265	10,336939	1,257	6.34	1.88	.77
1914 "	224	261	256	118	28,165	86	431,457	9,043,294	1,162	5.52	1.87	.75
1915 "	225	262	243	136	27,599	85	379,268	7,210,335	1,163	5.26	1.86	.77
1916 "	225	266	252	125	30,672	86	420,036	11,211169	1,374	7.03	1.89	.77
10-Year Average	210	247	237	133	24,107	87	451,654	9,131,963	1,196	$5.71	1.80c	.75c

Yard tracks and sidings, June 30, 1916, 612.41 miles.

Comment: During the year ended June 30, 1916, the freight density on the Pittsburgh & Lake Erie property was moved up to the highest figure ever reported. The company also succeeded in further increasing its freight train load, which is now higher than that of any other important railroad in the country. It will be noted also that the train mile earnings reached a new high figure and this was accomplished in spite of the fact that there was no improvement whatever in average freight rates.

For a property of its type, the Pittsburgh & Lake Erie has made a truly remarkable exhibit during the entire decade. The profitable nature of its business is indicated by the unusually high train mile earnings which have been reported each year.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907 Dec. 31....	$78,034	$8,254	$8,380	$16,634	$19,933	$41,467	$41,922	$782	$41,140	$4,263	90%	$36,877	$6,283
1908 "	54,439	7,136	5,068	12,204	16,147	26,088	26,354	884	25,470	4,089	84	21,381	5,236
1909 "	77,691	7,833	6,970	14,803	18,805	44,083	45,378	786	44,592	4,720	89	39,872	39,266
1910 "	89,281	10,353	8,001	18,354	23,277	47,650	49,215	1,683	47,532	4,653	90	42,879	10,995
1911 "	71,067	7,900	9,796	17,696	19,242	34,129	35,963	1,662	34,301	5,933	83	28,368	36,140
1912 "	81,444	8,264	12,104	20,368	20,689	40,387	43,683	1,672	42,011	9,172	78	32,839	27,009
1913 June 30...	90,273	8,770	13,777	22,547	22,419	45,307	48,802	2,162	46,640	10,015	79	36,625	20,262
1914 "	78,670	8,334	17,473	25,807	22,849	30,014	34,220	3,080	31,140	8,062	74	23,078	13,388
1915 "	65,065	7,700	13,741	21,441	19,577	24,047	29,981	2,705	27,276	7,232	73	20,044	13,328
1916 "	100,601	7,876	14,107	21,983	24,114	54,504	60,223	2,885	57,338	12,170	79	45,168	13,331
10-Year Average	$78,657	$8,242	$10,942	$19,184	$20,705	$38,768	$41,574	$1,830	$39,744	$7,031	82%	$32,713	$18,524

Note: The dividend in 1912 as above includes in addition to the regular dividend of 10% paid from current surplus, an extra dividend of 12%, which was charged against "accumulated surplus" in the profit and loss account. An extra dividend of 5% was paid in 1913.

Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting all fixed charges. For example, in 1916 the "balance for charges" (per mile) amounted to $57,338; fixed charges (which includes rentals, etc.) consumed $12,170 per mile, or 21% of this balance, leaving $45,168, a "margin of safety" of 79%.

Comparative Income Account, Years Ended December 31, 1910-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$22,635,113	$14,639,606	$17,617,914	$20,035,836	$18,155,833	$15,308,561	$17,052,697
Maintenance of way	1,772,059	1,732,413	1,866,776	1,946,832	1,842,930	1,698,465	1,977,521
Maintenance of equipment	3,174,086	3,091,720	3,913,846	3,058,529	2,699,293	2,109,277	1,529,320
All other operating expenses	5,425,669	4,404,969	5,118,206	4,976,951	4,613,736	4,152,981	4,444,848
Net operating revenues	$12,263,299	$5,410,504	$6,719,086	$10,053,524	$8,999,874	$7,347,838	$9,101,002
Operating ratio	45.8%	63%	61.9%	50%	50.4%	52%	46.6%
Other income	1,286,926	1,335,127	946,087	780,506	741,451	384,244	299,224
Total net income	$13,550,225	$6,745,631	$7,665,173	$10,834,030	$9,741,325	$7,732,082	$9,400,226
Taxes accrued	649,122	608,671	689,886	479,989	372,789	357,389	321,376
Balance for charges	$12,901,103	$6,136,960	$6,975,287	$10,354,041	$9,368,536	$7,374,693	$9,078,850
Fixed charges	2,738,262	1,627,056	1,805,970	2,223,331	2,045,444	1,276,132	888,945
Surplus over charges	$10,162,841	$4,509,904	$5,169,317	$8,130,710	$7,323,092	$6,098,561	$8,189,905
Dividends paid	2,999,400	2,998,800	2,998,800	4,498,200	2,998,800	2,520,000	2,100,000
Other deductions	.....	.....	.....	.....	.....	1,494,116	4,864,091
Balance	$7,163,441	$1,511,104	$2,170,517	$3,632,510	$4,324,292	$2,084,444	$1,225,816
Earned on stock	33.87%	15.04%	17.23%	27.10%	24.42%	24.20%	39.00%

Note: In 1915 and 1916 "Other Income," as shown above, included, in addition to dividends and interest on investments, a large amount from rental of equipment. Fixed charges included interest on bonds, rentals of leased lines, joint facilities, rents, transfer of income to other companies. Latter comprised in 1916 over one-half of the total charges.

Profit and Loss Account, year ended June 30, 1916: Credit balance July 1, 1915, $17,398,176; credit balance transferred from income, $7,163,441; unrefundable overcharges, $6,429; miscellaneous credits, $1,846; total, $24,569,892. Contra: Loss on retired road and equipment, $21,485; miscellaneous debits, $90,766; credit balance carried to balance sheet, $24,457,641; total, $24,569,892.

Comment: Gross revenues underwent a sharp advance on this property during the year ended June 30, 1916, and the net receipts increased at an even greater ratio. The figures as reported were more than double those shown in 1915, and even exceeded the high figures of 1914. While there was a large increase in fixed charges, the final surplus carried forward was nevertheless double that of the previous year. The company reported a surplus equal to nearly 34% on its present outstanding capital stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common. 8% Div.
1907 Dec. 31	$52,356	71%	$20,942	29%	$54,084	$127,382	$7,777	$119,605	**34.8%**	.....	.....	$6,283	12%	.....	81%
1908 "	52,356	71	20,942	29	54,200	127,498	7,777	119,721	**22**	.....	.....	5,236	10	.....	78
1909 "	78,534	71	20,942	29	58,261	157,737	8,000	149,737	**30**	.....	.....	39,266	50	.....	2
1910 "	109,950	83	20,942	17	56,930	187,822	8,851	178,971	**27**	.....	.....	10,995	10	.....	73
1911 "	117,209	86	18,605	14	48,640	184,454	8,014	176,440	**20.5**	.....	.....	36,140	35	.....	...
1912 "	134,520	88	17,937	12	48,299	200,756	15,568	185,188	**23.6**	.....	.....	27,009	22	.....	18
1913 June 30	135,082	79	36,306	21	48,888	220,276	15,237	205,039	**23.8**	.....	.....	20,262	15	.....	45
1914 "	133,876	80	34,449	20	46,908	215,233	15,683	199,556	**17.1**	.....	.....	13,388	10	.....	42
1915 "	133,280	80	33,116	20	45,827	212,223	15,773	196,450	**15.3**	.....	.....	13,328	10	.....	34
1916 "	133,335	81	31,936	19	47,799	213,060	19,560	193,500	**31.1**	.....	.....	13,331	10	.....	69
10-Year Average	$108,050	79%	$25,611	21%	$50,983	$184,644	$12,224	$172,422	**24.1%**	.....	.....	$17,168	17%	.....	48%

Note: Above table is based on average mileage directly operated, including leased lines.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$54,348,400	$49,283,011	$49,717,539	$50,522,723	$49,535,603	$43,730,625
Working assets	14,302,157	12,203,954	10,363,988	10,506,631	8,889,777	8,771,711
Deferred debit items.....	585,525	133,770	285,757	2,835,463	539,701	544,276
Accrued income not due..	691,649	176,014	.....	.....	92,460	.....
Total	$69,927,731	$61,796,749	$60,367,284	$63,864,817	$50,057,541	$53,046,612
Liabilities:						
Capital stock	$30,000,285	$29,988,285	$29,988,285	$29,988,285	$29,988,285	$25,200,285
Funded debt	7,185,593	7,451,059	7,716,525	8,059,825	4,000,000	4,000,000
Working liabilities	2,519,762	1,566,791	1,552,046	2,097,908	2,667,081	2,762,936
Accrued liabilities not due	1,781,674	213,138	1,895,603	2,216,666	1,584,400	1,345,000
Deferred credit items.....	1,163,843	860,967	425,098	109,087	16,557	9,111
Appropriated surplus	2,818,933	2,818,933	2,818,933	11,544,220	11,544,220	11,644,141
Profit and loss surplus....	24,457,641	18,897,576	15,970,794	9,848,826	9,256,998	8,085,139
Total	$69,927,731	$61,796,749	$60,367,284	$63,864,817	$50,057,541	$53,046,612

Note: Funded debt in balance sheet does not include bonds of leased lines, which are, however, a guaranteed liability.

Comment: There were no important capitalization changes in the Pittsburg & Lake Erie during the year ended June 30, 1916. As measured on a mileage basis the capitalization of this road appears very high, yet the proportion of the bonded debt is relatively small and the earning power of the property is so great that the net capitalization is easily carried. During the year just closed the net income on net capital exceeded 31%, which was far higher than the average for the past decade.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Pitts. & L. Erie first 6s.....	J&J	Ja 1928	(1st) 71	$28,000	$39,744	$540	99%	Very high	High	**Aaa.**
2. Pitts. & L. Erie second 5s...	A&O	Ja 1928	(2d) 71	28,000	39,204	440	99%	"	"	**Aaa.**
3. Pitts. McK. & Yough. first 6s	J&J	Jl 1932	(1st) 61	37,000		600	97%	"	"	**Aaa.**
4. Pitts. McK. & Yough. sec. 6s	J&J	Jl 1934	(2d) 61	16,400	38,764	260	97%	"	"	**Aaa.**
5. McK'port & B. V. first 6s...	J&J	Jl 1918	(1st) 28	21,440		150	97%	"	"	**Aaa.**

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $2,000,000. Dated Jan. 1. 1878; due Jan. 1, 1928. Int. paid at company's office, Pittsburgh, Pa. Coupon, $1,000. First lien on 71.25 miles, as follows: From Pittsburgh, Pa., to Hasleton, Ohio, 64.73 miles; with branch to New Castle, 2.93 miles, and other branches, 3.59 miles. Underlies No. 2. Legal for Savings Banks in Cal., Conn., Me., Mich., Minn., Mo., N. H., N. J., N. Y., Wis. Normal income tax deducted from interest.

2. Auth. and outstanding, $2,000,000. Dated April 1, 1889; due Jan. 1, 1928. Int. paid at New York Trust Co., New York. Coupon, $1,000. Second lien on 71.25 miles, following No. 1. Legal for S. B. in N. H. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth. and outstanding, $2,250,000. Dated July 1, 1882; due July 1, 1932. Int. paid at Union Trust Co., New York. Coupon, $1,000. Guar. prin. and int. jointly and severally by the Lake Shore & Mich. So. Ry., and the P. & L. E. Ry.; Lake Shore guarantee has been assumed by New York Central R.R. First lien from Pittsburgh to New Haven, Pa., 56.83 miles, and the Dickerson Branch, 4.40 miles; total, 61.23 miles. Underlies No. 4. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., R. I., Vt., Wis. Listed on New York and Pittsburgh Stock Exchanges. Interest paid without deduction for normal income tax.

4. Auth., $1,750,000; outstanding, $1,000,000. Dated July 15, 1884; due July 1, 1934. Int. paid at Union Trust Co., New York. Coupon, $1,000. Guar. prin and int. jointly and severally by the Pittsburgh & Lake Erie R.R. and the Lake Shore & Mich. Sou. Ry. by endorsement. Lake Shore guarantee has been assumed by the New York Central R.R. Second lien on 61.23 miles, following No. 3. Legal for S. B. in N. H. and R. I. Listed on New York and Pittsburgh Stock Exchanges. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $600,000. Dated July 2, 1888; due July 1, 1918. Int. paid at Fidelity Title & Trust Co., Pittsburgh. Coupon, $1,000. Assumed by Pittsburgh, McKeesport & Youghiogheny R.R. First lien from Reynoldton to Belle Vernon, Pa., 27.80 miles. Legal for S. B. in Cal., Conn., Me., Mich., Minn., N. J., Wis. Listed on New York and Pittsburgh Stock Exchanges. Interest paid without deduction for normal income tax.

Note: This company has a proportionate obligation in the New York Central Lines Equipment Trust of 1913. For details, see under New York Central.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Pitts., McK., & Yough. gtd. stock . . . . . Par $50. Outstanding, $3,959,650.	6% J&J	. . . . .	$32,713	$1,057	97%	Very high	High	Aaa.
2. Pittsburgh & Lake Erie R.R. stock . . . . . Par $50. Outstanding, $29,988,285.	See text	$133,335	31,656	13,331*	58%	High	"	Aaa.

* For 10% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Road leased to Pitts. & L. E. for 999 years from Jan. 1, 1884; rental, interest on bonds and 6% on stock. Dividend is guaranteed jointly by Pitts. & L. E. and Lake Shore & M. S. Rys. Stock is redeemable at par in 1932. The Pittsburgh & Lake Erie and the Lake Shore & Michigan Southern will redeem stock on July 1, 1934. These two roads have jointly purchased $3,011,300 of the stock at $65 per $50 share. Guarantee by Lake Shore has been assumed by New York Central R.R. Legal for S. B. in N. H.

2. Authorized, $50,000,000. Dividends have been paid as follows: From 1886 to 1891, 6% per annum; from 1891 to 1906, 10% per annum; 1907, 12%; 1908, 10%; 1909, 50%; 1910, 10%; 1911, 35%; 1912, 22%; 1913, 15%; 1914, 10%; 1915, 10%; year ended June 30, 1916, 10%. In Aug., 1916, an extra dividend of 20% was paid and stockholders were given the right to subscribe for $6,000,000 new stock at par to the extent of 20% of their holdings. The New York Central R.R. Co. on Dec. 31, 1915, owned $14,994,250 of the stock. Legal for S. B. in N. H.

MICHIGAN CENTRAL RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Michigan laws in 1846, and acquired the State-owned road from the State of Michigan, extending from Detroit to Kalamazoo. In 1900, the company was reincorporated under Michigan laws. In 1899 the Battle Creek & Sturgis Ry. was acquired; in 1890, the Bay City & Battle Creek; in 1881, the Detroit & Bay City was acquired and leased; in 1870, the Grand River Valley R.R. was leased; in 1871, the Jackson, Lansing & Saginaw R.R. was leased; in 1871, the Michigan Air Line was leased; in 1904, the Canada Southern Ry. was leased for 999 years. Other properties controlled include the Joliet & Northern Indiana, Kalamazoo & South Haven, Toledo, Canada Southern & Detroit, the Detroit River Tunnel Co., the Chicago, Kalamazoo & Saginaw, and the Detroit & Charlevoix R.R. These subsidiaries with the exception of the Canada Southern and the Detroit River Tunnel Co. were directly merged in 1916.

Location: The directly operated lines of the Michigan Central Railroad, on Dec. 31, 1915, consisted of 1803 miles, as follows: Line owned, Kensington, Ill., to Detroit, Mich., 270.07 miles; proprietary lines, 8.15 miles; leased lines (including Canada Southern Ry.), 1,428.64 miles; trackage rights, 96.14 miles. Operated mileage chiefly in Michigan. Population of Michigan in 1890, 2,093,889; in 1900, 2,420,982; in 1910, 2,810,173.

Control: This company is controlled by the New York Central Railroad Company, which owns $16,819,300 out of $18,738,000 capital stock; this stock being deposited as collateral under the latter company's Michigan Central collateral trust 3½% bonds.

Management: OFFICERS: A. H. Smith, Pres.; W. K. Vanderbilt, Jr., Vice-Pres.; John Carstensen, Vice-Pres.; A. H. Harris, Vice-Pres.; Chas. F. Daly, Vice-Pres.; J. J. Bernet, Vice-Pres.; Henry Russel, Vice-Pres.; D. W. Pardee, Sec.; Milton S. Barger, Treas. DIRECTORS: H. B. Ledyard, Chairman, W. K. Vanderbilt, F. W. Vanderbilt, Chauncey M. Depew, W. K. Vanderbilt, Jr., W. H. Newman, William Rockefeller, A. H. Smith, Geo. F. Baker, Marvin Hughitt, H. S. Vanderbilt, R. S. Lovett, H. E. Andrews. Annual meeting, Thursday following first Wednesday in May. MAIN OFFICE, Detroit, Mich. NEW YORK OFFICE, Grand Central Terminal.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907–1912; June 30, 1913–1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	13.12%	16.52%	14.29%	11.96%	13.11%	13.36%	12.38%	12.22%	14.94%	13.13%
Products of Animals.....	5.62	5.78	4.76	3.80	4.16	3.66	3.54	4.28	3.76	3.75
Products of Mines.....	36.88	37.35	36.31	38.59	39.08	40.26	40.37	37.61	37.67	38.24
Products of Forests.....	12.88	11.84	13.69	14.13	12.44	11.91	11.96	13.17	11.99	10.90
Manufactures.....	12.21	9.76	30.95	31.52	31.21	30.81	25.43	28.26	23.49	30.17
Merchandise and Miscel...	19.29	18.75					6.32	4.46	8.15	3.81

Total tonnage carried in 1904, 13,551,195 tons; in 1908, 14,347,464 tons; in 1909, 16,818,554 tons; in 1910, 18,376,478 tons; in 1911, 18,728,753 tons; in 1912, 21,001,128 tons; in year ended June 30, 1913, 22,639,992 tons; 1914, 20,398,658 tons; 18,649,226 tons in 1915; 23,208,103 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	1,747	541	544	421	19,973	70%	183,911	1,805,560	420	$2.16	2.05c	.64c
1908 "	1,747	548	539	421	19,653	68	181,791	1,572,539	379	2.00	1.95	.63
1909 "	1,746	547	580	421	19,349	70	200,702	1,670,374	406	2.10	1.95	.63
1910 "	1,803	610	565	445	18,755	65	217,085	1,724,972	419	2.19	1.98	.63
1911 "	1,817	610	559	446	18,320	65	219,703	1,700,602	424	2.24	1.98	.64
1912 "	1,817	610	546	431	17,869	65	233,332	1,794,435	453	2.43	2.03	.66
1913 June 30	1,819	617	720	480	27,323	65	237,420	1,972,106	469	2.49	2.04	.64
1914 "	1,800	617	755	503	26,612	63	250,124	1,785,417	453	2.47	2.05	.68
1915 "	1,800	618	740	541	25,956	62	232,886	1,666,264	473	2.60	2.14	.70
1916 "	1,803	618	733	527	27,681	64	255,645	2,048,781	554	3.14	2.20	.73
10-Year Average	1,790	594	628	464	22,149	66%	221,260	1,774,105	445	$2.38	2.04c	.66c

Yard tracks and sidings, June 30, 1916, 1,527.51 miles. Beginning with 1913, equipment figures, as shown above, include equipment leased under equipment trusts, these amounted, in 1915, to 240 locomotives, 135 passenger cars, and 9,468 freight and company cars. Fiscal year ends Dec. 31.

Comment: For the year ended June 30, 1916, the freight and passenger density on this property underwent marked improvement. The freight density especially reflected great prosperity and the high train mile earnings reported indicate that the business done was all done on a profitable basis. The company succeeded in raising its average freight train load to a new high total. It will be noted that the freight tonnage on this property is unusually well diversified and during the year just closed the proportion of high-grade freight was larger than usual.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907 Dec. 31....	$16,346	$2,859	$2,329	$5,188	$8,054	$3,101	$3,502	$565	$2,937	$1,847	37%	$1,090	$860
1908 "	14,264	1,752	1,705	3,457	7,422	3,385	3,759	606	3,153	2,222	30	931	643
1909 "	15,702	1,981	2,152	4,133	6,462	5,107	5,646	642	5,004	3,044	39	1,960	644
1910 "	16,470	2,238	2,287	4,525	7,503	4,442	5,049	753	4,296	3,344	22	952	623
1911 "	16,601	1,953	2,092	4,045	7,373	5,183	5,832	728	5,104	3,940	23	1,164	618
1912 "	18,113	1,998	2,593	4,591	8,072	5,450	6,049	759	5,290	3,790	28	1,500	618
1913 June 30....	19,450	2,308	2,843	5,151	8,541	5,758	6,372	752	5,620	3,807	32	1,813	618
1914 "	19,038	2,523	3,329	5,852	9,075	4,111	4,804	830	3,974	4,029	...	55*	625
1915 "	18,756	2,174	2,993	5,167	8,653	4,936	5,494	852	4,642	4,062	12	580	312
1916 "	23,227	2,721	3,461	6,182	9,262	7,783	8,363	908	7,455	4,402	41	3,053	520
10-Year Average	$17,797	$2,251	$2,578	$4,829	$8,042	$4,926	$5,487	$739	$4,748	$3,449	26%	$1,299	$608

* Deficit.

Note: Above table is based on average mileage directly operated for each year. "Margin of safety" is the proportion of surplus left over after deducting fixed charges.

Comparative Income Account, Years Ended December 31, 1910-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$41,877,972	$33,755,797	$34,243,921	$35,396,749	$32,939,851	$30,164,490	$29,694,915
Maintenance of way	4,906,157	3,912,685	4,540,846	4,199,116	3,629,732	3,549,205	4,035,261
Maintenance of equipment	6,239,845	5,387,581	5,991,964	5,170,762	4,711,843	3,800,772	4,124,366
All other operating expenses	16,699,933	15,575,905	16,335,872	15,536,325	14,667,180	13,387,345	13,525,594
Net operating revenues	$14,032,037	$8,879,626	$7,375,239	$10,490,546	$9,931,096	$9,427,168	$8,009,594
Operating ratio	66.5%	73.7%	78.4%	70.4%	69.9%	68.7%	73%
Other income	1,045,667	1,009,005	1,272,327	1,100,820	1,060,663	1,170,957	1,093,680
Total net income	$15,077,704	$9,888,631	$8,647,566	$11,591,366	$10,991,759	$10,598,125	$9,103,274
Taxes accrued	1,636,186	1,532,727	1,494,814	1,366,985	1,378,272	1,322,621	1,357,020
Balance for charges	$13,441,518	$8,355,904	$7,152,752	$10,224,381	$9,613,487	$9,275,504	$7,746,254
Fixed charges	7,936,296	7,312,289	7,251,667	6,925,287	6,887,154	7,160,140	6,028,923
Surplus	$5,505,222	$1,043,615	(df.) $98,915	$3,299,094	$2,726,333	$2,116,364	$1,717,331
Dividends paid	749,456	562,092	1,124,184	1,124,184	1,124,280	1,124,280	1,124,280
Other deductions	113,176	.....	.....	410,080	.....	.....	250,000
Balance	$4,642,590	$481,523	d. $1,223,099	$1,764,830	$1,602,053	$992,084	$343,051
Earned on stock	29.38%	5.57%	.....	17.61%	14.55%	11.29%	9.16%

Note: Fixed charges include interest and rentals, hire of equipment, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915, $11,952,142; credit balance transferred from income, $4,642,590; unrefundable overcharges, $924; miscellaneous credits, $137,193; total, $16,732,849. Contra: Dividend appropriations of surplus, $187,361; debt discount extinguished through surplus, $150,744; miscellaneous appropriations of surplus, $44,323; miscellaneous debits, $314,454; credit balance carried to balance sheet, $16,036,234; total, $16,732,849.

Comment: Both gross and net revenues underwent very pronounced improvement on the Michigan Central System during the year ended June 30, 1916. The net revenues were over 70% higher than those during the previous year and although fixed charges increased rather sharply, the final balance carried forward was equal to nearly 30% on the outstanding stock. During the year the company increased its dividend rate to 5% and at the present time seems justified in paying even a larger rate.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$10,726	24%	$33,821	76%	$6,505	$51,052	$7,125	$43,927	8%	.....	.....	$860	8%*	.....	20%
1908 "	10,726	24	33,606	76	5,905	50,237	4,659	45,578	8.2	.....	.....	643	6	.....	30
1909 "	10,732	23	36,976	77	5,845	53,553	4,444	49,109	11.5	.....	.....	644	6	.....	59
1910 "	10,392	21	35,613	76	6,490	52,495	4,801	47,691	10.6	.....	.....	623	6	.....	33
1911 "	10,313	22	35,124	78	17,671	63,108	5,170	57,938	10	.....	.....	618	6	.....	47
1912 "	10,313	22	36,294	78	17,757	64,364	5,221	59,143	10.2	.....	.....	618	6	.....	59
1913 June 30	10,301	22	36,423	78	21,812	68,536	5,215	63,321	10.1	.....	.....	618	6	.....	66
1914 "	10,410	22	37,302	78	20,451	68,163	5,313	62,850	7.6	.....	.....	625	6	.....	...
1915 "	10,410	21	38,983	79	25,610	75,003	6,433	68,570	8	.....	.....	312	3	.....	46
1916 "	10,393	20	41,255	80	25,731	77,379	6,595	70,774	11.7	.....	.....	520	5	.....	83
10-Year Average	$10,472	22%	$36,540	78%	$15,378	$62,389	$5,498	$56,890	9.6%	.....	.....	$608	5.8%	.....	53%

* Includes 2% extra paid in January, 1908, out of 1907 surplus.

Note: The bonded debt, as shown above, includes the various issues which are a direct obligation of the company, including the Canada Southern Ry. bond issues, the latter road being directly operated. Rentals include the various guarantees of leased lines, including the Canada Southern Ry. guarantee less interest on Canada Southern Ry. bonds; the Detroit River Tunnel rental, etc.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$84,847,334	$83,271,282	$81,275,731	$77,562,215	$77,338,065	$75,488,054
Working assets	13,387,201	9,970,957	13,224,714	13,167,512	10,466,324	9,196,517
Deferred items	5,955,586	1,848,984	2,325,703	5,328,613	3,583,817	1,246,181
Accrued income not due	301,853	286,267	302,608	259,465	363,531	258,619
Total	$104,491,974	$95,377,490	$97,128,756	$96,317,805	$91,751,737	$86,189,371

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$18,738,000	$18,738,000	$18,738,000	$18,738,000	$18,738,000	$18,738,000
Funded debt	51,884,720	47,668,771	44,643,728	43,752,632	43,316,174	41,269,055
Working liabilities	10,790,353	10,283,026	16,105,790	11,395,262	10,471,911	9,006,395
Accrued liabilities not due.	560,995	620,379	1,435,972	1,343,282	1,146,451	1,096,350
Deferred credit items	1,985,072	1,731,748	175,213	3,604,054	978,897	1,095,388
Appropriated surplus	4,496,600	4,383,424	3,871,762	3,871,762	3,871,762	3,756,123
Profit and loss surplus	16,036,234	11,952,142	12,158,291	13,612,813	13,228,542	11,228,060
Total	$105,491,974	$95,377,490	$97,128,756	$96,317,805	$91,751,737	$86,189,371

Comment: The chief capitalization change in the Michigan Central property during the year ended June 30, 1916, was a considerable increase in the total funded debt. This increase was caused mainly by the sale of additional equipment trusts. While the net capitalization of the property now ranges far higher than in earlier days, yet it will be noticed the sharp recent recovery in earning power has made it a comparatively simple matter for the company to carry this increased capitalization. During the year recently closed the net income on net capital was 11.7%, which is much above the average for the decade.

Note: The par value of stocks owned by the Michigan Central R. R. at end of 1915 was $19,412,841,67, and of bonds $1,214,000. Book value, $9,609,694.50. This included stock of Canada Southern Ry., of which the company owns $7,810,000 out of $15,000,000. In detail, the investments held were as follows:

No. Shares	Stock Name of Company	Par Value
4,175	Battle Creek & Sturgis Ry.	$417,500.00
3,000	Bay City & Battle Creek Ry.	300,000.00
78,100	Canada Southern Ry.	7,810,000.00
2,700	Chic., Kal'm'zoo & Saginaw Ry.	270,000.00
150	Clifton Hotel Co., Ltd.	15,000.00
6,000	Detroit & Bay City R. R.	600,000.00
5,203	Detroit & Charlevoix R. R.	520,300.00
1,000	Detroit Belt Line R. R.	100,000.00
2,410	Detroit, Delray & Dearborn R. R.	260,300.00
1,720	Detroit Manufacturers' R. R.	172.000,00
30,000	Detroit River Tunnel Co.	3,000,000.00
932	Detroit Terminal R. R.	93,200.00
7,500	Detroit, Tol. & Milwaukee R.R.	750,000.00
1,569	Grand River Valley R. R.	156,900.00
7,350	Indiana Harbor Belt R. R.	735,000.00
6,743	Jackson, Lansing & Saginaw R.R.	674.300.00
3,000	Joliet & Northern Indiana R. R.	300,000.00
2,575	Kalamazoo & South Haven R.R.	257,500.00

No. Shares	Stock (Continued) Name of Company	Par Value
10	Lansing Transit Ry.	$1,000.00
216 2/3	Mackinac Transportation Co.	21,666.67
6,688¼	Michigan Air Line R. R.	334,412.50
4,800	Toledo Terminal R. R.	387,200.00
	Miscellaneous	61,700.00
6,272	Toronto, Ham. & Buffalo Ry.	627,200.00
15,476⅝	Toledo, Can. So. & Det. Ry.	1,547,662.50
	Total stocks	$19,412,841.67
	BONDS.	
	Battle Creek & Sturgis Ry.	$24,000.00
	Bay City & Battle Creek Ry.	48,000.00
	Chicago, Kalamazoo & Saginaw Ry.	761,000.00
	Toronto, Hamilton & Buffalo Ry.	357,000.00
	Toledo Terminal R. R.	24,000.00
	Total bonds	$1,214,000.00

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Michigan Cent. R.R. first 3½s	M&N	My 1952	(1st) 270	$66,670	$4,748	349	93%	Very high	Very high	Aaa.
2. Detroit & Bay City first 5s.	M&S	Mr 1931	(1st) 107	37,400		110	94%	"	"	Aaa.
3. Kalam. & So. Haven first 5s	M&N	N 1939	(1st) 39	18,000		20	94%	"	"	Aaa.
4. Michigan A. L. first 4s	J&J	Ja 1940	(1st) 115	22,610		58	94%	"	"	Aaa.
5. Jackson, Lansing & Sag. first 3½s	M&S	S 1951	(1st) 370	4,620	4,399	33	94%	"	"	Aaa.
6. Jolict & Nor. Ind. first 4s	J&J 10	Jl 1957	(1st) 45	33,333		33	94%	"	"	Aaa.
7. Battle Creek & Stur. first 3s	J&D	D 1989	(1st) 41	12,200		8	94%	"	"	Aaa.
8. Bay City & Bat. C. first 3s.	J&D	D 1989	(1st) 18	14,000		4	94%	High	"	Aaa.
9. Canada So. cons. 5s	A&O	O 1962	(1st) 366	60,000		624	82%	"	"	Aaa.
			(2d) 14							
10. Leamington & St. Clair first 4s	A&O	O 1945	(1st) 14	9,200	4,133	3	82%	"	High	Aaa.
11. Tol. Can. So. & Det. first 4s	J&J	Ja 1956	(1st) 59	52,550		70	82%	"	"	Aa.
12. Grand Riv.Val. new first 4s.	M&S	S 1959	(1st) 84	17,860		33	82%	"	"	Aa.
13. Mich. Cen. deb. 4s	A&O	Ap 1929	(see text)	.....		164	73%	"	"	Aa.
14. Detroit Term. & Tun. first 4½s	M&N	My 1961	"	.....	3,403	400	73%	"	"	Aa.
15. N. Y. C. Lines equip.	Var.	Var.	"	.....		222	73%	"	"	Aa.
16. Mich. Cent. equip. 5s	A&O	O 1930	"	.....		125	73%	"	"	Aa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $18,000,000. Dated May 1, 1902; due May 1, 1952. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000, reg. $1,000, etc. First lien from Detroit, Mich., to Kensington, Ill., *via* Kalamazoo, 270.07 miles. Legal for Savings Banks in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $4,000,000. Dated March 10, 1881; due March 1, 1931. Int. paid at Union Trust Co., New York. Coupon, $1,000, reg. $1,000, etc. First lien on 169.80 miles, as follows: From Bay City Junc., Detroit, to Bay City, Mich., 107.46 miles; with branches to Saginaw, 16.75 miles; Owensdale, 33.48 miles, Bay City Water St. Spur, 5.10 miles, and Bay City Belt Line, 7.01 miles. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., Mo., N. H., N. J., Vt., Wis. Normal income tax deducted from interest.

3. Auth. and outstanding, $700,000. Dated Nov. 1, 1889; due Nov. 1, 1939. Int. paid at Grand Central Station, New York. Coupon, $1,000, reg. $1,000 and $5,000. First lien from Kalamazoo to South Haven, Mich., 39.50 miles. Legal for S. B. in Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., Wis. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $2,600,000. Dated Jan. 1, 1890; due Jan. 1, 1940. Int. paid at Union Trust Co., New York. First lien from Jackson, Mich., *via* Niles, to South Bend, Ind., 115.16 miles. Legal for S. B. in Conn., Me., Mass., Minn., Mich., Mo., N. H., N. J., Vt., Wis. Interest paid without deduction for normal income tax. Coupon, $1,000, reg. $1,000 and $5,000.

5. Auth., $2,000,000; outstanding, $1,708,000 (closed). Dated Sept. 1, 1901; due Sept. 1, 1951. Int. paid at Guaranty Trust Co., New York. Coupon and reg., $1,000. First lien on 370.07 miles, as follows: From Jackson to Mackinaw City, 296.35 miles; Grayling to Twin Lakes, 27.88 miles, Piconning Bay to Gladwin, with branches, 45.84 miles; all in Michigan. Legal for S. B. in Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth., $3,000,000; outstanding, $1,500,000. Dated July 10, 1907; due July 10, 1957. Int. paid at Guaranty Trust Co., New York. Coupon and reg., $1,000. First lien from Lake, Ind., to Joliet, Ill., 45 miles. Legal for S. B. in Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., Wis. Interest paid without deduction for normal income tax.

7. Auth. and outstanding, $500,000. Dated Dec. 1, 1889; due Dec. 1, 1989. Int. paid at Union Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by Michigan Central R. R., by endorsement, and now assumed. First lien from Battle Creek to Sturgis, Mich., 41 miles. Legal for S. B. in Maine. Listed on New York Stock Exchange. Normal income tax deducted from interest.

8. Auth., $1,800,000; outstanding, $250,000. Dated Dec. 1, 1889; due Dec. 1, 1989. Int. paid at Union Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by Mich. Central R. R., by endorsement, and now assumed. First lien from Midland to West Bay City, Mich., 18 miles. Legal for S. B. in Me., Mich., Minn., N. J., N. Y. Normal income tax deducted from interest.

9. Auth., $40,000,000; outstanding $22,500,000. Dated Oct. 1, 1912, due Oct. 1, 1962. Int. paid at Grand Central Terminal, New York. Coupon, $1,000, reg. $1,000 etc. Guar. as to prin. and int. by Michigan Central, by endorsement. First lien on 366.24 miles, as follows: From Windsor to Suspension Bridge, 226.18 miles; St. Clair Junc. to Courtright, 62.63 miles; Niagara to Fort Erie, 30.60 miles; Amherstburg to Essex Centre, 16.83 miles; Welland Junc. to Bridgeburg, 17.50 miles, and other branches, 12.50 miles; all in Ontario; second lien on 13.80 miles from Comber to Leamington, following No. 10. Legal for S. B. in Me., Mich., N. H., N. J. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest.

10. Auth. and outstanding, $130,000. Dated Oct. 1, 1895; due Oct. 1, 1945. Int. paid at Bank of Montreal, New York. Coupon, $1,000. Guar. prin. and int. by Canada Southern Ry., by endorsement. First lien from Leamington to Comber Station, Ont., 18.80 miles. Underlie No. 9. Normal income tax deducted from interest.

11. Auth., $4,500,000; outstanding, $3,100,000. Dated Jan. 2, 1906; due Jan. 1, 1956. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000, etc. Guar. prin. and int. by Michigan Central R. R., by endorsement, and now assumed. First lien from West Detroit to the Canada Southern Junc., near Alexis, Ohio, 55.87 miles and Toledo Belt Line, 3.05 miles; total, 58.92 miles. Legal for S. B. in Me., Mich., Minn., N. H., N. J. Interest paid without deduction for normal income tax.

12. Auth., $4,500,000; outstanding, $1,500,000. Dated Sept. 1, 1909; due Sept. 1, 1959. Int. paid at Grand Central Station, New York. Coupon, $1,000; reg., $1,000, etc. First lien from Rivers Junction to Grand Rapids, Mich., 83.79 miles. Legal for S. B. in Me., Mo. Interest paid without deduction for normal income tax.

13. Auth., $25,000,000; outstanding, $7,634,000. Dated April 1, 1909; due April 1, 1929. Int. paid at Grand Central Station, New York. Coupon, $1,000; reg., $1,000, $5,000, etc. Not a mortgage. Bonds sold to provide for advances to the Detroit River Tunnel. Any new mortgage issued will equally secure these bonds. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

14. Auth., $30,000,000; outstanding, $18,000,000. Dated May 1, 1911; due May 1, 1961. Int. paid at New York. Coupon and reg., $1,000. Guar. prin. and int. by Michigan Central R.R., by endorsement. First lien on tunnel on the Detroit River (2.72 miles), used by Michigan Central R.R., and also on Union Passenger Station and terminal properties. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

15. The proportion for which this company is now liable in the New York Central Lines equipment trusts is as follows: Issue of 1907, $1,562,553 5s; issue of 1910, $2,944,158 4½s; issue of 1912, $1,517,109 4½s; issue of 1913, $2,693,849 4½s. For full details, see under New York Central.

16. Mich. Central Equip. 5s; dated Oct. 1, 1915; due $300,000 annually to Oct. 1, 1930. Issued and outstanding, $4,500,000. Int. paid A. & O. Coupon, $1,000. First lien on 4.045 freight cars costing $5,000,000. Normal income tax deducted from interest.

New Refunding and Improvement Mortgage. In February, 1917, it was proposed to authorize a new refunding and improvement mortgage, under which bonds to an amount not exceeding $100,000,000 may be issued. The debentures of 1909 (No. 13) will be equally secured under the new mortgage with any bonds that may be issued. After $10,000,000 of such bonds have been issued other than for refunding purposes, additional issues for improvements and betterments or new acquisitions shall be limited to 70% of the cost thereof. The leaseholds of the Canada Southern Railway and the Detroit River Tunnel Company will be subject to the new mortgage, but any expenditures on these properties will be taken care of out of the proceeds of their unissued bonds and issues under the new mortgage shall not be used for that purpose.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Canada Southern Ry. stock. Par $100. Outstanding, $15,000,000.	3% F&A	$37,800	$1,559	$250	90%	High	High	Aa.
2. St. Joseph So. Bend & So. R.R. stock. Par $100. Outstanding, $165,000 preferred and $480,000 common.	See text	.....		10	90%	"	"	Aa.
3. Michigan Central R.R. stock. Par $100. Outstanding, $18,738,000.	"	10,393	1,299	520*	60%	"	"	Baa.

* For 5% dividends.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Road leased for 999 years to Michigan Central, latter assuming all obligations, and guaranteeing 2½% on stock to 1910, and 3% thereafter. Michigan Central owns $7,810,000.

2. Road leased to 1950, at $20,000 per annum, to Ind., Ill. & Iowa R.R., and lease assumed by Michigan Central. Dividends paid, 5% on preferred and 2% on common.

3. Auth. and issued, $18,738,000. Dividends: Prior to 1906, 4%; 1906, 5%; 1907, 8%; 1908 to July, 1914, 6% per annum; July 1, 1914, to July 1, 1915, 3% only; year to June 30, 1916, 5%. Listed on New York Stock Exchange. Payments are now made Jan. and July 29th. New York Central owns $16,814.300 of the issue, which is pledged under its Michigan Central collateral mortgage. Transfer Office, Grand Central Terminal, New York. Listed on New York Stock Exchange.

COMPANIES CONTROLLED AND OPERATED BY MICHIGAN CENTRAL R.R.

CANADA SOUTHERN RAILWAY

Origin: Incorporated under the laws of the Dominion of Canada, February 28, 1868. Absorbed the Erie & Niagara Ry. in July, 1893, and the Leamington and St. Clair Ry., and the Sarnia, Chatham and Erie Railway on August 1, 1904. The agreement under which this company's system was operated since Jan. 1, 1883, by the Michigan Central R. R. Co. expired Jan. 1, 1904. A new agreement was entered into by which the company leased its property for 999 years from Jan. 1, 1904, to the Michigan Central R. R., rental being dividends at the rate of 2½% per annum until 1910, and at the rate of 3% thereafter, besides assuming all obligations of this company. This agreement was confirmed by an Act of the Dominion Parliament passed in 1904. At the same time an agreement was confirmed for trackage over the Canada Southern Ry. from the St. Clair River to the Niagara River, with the Pere Marquette R.R. Co., at a rental of $165,000 a year, interest on the cost of improvements and a share of the taxes and expenses, this latter agreement running for 99 years. This agreement was modified from Jan. 1, 1908, the Pere Marquette R.R. abandoning its right to use the St. Clair Branch of the Canada Southern Ry., reducing the rental by $50,000 per annum for five years and $27,000 per annum thereafter.

On March 1, 1913, the Canada Southern Ry. turned over to the Michigan Central R.R. Co. all the stocks and bonds of the Canada Southern Bridge Company and the St. Clair & Western R.R. Co. and all the stock and $1,500,000 bonds of the Toledo, Canada Southern and Detroit Ry., in consideration of the guarantee by that company of the principal and interest of $4,500,000 4% Toledo, Canada Southern and Detroit Ry. 4s of 1906.

Location: Windsor to Suspension Bridge, Ont., 226.18 miles; St. Clair Junc. to Courtright, Ont., 62.36 miles; Oil City to Eddy's, Ont., 5.31 miles; Niagara to Ft. Erie, Ont., 30.47 miles; Amherstburg to Essex Centre, Ont., 16.86 miles; Comber to Leamington, Ont., 15.37 miles; Petrolia, Junc. to Petrolia, Ont., 6.60 miles; total, 380.04 miles owned. Controlled: Canada Southern Bridge, 2.50 miles; St. Clair & Western R.R., 14.87 miles; total, 17.28 miles. Total operated, 397.32 miles. Company also has trackage rights from St. Thomas to London, Ont.

Management: Officers: A. H. Smith, Pres., New York, N. Y.; H. B. Ledyard, Vice-Pres., Detroit, Mich.; A. H. Harris, Vice-Pres.; D. W. Pardee, Sec.; M. S. Barger, Treas., New York, N. Y.; F. O. Waldo, Aud., Detroit, Mich. Directors: W. K. Vanderbilt, F. W. Vanderbilt, A. H. Smith, E. A. Wickes, W. H. Newman, C. M. Depew, J. E. Brown, W. K. Vanderbilt, Jr., New York, N. Y.; H. B. Ledyard, Detroit, Mich. Annual meeting, first Wednesday in June, at St. Thomas, Ont. Canadian Office, St. Thomas, Ont. New York Office, Grand Central Terminal.

Bonded Debt: (1) $130,000 Leamington & St. Clair R. R. 1st 4s. Dated Oct. 1, 1895; due Oct. 1, 1945. For full details and ratings of above bonds, see Bond Table of Michigan Central R.R., page 480.

(2) $22,500,000 Canada Southern Ry. consolidated 5s. Series A, dated Oct., 1912; due Oct. 1, 1962. Authorized $40,000,000. For full details and rating, see Bond Table of Michigan Central R.R., page 480.

Capital Stock: Authorized and outstanding, $15,000,000, of which $7,810,000 was owned by the Michigan Central R.R. on Dec. 31, 1915. Par $100. Listed on New York and Amsterdam Stock Exchanges. Transfer Agent, A. W. Stone, Grand Central Terminal, New York. Registrar, Union Trust Co., New York. Dividends are paid semi-annually. Recent dividends as follows: 1903, 2%; 904, 2¾%; 1905 to 1910, inc., 2½%; 1911 to date, 3% per annum.

DETROIT RIVER TUNNEL COMPANY

Origin: Consolidation, Aug. 15, 1905, of the Canada & Michigan Bridge and Tunnel Co., a corporation of the Dominion of Canada, and the Michigan & Canada Bridge and Tunnel Co., a corporation of the State of Michigan. Company was organized for the purpose of building a tunnel under the Detroit River from Windsor, Ont., to Detroit, Mich., and acquiring terminal facilities. The Canadian Railway Commission authorized the use of the tunnel Oct. 14, 1910, and regular passenger and freight service was inaugurated two days later. It was leased to the Michigan Central R.R. for 999 years from Jan. 1, 1907, which company operates and maintains the property and guarantees the Tunnel Company's first mortgage bonds both as to principal and interest, and also a dividend of at least 4% per annum on the capital stock outstanding. The terminal station building at Detroit was put in use Dec. 26, 1913. Length of road, 2.42 miles.

Management: OFFICERS: A. H. Smith, Pres., New York; H. B. Ledyard, Vice-Pres., Detroit, Mich.; W. K. Vanderbilt, Jr., A. H. Harris, Vice-Prests.; D. W. Pardee, Sec.; M. S. Barger, Treas., New York, N. Y.; F. O. Waldo, Aud., Detroit, Mich. OFFICE, Detroit, Mich.

Bonded Debt: $18,000,000 Detroit Terminal and Tunnel 1st 4½s., Dated May 1, 1911, due May 1, 1961. For full details and rating, see Bond Table of Michigan Central, R.R., page 480

Capital Stock: Authorized and outstanding, $3,000,000. Par $100. 6% dividend paid in 1916. All owned by the Michigan Central R.R.

THE TOLEDO & OHIO CENTRAL RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Successor in 1885 of Ohio Central Railroad. Acquired Columbus & Northwestern Railway in 1906. In 1899 the Middle States Construction Co. acquired in the interest of the Hocking Valley all but $54,100 of the common and all but $11,600 of the preferred stock of the road. This control was declared illegal by the Ohio courts in 1909, and in March, 1910, the Lake Shore & Michigan Southern Ry. acquired practically all the stock, which is now owned by the New York Central R.R.

The Toledo & Ohio Central Railway owns all the stock and bonds of the Zanesville & Western Railway, operating 89 miles from Thurston and Shawnee to Zanesville, Ohio. The company has now also acquired from the Chesapeake & Ohio Railway, the half-interest in the Kanawha and Michigan Railway. See that company. This mileage is separately operated.

Location: The directly operated lines extend from Toledo, south to Columbus, Ohio, with extension to Ohio River, with branches, 435.69 miles in all. Population of Ohio in 1890, 3,672,316; in 1900, 4,157,545; in 1910, 4,767,121.

Management: OFFICERS: Alfred H. Smith, Pres.; W. K. Vanderbilt, Jr., Vice-Pres.; John Carstensen, Chas. F. Daly, Albert H. Harris, Vice-Pres.; F. B. Sheldon, Vice-Pres.; Dwight W. Pardee, Sec.; Milton S. Barger, Treas. DIRECTORS: A. H. Smith, Wm. K. Vanderbilt, Jr., William H. Newman, Chas. T. Lewis, D. C. Moon, F. J. Jerome, F. B. Sheldon. Annual meeting, first Tuesday in September. MAIN OFFICE, Toledo, Ohio.

Classification of Freight Tonnage (Years Ending June 30, 1907-9, 1913-16; Dec. 31, 1910-12)

	1907	1908	1909	1910 Dec. 31	1911 Dec. 31	1912 Dec. 31	1913	1914	1915	1916
Products of Agriculture	3.44%	4.53%	4.59%	4.54%	5.86%	5.47%	5.66%	5.98%	8.14%	6.58%
Products of Animals	.55	.72	.78	.59	.94	.97	.92	.87	.91	.93
Products of Mines	82.76	81.05	82.56	83.01	80.09	80.41	80.33	80.32	78.73	78.71
Products of Forests	3.08	4.46	3.47	3.14	3.35	2.92	2.79	2.64	2.19	2.56
Manufactures	6.42	6.72	6.44	6.97	7.85	8.57	8.67	8.13	8.14	9.57
L. C. L. and Miscel.	3.75	2.52	2.16	1.75	1.91	1.66	1.63	2.06	1.89	1.65

Total revenue tonnage: 1909, 5,722,591 tons; In 1910, 7,125,392 tons; in 1911, 6,923,486 tons; In 1912, 7,730,205 tons; 8,015,256 in 1913; 7,852,200 tons In 1914; 7,309,568 tons In 1915; 8,287,201 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 June 30	441	4	126	50	6,347	84%	80,521	2,222,376	514	$1.88	1.62c	.42c
1908 "	441	4	133	52	6,060	82	82,868	1,693,920	478	1.70	1.67	.46
1909 "	441	4	126	51	5,550	82	85,625	1,680,349	483	1 68	1.60	.45
1910 Dec. 31	444	6	122	50	4,348	81	96,117	2,184,139	538	.2 35	1.61	.44
1911 "	441	6	122	51	4,387	82	98,850	2,125,529	555	2.43	1.59	.41
1912 "	443	6	131	52	4,039	83	81,856	2,335,301	563	2 44	1.80	43
1913 June 30	443	6	131	48	6,477	83	79,508	2,502,095	615	2.41	.1.79	43
1914 "	446	6	133	46	7,046	82	81,948	2,366,937	632	2 13	1.77	42
1915 "	445	7	130	47	9,282	82	74,643	2,207,984	695	2 28	1 78	41
1916 "	436	11	141	45	8,965	83	76,220	2,568,523	755	2.41	1.79	40
10-Year Average	442	6	129	49	6,250	82%	84,116	2,188,715	586	$2.17	1.70c	.43c

Yard tracks and sidings, on June 30, 1916, 263.85 miles. Fiscal year Dec. 31.

Comment: For the year ended June 30, 1916, the freight density of the Toledo & Ohio Central far exceeded that of the previous year and was even better than the figures reported in 1913. The average freight train load was also greatly improved, and also freight rates tended to decline. Train mile earnings were moved up well above recent figures. As usual the company depended primarily on the transportation of coal for its freight business.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907 June 30....	$11,036	$1,446	$1,915	$3,361	$3,787	$3,888	$4,075	$380	$3,695	$1,007	73%	$2,688	.....
1908 "	9,508	1,341	1,500	2,841	3,477	3,190	3,591	352	3,239	1,282	60	1,957	.....
1909 "	9,322	1,325	1,571	2,896	3,370	3,056	3,212	373	2,839	1,163	59	1,676	$552
1910 Dec. 31....	11,464	1,533	1,727	3,260	4,044	4,160	4,690	457	4,233	1,136	71	2,997	1,613
1911 "	11,199	1,904	1,499	3,403	4,323	3,473	3,884	558	3,326	1,944	42	1,382	1,083
1912 "	12,106	1,763	2,271	4,034	4,739	3,333	3,897	570	3,327	1,489	58	1,938	1,078
1913 June 30....	12,805	1,918	2,352	4,270	4,924	3,611	4,119	582	3,537	1,389	61	2,148	1,078
1914 "	11,966	2,237	2,586	4,823	5,420	1,723	2,176	576	1,600	2,492	...	892*	.....
1915 "	11,116	1,679	2,159	3,838	4,760	2,518	3,744	603	3,141	3,600	...	459*	.....
1916 "	12,393	1,623	2,703	4,326	4,919	3,148	5,406	670	4,736	3,328	30	1,408	.....
10-Year Avcrage	$11,291	$1,677	$2,028	$3,705	$4,376	$3,210	$3,879	$512	$3,367	$1,884	45%	$1,483	$530

*Deficit.

Note: Above table is based on mileage directly operated for each year. "Margin of safety" is the proportion of surplus left over after deducting all fixed charges. For example, in 1916 the "balance for charges" (per mile) amounted to $4,736; fixed charges consumed $3,328 or 70% of this, leaving a "margin of safety" of $1,408 or 30%. In 1914 and 1915 there was no margin of safety.

Comparative Income Account, Years Ended December 31, 1911-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911
Gross revenues	$5,403,292	$4,944,745	$5,330,376	$5,663,280	$5,355,002	$4,938,646
Maintenance of way.....	707,494	747,240	997,740	849,494	780,896	839,281
Maintenance of equipment	1,178,534	960,750	1,153,250	1,042,274	1,006,229	661,253
All other operating exps..	2,144,857	2,118,329	2,417,187	2,181,255	2,099,460	1,914,969
Net operating revs...	$1,372,407	$1,118,426	$762,199	$1,590,257	$1,468,417	$1,523,143
Operating ratio ...	74.6%	77.4%	85.7%	71.9%	72.4%	68.9%
Other income	984,450	547,538	208,452	234,460	258,010	190,688
Total net income.....	$2,356,857	$1,665,964	$970,651	$1,824,717	$1,726,427	$1,713,831
Taxed accrued	292,003	268,226	256,715	257,903	252,577	246,237
Balance for charges..	$2,064,854	$1,397,738	$713,936	$1,566,814	$1,473,850	$1,467,594
Fixed charges	1,451,161	1,602,185	1,111,637	615,374	615,419	618,382
Surplus over charges.	$613,693	(def.)$204,447	(def.)$397,701	$951,440	$858,431	$849,214
Dividends paid	.....	.....	.....	477,385	477,385	477,385
Other deductions	.....	.....	.....	.....	.....	371,829
Balance	$613,693	(def.)$204,447	(def.)$397,701	$474,055	$381,046	.....
Earned on stock: Pfd....	16.55%	.....	.....	25.66%	23.15%	16.43%
Com...	6.6%	.....	.....	11.79	10.36	6.52

Note: The high fixed charges shown in 1914, 1915 and 1916 were caused by special charges, including loss on Zanesville & Western R. R. The figures are those submitted to the Interstate Commerce Commission. Fiscal year ends Dec. 31st.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,946,951; credit balance transferred from income, $613,692; unrefundable overcharges, $465; miscellaneous credits, $1,394; total, $4,562,502. Contra: Debt discount extinguished through surplus, $31; loss on retired road and equipment, $15,987; miscellaneous debits, $19,212; credit balance carried to balance sheet, $4,527,272; total, $4,562,502.

Comment: Both gross and net operating revenues underwent marked improvement on the Toledo & Ohio Central property during the year ended June 30, 1916. This income was also very much better than recently and the final surplus available for charges was therefore far above the results of recent times. Fixed charges declined as compared with 1915, and the balance left over was equal to over 16½% on the outstanding preferred stock. No dividends were paid during the year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 June 30	$23,148	52%	$21,722	48%	.....	$44,870	$7,211	$37,659	10.8%	.....	.....	.....	.....	.....	.....
1908 "	23,148	52	21,290	48	.....	44,438	9,393	35,045	10	.....	.....	.....	.....	.....	.....
1909 "	23,148	52	20,880	48	.....	44,028	9,394	34,634	9.3	$450	5%	$102	1%	73%	91%
1910 Dec. 31	23,000	51	22,759	49	.....	45,759	7,892	37,867	12.3	625	7½	988	7½	79	59
1911 "	23,148	51	22,370	49	.....	45,518	6,289	39,229	10	420	5	663	5	70	43
1912 "	23,043	51	21,725	49	....	44,768	8,249	36,519	10.7	418	5	660	5	72	57
1913 June 30	23,042	49	23,951	51	$205	47,198	8,240	38,958	10.6	418	5	660	5	81	62
1914 "	22,888	50	23,293	50	203	46,384	9,568	36,816	5.9	.....	.....	.....	.....	.....	.....
1915 "	22,939	46	26,798	54	204	49,941	9,385	40,556	9.2	.....	.....	.....	.....	.....	.....
1916 "	23,412	46	26,981	54	208	50,601	9,677	40,924	13.2	.....	.....	.....	.....	.....	.....
10-Year Average	$23,092	50%	$23,177	50%	$82	$46,351	$8,529	$37,821	9.4%	$233	2.8%	$307	2.4%	85%	75%

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$36,930,431	$36,756,764	$26,672,315	$24,441,313	$24,394,854	$24,068,314
Working assets	3,203,480	3,080,608	4,069,949	4,212,197	4,019,294	3,796,952
Deferred debit items.....	289,716	203,008	147,867	1,434,898	102,352	60,395
Accrued income not due..	933,374	853,374	.....	.....	.....	.....
Total	$41,357,001	$40,893,754	$30,890,131	$30,088,408	$28,516,500	$27,925,661
Liabilities:						
Capital stock	$10,208,000	$10,208,000	$10,208,000	$10,208,000	$10,208,000	$10,208,000
Funded debt	11,763,579	11,925,199	10,388,483	10,610,153	9,624,000	9,864,000
Working liabilities	13,167,658	13,117,985	4,490,339	3,132,514	2,367,256	1,927,786
Accrued liabilities not due.	105,809	189,946	134,452	118,205	529,374	529,648
Deferred credit items.....	252,099	173,090	39,460	57,780	25,163	53,763
Appropriated surplus	1,332,583	1,332,583	1,332,583	1,332,583	1,332,583	1,332,583
Profit and loss surplus....	4,527,273	3,946,951	4,296,814	4,729,173	4,430,124	4,009,881
Total	$41,357,001	$40,893,754	$30,890,131	$30,088,408	$28,516,500	$27,925,661

Comment: Practically no change occurred in the capitalization figures of the Toledo & Ohio Central during the year ended June 30, 1916. As measured on a mileage basis the company is not heavily capitalized and as usual succeeded in reporting a substantial net income in its net capital. During the year recently closed this net income equalled 13.2%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Tol. & Ohio Central first 5s.	J&J	Jl 1935	(1st) 197	$15,230	$3,367	$344	90%	Very high	High	Aaa.
2. Tol. & O. C. Western Div. first 5s	A&O	O 1935	(1st) 138 (2d) 197 (3d) 60	6,330	3,023	287	91%	"	"	Aa.
3. Tol. & O. Central general 5s.	J&D	Je 1935	(gen) 395	5,060	2,736	230	79%	High	"	Baa.
4. Tol. & O. C. St. M. Div. 1st 4s	F&A	F 1951	(1st) 60	8,333		45	79%	"	Good	Baa.
5. Equipment trusts, see text..	Var.	Var.	(see text)	.....		300	79%	"	"	Aa.
6. Tol. & Ohio C. St. Mary's first pref. income 4s.....	Oct. 1	F 1951	(2d) 60	8,333	Incomes	Not pd.	.....	.....	.....	text

For Reference Notes on Bond Issues, see next page.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issues, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $5,000,000; outstanding, $3,000,000 (closed). Dated July 1, 1885; due July 1, 1935. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien from Toledo to Bremen, O., 160.57 miles; New Lexington to Corning, O., 12.33 miles; Thurston, O., to Alum Creek (near Columbus, O.), 24.37 miles; total, 197.27 miles. These bonds carry voting power. Underlie Nos. 2 and 3. Legal for Savings Banks in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $2,500,000. Dated Oct. 1, 1892; due Oct. 1, 1935. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien on 137.74 miles from Whitmore *via* Columbus to Truro Junc., Ohio; second lien on 197.27 miles, following No. 1; third lien on 59.90 miles, following No. 6. Underlies No. 3. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $2,000,000. Dated June 1, 1894; due June 1, 1935. Int. paid at Central Trust Co., New York. Coupon, $1,000. Second lien on 137.74 miles, following No. 2; third lien on 197.27 miles, following No. 2; fourth lien on 59.90 miles, following No. 6. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $500,000. Dated Feb. 1, 1901; due Feb. 1, 1951. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien on 59.90 miles from Peoria to St. Mary's, Ohio. Underlie Nos. 2, 3 and 6. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

5. (1) Outstanding, $28,000 4s, dated May 15, 1907; due $28,000 semi-annually to May 15, 1917; int. paid May and Nov. 15. (2) $360,000 4s, dated Jan. 1, 1910; due $60,000 semi-annually to Jan. 1, 1920; int. paid Jan. and July. (3) $2,346,553 New York Central lines equipment.

6. Auth. and outstanding, $500,000. Dated Feb. 1, 1901; due Feb. 1, 1951. Int. payable, when declared and earned, at Central Trust Co., New York. Second lien on 59.90 miles, following No. 4. Underlie Nos. 2 and 3. No interest has ever been paid.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Toledo & Ohio Central Ry. preferred..... 5% non-cumulative. Outstanding, $3,708,000. Par $100.	See text	$8,504	$1,483	.....	.....	Large	.....	**Ba.**
Toledo & Ohio Central common..... Par $100. Outstanding, $6,500,000.	"	14,908	.....	.....	.....	"	.....	**Caa.**

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

Note: Auth., $3,750,000 preferred and $6,500,000 common. After common has received 5%, preferred is entitled to 2% more, both classes to share pro rata after each has received 7%. The New York Central R.R. owns practically all the preferred and common stocks. Dividends of 5% per annum were paid on both issues to 1913. None since.

ZANESVILLE & WESTERN RAILWAY

Incorporated under Ohio laws, Oct. 16, 1902. Acquired a portion of the old Columbus, Sandusky & Hocking R.R., the balance being owned by the Cleveland, Akron & Cincinnati R.R. Lines operated consist of 89.7 miles, extending from Thurston to Muskingum, with various branches, including trackage to Zanesville. Sidings, 41.23 miles. Jointly with the Cleveland, Akron & Cincinnati, owns all the stock of the Zanesville Terminal R.R., 14. locomotives, 758 freight cars, 11 passenger cars, 38 service cars.

Management: Officers: A. H. Smith, Pres.; W. K. Vanderbilt, Jr., J. Carstensen, A. H. Harris, C. F. Daly, Frederick B. Sheldon, Vice-Prests.; D. W. Pardee, Sec.; M. S. Barger, Treas. Office, Columbus, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$351,783	$335,832	$403,289	$460,115	$468,324	$432,882
Operating expenses	430,471	424,140	481,778	422,379	427,107	379,813
Net income	(def.) $78,688	(def.) $88,308	(def.) $78,489	$37,736	$41,217	$53,069
Other income	258,550	270,938	244,524	68,179	59,123	56,834
Total net income.....	$179,862	$182,630	$166,035	$105,915	$100,340	$109,903
Taxes	29,397	27,291	29,432	28,192	32,564	17,114
Fixed charges	137,010	132,887	130,859	126,443	129,444	156,985
Surplus	$13,455	$22,452	$5,744	(def.) $48,720	(def.) $61,668	(def.) $64,196

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $13,445; unrefundable overcharges, $17; miscellaneous credits. $949; total, $14,421. Contra: Loss on retired road and equipment, $13,642; miscellaneous debits, $779; total, $14,421.

Comment: The direct operations of the Zanesville & Western property in recent years have usually resulted in a loss, as the gross revenues have not equalled operating expenes since 1913. But "other income" has recently become important and in the past three years a surplus above charges has each year been shown. The property is undoubtedly of some value to the Toledo & Ohio Central, which owns its stock and bond issues.

Comparative Condensed Balance Sheet as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,653,765	$4,705,972	$4,745,039	$4,779,734	$4,838,062	$4,919,880
Working assets	1,657,760	1,410,529	1,176,387	1,093,284	1,024,237	918,984
Deferred debit items.....	27,116	14,339	23,063	33,072	19,202	11,476
Total	$6,338,641	$6,130,840	$5,944,489	$5,906,090	$5,881,501	$5,850,340
LIABILITIES:						
Capital stock	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Funded debt	2,216,000	2,125,000	2,175,000	2,225,000	2,275,000	2,325,000
Working liabilitics	1,583,623	1,474,681	1,238,787	1,151,432	1,055,446	937,431
Accrued liabilities not due	25,876	23,796	30,190	26,931	20,730	34,946
Deferred credit items.....	13,142	7,363	512	2,727	30,325	52,963
Total	$6,338,641	$6,130,840	$5,944,489	$5,906,090	$5,881,501	$5,850,340

Bonded Debt: $2,000,000 first 4s; dated Nov. 1, 1902; due Nov. 1, 1952; int. paid M. and N. at Guaranty Trust Co., New York. First lien on entire property. All owned by Toledo & Ohio Central Ry. There are also outstanding, $100,000 equipment 4s, of an original issue of $500,000. Int. paid June and Dec. 1, at Guaranty Trust Co., New York.

Capital Stock: $2,500,000; par, $100; all owned by Toledo & Ohio Central Ry.

THE KANAWHA AND MICHIGAN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Dfinitions and Key to Ratings, see pages 19-26.

Origin: Incorporated April 23, 1890, under laws of Ohio and West Virginia, as successor to the Kanawha & Ohio Railway Co. In 1916 acquired the Kanawha & West Virginia R.R.

Location: The directly operated lines consist of 176.6 miles, radiating throughout the Kanawha coal district of West Virginia and entering Ohio, where connection is made with the lines of the Toledo & Ohio Central Ry. The mileage is classified as follows: Main lines: Corning to Hobson, 56.8 miles (Ohio); Kenauga to Gauley Bridge, 96.7 miles (W. Va.); branch from Smithers to Marting, 4.4 miles; trackage rights, 18.7 miles. In addition the company owns a branch from Gloucester to Carrington, 11 miles, which is leased to the Zanesville & Western and the Toledo & Ohio Central companies. In 1916 acquired the Kanawha & West Virginia R.R. extending from Charleston to Blakely, W. Va., 34.5 miles, and branch 4 miles, not included in above mileage. Population of Ohio and West Virginia in 1890, 4,435,020; in 1900, 5,116,345; in 1910, 5,988,240.

Control: Was formerly controlled by the Hocking Valley Ry. Co., which had acquired a majority of the stock from the Toledo & Ohio Central interests. In August, 1906, it was proposed to consolidate the property directly with the Hocking Valley, but this was forbidden by the Ohio State court. In March, 1910, control was acquired jointly by the Chesapeake & Ohio and the Lake Shore & Michigan Southern interests. At the same time, the former acquired control of the Hocking Valley lines and the latter control of the Toledo & Ohio Central lines. In November, 1913, the lower Federal Court held this control to be illegal, and in 1914 the interest of the Chesapeake & Ohio was acquired by the Toledo & Ohio Central, thus making the road a subsidiary of the New York Central system.

Management: OFFICERS: A. H. Smith, Pres.; F. B. Sheldon, Vice-Pres.; D. W. Pardee, Sec.; M. S. Barger, Treas.; E. N. Bennett, Local Treas. DIRECTORS: F. B. Sheldon, A. H. Harris, Chas. T. Lewis, J. F. Stone, Wm. H. Newman, J. Q. Van Winkle, A. H. Smith, Wm. C. Willard, Harold S. Vanderbilt. Annual meeting, first Tuesday in June. MAIN OFFICE, Charleston, W. Va.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture. .	4.85%	4.82%	4.68%	3.47%	4.28%	3.94%	4.36%	5.09%	8.4%	6.4%
Products of Animals	.38	.30	.42	.27	.30	.39	.37	.45	.5	.4
Products of Mines . . .	77.48	78.77	80.07	84.80	83.10	84.27	82.60	81.20	78.9	81.8
Products of Forests	8.43	8.75	8.01	6.68	7.10	5.92	6.69	6.43	5.0	4.9
Manufactures	4.60	4.42	4.39	3.50	3.67	3.48	3.73	4.64	5.0	4.5
Merchandise and Miscel...	4.26	2.94	2.40	1.28	1.55	2.00	2.25	2.19	2.2	2.0

Total revenue tonnage in 1909, 3,377,115 tons; in 1910, 4,698,829 tons; in 1911, 5,287,117 tons; in 1912, 5,362,817 tons; in 1913, 5,611,112 tons; 5,271,259 tons in 1914; 5,102,533 tons in 1915; 6,495,051 tons in 1916.

The freight tonnage of this road is, of course, mainly soft coal. For the year 1913, 4,246,670 tons of this commodity were transported; 3,991,054 tons in 1914.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	177	....	57	23	5,091	74%	90,805	2,066,981	446	$1.39	1.95c	.48c
1908.....	177	....	58	23	4,915	81	108,480	1,924,683	459	1.72	1.67	.48
1909.....	177	....	52	23	5,090	83	94,400	1,980,028	433	1.71	1.88	.50
1910.....	176	....	52	23	5,054	86	97,758	2,675,871	552	2.20	1.86	.52
1911.....	176	....	64	29	5,006	87	108,854	3,823,703	703	2.24	1.85	.40
1912.....	176	....	66	29	4,933	89	105,601	3,845,189	761	2.31	1.86	.40
1913.....	177	....	73	32	5,929	87	110,574	4,033,104	937	2.72	1.91	.40
1914.....	177	....	71	28	5,791	85	110,240	3,739,955	959	2.75	1.94	.40
1915.....	177	....	78	35	6,734	85	99,321	3,727,862	1,018	2.75	1.97	.38
1916.....	177	....	67	35	6,528	87	107,851	4,693,538	1,169	3.23	1.95	.38
10-Year Average	177	....	64	28	5,507	84%	103,388	3,251,091	744	$2.30	1.88c	.43c

Yard tracks and sidings, Dec. 31, 1915, 131.8 miles. Fiscal year ends Dec. 31.

Comment: Both passenger and freight density underwent substantial improvement on the Kanawha & Michigan during the year ended June 30, 1916. The company succeeded also in reporting a higher freight train load and much better train mile earnings. As usual the company depends primarily on the transportation of soft coal for its business and in the year just closed this type of freight represented nearly 82% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$13,433	$2,409	$3,114	$5,523	$4,555	$3,355	$3,395	$442	$2,953	$1,444	51%	$1,509	.....
1908.....	11,429	2,506	2,936	5,442	4,211	1,776	2,703	449	2,254	1,529	32	725	.....
1909.....	11,975	2,539	3,160	5,699	4,037	2,239	2,805	453	2,352	1,589	32	763	.....
1910.....	15,737	2,940	3,675	6,615	4,370	4,752	5,811	492	5,319	1,727	67	3,582	.....
1911.....	17,717	2,092	3,142	5,234	5,592	6,891	8,082	534	7,548	1,558	79	5,990	$2,045
1912.....	17,870	2,306	3,332	5,638	5,802	6,430	7,376	594	6,782	1,566	77	5,216	2,556
1913.....	18,662	2,702	3,624	6,326	6,021	6,315	8,057	600	7,457	1,777	76	5,680	3,051
1914.....	17,571	2,386	3,978	6,364	6,177	5,030	7,046	714	6,332	1,719	73	4,613	2,542
1915.....	16,486	2,186	3,992	6,178	5,500	4,798	6,074	791	5,283	2,055	61	3,228	1,911
1916.....	20,543	2,677	4,380	7,057	5,838	7,648	10,008	923	9,085	2,019	78	7,066	3,178
10-Year Average	$16,142	$2,474	$3,533	$6,007	$5,211	$4,924	$6,136	$599	$5,537	$1,698	63%	$3,839	$1,528

Note: Above table is based on average mileage directly operated in each year. "Margin of safety" is proportion of surplus left over after payment of all fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,636,032	$2,911,380	$3,109,980	$3,303,229	$3,145,252	$3,111,052	$2,769,657
Maintenance of way.....	473,840	386,039	422,236	478,269	405,947	368,251	517,446
Maintenance of equipment.....	775,305	704,977	704,237	641,444	570,346	552,193	646,813
All other operating expenses...	1,033,269	973,056	1,093,317	1,065,706	1,037,267	977,456	769,024
Net operating revenues....	$1,353,618	$847,308	$890,190	$1,117,810	$1,131,692	$1,213,152	$836,374
Operating ratio	62.8%	70.9%	71.4%	66.2%	64%	61%	69.8%
Other income	417,763	225,393	356,884	308,216	166,502	209,240	186,393
Total net income.....	$1,771,381	$1,072,701	$1,247,074	$1,426,026	$1,298,194	$1,422,392	$1,022,767
Taxes accrued	163,349	140,020	126,430	106,262	104,538	94,036	86,669
Balance for charges.....	$1,608,032	$932,681	$1,120,644	$1,319,764	$1,193,656	$1,328,356	$936,098
Fixed charges	357,320	362,525	304,196	314,368	275,420	274,995	305,724
Surplus over charges.....	$1,250,712	$570,156	$816,448	$1,005,396	$918,236	$1,053,361	$630,374
Dividends paid	562,500	337,500	450,000	540,000	450,000	360,000	.....
Appropriations for impr., etc...	.....	.....	.....	.....	.....	691,623	141,692
Balance	$688,212	$232,656	$366.448	$465,396	$468,236	$1,738	$488,683
Earned on stock.....	13.90%	6.34%	9.07%	11.17%	10.20%	11.70%	6.30%

Comment: Both gross and net revenues improved decidedly on the Kanawha & Michigan property during the year ended June 30, 1916. The outside income was also better than usual and the balance carried forward was therefore far in excess of the fixed charges. The final surplus equalled nearly 14% on the outstanding stock. During the year the company disbursed dividends of 6¼%.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$50,848	63%	$30,540	37%	.....	$81,388	$11,300	$70,088	4.9%	.....	.....	.....	.....	.....	.....
1908	50,848	61	32,123	39	.....	82,971	11,300	71,671	3.8	.....	.....	.....	.....	.....	.....
1909	50,848	60	34,932	40	.....	85,780	11,300	74,480	3.9	.....	.....	.....	.....	.....	.....
1910	51,136	58	33,009	42	.....	84,145	5,682	78,463	7.4	.....	.....	.....	.....	.....	.....
1911	51,136	60	31,648	40	.....	82,784	.....	82,784	9.7	.....	.....	$2,045	4%	.....	66%
1912	51,136	61	30,296	39	.....	81,432	.....	81,432	9	.....	.....	2,556	5	.....	51
1913	50,847	58	36,034	42	.....	86,881	.....	86,881	9.3	.....	.....	3,051	6	.....	46
1914	50,847	59	34,897	41	.....	85,744	.....	85,744	8.2	.....	.....	2,542	5	.....	45
1915	50,963	56	40,353	44	.....	91,316	.....	91,316	6.7	.....	.....	1,911	3¾	.....	40
1916	50,847	57	38,510	43	.....	89,357	.....	89,357	11.2	.....	.....	3,178	6¼	.....	55
10-Year Average	$50,946	60%	$34,234	40%	.....	$85,180	$3,958	$81,222	7.4%	.....	.....	$1,528	3%	.....	30%

Note: Bonded debt, as shown above, includes the first and second mortgage bonds of the company (see Table D) and the equipment obligations. The investment account prior to 1910 included unpledged securities which have since been disposed of.

Comparative Condensed Balance Sheet as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$19,344,964	$19,493,518	$18,139,592	$18,030,311	$16,639,356	$16,387,468
Working assets	937,128	712,443	935,099	955,962	789,189	1,104,364
Deferred debit items	402,902	313,063	112,752	48,054	58,310	104,117
Total	$20,684,994	$20,519,024	$19,187,393	$19,034,327	$17,486,855	$17,595,949
Liabilities:						
Capital stock	$9,000,000	$9,000,000	$9,000,000	$9,000,000	$9,000,000	$9,000,000
Funded debt	6,816,250	7,126,500	6,176,750	6,378,000	5,330,233	5,570,400
Working liabilities	637,815	830,901	693,606	706,043	659,550	992,909
Accrued liabilities not due	60,076	92,339	57,266	58,403	60,138	63,256
Deferred credit items	*2,285	13,695	2,670	687	208	326
Appropriated surplus	1,068,676	1,068,674	1,068,676	1,068,676	1,068,676	1,068,676
Profit and loss surplus	3,099,892	2,414,305	2,188,425	1,822,518	1,368,050	900,382
Total	$20,684,994	$20,519,024	$19,187,393	$19,034,327	$17,486,855	$17,595,949

* Deferred credit items includes operating reserves, $4,757, a reverse item.

Comment: There was a slight decrease in the bonded debt of the Kanawha & Michigan property during the year ended June 30, 1916. As measured on a mileage basis the road appears to be heavily capitalized but its volume of business is large and the net income on the net capital has in all recent years ranged at high figures.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Kana. & Mich. Ry. first 4s	A&O	Ap 1990	(1st) 169	$14,610	$5,537	$560	90%	Very high	High	Aaa.
2. Kana. & Mich. Ry. second 5s	J&J	Jl 1927	(2d) 169	15,000	4,077	707	77%	High	"	Aa.
3. Kana. & W. Va. R. R. first 5s	J&J	Jl 1955	(1st) 39	38,000		417	77%	"	Good	A.
4. Kana. & Mich. equip. 4½s	J&J	1917-22	.....	.....	3,853	400	90%	"	High	Aa.
5. Kana. & Mich. equip. 4½s	J&J	1917-24	.....	.....			90%	"	"	Aa.

* **Note:** "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $15,000 per mile; outstanding, $2,469,000. Dated June 3, 1890; due April 1, 1990. Int. paid at Central Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by Toledo & Ohio Central Ry., by endorsement. First lien from Corning to Hobson, O., 56.8 miles; from Point Pleasant to Gauley Bridge, W. Va., 94.7 miles; from Glouster to Carrington, Ohio, 11 miles; from Smithers to Marting, W. Va., 4.4 miles; total, 167.10 miles; first collateral lien on bridge across Ohio River at Point Pleasant, W. Va., 2 miles. Underlies No. 2. Legal for Savings Bank in Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $2,500,000. Dated July 1, 1907; due July 1, 1927. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Redeemable at par and interest on any interest day on three months' notice. Second lien on 169.10 miles (inc. bridge), following No. 1. Legal for S. B. in N. H. and R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $5,000,000; outstanding, $1,477,000. Dated July 1, 1905; due July 1, 1955. Int. paid Jan. and July 1, at Scranton Trust Co., Scranton, Pa., Trustee. Coupon, $1,000. Unissued bonds limited to $25,000 per mile. Callable at 105 and interest. Guar. principal and interest by Kanawha & Michigan Ry. First lien on 38.5 miles from Charleston to Blakely, W. Va., and branch. Interest payable without deduction for normal income tax.

4. Auth., $1,200,000; now outstanding, $660,000. Dated July 1, 1912; due $60,000 each Jan. and July 1 to July 1, 1922. Int. paid at Union Trust Co., New York. Coupon, $1,000. Secured under terms of a trust agreement covering 1,000 fifty-ton steel drop bottom coal cars, 100 Hart convertible steel underframe coal and ballast cars, 3 steel underframe passenger cars, 2 steel underframe baggage and mail cars, 10 consolidation freight locomotives and 2 switching locomotives. The original cost of the equipment was $1,333,400, of which the company paid $133,400 in cash, these notes being issued for the balance. Interest paid without deduction for normal income tax.

5. Auth., $1,200,000; now outstanding, $900,000. Dated July 1, 1914; due $60,000 each Jan. and July 1 to July 1, 1924. Int. paid at Union Trust Co., New York. Coupon, $1,000. Secured by direct lien on 1,160 drop-botttom steel gondola cars, 7 consolidation freight locomotives, 5 steel passenger coaches and 2 steel baggage and mail cars. Original cash cost, $1,355,000. Interest paid without deduction for normal income tax.

Note: There is also outstanding a small amount ($36,375) of equipment 5s, due May 1, 1917 (Int. M. and N. 1).

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Kanawha & Michigan Ry. stock..... Auth., $10,000,000; outstanding, $9,000,000. Par $100.	5% Qu J	$50,847	$3,839	$2,542*	34%	Fair	See text	**Baa.**

For Key to Stock Ratings, see page 21.

* For 5% dividend.

Note: The average available income, as shown above, is relatively low for the reason that the earlier years of the decade were very light. A five-year average would show a much larger factor of safety for the bonds and also a good one for the stock. Dividends in recent years as follows: June 30, 1911, 4%; Dec. 30, 1911, 2½%; June 30, 1912, 2½%; Dec. 30, 1912, 2½%; June 30, 1913, 2½% and 1% extra; Sept. and Dec., 1913, 1¼% each. In 1914 5%; in year ended June 30, 1915, 3¾%; year ended June 30, 1916, 6¼%. Payments are being made 1¼% quarterly. Of the total stock, Toledo & Ohio Central R.R. and New York Central R.R. each own $4,029,200. Transfer Agents. J. P. Morgan & Co., New York. Listed on New York Stock Exchange.

KANAWHA & WEST VIRGINIA RAILROAD

History: Incorporated under laws of West Virginia, May 16, 1905, successor to the Imboden & Odell R.R., which was organized in 1903 to construct a railroad from Charleston, W. Va., to Belva on the Gauley River, 55 miles. Control of this property acquired by Kanawha & Michigan Ry. in 1916.

Loation: Charleston to Blakeley, W. Va., 345 miles; Belva to Little Elk, W. Va. Total, 37.6 miles. Equipment: Locomotives, 5; passenger cars, 9; freight cars, 524.

Management: Officers: A. H. Smith, Pres.; F. B. Sheldon, Vice-Pres., Columbus, Ohio; D. W. Pardee, Sec.; E. F. Stephenson, Asst. Sec.; M. S. Barger, Treas., New York; E. N. Bennett, Local Treas., Columbus, O.; C. T. Lewis, General Counsel, Toledo, O. Directors: A. H. Smith, W. H. Newman, H. S. Vanderbilt, A. H. Harris, New York; F. B. Sheldon, Columbus, O.; C. T. Lewis, Toledo, O.; W. C. Willard, J. F. Stone, Columbus, O. Annual meeting, first Tuesday in October. Office, Columbus, O.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$154,046	$136,704	$165,299	$169,492
Manitenance of way and structures	30,488	28,303	49,413	53,267
Maintenance of equipment	53,437	39,104	39,756	21,142
All other operating expenses	45,537	47,546	54,563	53,574
Net operating revenues	$24,584	$21,751	$21,567	$41,509
Other income	21,881	31,158	36,364	44,430
Total income	$46,465	$52,909	$57,931	$85,939
Taxes	8,615	7,998	6,603	5,480
Fixed charges	105,333	135,554	126,134	73,315
Surplus	def.$67,483	def.$89,643	def.$74,806	$7,144

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $761,896; debit balance transferred from income, $67,483; miscellaneous debits, $137,107; credit balance carried to balance sheet, $125,988; total, $1,092,474. Contra: Miscellaneous credits, $1,092,474; total, $1,092,474.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$1,720,159	$1,973,562	$2,006,621	$1,912,489
Working assets	60,855	66,895	78,396	72,130
Deferred debit items	1,361,165	1,360,030	1,364,100	4,950,035
Profit and loss deficit	.....	761,896	634,357	315,249
Total	$3,142,179	$4,162,383	$4,083,474	$7,249,903
LIABILITIES:				
Capital stock	$1,359,600	$1,359,600	$1,359,600	$4,949,600
Funded debt	1,599,500	2,416,221	2,441,221	2,080,167
Working liabilities	53,618	383,840	279,851	217,437
Accrued liabilities not due	3,473	2,722	2,802	2,699
Profit and loss surplus	125,988	.....	.....	.....
Total	$3,142,179	$4,162,383	$4,083,474	$7,249,903

Bonded Debt: $1,477,000 Kanawha & West Virginia R.R. first 5s. Dated July 1, 1905; due July 1, 1955. Interest paid J. and J. 1, at Scranton Trust Co., Scranton, Pa., Trustee. Coupon, $1,000. Authorized, $5,000,000. Unissued bonds limited to $25,000 per mile. Callable at 105 and interest. Guaranteed principal and interest, by the Kanawha & Michigan Ry Co. Interest payable without deduction for normal income tax. Rating, A.

Note: On June 30, 1916, there were also outstanding, $122,500 equipment obligations. Dated Dec. 1, 1913; due in 6 years.

Capital Stock: Authorized, $5,000,000; outstanding, $1,359,600. Now owned by Kanawha & Michigan Ry. Par, $100.

RUTLAND RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Vermont laws in July, 1867, as successor of the Rutland & Burlington Railroad. In 1901 the company absorbed the Rutland-Canadian R.R., the Bennington & Rutland Ry., the Ogdensburg & Lake Champlain Ry., and the Chatham & Lebanon Valley R.R. Owns entire capital stock of Ogdensburg Terminal Co., Rutland Transit Co. and entire stock and bonds of the Rutland & Noyan R.R. In January, 1905, control of the company was acquired by the New York Central & Hudson River R.R., through the purchase of $4,704,100 out of $9,057,600 preferred stock. In February, 1911, one-half of the New York Central stock holdings was sold to the New York, New Haven & Hartford R.R. In December, 1911, the latter company applied to the Public Service Commissioners of New York State for permission to purchase the remaining half of the preferred stock, at a price not exceeding cost to New York Central, with carrying charges; permission was granted on May 9, 1912, but in July, 1912, the Supreme Court of New York sustained an injunction brought by the minority stockholders of the Rutland R.R. to prevent the New Haven from purchasing the remaining stock. The injunction was sustained.

Location: Directly operated lines consist of 468.11 miles, as follows: Main line, White Creek, Vt., to Canadian line, 161.42 miles; Chatham, N. Y., to Bennington, Vt., 57.21 miles; Bennington to North Bennington, 4.67 miles; Rutland to Bellows Falls, 52.21 miles; Alburgh, Vt., to Ogdensburg, N. Y., 121.60 miles. Leased lines, 18 miles; trackage rights, 53 miles. Lines chiefly in Vermont and northern New York. Population of Vermont in 1890, 332,422; in 1900, 343,641; in 1910, 355,956.

Management: OFFICERS: A. H. Smith, Pres.; Geo. T. Jarvis, Vice-Pres. and Gen. Mgr.; Howard Elliott, Vice-Pres.; D. W. Pardee, Clerk; A. G. Adams, Asst. Clerk; M. S. Barger, Treas. DIRECTORS: A. H. Smith, Geo. T. Jarvis, W. Rockefeller, W. Seward Webb, P. W. Clement, H. S. Vanderbilt, Geo. F. Baker, W. H. Newman, Howard Elliott, E. G. Buckland, John T. Pratt, T. DeWitt Cuyler, Edmund R. Morse. MAIN OFFICE, Rutland, Vt. Annual meeting, third Tuesday in October. NEW YORK OFFICE, Grand Central Terminal.

Classification of Freight Tonnage (Years Ending Dec. 31, 1908-12; June 30, 1913-16)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	16.87%	15.13%	16.41%	18.35%	14.51%	15.00%	14.73%	11.50%	11.86%
Products of Animals.....	.....	2.10	1.52	1.26	1.78	1.97	2.26	2.24	2.24	2.91
Products of Mines.....	.....	30.71	33.62	33.72	32.44	34.69	36.63	33.57	35.33	36.51
Products of Forests.....	.....	26.73	20.79	21.27	22.12	23.62	22.00	22.10	19.15	18.17
Manufactures.....	.....	14.54	18.27	19.84	19.42	15.56	14.78	17.49	10.52	15.96
Miscellaneous and L. C. L.	.....	8.49	10.67	7.50	5.89	9.65	9.33	9.87	21.26	14.59

Total revenue tonnage: 1908, 1,759,502 tons; 1909, 1,993,725 tons; 1910, 2,120,625 tons; 1911, 2,047,325 tons; 1912, 2,383,964 tons; 2,502,748 tons in year ended June 30, 1913; 2,399,642 tons in 1914; 2,200,150 tons in 1915; 2,444,678 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	468	....	84	85	2,683	60%	95,148	598,343	268	$1.60	2.22c	.78c
1908 "	468	....	82	89	2,576	56	93,870	476,973	254	1.59	2.24	.79
1909 "	468	....	79	93	2,488	57	100,062	616,456	280	1.57	2.25	.70
1910 "	468	....	86	101	2,480	56	104,162	610,165	271	1.56	2.26	.73
1911 "	468	....	86	106	2,422	55	110,536	568,271	257	1.57	2.25	.79
1912 "	468	....	91	118	2,865	55	114,375	629,094	287	1.65	2.20	.76
1913 June 30	468	....	97	118	2,855	55	118,058	628,931	291	1.63	2.18	.77
1914 "	468	....	96	125	2,778	53	120,675	631,637	296	1.66	2.19	.76
1915 "	468	....	95	144	2,948	55	109,557	529,630	335	1.71	2.20	.78
1916 "	468	....	92	137	2,741	56	107,918	589,366	363	1.89	2.38	.79
10-Year Average	468	....	89	112	2,684	56%	107,436	587,887	290	$1.64	2.24c	.77c

Yard tracks and sidings, 125.34 miles on June 30, 1916.

Comment: During the year ended June 30, 1916, the Rutland Railroad reported a moderate improvement in its freight density, but there is practically no change in the volume of passenger business. Train mile earnings improved somewhat and the average freight train load was raised to a new high figure. The tonnage of this property is well diversified, but its earning power has been light, chiefly because of low average freight rates, which do not appear to show much improvement.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907 Dec. 31 ...	$6,534	$1,040	$916	$1,956	$2,689	$1,889	$1,994	$212	$1,782	$1,384	22%	$398	$290
1908 " ...	5,864	841	762	1,603	2,593	1,668	1,767	213	1,554	1,356	13	198	.....
1909 " ...	6,629	1,000	982	1,982	2,723	1,924	2,037	235	1,802	1,366	24	436	.....
1910 " ...	7,007	998	1,031	2,029	2,877	2,101	2,224	261	1,963	1,292	34	671	.....
1911 " ...	7,301	860	1,117	1,977	3,297	2,027	2,251	267	1,984	1,344	32	640	.....
1912 " ...	7,719	908	1,481	2,389	3,435	1,895	2,109	319	1,790	1,168	35	622	.....
1913 June 30 ...	7,921	984	1,636	2,620	3,558	1,743	1,971	387	1,584	1,131	29	453	.....
1914 " ...	7,938	939	1,458	2,397	3,641	1,900	2,195	442	1,753	1,134	35	619	.....
1915 " ...	7,433	897	1,249	2,146	3,296	1,991	2,457	437	2,020	1,277	37	743	.....
1916 " ...	8,280	964	1,362	2,326	3,311	2,643	3,098	438	2,660	1,203	54	1,457	.....
10-Year Average	$7,263	$943	$1,199	$2,142	$3,143	$1,978	$2,210	$321	$1,889	$1,265	32%	$624	.....

Note: Above table is based on average mileage operated for each year. Margin of Safety is the proportion of surplus left over after deducting all fixed charges. For example, in 1916 the "balance for charges" (per mile) was $2,660; fixed charges consumed $1,203, or 46% of this, leaving $1,457 a "margin of safety" of 54%.

Comparative Income Account, Years Ended December 31, 1910-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,875,082	$3,479,263	$3,714,965	$3,706,981	$3,612,521	$3,416,713	$3,339,834
Maintenance of way	451,212	419,903	439,237	460,618	425,014	402,280	467,671
Maintenance of equipment	637,381	584,622	682,136	765,574	692,904	522,876	482,669
All other operating expenses	1,549,501	1,542,526	1,703,943	1,664,993	1,607,641	1,543,061	1,405,916
Net operating revenues	$1,236,988	$932,212	$889,649	$815,798	$886,962	$948,596	$983,578
Operating ratio	68%	73%	76%	78%	75%	72%	71%
Other income	213,103	217,864	137,835	106,508	99,880	104,946	57,240
Total net income	$1,450,091	$1,150,076	$1,027,484	$922,306	$986,842	$1,053,542	$1,040,818
Taxes accrued	204,897	204,466	207,080	181,809	149,063	124,937	121,921
Balance for charges	$1,245,194	$945,610	$820,404	$740,497	$837,779	$928,605	$918,897
Fixed charges	563,107	597,472	530,636	528,834	546,833	628,991	605,885
Surplus over charges	$682,087	$348,138	$289,768	$211,663	$290,946	$299,614	$313,012
Dividends paid	.....	.....	.....	.....	.....	.....	.....
Other deductions	56,875	205,604	259,735	293,447	290,946	277,158	291,029
Balance	$625,212	$142,534	$30,033	def.$81,784	.....	$22,456	$21,983
Earned on stock: Preferred	7.53%	3.8%	3.2%	2.34%	3.21%	3.31%	3.45%

Note: Fixed charges include rentals, interest on bonds and loans, sinking funds, etc. Above statement is that submitted to the Interstate Commerce Commission. Fiscal year of company ends Dec. 31st.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $928,299; credit balance transferred from income account, $625,212; miscellaneous credits, $2,205; total, $1,555,716. Contra: Credit balance transferred to balance sheet, $1,555,716; total, $1,555,716.

Comment: Both gross and net operating revenues underwent decided improvement on the Rutland Railroad property during the year ended June 30, 1916. As there was a slight decrease in net fixed charges the company was able to report a final surplus nearly double that shown during 1915. This surplus equalled more than 7½ on the outstanding preferred stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road: Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record: Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$19,780	43%	$25,712	57%	$812	$46,304	$3,736	$42,568	5%	$290	1.5%	.....	.....	34%	.....
1908 "	19,780	44	24,439	56	812	45,031	3,736	41,295	4.3	.....	.....	.....	.....	.....	.....
1909 "	19,780	44	24,226	56	818	44,854	3,736	41,118	5	.....	.....	.....	.....	.....	.....
1910 "	19,780	44	24,117	56	836	44,733	3,629	41,104	5.4	.....	.....	.....	.....	.....	.....
1911 "	19,780	44	24,908	56	812	45,500	3,521	42,039	5.4	.....	.....	.....	.....	.....	.....
1912 "	19,780	43	25,778	57	812	46,370	3,217	43,153	4.9	.....	.....	.....	.....	.....	.....
1913 June 30	19,780	44	25,230	56	812	45,823	3,478	42,344	4.6	.....	.....	.....	.....	.....	.....
1914 "	19,780	44	25,058	56	812	45,650	3,477	42,173	5.2	.....	.....	.....	.....	.....	.....
1915 "	19,780	44	24,812	56	812	45,404	4,994	40,410	6.1	.....	.....	.....	.....	.....	.....
1916 "	19,780	45	24,528	55	812	45,120	4,994	39,314	7.9	.....	.....	.....	.....	.....	.....
10-Year Average	$19,780	44%	$24,887	56%	$818	$45,485	$3,852	$41,551	5.3%	$29	....	.....	.....	.....	.....

Note: Above table is based on average mileage directly operated for each year.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$22,919,069	$23,242,978	$22,532,339	$22,329,893	$22,981,388	$22,254,782
Working assets	1,900,748	1,715,406	2,169,453	2,120,352	1,264,808	1,108,300
Deferred debit items	219,417	217,262	235,949	483,401	21,328	205,694
Accrued income not due	3,861	4,144	.....	.....	.....	.....
Total	$25,043,095	$25,179,790	$24,937,741	$24,933,646	$24,267,524	$23,568,776
Liabilities:						
Capital stock	$9,257,000	$9,257,000	$9,257,000	$9,257,000	$9,257,000	$9,257,000
Funded debt	11,479,000	11,612,000	11,727,000	11,808,000	11,661,000	11,262,000
Working liabilities	469,848	1,178,207	827,338	1,084,161	825,330	917,980
Accrued liabilities not due	117,660	124,681	120,422	119,055	66,366	60,524
Deferred credit items	137,425	110,032	83,299	37,145	102,704	85,148
Appropriated surplus	2,026,446	1,969,571	1,763,968	1,504,233	1,540,002	1,170,017
Profit and loss surplus	1,555,716	928,299	1,158,714	1,124,052	815,122	816,017
Total	$25,043,095	$25,179,790	$24,937,741	$24,933,646	$24,267,524	$23,568,776

Comment: There was slight reduction in the bonded debt in the Rutland Railroad during the year ended June 30, 1916. The property is not heavily capitalized as measured on a mileage basis, but in recent years has shown only moderate improvement in its general carning power. For the year just closed the net income on the net capital, however, reached the best figure reported during the decade.

Securities Owned: The company held the following securities on Dec. 31, 1915.

Stocks—	Par Value.
Addison Railroad Co	$495,900
Champlain Construction Co	149,500
Ogdensburg Terminal Co	100,000
Rutland & Noyan Railroad Co	100,000
Rutland Railroad Co., common	500
Rutland Railroad Co., preferred	103,200
Rutland Transit Co., common	1,000,000
Champlain Manufacturing Co	122
Total par value	$1,949,222

Bonds—	Total Amt. Held.
Chatham & Lebanon Val. R.R. Co., 1st mtge.	$500,000
Rutland & Noyan R.R. Co., 1st mtge	100,000
Rutland Canadian R.R. Co., 1st mtge	25,000
Rutland R.R. Co., 1st mtge	700
Rutland R.R. Co., consol. mtge	3,000
N. Y. City Bonds	30,000
Total par value, bonds	$658,700
Total par value of securities held	$2,607,922
Book value	$1,610,348

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Rutland R. R. first cons. 4½s	J&J	Jl 1941	(1st) 120	$29,100	$1,889	$357	81%	High	High	Aa.
2. Ogdens. & L. C. first 4s	J&J	Jl 1948	(1st) 119	36,975	1,532	376	75%	Good	"	A.
3. Rutland-Canadian first 4s	J&J	Jl 1949	(1st) 43	32,143		113	76%	"	"	Baa.
4. Bennington & Rutland first 4½s	M&N	N 1927	(1st) 59	8,475	1,156	50	76%	"	Fair	Baa.
5. Bennington & Rutland second 5s	M&S	Mr 1920	(2d) 59	8,475		53	76%	"	"	Ba.
6. Equipment trusts	Var.	Var.	(see text)	.....		61	76%	"	"	A.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,500,000; outstanding, $3,494,000. Dated July 1, 1891; due July 1, 1941. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. First lien from Burlington to Bellows Falls, Vt., 120.23 miles. Legal for Savings Banks in Maine. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

2. Auth. and outstanding, $4,400,000. Dated Dec. 15, 1898; due July 1, 1948. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Assumed by Rutland R.R. First lien from Ogdensburg to Rouses Point, N. Y., 118.80 miles. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $1,325,000; in treasury, $25,000. Dated July 1, 1899; due July 1, 1949. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Assumed by Rutland R.R. First lien from Burlington, Vt., crossing Lake Champlain to Canada-New York State line, and branch to Rouses Point, N. Y., 41.85 miles. Legal for S. B. in Maine. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $500,000. Dated Nov. 1, 1897; due Nov. 1, 1927. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Assumed by Rutland R.R. First lien from Rutland to Bennington, Vt., and branch from N. Bennington to New York State line, total 59.02 miles. Underlies No. 5. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $500,000. Dated Mar. 1, 1900; due Mar. 1, 1920. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Assumed by Rutland R.R. Callable at par on 60 days' notice. Second lien on 59.02 miles, following No. 4. Interest paid without deduction for normal income tax.

6. Series of 1912, 4½s; original amount, $500,000; now outstanding, $374,000; dated May 1, 1912; due $34,000 annually to May 1, 1927. Int. paid M. and N. 1 at Guaranty Trust Co., New York. Coupon, $1,000. First lien on 500 steel freight cars, 6 locomotives and 4 steel passenger cars, all costing in excess of original amount of bonds. Normal income tax deducted from interest. Series of 1902, 4½s; original amount, $1,000,000; now outstanding, $93,000; dated April 1, 1902; due, $93,000, Oct. 1, 1917. Int. paid A. and O. 1 at Grand Central Terminal, New York. Coupon, $1,000. First lien on 34 locomotives, 35 passenger cars, 705 freight cars and 10 service cars, all costing more than original amount of bonds. Interest paid without deduction for normal income tax. Series of 1913, 4½s; original amount, $495,000, of which $210,000 only were issued; now outstanding, $168,000; due $14,000 annually on April 1 to 1928. Int. paid A. and O. 1 at Guaranty Trust Co., New York. Coupon, $1,000. Those issued cover by first lien, 7 locomotives, 1 mail and baggage car, 2 baggage cars, 3 smoking cars, 3 coaches; all costing 10% more than amount of bonds issued. Normal income tax deducted from interest.

Note: Company guarantees $500.000 Chatham & Lebanon Valley 4s of 1951, which are all in the treasury. Also guarantees $100,000 Ogdensburg Terminal 5s. See statement on next page.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Rutland R.R. preferred stock ..... Par $100. Outstanding, $9,057,600.	None Paid	.....	$624	$290*	53%	Fair	Fair	Ca.

For Key to Stock Ratings, see page 21. * To pay 1½%.

Note: New York Central & Hudson R.R. owned $4,704,100 of the preferred stock, but in 1911 one-half of this was acquired by the New York, New Haven & Hartford R.R., and plan was adopted for acquiring the other half, but suit was brought by stockholders' committee to restrain the sale. Suit was dismissed by the New York Court of Appeals. The issue is 7% cumulative, and about 214% in unpaid dividends has accumulated to date. Last dividend paid, 1½%, in fiscal year 1907. There is also outstanding $199,400 common stock, balance having been exchanged for preferred at ratio of 10 shares of common for 1 share of preferred.

COMPANIES CONTROLLED BY RUTLAND RAILROAD CO.

OGDENSBURG TERMINAL COMPANY

Origin: Incorporated under laws of New York, Sept. 27, 1889. Company owns grain elevators of large capacity at Ogdensburg, N. Y., which are operated in connection with the Rutland R.R.

Management: Officers: Alfred H. Smith, Pres.; J. Carstensen, Vice-Pres.; Geo. T. Jarvis, Vice-Pres.; D. W. Pardee, Sec.; M. S. Barger, Treas., New York, N. Y. Annual meeting, third Wednesday in June. Office, Rutland, Vt.

Bonded Debt: $90,000 Ogdensburg Terminal Co. 1st 5s; dated July 1, 1911; due $10,000 annually from July 1, 1916, to July 1, 1925. Int. paid J. and J. at Grand Central Terminal, New York. Coupon, $1,000. Auth., $150,000, of which $50,000 are reserved for improvements. First lien on entire property of company. Interest pnid without atement on next page. Rating, Ba.

Capital Stock: $100,000. Par $100. All owned by the Rutland R.R. Co. D. W. Pardee, Sec., New York, N. Y., acts as Transfer Agent. Annual meeting, third Wednesday in June, nt Ogdensburg, N. Y.

RUTLAND TRANSIT COMPANY

Origin: Incorporated under laws of Vermont, Dec. 14, 1899, as successor to the Ogdensburg Transit Co. Company owns wharves and terminal properties at Chicago, Ogdensburg, etc. Formerly operated steamships on the Great Lakes, but these were sold in 1915 under order of the Federal government. Controlled by Rutland R.R. Co., which owns all capital stock.

Management: Officers: Alfred H. Smith, Pres., New York; Benjamin Campbell, Vice-Pres., New Haven, Conn.; Geo. T. Jarvis, Vice-Pres. and Gen. Mgr., Rutland, Vt.; M. S. Barger, Treas.; D. W. Pardee, Sec., New York, N. Y. Office, Rutland, Vt.

Capital Stock: Auth. and issued, $1,000,000. Par $100. Al owned by Rutland R.R. Co.

NEW YORK, CHICAGO & ST. LOUIS RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of New York, Pennsylvania, Ohio, and Indiana, Sept. 17, 1887, and succeeded to the property of the old New York, Chicago & St. Louis Railwny, which wns sold under foreclosure May 19, 1887. The company was formerly controlled by The New York Central Railroad Co., which owned $2,503.000 out of $5,000,000 first preferred, $6,275,000 out of $11,000,000 second preferred, and $6,240,000 out of $14,000,000 common stock. This stock interest was sold in 1916 (see below).

Location: The operated lines of the company consist of 523.02 miles, as follows: Main line, Buffalo to Silver Creek, N. Y., 30.69 miles, and Dunkirk, N. Y., to Illinois State line, 464.03 miles; Chicago & State Line R.R., Illinois State line to Grand Crossing, Ill., 9.96 miles; New York Central R.R., Silver Creek to Dunkirk, N. Y., 7.84 miles; trackage rights in Buffalo, 1.60 miles; in Chicago, 8.90 miles. Population of New York, Indiana, and Ohio in 1890, 12,298,257; in 1900, 14,759,553; in 1910, 16,581,611.

New Control: The New York Central R.R. in July, 1916, sold its controlling interest in the company to Cleveland interests represented by O. P. and M. J. Van Sweringen for $8,500,000, of which $2,000,000 was paid in cash and the remainder in ten notes of $650,000 each, the first maturing in five years and the remaining ones at intervals of one year thereafter. Owing to the consolidation of the Lake Shore and New York Central, the New York, Chicago & St. Louis became a parallel competing line and the New York Central could not retain its control without violating the law. In Dec. 1916 the Nickel Plate Securities Corp. was incorpornted in Delaware to hold control of the property.

Management: Officers: O. P. Van Sweringen, Chairman; J. J. Bernet, Pres.; W. S. Hayden, Vice-Pres.; J. R. Nutt, Vice-Pres.; M. J. Van Sweringen, Vice-Pres.; W. D. Turner, Sec.; Otto Miller, Treas. Directors: O .P. Van Sweringen, M. J. Van Sweringen, W. H. Hayden, J. R. Nutt, F. E. Myers, C. L. Bradley, M. B. Johnson, G. W. Davison, E. R. Tinker, G. M. P. Murphy, H. S. Vanderbilt, J. J. Bernet and G. W. Moore. Annual meeting, first Wednesday in May. Main Office, Cleveland, Ohio.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907-12; June 30, 1913-16)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	21.06%	21.77%	17.65%	16.28%	17.88%	18.32%	17.63%	16.75%	20.48%	21.74%
Products of Animals.....	8.40	7.99	6.47	6.98	8.05	6.90	6.46	7.35	7.14	6.22
Products of Mines.....	28.43	30.22	38.14	41.86	40.10	39.44	39.18	36.87	35.64	36.26
Products of Forests.....	6.25	5.60	5.80	5.81	5.30	5.73	6.07	7.06	6.27	5.98
Manufactures.....	21.73	20.86	31.94	29.07	28.67	29.61	25.37	26.80	25.18	25.97
Merchandise and Miscel...	14.13	13.56					5.29	5.17	5.29	3.83

Total revenue tonnage: 1909, 7,421,204 tons; in 1910, 8,608,350 tons; in 1911, 8,517,105 tons; in 1912, 9,727,910 tons; 9,980,090 tons in year ended June 30, 1913; 8,628,558 tons in 1914; 8,401,854 tons in 1915; 10,565,719 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	523	15	204	87	11,382	83%	191,148	3,263,134	364	$1.80	1.60c	.51c
1908 "	523	73	220	87	12,236	84	157,746	2,919,427	333	1.66	1.63	.53
1909 "	523	84	226	87	12,070	82	171,999	3,064,056	355	1.77	1.62	.52
1910 "	523	86	234	102	13,478	83	183,712	3,516,808	363	1.79	1.63	.50
1911 "	523	86	248	102	13,365	82	193,052	3,407,624	342	1.75	1.62	.51
1912 "	523	91	248	98	13,101	84	173,893	3,912,365	367	1.80	1.65	.50
1913 June 30	565	89	247	97	12,651	84	168,043	3,701,317	375	1.87	1.64	.51
1914 "	567	91	258	101	12,447	83	180,135	3,322,551	345	1.27	1.60	.52
1915 "	569	91	244	101	11,938	84	138,938	3,290,488	337	1.70	1.66	.51
1916 "	570	91	247	99	10,834	87	133,577	4,292,886	395	1.95	1.75	.51
10-Year Average	541	80	238	96	12,350	84%	169,224	3,469,066	358	$1.74	1.64c	.51c

Yard tracks and sidings, June 30, 1916, 272.15 miles. Equipment figures, as shown above, include that owned and leased.

Comment: For the year ended June 30, 1916, a very heavy increase occurred in freight density of this property. The figures reached the highest average ever reported, while there was also a further substantial improvement in both train mile earnings and average freight train load. The company's tonnage was during the year well diversified and there was as usual a substantial proportion of the business represented by high-grade freight.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907 Dec. 31	$20,011	$1,688	$2,334	$4,022	$9,117	$6,872	$6,914	$568	$6,346	$2,151	66%	$4,195	$1,529
1908 "	18,041	1,667	2,050	3,717	9,699	4,625	4,731	618	4,113	2,224	46	1,889	1,529
1909 "	19,266	1,730	2,243	3,973	8,875	6,418	6,915	656	6,259	2,828	55	3,431	2,332
1910 "	21,489	2,241	2,686	4,927	10,086	6,476	7,012	666	6,346	2,790	56	3,556	2,332
1911 "	21,526	2,469	2,426	4,895	10,440	6,191	6,441	705	5,736	2,839	50	2,897	2,332
1912 "	23,377	2,456	2,677	5,133	11,500	6,744	7,118	744	6,374	2,967	53	3,407	2,600
1913 June 30	22,341	2,409	3,092	5,501	10,979	5,861	6,194	712	5,482	2,757	50	2,725	2,405
1914 "	20,736	2,703	3,221	5,924	11,146	3,666	3,862	860	3,002	2,763	8	239	705
1915 "	20,059	2,323	2,996	5,319	10,610	4,130	4,467	797	3,670	3,540	4	130	....
1916 "	25,215	1,919	5,086	7,005	10,071	8,139	8,179	880	7,299	3,290	55%	4,009	438
10-Year Average	$21,206	$2,161	$2,881	$5,042	$10,252	$5,912	$6,184	$721	$5,463	$2,814	44%	$2,649	$1,620

Note: Fixed charges include rentals of leased lines, interest on debt, etc. Above figures are based on average mileage directly operated each year. Margin of safety is the proportion of surplus left over after deducting all fixed charges. For example, in 1916 the "balance for charges" (per mile) amounted to $7,299; fixed charges equalled $3,290 per mile, or 45% of this, leaving $4,009 a "margin of safety" of 55%.

Comparative Income Account, Years Ended December 31, 1910-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$14,372,545	$11,412,802	$11,726,037	$12,600,630	$12,202,380	$11,258,008	$11,238,877
Maintenance of way	1,093,772	1,321,580	1,532,606	1,361,239	1,284,326	1,291,462	1,172,200
Maintenance of equipment	2,898,806	1,704,457	1,826,178	1,746,794	1,400,113	1,268,731	1,406,772
All other operating expenses	5,911,522	6,037,009	6,319,587	6,203,156	1,014,669	5,479,208	5,272,875
Net operating revenues	$4,468,445	$2,349,756	$2,047,666	$3,289,441	$3,503,272	$3,218,607	$3,387,030
Operating ratio	68.9%	79.4%	82.5%	73.9%	71.1%	71.4%	69.6%
Other income	193,834	191,965	142,161	210,715	219,192	149,833	280,338
Total net income	$4,662,279	$2,541,721	$2,189,827	$3,500,156	$3,722,464	$3,368,440	$3,667,368
Taxes accrued	501,376	453,767	487,602	402,163	389,133	368,552	348,480
Balance for charges	$4,160,903	$2,087,954	$1,702,225	$3,097,993	$2,333,331	$2,999,918	$3,318,888
Fixed charges	1,875,432	2,014,112	1,566,699	1,558,199	1,551,471	1,484,850	1,459,064
Surplus over charges	$2,285,471	$73,842	$135,526	$1,539,794	$1,871,860	$1,515,068	$1,859,824
Dividends paid	124,947	49,642	399,943	1,359,469	1,360,000	1,220,000	1,220,000
Other deductions	49,198	.....	13,591	.....	.....	.....	.....
Balance	$2,111,326	$24,200 (d.)	$278,008	$180,325	$421,860	$295,068	$639,824
Earned on stock: First pref'd.	45.7%	1.5%	2.71%	30.79%	35.64%	30.30%	39.16%
Second pref'd.	18.7%	.....	.....	11.72%	13.93%	11.50%	15.53%
Common	10.7%	.....	.....	5.29%	7.01%	5.11%	8.27%

Note: The above income figures for 1913, 1914, 1915 and 1916, do not cover the fiscal year, which ends December 31, but are those filed with the Interstate Commerce Commission as of June 30th. Fixed charges include rentals, sinking funds, interest, joint facility rents, etc. The decline in the dividend item in 1914 was due to the fact that the company omitted all payments on the common stock and paid only 2½% on each issue of preferred.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $826,597; credit balance carried from income account, $2,111,326; profit on road and equipment sold, $314; unrefundable overcharges, $4,488; miscellaneous credits, $8,107; total, $2,950,832. Contra: Surplus applied to sinking fund and other reserve funds, $49,198; dividends, $124,948; loss on retired road and equipment, $271,956; miscellaneous debits, $4,701; credit balance carried to balance sheet, $2,500,029.

Comment: During the year ended June 30, 1916, the operating results of the New York, Chicago & St. Louis property were very satisfactory. It will be noted that the net operating revenues were nearly double those of the previous year and after payment of fixed charges the balance carried forward was equal to more than 45% on the first preferred stock. Since the close of the fiscal year the volume of gross business has been fully maintained, but there has been a tendency toward higher operating costs.

While the company experienced a very severe setback in its profits during the years 1914 and 1915 and was forced to suspend all dividend payments for the time, it has now fully recovered. The results shown for 1916 were far better than ever before reported, the surplus available for charges being much heavier than those reported in 1910 and 1911, when full dividends were being paid on all three issues of stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend.* Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$57,361	57%	$42,618	43%	.....	$99,979	.....	$99,979	6.9%	$1,529	5&5%	.....	.....	64%	.....
1908 "	57,361	51	55,935	49	.....	113,296	.....	113,296	4.2	1,529	5&5	.....	.....	24	.....
1909 "	57,361	51	55,914	49	.....	113,275	.....	113,275	6.1	1,529	5&5	$803	3%	.....	.....
1910 "	57,361	51	55,604	49	.....	112,965	.....	112,965	6.1	1,529	5&5	803	3	.....	.....
1911 "	57,361	51	55,604	49	.....	112,965	.....	112,965	5.9	1,529	5&5	803	3	.....	.....
1912 "	57,361	51	55,220	49	.....	112,581	.....	112,581	6.3	1,529	5&5	1,071	4	.....	.....
1913 June 30	53,097	51	51,115	49	$191	104,403	.....	104,403	5.9	1,415	5&5	990	4	48	24%
1914 "	52,910	51	50,753	49	190	103,853	.....	103,853	3.8	705	2½&2½	.....	.....	.....	.....
1915 "	52,723	51	50,390	49	190	103,303	.....	103,303	4.3	.....	.....	.....	.....	.....	.....
1916 "	52,632	51	50,121	49	190	102,943	.....	102,943	7.9	438	5&—	.....	.....	89	.....
10-Year Average	$55,553	52%	$52,527	48%	$76	$107,956	.....	$107,956	5.7%	$1,173	4.7 & 3.7%	$447	1.7%	.....	.....

* For first and second preferred.

Note: Above table is based on average mileage directly operated for each year.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$60,919,786	$61,305,694	$60,851,001	$60,176,704	$60,095,306	$59,525,564
Working assets	5,238,868	3,358,363	3,544,093	4,822,912	5,061,060	4,661,625
Deferred debit items.....	1,838,977	1,493,066	2,032,826	2,271,127	2,964,916	3,448,185
Total	$67,997,631	$66,157,123	$66,427,920	$67,270,743	$68,121,282	$67,635,374
LIABILITIES:						
Capital stock	$30,000,000	$30,000,000	$30,000,000	$30,000,000	$30,000,000	$30,000,000
Funded debt	28,569,000	28,672,000	28,777,000	28,880,000	28,880,000	28,979,000
Working liabilities	1,339,355	1,174,684	1,736,403	1,809,879	2,050,716	2,058,362
Accrued liabilities not due	252,357	253,387	256,470	659,126	1,220,431	1,084,661
Deferred credit items.....	349,216	341,176	4,028	3,596	3,585	11,145
Appropriated surplus	4,987,674	4,889,279	4,219,346	4,120,216	3,945,216	3,431,198
Profit and loss surplus ...	2,500,029	826,597	1,434,673	1,797,926	2,021,334	2,071,008
Total	$67,997,631	$66,157,123	$66,427,920	$67,270,743	$68,121,282	$67,635,374

Comment: There was practically no change in the exhibit of the New York, Chicago & St. Louis during the year ended June 30, 1916. As measured on a mileage basis the road is heavily capitalized, but recent improvement in earning power has made it easier for the company to carry this capitalization. The company at the present time is in an unusually strong financial condition.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. N.Y., Chic. & St.Louis first 4s	A&O	O 1937	(1st) 495	$37,533	$5,463	$1,303	75%	Very high	Very high	**Aaa.**
2. N. Y., Chic. & St. Louis deben. 4s.....	M&N	My 1931	Not mtg.	.....	4,160	702	81%	High	"	**A.**
3. N. Y., Chic. & St. Louis equip. 4½s.....	F&A	1917–26	Equip.	.....		87	81%	"	"	**Aa.**

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $20,000,000; outstanding, $18,569,000; retired by sinking fund, $1,431,000. Dated Oct. 1, 1887; due Oct. 1, 1937. Int. paid at Chase Nat. Bank, New York. Coupon, $1,000. Sinking fund: When annual net earnings exceed $900,000, $100,000 to be applied to purchase of these bonds at not exceeding 102 and int. First lien on 494.72 miles from Buffalo, N. Y., to Indiana-Illinois State line and upon the trackage rights into Chicago. Legal for Savings Banks in Me., Mo. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $10,000,000. Dated Mar. 28, 1906; due May 1, 1931. Int. paid at Chase Nat. Bank, New York. Coupon, $1,000; reg., $1,000, $5,000, etc. Not a mortgage. Issued to provide funds for the purchase of new equipment, construction work, and other additions to the property. Any new mortgage issued is to secure these bonds. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $1,100,000; outstanding, $1,100,000. Dated Aug. 1, 1916; due, $110,000 annually to Aug. 1, 1926. Int. paid at Chase Nat. Bank, New York. Coupon, $1,000. First lien, 1,000 steel underframe box cars costing about $1,229,000, of which the Company paid $129,000 in cash. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME AND DETAILS OF ISSUE.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	BASIS FOR RATING. Equity.	BASIS FOR RATING. Salability.	Net Rating.
N. Y., Chicago & St. Louis first preferred..... Par $100. Outstanding, $5,000,000.	5%J&J	$8,772	$2,649	$438	83%	High	High	**Baa.**
N. Y., Chicago & St. Louis second preferred.... Par $100. Outstanding, $11,000,000.	5%J&J	19,473	2,211	965	56%	Good	"	**Ba.**
N. Y., Chicago & St. Louis common..... Par $100. Outstanding, $14,000,000.	See text	24,561	1,246	.....	.....	Fair	"	**B.**

Note: First preferred is 5% non-cumulative; full dividends were paid from 1900 to 1914, when 2½% was paid; none in 1915; 5% in 1916. Second preferred is 5% non-cumulative; dividends were paid at rate of 3% to 1906; 4% in 1907; 5% since to 1913; in 1914, 2½% was paid in March; in Jan., 1917, dividends at the rate of 5% were resumed. First dividend on common (3%) paid March 1, 1910. In March, 1911, 1912 and 1913, 4% was paid; none since. TRANSFER OFFICE, company's office, Cleveland, O. Listed on New York Stock Exchange. After 5% has been paid on all classes, all share alike in further distribution.

THE NEW YORK, NEW HAVEN & HARTFORD RAILROAD

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Aug. 6, 1872, under laws of Connecticut, Massachusetts, and Rhode Island, as a consolidation of the New York & New Haven R.R. Co. (which was chartered in Connecticut in May, 1844, and in New York in January, 1846) with the Hartford & New Haven R.R., which had been chartered in Connecticut in May, 1833, and was opened in May, 1839. The Massachusetts section was built under the charter of the Hartford & Springfield R.R., and was opened in December, 1844. In 1848 an agreement was made with the New York & Harlem R.R. Co. whereby the tracks of the latter are used from Woodlawn to the Grand Central Terminal in New York, 12.03 miles. The main line of the company, as consolidated in 1872, consisted of 122.44 miles from Springfield, Mass., to Woodlawn, with short branches aggregating 19.04 miles. The old New York & New Haven R.R. also leased the Shore Line Ry. from New Haven to New London, 48.53 miles, and this lease was assumed by the consolidated company. The Harlem River & Portchester R.R. was leased Oct. 1, 1873; the Boston & New York Air Line on Oct. 1, 1882; the Stamford & New Canaan on Oct. 1, 1884; the New Haven & Northampton R.R., the Naugatuck R.R. and the Hartford & Connecticut Valley R.R. on April 1, 1887; the Housatonic R.R. and its leased lines on June 30, 1892; the New York, Providence & Boston R.R. and its leased lines on July 1, 1892; the Old Colony R.R. and its leased lines on March 1, 1893; the New England R.R. and its leased lines and the Shepaug, Litchfield & Northern R.R. on July 1, 1898, and the Middletown, Meriden & Waterbury on Nov. 1, 1898. Many of these companies have since been formally merged, and in addition the following have now been directly merged with the main company, viz.: Providence & Springfield R.R., Rhode Island & Mass. R.R., Woonsocket & Pascoag, New Haven & Derby, Rockville R.R., Colchester R.R., Providence Terminal Co., Boston & New York Air Line R.R., Pawtuxet Valley R.R., Torrington & Winchester Street Ry., Meriden, Southington & Compounce Tramway, Stafford Springs Street Ry., Farmington Street Ry., Berkshire R.R., Rhode Island & Mass. R.R., Milford & Woonsocket R.R., Milford, Franklin & Providence R.R., and others. In 1909, the New York, New Haven & Hartford purchased at foreclosure sale the property of the Newport & Wickford R.R. & Steamboat Co.

Consolidated Ry.: To control its various street railway and public utility interests, the New York, New Haven & Hartford caused to be incorporated Aug. 31, 1901, under Connecticut laws, the Consolidated Railway, having a capital stock of $10,000,000, all of which was owned by the New York, New Haven & Hartford R.R. This company purchased or leased a large number of street railway and other properties in Connecticut, and acquired control of others in Massachusetts. In May, 1907, however, the Consolidated Railway was formally merged into the New York, New Haven & Hartford R.R. The operating electric traction companies of the Consolidated Ry. are now integral parts of the New Haven system. For disintegration details, see below. Other electric and public utility companies, controlled by stock ownership, and separately operated, are described in "Moody's Analyses of Investments—Public Utilities and Industrials."

Steamship Lines: The New England Navigation Company and the Hartford & New York Transportation Co. are controlled through stock ownership, but under the disintegration plans have now to be segregated. See below. The New England Navigation Co. operates through the New England Steamship Co., the Fall River Line, the Norwich Line, the New Haven Line, the Bridgeport Line, the Providence Line, the New Bedford Line, the Providence-Block Island Line, and the New London-Block Island Line. The Hartford & New York Transportation Co. operates a line between Hartford and New York. In 1907, the New England Navigation Co. acquired the capital stock of the Boston & Philadelphia Steamship Co., operating steamer lines between Boston, Providence and Philadelphia. A half-interest in the Merchants & Miners Transportation Co. was next acquired, which has since been sold. The New England Navigation Co., on June 30, 1916 owned one-half the preferred, two-thirds of the common and $2,500,000 of the bonds of the Eastern Steamship Corporation, latter to be sold by July 1, 1917. The latter company is being reorganized and time limit for sale of securities extended. Also controls the New Bedford, Martha's Vineyard & Nantucket Steamboat Co.

Boston Railroad Holding Co.: On June 30, 1916, the New York, New Haven and Hartford R.R. still owned the entire common stock ($3,106,500), and $24,493,900 out of $27,054,400 preferred stock of the Boston Railroad Holding Co. The latter company in turn owned a majority of the total capital stock of the Boston & Maine R.R. For details regarding "trusteeing" of Boston & Maine stock, see that company and below.

Subsidiary Companies: Other controlled companies of the New York, New Haven & Hartford R.R. are the Central New England Ry., the Connecticut Company, the Rhode Island Company, the Berkshire Street Ry., the New York & Stamford Ry., the Westchester Street R.R., the Millbrook Co., and the Housatonic Power Co.; also, independently reported, the New York, Ontario & Western Ry.

Disintegration Plan—Agreement with Government: The Directors of the company were authorized by the stockholders on April 21, 1914, to complete negotiations and to arrange for the segregation of the various subsidiaries that were under dispute with the Department of Justice. The Department filed its petition in the District Court of the United States, Southern District of New York, on July 23, 1914, and the company filed its answer on Sept. 17, 1914. As agreed the decree, which was signed Oct. 17, 1914, will produce the following results:

First. The New Haven Company transfers to Frank P. Carpenter, of Manchester, New Hampshire, Henry B. Day, of Newton, James L. Doherty, of Springfield, Charles P. Hall, of Newton, and Marcus P. Knowlton, of Springfield, all in Massachusetts, as trustees, 31,065 shares of the common stock and 244,939 shares of the preferred stock (being all of the common and all but 28,000 shares of the preferred stock) of the Boston Railroad Holding Company, the latter being the holder of 6,543 shares of the preferred and 219,189 shares of the common stock (a majority of all outstanding stock) of the Boston & Maine Railroad, in trust to sell the Boston & Maine shares under the order of the Court. The trustees shall hold the shares and exercise all the powers the owners of the shares of the Holding Company are entitled to exercise, excepting the right to sell or dispose of them until otherwise ordered.

No order directing the sale of any of the shares of the Holding Company shall be made by the Court until after July 1st, 1915, unless the New Haven Company shall in writing consent thereto. If no sale is made before July 1st, 1915, the Court, on application of any party, and after a hearing at which the Commonwealth of Massachusetts shall be invited to appear shall determine when a sale shall be made and fix the terms and conditions thereof. The trustees shall also use their best efforts to complete the sale of the shares of the Boston & Maine Railroad before Jan. 1st, 1917.

Second. The New Haven Company transfers to the same trustees, the following shares of corporations, the railroad lines of which are leased to the Boston & Maine or Maine Central Railroad Company:

922 shares of capital stock of the Northern Railroad (of New Hampshire),
1,015 shares of capital stock of the Connecticut River Railroad Company,
63 shares of capital stock of the Manchester & Lawrence Railroad,
246 shares of capital stock of the Hereford Railway Company,
2,469 shares of capital stock of the Concord & Montreal Railroad,
184 shares of capital stock of the Vermont & Massachusetts Railroad Company,
193 shares of capital stock of the Lowell & Andover Railroad Company,
412 shares of capital stock of the Boston & Lowell Railroad Corporation,
710 shares of capital stock of the Pemigewasset Valley Railroad,
1,464 shares of capital stock of the Connecticut & Passumpsic Rivers Railroad Company,
73 shares of capital stock of the Upper Coos Railroad,
18 shares of capital stock of the Concord & Portsmouth Railroad,
98 shares of capital stock of the Wilton Railroad Company,
86 shares of capital stock of the Peterborough Railroad,
84 shares of capital stock of the Nashua & Lowell Railroad Corporation, and
354 shares of capital stock of the Massawippi Valley Railway Company.

The trustees shall hold these shares and exercise all the powers in the management of the corporations which the owners of the shares are entitled to exercise. They shall sell the shares, whenever in their judgment such sale or sales can be made to the best advantage, so long as they remain subject to sale and upon such terms as the New Haven Company shall request in a writing signed by its President or Chairman of the Board of Directors and approved at a meeting by said Board. The trustees shall exercise their best efforts to complete the sale of said shares before January 1st, 1917.

Third. The New England Navigation Company transfers to Lyman B. Brainerd, of Hartford, Charles Cheney, of South Manchester, George E. Hill, of Bridgeport, William W. Hyde, of Hartford, and Walter C. Noyes, of New London, all in Connecticut, as trustees, 400,000 shares, being all of the capital stock of The Connecticut Company. The trustees shall hold these shares and exercise all the powers in the management of The Connecticut Co., which the owners of the shares therein are entitled to exercise. The trustees shall sell said shares for such prices and upon such terms as shall be named by the New Haven Co., and the Navigation Co. in a writing signed by their respective President or Chairman of their Boards of Directors, and approved at a meeting by their Boards. The trustees shall exercise their best efforts to complete the sale of said shares before July 1, 1919.

Fourth. The New Haven Company transfers to John O. Ames, John P. Farnsworth, Rathbone Gardner, Theodore Francis Green, and Charles C. Mumford, all of Providence, R. I., as trustees, 96,855 shares, being all of the capital stock of The Rhode Island Company, and The New England Navigation Company transfers to the same trustees 9,132 shares in the capital stock of the Providence & Danielson Railway Company, bonds of said company to the par value of $600,000, 7,000 shares in the capital stock of the Sea View Railroad Company, and bonds of said company to the par value of $600,000. The trustees shall hold said shares and bonds and exercise all the powers in the management of these trolley companies which the owners of shares therein are entitled to exercise. The trustees shall sell said shares and bonds at such time or times as shall be named by the New Haven Company in a writing signed by its president or the chairman of its Board of Directors, and approved at a meeting by said Board. The trustees shall exercise their best efforts to complete the sale of the said shares and bonds before July 1, 1919.

Fifth. The 53,981 shares of the capital stock of the Berkshire Street Railway Company and the 6,500 shares of capital stock of The Vermont Company, owned by the New Haven Company, shall be sold before July 1, 1919; provided, however, such sale shall not be proceeded with until action shall have been taken by the Commonwealth of Massachusetts authorizing a sale of the shares of the Berkshire Street Railway Company, or until the Court, on the application of any party, and after a hearing at which the Commonwealth of Massachusetts shall be invited to appear, shall by further order so direct.

Sixth. The New England Navigation Company shall sell, on or before July 1, 1917, the 15,000 shares of preferred and 20,000 shares of common stock in the Eastern Steamship Corporation and bonds of said corporation to the par value of $2,500,000, held by it, and pending such sale the New Haven Company and the Navigation Company are enjoined from voting upon the capital stock of said Eastern Steamship Corporation.

Seventh. The New Haven Company shall sell on or before July 1, 1919, 5,000 shares of the capital stock of the New York and Stamford Railway Company, and bonds of the said company to the par value of $678,000, also the rights to the capital stock and other securities of the Westchester Street Railroad Company, now owned by it, and the Navigation Company shall sell on or before July 1, 1919, the rights to the capital stock and other securities of the Shore Line Electric Railroad, a corporation of New York, when the same may be issued, and the gold notes of the New England Investment & Security Company, a voluntary association, to the par value of $13,709,000, now owned by it.

Eighth. The times within which the sales heretofore ordered shall be made may be extended in each case by the Court for good cause shown upon the application of any party or any body of liquidators or trustees, and if they are not sold by the trustees 60 days before the last date fixed for the sale they shall be sold at public auction.

Ninth. None of the shares or other securities hereinbefore ordered sold shall be offered to the stockholders of the New Haven Company as a class either in proportion to their stockholdings or otherwise, or be sold to the New Haven Company or to any person or persons, corporation or corporations, to be held in its interests, directly or indirectly, or so as to re-establish in any manner the combination and control which it is the purpose of the decree to terminate.

There is now pending before the Interstate Commerce Commission an application of the New Haven Company, under Act of Congress approved Aug. 24th, 1912, known as the Panama Canal Act, for authority to retain stocks and other securities and continue control of its steamship lines including the New England Steamship Company and The Hartford & New York Transportation Company. Similar applications are required by law from all railroad companies having an ownership in steamship lines.

The contract between the New York Central & Hudson River Railroad Company and the New Haven Company for sharing in the financial results of the operation of the Boston & Albany Railroad, has already been canceled, and the Company has disposed of its interest in the Merchants & Miners Transportation Company.

In view of the present conditions and the policy of the Federal Government and its various departments, the directors felt that it was wise to agree with the Department of Justice and to divest itself of ownership in these various properties, and therefore, made every reasonable concession toward a peaceful adjustment.

A summary of the properties covered by the decree, and the book value thereof, including stocks, bonds, notes and advances, as shown on the books of the New Haven Company and the Navigation Company is as follows:

	As carried on books of New Haven Company	New England Nav. Co.
Boston Railroad Holding Co.	$29,371,165.97	
Boston & Maine R.R. subsidiary lines	1,417,216.95	
The Connecticut Company	2,125,000.00	$40,000,000.00
The Rhode Island Company	27,852,336.41	1,266,379.37
Berkshire Street Railway Company	9,809,395.58	
The Vermont Company	1,477,164.31	
Eastern Steamship Co.		4,200,000.00
New York & Stamford Railway	1,395,523.40	
The Westchester Street Railroad	1,152,150.84	
Shore Line Electric Railroad		117,000.00
New England Investment and Security Company		13,631,750.00
	$74,599,953.46	$59,215,129.37

Electric and Gas Companies: The New York, New Haven & Hartford R.R. Co., acting with the Connecticut Company, and the Housatonic Power Company, has, in the form of a sub-lease, practically divested itself of the large electric and gas companies acquired some years ago when the property of the Connecticut Ry. and Lighting Company was leased. The new lease is made to the United Electric Light & Water Company, a new Connecticut corporation. This sub-lease is dated Oct. 1, 1911, runs 994 years, and covers the systems for the distribution of electrical energy, for other than railway purposes, in the towns of Waterbury, Naugatuck, Watertown, Cheshire, New Britain, Newington, Berlin, Plainville, Southington, Norwalk, Wilton, New Canaan and Greenwich; the gas plants and distributing systems in the towns of Norwalk, Greenwich and Naugatuck; and the right to furnish gas and electricity in the town of Weston. The lease made to the United Electric Light and Water Co. calls for the payment by the lessee of $365,000 a year in monthly *pro rata* amounts.

Location: The directly operated lines of the New York, New Haven & Hartford R.R. extend from New York City to Providence and Boston, radiating throughout the States of Connecticut, Rhode Island and Massachusetts, and entering all important cities and towns. The total main track operated June 30, 1916, was 2,004.84 miles, of which 1,193.52 was directly owned, 760.21 operated under leases, and 51.11 miles under trackage rights. Population of Mass., Rhode Island and Connecticut in 1890, 3,330,707; in 1900, 4,142,322; in 1910, 5,023,782.

Management: OFFICERS: Howard Elliott, Chairman of Board and President; E. G. Buckland, Vice-Pres.; B. Campbell, Vice-Pres.; E. J. Pearson, Vice-Pres.; J. M. Tomlinson, Vice-Pres. and Compt.; A. R. Whaley, Vice-Pres.; A. E. Clark, Sec.; A. S. May, Treas.; C. L. Bardo, Gen. Mgr. DIRECTORS: Thos. DeWitt Cuyler, Edward Milligan, Francis T. Maxwell, John T. Pratt, James L. Richards, Howard Elliott, Arthur T. Hadley, Augustus S. May, Benjamin Campbell, F. W. Matteson, Joseph B. Russell, Eli Whitney, Harris Whittemore, J. Horace Harding, E. J. Pearson. Annual meeting, third Wednesday in October. MAIN OFFICE, New Haven, Conn.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	9.31%	9.91%	8.13%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	2.77	3.15	2.67
Products of Mines	.....	.....	.....	.....	.....	.....	.....	31.23	29.27	27.66
Products of Forests	.....	.....	.....	.....	.....	.....	.....	5.08	5.09	4.93
Manufactures	.....	.....	.....	.....	.....	.....	.....	20.18	22.20	23.25
Miscellaneous	.....	.....	.....	.....	.....	.....	.....	31.43	30.35	33.36

Total revenue tonnage: 24,996,838 in 1914; 23,842,023 in 1915; 28,285,411 in 1916. Traffic is well diversified and high-grade tonnage predominates. Traffic is mainly local and passenger business represents more than one-half the business done. No classification available prior to 1914.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	2,060	941	1,176	2,202	20,832	50%	665,785	935,761	241	$2.31	1.62c	1.44c
1908	2,047	967	1,236	2,356	30,855	48	683,781	873,311	229	2.30	1.64	1.41
1909	2,043	1,011	1,228	2,437	35,397	49	686,078	916,504	273	2.48	1.63	1.42
1910	2,042	1,015	1,220	2,522	36,895	50	737,957	1,040,490	293	2.67	1.65	1.42
1911	2,042	1,037	1,227	2,528	39,619	50	751,371	1,068,343	290	2.64	1.71	1.39
1912	2,055	1,135	1,244	2,609	39,263	49	758,597	1,157,058	292	2.66	1.72	1.37
1913	2,092	1,182	1,349	2,361	37,406	50	767,640	1,210,682	291	2.69	1.74	1.35
1914	2,046	1,118	1,308	2,360	37,123	49	802,908	1,151,832	304	2.77	1.71	1.42
1915	2,003	1,113	1,267	2,450	34,672	48	737,828	1,090,918	333	3.03	1.83	1.43
1916	2,005	1,091	1,159	2,311	35,421	49	783,571	1,227,777	334	3.39	1.89	1.53
10-Year Average	2,043	1,061	1,241	2,418	34,748	49%	737,552	1,067,267	288	$2.69	1.71c	1.42c

Yard tracks and sidings, June 30, 1916, 1,485 miles. The equipment figures shown above include all owned by the main company and its directly operated leased lines.

Comment: For the year ended June 30, 1916 both the passenger and freight density underwent substantial improvement in the New Haven System. The freight train load was maintained at recent high totals and train mile earnings were advanced to a substantially better figure than heretofore. The tonnage of this road is very widely diversified and the proportion of high-grade freight represents more than 50% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$26,991	$2,660	$2,737	$5,397	$12,977	$8,617	$11,689	$1,435	$10,254	$5,937	42%	$4,317	$3,626
1908	25,916	2,923	3,377	6,300	12,368	7,248	11,312	1,631	9,681	7,108	27	2,573	3,802
1909	26,602	3,001	2,891	5,892	11,769	8,941	13,568	1,686	11,882	8,245	31	3,637	3,859
1910	29,723	3,493	3,164	6,657	12,290	10,776	15,820	1,951	13,869	8,582	38	5,287	4,779
1911	30,439	3,418	3,523	6,941	12,404	11,094	15,689	1,752	13,937	8,359	40	5,578	6,099
1912	31,049	3,318	3,916	7,234	12,902	10,913	16,502	1,846	14,652	8,253	44	6,399	6,966
1913	32,798	3,773	4,589	8,362	14,213	10,223	15,342	1,815	13,527	9,262	32	4,265	6,447
1914	32,560	4,316	5,078	9,394	14,318	8,848	12,432	1,744	10,688	10,557	1	131	1,152
1915	32,641	3,859	4,883	8,742	13,289	10,610	13,530	1,417	12,113	10,961	10	1,152	.....
1916	38,058	4,379	5,416	9,795	15,681	12,582	15,809	1,425	14,384	12,232	15	2,152	.....
10-Year Average	$30,678	$3,514	$3,957	$7,471	$13,221	$9,985	$14,169	$1,670	$12,499	$8,950	28%	$3,549	$3,673

Note: Above table is based on the average mileage directly operated for each year, including that of leased lines, trackage rights, etc. Margin of safety is the proportion of surplus left over after payment of all fixed charges. For example, in 1916 the "balance for charges" (per mile) was $14,384; fixed charges consumed $12,232 of this, or 85%, leaving $2,152, a "margin of safety" of 15%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$76,305,892	$63,372,627	$66,617,693	$68,613,503	$64,933,065	$62,153,435
Maintenance of way	8,779,166	7,729,241	8,831,064	7,893,090	6,829,361	6,980,036
Maintenance of equipment	10,859,656	7,780,330	10 389,458	9,600,669	8,046,992	7,193,425
All other operating exps.	31,439,536	26,617,053	29,294,828	29,733,580	27,227,665	26,725,172
Net operating revs.	$25,227,534	$21,246,003	$18,102,343	$21,386,164	$22,829,047	$21,254,802
Operating ratio	66.9%	67.5%	72.8%	68.8%	64.8%	65.8%
Outside operations	*	*	85,480	645,447	1,388,155	1,399,793
Other income	6,469,832	5,855,051	7,247,990	10,063,785	10,303,108	9,178,928
Total net income	$31,697,366	$27,101,054	$25,435,813	$32,095,396	$34,520,310	$31,833,523
Taxes accrued	2,856,255	2,837,396	3,568,219	3,796,849	3,792,872	3,578,363
Balance for charges	$28,841,111	$24,263,658	$21,867,594	$28,298,547	$30,727,438	$29,255,160
Fixed charges	24,525,355	21,955,686	21,598,931	19,376,309	17,341,888	17,067,848
Surplus over charges.	$4,315,756	$2,307,972	$268,663	$8,922,238	$13,385,550	$11,187,312
Dividends paid	.....	.....	2,356,769	13,486,563	14,315,540	12,454,852
Balance	$4,315,756	$2,307,972 (df.)	$2,088,106 (df.)	$4,564,325	(df.) $929,990	(df.) $1,267,540
Earned on stock	2.7%	1.46%	.....	4.96%	7.46%	6.26%

* Outside operations not shown separately in 1915 and 1916.

Note: Fixed charges include interest on bonded and other debt, rentals of leased lines, miscellaneous rents, etc. Fixed charges in 1916 included interest on bonds and other debt, $11,307,901; rentals of leased lines, $6,156,401; equipment rentals, $2,700,888; joint facility rents, $2,938,564; loss on Boston R.R. Holding Co. guarantee, $117,595; N. Y., Westchester & Boston bond int., $864,000.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $3.733,034; credit balance transferred from income account, $4,315,757; profit on road and equipment sold, $113,558; unrefundable overcharges, $26,404; donations, $35,789; miscellaneous credits, $446,778; total, $8,671,320. Contra: Debt discount extinguished through surplus, $4,400; loss on retired road and equipment, $112.050; delayed income debits, $23,502; miscellaneous debits, $100,879; credit balance carried to balance sheet, $8,430,489; total, $8,671,320.

Comment: Both gross and net revenues increased substantially on the New Haven road for the year ended June 30, 1916. As outside income was also better than in 1915 the net income reached a figure almost equal to that of 1913. The fixed charges, however, tended to advance sharply and therefore the balance left over amounted to less than 3% on the outstanding capital stock. Since the close of the fiscal year the volume of business has been maintained at recent high levels.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$47,262	30%	$111,024 70	70%	$54,416	$212,702	$25,786	$186,916	6.3%	.....	.....	$3,626	8%	.....	15%
1908	47,824	29	113,606 71		62,192	223,622	25,977	197,645	5.7	.....	.....	3,802	8	.....	....
1909	48,947	29	114,958 71		58,097	222,002	41,705	180,297	7.5	.....	.....	3,859	8	.....	.....
1910	80,619	42	111,805 58		66,952	259,376	86,055	173,321	9	.....	.....	4,779	8	.....	11
1911	103,424	47	116,326 53		62,215	281,965	88,528	193,437	8	.....	.....	6,099	8	.....	.....
1912	103,341	47	116,040 53		50,004	269,392	88,484	180,908	8.1	.....	.....	6,966	8	.....	.....
1913	95,268	45	118,799 55		43,459	257,526	64,113	193,413	7.9	.....	.....	6,447	7½	.....	.....
1914	97,410	45	119,249 55		45,538	262,197	58,008	204,189	6.1	.....	.....	1,152	1½	.....	.....
1915	78,441	39	123,679 61		62,197	264,317	91,864	172,453	7.8	.....	.....	.....	.....	.....	.....
1916	87,980	42	120,825 58		61,410	270,215	85,289	184,926	8.5	.....	.....	.....	.....	.....	.....
10-Year Average	$79,052	40%	$116,631 60	60%	$56,648	$252,331	$65,581	$186,750	7.6%	.....	.....	$3,673	5.7%	.....	.....

Note: Above table is based on the average mileage directly operated for each year. The stock column in 1915 and 1916 does not include the stock held in treasury, as shown in the earlier years, but in 1916 does include the "premium." See note below. The rental column includes all rental obligations of leased and controlled lines (where guaranteed).

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$423,542,350	$428,510,640	$385,132,623	$365,058,645	$419,573,167	$401,760,692
Working assets	24,996,059	19,296,598	79,868,414	106,594,528	65,234,781	82,586,657
Deferred debit items	5,834,823	5,434,479	10,534,933	17,091,639	9,960,177	6,835,166
Accrued income not due	.....	448,664	1,298,729	1,660,247	976,730	935,660
Total	$454,373,232	$453,690,381	$476,834,699	$490,405,059	$495,744,855	$492,118,175
Liabilities:						
Capital stock	$176,400,788	$176,400,788	$199,299,888	$199,299,888	$212,369,189	$211,192,289
Funded debt	242,271,934	244,777,987	239,731,254	205,929,254	205,607,104	213,029,004
Working liabilities	10,655,569	13,337,238	14,071,354	55,994,263	46,596,792	36,047,839
Accrued liabilities not due	3,052,159	3,143,116	3,000,062	3,037,967	3,226,383	3,157,192
Deferred credit items	4,085,224	2,821,149	8,811,764	8,309,005	6,257,555	2,104,917
Appropriated surplus	9,477,069	9,477,069	10,098,131	9,918,125	9,652,361	12,311,919
Profit and loss surplus	8,430,489	3,733,034	1,822,246	7,916,557	12,575,471	14,275,015
Total	$454,373,232	$453,690,381	$476,834,699	$490,405,059	$495,744,855	$492,118,175

Note: In the above tabulation the figures showing "capital stock outstanding" include the premium realized on capital stock sold since July 1, 1909. The net amount of stock outstanding June 30, 1916 (par value), was $157,117,900. Prior to 1915, stock in treasury was included. See Note under stock table. The funded debt, as shown above, in 1914 does not include $4,251,958 of loans and bills payable, but this latter is included in the bond column of the ten-year comparative table above. It does include, however, all note issues, debentures, etc.

Funded debt for 1915 includes, $27,227,000 short-term notes, carried as "loans and bills payable." Bond column in Table C includes "loans and bills payable," consisting of $27,227,000 short-term notes included in balance sheet, and $2,912,000 6-month notes; total, $30,139,000. Securities owned consist of unencumbered securities of the book value of $184,004,457. Variation in relative amount of "property investment" and "working assets," in 1915, as compared with former years, is apparently due to inclusion in "property investment" in 1915 of securities formerly carried as "loans and bills receivable" in "working assets." Exact amount of such securities not ascertainable. Funded debt in 1916 includes $25,007,000 short-term notes carried as "loans and bills payable." Bond column in Table C includes same amount; $18,272 grants in aid of construction also included in funded debt.

Comment: There were no radical capitalization changes on the New Haven property during the year ended June 30, 1916. As measured on the mileage basis the property is very heavily capitalized and as the bonded debt and rental charges represent a large proportion of this capitalization the company has not been able in recent years to show any improvement in the net income on net capital. During the year 1916, however, substantial progress was made in this respect.

What will be the ultimate outcome of the New Haven situation cannot be accurately forecast at present. The company still has ahead of it some far-reaching financial problems to solve, and sooner or later must largely increase its permanent capital obligations. The prospects of the capital stock being restored to a dividend basis are not favorable. The company must pay for the financial mistakes and erroneous financial policy of the past for many years to come.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Harlem Riv. & Port Chester first 4s	M&N	My 1954	(1st) 11	$1,363,636		$300	94%	Very high	High	Aaa.
2. New York, Prov. & Boston gen. 4s	A&O	Ap 1942	(1st) 80	12,500		20	94%	"	"	Aaa.
3. Housatonic R. R. con. 5s	M&N	N 1937	(1st) 90	31,544		71	94%	"	"	Aaa.
4. Danb. & Norw. cons. 5s	J&J	Jl 1920	(1st) 36	14,000		13	94%	"	"	Aaa.
5. Danb. & Norw. cons. 6s	J&J	Jl 1920					94%	"	"	Aaa.
6. Danb. & Norw. gen. 6s	A&O	Ap 1925	(2d) 36	4,200		4	94%	"	"	Aaa.
7. Danb. & Norw. first ref. 4s	J&D	Je 1955	(3d) 36	10,000	$12,499	7	94%	"	"	Aaa.
8. New Hav. & Derby cons. 5s	M&N	My 1918	(1st) 15	38,333		14	94%	"	"	Aaa.
9. Prov. & Springfield first 5s	J&J	Jl 1922	(1st) 28	26,800		19	94%	"	"	Aaa.
10. Naugatuck R. R. first 4s	M&N	My 1954	(1st) 61	41,000		50	94%	"	"	Aaa.
11. Boston & N. Y. Air Line first 4s	F&A	Ag 1955	(1st) 52	72,600		75	94%	"	"	Aa.
12. Prov. Term. Co. first 4s	M&S	Mr 1956	(1st) Term.	.....		80	94%	"	"	Aa.
13. Wor. & Conn. E. first 4½s	J&J	Ja 1943	(1st) 52	Traction		45	94%	High	Good	Aa.
14. New Haven & Centreville St. Ry. first 5s	M&S	S 1933	(1st) 5	"		7	93%	"	"	Aa.
15. Meriden Horse cons. 5s	J&J	Ja 1924	(1st) 20	"		10	93%	"	"	Aa.
16. Norwich St. Ry. first 5s	A&O	O 1923	(1st) 17	"		8	93%	"	"	Aa.
17. Montville St. Ry. first 5s	M&N	My 1920	(1st) 10	"		6	93%	"	"	Aa.
18. New London St. Ry. first 5s	A&O	O 1923	(1st) 6	"		3	93%	"	"	Aa.
19. Hartford, Man. & Roekv. Tramway first 5s	A&O	O 1924	(1st) 17	"		5	93%	"	"	Aa.
20. Hartford St. Ry. first 4s	M&S	S 1930	(1st) 76	"		50	93%	"	"	Aa.
21. Greenwich Tram. first 5s	J&J	Jl 1931	(1st) 9	"		8	93%	"	"	Aa.
22. Branford Elec. Co. first 5s	A&O	O 1937	(1st)	"		2	93%	"	"	Aa.
23. Torr. & W. St. Ry. first 5s	J&D	D 1917	(1st) 11	"		3	93%	"	"	Aa.
24. Meriden, South & Comp. Tram. first 5s	J&J	Jl 1928	(1st) 12	"	11,801	4	93%	"	"	Aa.
25. Boston Term. (N. Y. & N. E. R. R.) first 4s	A&O	Ap 1939	(1st) Term.	.....		30	93%	"	"	Aa.
26. New England R. R. first consol. 5s	J&J	Jl 1945	(1st) 213	$82,000		390	93%	"	"	Aa.
27. New England R. R. first consol. 4s	J&J	Jl 1945								
28. Prov. Sec. Co. deben. 4s	M&N	My 1957	Not mtg.	.....		383	93%	"	"	Ba.
29. New Haven & Nor. ref. cons. 4s	J&D	Je 1956	(1st) 127	19,000		48	93%	"	"	Aa.
30. Paw. Valley R. R. first 4s	A&O	Ap 1925	(1st) 6	26,666		3	93%	"	"	Aa.
31. Staf. Springs St. Ry. first 5s	J&J	Jl 1956	(1st) 13	Traction		10	93%	"	"	Aa.
32. N. Y., N. H. & H. conv. 3½ per cent debentures	J&J	Ja 1956	Not mtg.	.....		156	63%	Good	"	Ba.
33. N. Y., N. H. & H. conv. 6 per cent debentures	J&J	Ja 1948	"	.....		1,156	63%	"	"	Baa.
34. N. Y., N. H. & H. non-conv. 4 per cent deben	M&S	Mr 1947	"	.....		100	63%	"	"	Ba.
35. N. Y., N. H. & H. non-conv. 3½ per cent deben	M&S	Mr 1947	"	.....		90	63%	"	"	Ba.
36. N. Y., N. H. & H. non-conv. 3½ per cent deben	A&O	Ap 1954	"	.....		175	63%	"	"	Ba.
37. N. Y., N. H. & H. non-conv. 4 per cent deben	J&J	Jl 1955	"	.....		300	63%	"	"	Ba.
38. N. Y., N. H. & H. non-conv. 4 per cent deben	M&N	My 1956	"	.....	10,931	300	63%	"	"	Ba.
39. Naugatuck debenture 3½s	A&O	O 1930	"	.....		4	63%	"	"	A.
40. Consolidated Ry. deben. 4s	Var.	1930–56	"	.....		217	63%	"	"	Ba.
41. Hartford St. Ry. deben. 4s	J&J 15	Ja 1930	"	.....		3	63%	"	"	A.
42. N. Y., N. H. & H. 15-year European Loan 4s	A&O	Ap 1922	"	.....		552	63%	"	"	Baa.
43. Old Colony R. R. plain 4s	J&J	Ja 1938	"	.....		80	63%	"	"	Aa.
44. Old Colony R. R. plain 4s	F&A	F 1924	"	.....		60	63%	"	"	Aa.
45. Old Colony R. R. plain 4s	J&D	D 1925	"	.....		112	63%	"	"	Aa.
46. Old Colony R. R. plain 3½s	J&J	Jl 1932	"	.....		17	63%	"	"	Aa.
47. N. Y., N. H. & H. 1-yr. 4½ per cent notes	M&N	My 1917	(coll.)	.....		562	63%	Fair	Fair	Baa.
48. Equip. trust 4½s, 5s and 6s.	Var.	Var.	(see text)	.....		156	63%	Good	Good	Aa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $15,000,000. Dated May 2, 1904; due May 1, 1954. Int. paid at Lincoln National Bank, New York. Coupon, $1,000; reg., $10,000. First lien on all the property and franchises of the Harlem River & Port Chester R.R., inc. the road from the Harlem River to junction with the main line of the New York, New Haven & Hartford R.R. at New Rochelle, 11.28 miles of first track; 11.25 miles of second track; 10.79 miles of third track; 10.79 miles of fourth track; 9.68 miles of fifth track; 9.64 miles of sixth track; and 101.97 miles of sidings; total trackage, 165.39 miles; also first lien on lease to New York, New Haven & Hartford R.R. Legal for Savings Bank in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $4,000,000; outstanding, $1,000,000 (closed). Dated April 1, 1892; due April 1, 1942. Int. paid at Central Trust Co., New York. Coupon and reg., $1,000. Assumed by New York, New Haven & Hartford R.R. by terms of merger. First lien on 62 miles of double-track road extending from Providence, R. I., to New London, Conn., and upon single-track branches, 18 miles. Only mortgage indebtedness on this portion of the New York, New Haven & Hartford R.R.'s main line. Legal for S. B. in Maine. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth., $3,000,000; outstanding, $2,839,000 (closed). Dated Nov. 1, 1887; due Nov. 1, 1937. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Assumed. First lien, 90.47 miles, Bridgeport to Mass. State line and on branches to Huntington and Danbury, Conn. Legal for S. B. in Maine. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

4 and 5. Auth., $500,000; outstanding, $400,000 5s and $100,000 6s. Dated May 19, 1880; due July 1, 1920. Int. paid at Second National Bank, New Haven, Conn. Coupon, $1,000. Assumed. First lien, 35.54 miles, Danbury via S. Norwalk to Wilson's Point, Conn., and branches to Ridgefield and Hawleyville. Underlies Nos. 6 and 7 with provision by latter for retirement. Legal for S. B. in Maine. Normal income tax deducted from interest.

6. Auth. and outstanding, $150,000. Dated Mar. 31, 1883; due April 1, 1925. Int. paid at Second National Bank, New Haven, Conn. Coupon, $1,000. Assumed. Second lien on 35.54 miles, following Nos. 4-5. Underlies No. 7 which provides for retirement. Normal income tax deducted from interest.

7. Auth., $25,000 per mile; outstanding, $350,000. Dated June 1, 1905; due June 1, 1955. Int. paid at Second National Bank, New Haven, Conn. Coupon, $1,000. Assumed. Third lien on 35.54 miles, following No. 6. Provides for retirement of Nos. 4, 5 and 6. Interest paid without deduction for normal income tax.

8. Auth., $800,000; outstanding, $575,000 (closed). Dated May 1, 1888; due May 1, 1918. Int. paid at Second National Bank, New Haven, Conn. Coupon, $1,000. Assumed. First lien, 14.55 miles, New Haven *via* Derby to Huntington, Conn. Legal for S. B. in Maine. Listed on New York Stock Exchange. Normal income tax deducted from interest.

9. Auth. and outstanding, $750,000. Dated July 1, 1892; due July 1, 1922. Int. paid at Farmers' Loan & Trust Co., New York and First National Bank, Boston. Coupon, $1,000. Assumed by New York, New Haven & Hartford R.R. Guar. prin. and int. by the New York & New England R.R., which was succeeded in 1895 by the New England R.R., the latter being merged into the New York, New Haven & Hartford R.R., in 1908. First lien on 27.73 miles from Providence to Douglas Junc., Mass. Legal for S. B. in Maine. Listed on New York Stock Exchange. Normal income tax deducted from interest.

10. Auth. and outstanding, $2,500,000. Dated May 2, 1904; due May 1, 1954. Int. paid at New York, Boston, and New Haven. Coupon, $1,000; reg., $5,000. Assumed by New York, New Haven & Hartford R.R. Guar. prin. and int. by New York, New Haven & Hartford R.R.. First lien on 60.66 miles, as follows: From Devon to Winsted, Conn., 55.83 miles, and from Watertown to Waterbury, Conn., 4.82 miles; there are 27.35 miles of second track and 42.92 miles of sidings. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

11. Auth., $5,000,000; outstanding, $3,777,000. Dated Aug. 1, 1905; due Aug. 1, 1955. Int. paid at New York, Boston and New Haven. Coupon, $1,000; reg., $5,000. Guar. prin and int. by endorsement by New York, New Haven & Hartford R.R., now assumed. First lien on 51.27 miles from New Haven to Willimantic, Conn.; there are also 5.23 miles of second-track and 11.62 miles of sidings. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

12. Auth., $7,500,000; outstanding, $4,000,000. Dated March 1, 1906; due March 1, 1956. Int. paid at New York, Boston, New Haven. Coupon, $1,000; reg., $5,000. Guar. prin. and int. by endorsement by New York, New Haven & Hartford R.R., now assumed. First lien on entire property, including the line of railroad extending from the Union Station, Providence, to a connection with the tracks of the Providence & Worcester R.R., at East Junction, R. I., about 3 miles of double-track, including the terminal facilities and passenger station of said company at Providence, R. I., a tunnel 5,061 feet in length; also a drawbridge across the Seekonk River. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

13. Auth., $3,100,000; outstanding, $1,992,000 (closed). Dated Oct. 1, 1902; due Jan. 1, 1943. Int. paid at New York Trust Co., New York and in Boston. Coupon, $1,000. Sinking fund: Amount not exceeding 1% of bonds outstanding to be used for purchase of these bonds at price yielding not less than 3¾%. Assumed by New York, New Haven & Hartford R.R. First lien on all the property and leases of the company, including a hydraulic electric power plant on the Quinnebaug River in the town of Killingly, and the leases of the Worcester & Webster and Webster & Dudley Street Ry. Cos., and all the stock and all but $50,000 of the bonds of these companies. Lines of road extend from the boundary line between the State of Massachusetts and the State of Connecticut, in the town of Thompson to Moosup, in the town of Plainfield, Conn., also from a point on the main line in the town of Killingly, Conn., to a connection with the railway constructed by the Providence & Danielson Railway Co., and all extensions of said railroad and branches within the towns of Thompson, Putnam, Killingly, Brooklyn, Plainfield, Sterling, Griswold, and Preston, in Conn., being 52 miles in length. The leased lines extend north to city of Worcester, Mass. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

14 to 24. These issues also, all secured on street railway and lighting companies in the towns indicated, have all been assumed by the N. Y., N. H. & H. R.R., and are a direct obligation of the company. These are the properties which were absorbed through the merger in 1907 of the Consolidated Railway Co. with the New York, New Haven & Hartford R.R., and are distinct from the street railway and lighting companies controlled through the Connecticut Co. The outstanding amounts are as follows: No. 14, $283,000; No. 15, $415,000; No. 16, $350,000; No. 17, $250,000; No. 18, $150,000; No. 19, $200,000; No. 20, $2,500,000; No. 21, $320,000; No. 22, $63,000; No. 23, $150,000; No. 24, $175,000. (No. 20 is listed on the New York Stock Exchange.) Normal income tax deducted from interest (except 17).

REFERENCE NOTES ON BOND ISSUES (Continued)

25. Auth. and outstanding, $1,500,000. Dated April 1, 1889; due April 1, 1939. Coupon, $1,000. First lien on terminal property at Boston, formerly belonging to the old New York & New England R.R. They underlie Nos. 26 and 27 and are distinct from the Boston Terminal Co. 3½% bonds secured on the terminal station at Boston, in which this road has a joint interest. Legal for S. B. in Maine. Listed on Boston Stock Exchange. Interest paid without deduction for normal income tax.

26 and 27. Auth., $17,500,000; outstanding, $10,000,000 4s; $7,500,000 5s. Dated Sept. 2, 1895; due July 1, 1945. Int. paid at Bankers Trust Co., New York and Boston Safe Deposit & Trust Co., Boston. Coupon, $1,000. Guar. prin. and int. by New York, New Haven & Hartford R.R., now assumed. First lien on 362.69 miles, as follows: Boston, Mass., to Hopewell Junc., N. Y., 212.62 miles; Wicopee to Fishkill Landing, N. Y., 1.65 miles; Boston to So. Boston, Mass., 1.04 miles; Providence, R. I., to Willimantic, Conn., 57.76 miles; Newton, Mass., to Woonsocket, R. I., 28.67 miles; East Thompson, Conn., to Southbridge, Mass., 17.36 miles; East Hartford, Conn., to Springfield, Mass., 28.31 miles; Melrose to Rockwell, Conn., 7.23 miles; Dedham Junc. to Dedham, Mass., 1.53 miles; Islington to Dedham, Mass., 2 miles; West Roxbury to Needham, Mass., 4.53 miles; first lien on valuable terminal property at Boston. Legal for S. B. in Maine. Listed on New York Stock Exchange, and the 5s on the Boston Stock Exchange. Normal income tax deducted from interest.

28. Auth., $19,911,000; outstanding, $19,899,000 of which $719,000 are in treasury. Dated May 1, 1907; due May 1, 1957. Int. paid at Equitable Trust Co., New York and in New Haven. Coupon, $1,000; reg., $10,000. Callable at 105 and interest on any interest date beginning May 1, 1917, upon eight weeks notcie. Guar. prin. and int. by New York, New Haven & Hartford R.R., by endorsement, which assumed the obligation in 1914 as a direct liability. Originally issued to acquire securities of the Rhode Island Co. Not a mortgage. Listed on New York and Providence Stock Exchanges. Interest paid without deduction for normal income tax.

29. Auth., $10,000,000; outstanding, $2,400,000. Dated June 1, 1906; due June 1, 1956. Int. paid at New Haven and Boston. Coupon, $1,000; reg., $5,000. Guar. prin. and int. by New York, New Haven & Hartford R.R., now assumed. First lien on 127 miles (together with 47.04 miles of sidings), as follows: From New Haven, Conn., to Shelburne Junc., Mass., 94.12 miles; from Farmington to New Hartford, Conn., 15.19 miles; Northampton to Williamsburg, Mass., 7.70 miles; South Deerfield to Turners Falls, Mass., 9.99 miles. Legal for S. B. in Maine, Interest paid without deduction for normal income tax.

30. Outstanding, $160,000; due April 1, 1925. Int. paid at New Haven. Assumed by N. Y., N. H. & H. R.R. First lien, 5.67 miles, Pontiac to Hope, R. I. Legal for S. B. in Maine. Normal income tax deducted from interest.

31. Auth., $500,000; outstanding, $400,000. Dated July 7, 1906; due July 1, 1956. Int. at Second Nat. Bank, New Haven. Assumed by N. Y., N. H. & H. R.R. First lien, 12.9 miles, Rockville to Stafford Springs, Conn. Interest paid without deduction for normal income tax.

32. Auth., $30,000,000; outstanding, $9,765,450 (closed) of which $852,100 are in treasury. Dated Jan. 1, 1906; due Jan. 1, 1956. Int. paid at New York and Boston. Coupon, $100, $500 and $1,000; reg., $5,000. Convertible into capital stock of the eompany at the rate of one share of $100 stock for each $150 (face value) of these certificates between Jan. 1, 1911; and Jan. 1, 1916, or within 30 days thereafter. Not a mortgage. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

33. Auth. and outstanding, $39.029,000 of which $487,800 are in treasury. Dated Jan. 15, 1908; due Jan. 15, 1948. Int. paid at New York, New Haven and Boston. Coupon, $1,000; reg., $100, $1,000 and $10,000. Convertible into stock of the eompany at any time when books are not closed for transfer, after Jan. 15, 1923, and not later than Jan. 15, 1948, at the rate of one share of stock for each $100 of the principal amount of these bonds. Not a mortgage, but should a mortgage be placed on the main line, these bonds will be equally secured therewith. Listed on New York Stock Exchange. Normal income tax deducted from interest.

34. Auth. and outstanding, $5,000,000. Dated March 1, 1897; due March 1, 1947. Int. paid at Lincoln Nat. Bank, New York. Coupon, $1,000; reg., $10,000. Not a mortgage. Listed on New York Stock Exchange. Normal income tax deducted from interest.

35. Auth. and outstanding, $5,000,000. Dated March 1, 1901; due March 1, 1947. Int. paid at Lincoln Nat. Bank, New York. Coupon, $1,000; reg., $10,000. Not a mortgage. Listed on New York Stock Exchange. Normal income tax deducted from interest.

36. Auth. and outstanding, $10.000,000. Dated April 1, 1904; due April 1, 1954. Int. paid at Lincoln Nat. Bank, New York, and Second Nat. Bank, New Haven. Coupon, $1,000; reg., $10,000. Not a mortgage. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

37. Auth. and outstanding, $15.000,000. Dated July 1, 1905; due July 1, 1955. Int. paid at Lincoln Nat Bank, New York. Coupon, $1,000; reg., $10,000. Not a mortgage. Listed on New York Stock Exchange. Normal income tax deducted from interest.

38. Auth. and outstanding, $15,000,000. Dated May 1906; due May 1, 1956. Int. paid at Lincoln Nat. Bank, New York. Coupon, $1,000; reg., $10,000. Not a mortgage. Listed on New York Stock Exchange. Normal income tax deducted from interest.

39. Outstanding, $234.000. Dated Oct. 1, 1902; due Oct. 1, 1930. Int. paid at Second National Bank, New Haven. Coupon, $1,000. Not a mortgage. Assumed. Normal income tax deducted from interest.

40. Series "A." Auth.. $1,000,000; outstanding, $972,000 (closed). Dated Feb. 1, 1905; due Feb. 1, 1930. Series "B." Auth., $5,000,000; outstanding, $4,255,000 (closed). Dated May 1, 1904; due July 1, 1954. Series "C." Auth., $4.000,000; outstanding, $2,309,000 (closed). Dated Jan. 2, 1905; due Jan. 1, 1955. Series "D." Auth., $3.500,000; outstanding, $1,340,000 (closed). Dated April 1, 1905; due April 1, 1955. Series "E." Auth.. $10,000,000; outstanding, $2,011,000 (closed). Dated Jan. 1, 1906; due Jan. 1, 1956. Int. on all paid at New York, New Haven and Boston. Coupon, $1,000; reg., $10,000. Assumed by New York, New Haven & Hartford R.R. Direct obligations of the New York, New Haven & Hartford R.R., but not mortgages. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

41. Outstanding, $165,000. Dated Jan. 1, 1900; due Jan. 1, 1930. Int. paid at New Haven. Coupon, $1,000. Not a mortgage. Assumed. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

42. Auth., $27,985,000; outstanding, $27,618,782. Consisting of $12,834,210 dollar bonds and $14,784,572 franc bonds. Dated April 1, 1907; due April 1, 1922. Int. paid at Paris, London, Berlin, Hamburg, and Amsterdam. Coupon, $1,000 and 500 francs. Direct obligation of the company, but not a mortgage. Listed on Boston Stock Exchange. In 1916, arrangements were made for stamping 500 franc debentures with a par value of $96.50 for which the company received 2½% of the face value. Indenture provides that in the event of any mortgage being placed upon the main line, these bonds will be equally secured therewith. Interest paid without deduction for normal income tax.

43 to 46. None of these issues secured by mortgage. Old Colony R.R. is leased to N. Y., N. H. & H. R.R. until 1992 at rental of 7% on stock and assumption of all obligations, including these bonds, both principal and interest. Outstanding, as follows: No. 43, $4,000,000; No. 44, $3,000,000; No. 45, $5,598,000; No. 46, $1,000,000. Int. paid in Boston on all issues. Legal for S. B. in Conn., Mass., R. I., Vt. Normal income tax deducted from interest. Coupon, reg., $1,000; No. 43 reg., $1,000 only.

47. Auth. and outstanding, $25,000,000. Dated May 1, 1916; due May 1, 1917. Int. paid in New York and Boston. Coupon, $1,000, $5,000 and $10,000. First collateral lien on securities of a total book value of $40,273,442. The indenture provides that the various items of collateral may be withdrawn from the lien of the indenture, provided an amount of cash equal to the withdrawal value established in the indenture, shall be deposited with the trustee, but that the entire net proceeds of the sale of any of the pledged securities, whether made before or after withdrawal, shall be paid to the trustee and held as part of the trust estate. Callable at 100½ on 60 days' notice. Normal income tax deducted from interest.

48. Series A 5s; dated April 1, 1914; due $166,000 annually on Apr. 1 to Apr. 1, 1929. Int. paid Apr. and Oct. 1 at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Original issue, $2,490,000; now outstanding, $2,158,000. This is the first of a series of equipment-trusts bonds, limited by agreement with New England Car Co. to $20,000,000, the railroad company always to pay one-tenth of the cost of equipment in cash and balance in certificates. This series is a first lien on 87 steel passenger coaches, 28 steel smoking coaches, 15 steel postal cars, 17 multiple unit cars and 25 multiple unit trailer cars; all costing $3,002,399. Normal income tax deducted from interest.

Series AA, 6s; dated Nov. 2, 1914; due $48,000 each May 1 and $49,000 each Nov. 1 to Nov. 1, 1924. Int. paid M. and N. 1, at Philadelphia Trust, Safe Deposit & Ins. Co., Philadelphia. Coupon, $1,000. Original issue, $970,000; now outstanding, $776,000. Second series of equipment-trusts bonds, limited by agreement with New England Car Co. to $20,000,000, the railroad company always to pay one-tenth of total cost in cash. This series is a first lien on 30 passenger coaches, 50 baggage cars, 10 combination baggage and smoking cars, 10 combination and mail cars, all steel. Total cost, $1,233,890. Normal income tax deducted from interest.

Series BB 4½s, dated Dec. 1, 1915; due. $123,000 each June 1 and $122,000 each Dec. 1 to Dec. 1, 1925. Int. paid J. & D. 1 at Commercial Trust Co., Philadelphia. Coupon, $1,000. Original issue, $2,450,000; now outstanding, $2,205,000. Third series limited to $20,000,000 by agreement with New England Car Co. First lien on 63 steel passenger coaches, 2 steel funeral cars, 35 steel baggage cars, 30 locomotives, 2 dining cars and 575 freight cars costing $2,937,750. Normal income tax deducted from interest.

Series CC 4½s; dated Sept. 1, 1916; due $65,000 each M. & S. 1 to Sept. 1, 1926. Int. paid M. & S. 1 at Commercial Trust Co., Philadelphia. Coupon,$1,000. Original issue, $1,300,000; now outstanding, $1,300,000. Fourth series issued under agreement with New England Car Co. First lien on 50 locomotives and 11 company cars, costing $1,620,590. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Holyoke & Westfield R.R. stock..... Par $100. Outstanding, $260,000.	14%	.....		$18	73%	High	High	Aa.
2. Norwich & Worcester pfd. stock..... Par $100. Outstanding, $3,000,000.	8% QuJ	.....		120	73%	"	"	Aa.
3. Old Colony R.R. stock..... Par $100. Outstanding, $22,294,000.	7% QuJ	.....	$4,868	780	73%	"	"	Aa.
4. Boston & Providence R.R. stock..... Par $100. Outstanding, $4,000,000.	10% QuJ	.....		200	73%	"	"	Aa.
5. Prov., Warren & Bristol stock..... Par $100. Outstanding, $874,600.	6% J&J	.....		26	73%	"	"	Aa.
6. Prov. & Worcester R.R. stock..... Par $100. Outstanding, $3,500,000.	10% Qu Mr 31	.....		175	73%	"	"	Aa.
7. New York, New Haven & Hartford stock.... Par $100. Outstanding, $157,117,900.	See text	$97,410	3,549	....	None	"	"	Caa.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. HOLYOKE & WESTFIELD R.R.: Leased in perpetuity to New Haven & Northampton R.R., at fixed rental of $46,000 per annum and taxes; lease assumed by New York, New Haven & Hartford R.R. Dividends paid as follows: 1898, 6%; 1899 to 1902, 10% each; 1903 and 1904, 12% each; 1905, 14%; 1906 to 1908, 10%; 1909 to date, 14% per annum. See description of this company on following pages.

2. NORWICH & WORCESTER R.R.: Leased for 99 years from 1869 to the New England R.R., at rental of interest on bonds and 8% on stock; assumed by New York, New Haven & Hartford R.R. Auth., $3,825,000 preferred and $6,600 common; latter is convertible into preferred. Divs. of 8% quar. Jan. on preferred. Listed on Boston Stock Exchange. See description of this company on following pages.

REFERENCE NOTES ON STOCK ISSUES (Continued)

3. OLD COLONY RAILROAD: Leased to New York, New Haven & Hartford R.R. for 99 years from March 1, 1893, at rental of 7% dividends on stock; lessee assuming all liabilities and obligations. The company operates 617 miles of road, but sold its interest in the Old Colony S.S. Co. in 1905 to the New England Navigation Co. Stock auth., $22,465,125; now outstanding, $22,294,000, of which New Haven R.R. owns $9,813,000. Dividends of 7% are paid quarterly Jan. Listed on Boston Stock Exchange. See description of this Company on following pages.

4. BOSTON & PROVIDENCE R.R. CORP.: Leased to Old Colony R.R. for 99 years from 1888 at rental equal to bond interest, organization expenses, and 10% on stock. The New Haven owns $524,600. Divs. paid quar. Jan. Listed on Boston and Providence Stock Exchanges. See description of this company on following pages.

5. PROVIDENCE, WARREN & BRISTOL R.R.: Leased to Old Colony R.R. for 95 years from 1891, at rental of 5% per annum on stock for first 10 years and 6% thereafter. Outstanding $874,600, of which $150,000 is preferred and balance common. The New York, New Haven & Hartford owns $486,700 common and $100 preferred. Divs. 6%; paid J. and J. 1. See description of this company on following pages.

6. PROVIDENCE & WORCESTER R.R.: Leased to New York, New Haven & Hartford R.R. for 99 years from 1892, at rental equaling 10% on stock, interest on bonds, and $6,000 per annum for organization expenses. The New York, New Haven & Hartford R.R. owns $955,100 of the issue. Divs. 10%, paid quar., March 31. See description of this company on following pages.

7. Authorized issue unlimited. Total amount outstanding, June 30, 1916, $157,117,900; premiums realized on sales since Jan. 1, 1909, $19,282,887; total, $176,400,787. TRANSFER AGENTS: C. H. Hempstead, New Haven, Conn., and Geo. B. Phippen, Boston, Mass. REGISTRARS: Farmers' Loan & Trust Co., New York, and Old Colony Trust Co., Boston. Listed on New York and Boston Stock Exchanges.

Dividends: From date of its organization to Sept. 30, 1913, the company paid a total of 133 cash dividends, aggregating 372½%, or $169,707,612. The yearly rates and amounts are shown in the following:

Fiscal Year.	Rate.	Amount.	Fiscal Year.	Rate.	Amount.	Fiscal Year.	Rate.	Amount.
1873.....	10%	$1,550,000	1888.....	10%	$1,550,000	1903.....	8%	$4,618,438
1874.....	10	1,550,000	1889.....	10	1,550,000	1904.....	8	6,006,448
1875.....	10	1,550,000	1890.....	7½	1,317,500	1905.....	8	6,400,000
1876.....	10	1,550,000	1891.....	10	1,865,000	1906.....	8	6,467,092
1877.....	10	1,550,000	1892.....	10	2,103,750	1907.....	8	6,904,988
1878.....	10	1,550,000	1893.....	10	2,945,535	1908.....	8	7,783,262
1879.....	10	1,550,000	1894.....	10	3,631,293	1909.....	8	7,883,842
1880.....	10	1,550,000	1895.....	10	3,794,290	1910.....	8	9,312,686
1881.....	10	1,550,000	1896.....	8	3,608,542	1910.....	..	446,395
1882.....	10	1,550,000	1897.....	8	3,803,516	1911.....	8	10,222,598
1883.....	10	1,550,000	1898.....	8	3,809,816	1911.....	..	2,232,254
1884.....	10	1,550,000	1899.....	8	4,158,688	1912.....	8	14,315,540
1885.....	10	1,550,000	1900.....	8	4,231,278	1913.....	7½	13,486,563
1886.....	10	1,550,000	1901.....	8	4,294,738	1914.....	1½	2,356,768
1887.....	10	1,550,000	1902.....	8	4,296,568			

CENTRAL NEW ENGLAND RAILWAY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

History: Formed in 1907 upon consolidation of Central New England Ry. Co., the Dutchess County R.R., Newburg, Dutchess & Connecticut R.R., Poughkeepsie & Eastern Ry., and the Poughkeepsie Bridge R.R.; the first-named company being the successor in 1899 of the Philadelphia, Reading & New England R.R.

Location: Lines owned extend from Campbell Hall to Silvernails, Poughkeepsie to Hopewell, Dutchess Junc. to State line, Poughkeepsie to Boston Corners; all in New York State. Leases the Hartford & Connecticut Western R.R., owning lines from Hartford, Conn., to Rhinecliff, N. Y., and Tariffville, Conn., to Agawam Junc., Mass., etc. Lines owned, 140.25 miles; leased, 123.96 miles; trackage rights, 39.45 miles. Total mileage operated, June 30, 1916, 301.30 miles.

Management: OFFICERS: E. G. Buckland, Pres.; Howard Elliott, J. M. Tomlinson, A. R. Whaley, Benj. Campbell, Vice-Prests.; A. E. Clark, Sec.; A. S. May, Treas. DIRECTORS: J. S. Hemingway, A. H. Robertson, J. M. Tomlinson, B. I. Spock, A. R. Whaley, A. Mackrille, Edw. Gagel, E. G. Buckland, A. E. Clark. Annual meeting, first Wednesday in November. OFFICE, New Haven, Conn.

Classification of Freight Tonnage (Years Ending June 30)

	19 7	1908	1909*	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	12.56%	12.41%	.....	9.56%	10.55%	5.80%	5.98%	6.61%	7.29%	7.57%
Products of Animals.....	2.46	1.54	.....	2.26	3.77	2.92	3.06	2.14	2.03	2.30
Products of Mines.....	35.98	39.58	.....	49.31	52.18	53.87	53.88	52.90	52.75	50.77
Products of Forests.....	5.25	4.58	.....	3.64	4.43	2.42	2.79	2.09	2.02	2.89
Manufactures.....	21.79	12.94	.....	12.15	18.53	12.91	12.76	10.81	11.39	19.73
Merchandise and Miscel...	21.96	28.95	.....	23.08	10.54	22.08	21.53	25.45	24.52	16.74

* Data not available.

Total revenue tonnage: 1907, 2,707,186 tons; 1908, 2,595,843 tons; 1910, 4,489,193 tons; 1911, 5,053,907 tons; 1912, 5,604,544 tons; 1913, 6,119,568 tons; 1914, 5,709,854 tons; 1915, 5,659,792 tons; 1916, 6,418,272 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives in Service.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	261	4	58	54	445	80%	47,893	530,044	218	$1.91	2.37c	1.25c
1908	294	7	60	49	385	77	47,276	434,858	218	1.91	2.38	1.27
1909	294	14	58	48	345	81	47,913	607,104	248	1.93	2.33	1.15
1910	282	17	60	58	338	83	51,533	733,904	255	2.15	2.32	1.22
1911	277	25	66	58	310	84	53,446	828,297	272	2.29	2.36	1.17.
1912	277	27	65	59	296	85	51,834	862,292	309	2.75	2.36	1.24
1913	277	38	80	57	1,309	85	55,666	937,051	379	3.07	2.36	1.22
1914	299	72	78	67	1,248	83	65,873	1,277,359	423	2.38	2.36	.82
1915	304	74	77	68	1,203	84	62,837	1,352,157	467	2.66	2.37	.83
1916	304	77	78	65	1,195	87	59,569	1,516,579	441	3.01	2.39	.92
10-Year Average	287	36	68	58	707	83%	54,384	907,965	323	$2.41	2.36c	1.11c

Yard track and sidings on June 30, 1916, 149.04 miles. * Operated.

Comment: The Central New England Railway has shown very substantial growth in its volume of business during the past few years, the freight density now being nearly three times as great as ten years ago. The freight train load is also far higher than formerly, and notwithstanding declining freight rates, train mile earnings now range at much higher levels.

This company's lines form an important connection for the New York, New Haven & Hartford system, as they cross the Poughkeepsie Bridge into New York State and make connection at Campbell Hall with the main line of the New York, Ontario & Western system. In this way, the New Haven has a direct connection with the Scranton, Pa., coal fields.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$8,260	$5,103	$811	$5,913	$3,988	$1,651*	$1,458*	$89	$1,547*	$934	....	$2,481*	.....
1908	7,173	1,610	1,003	2,613	3,187	1,373	1,590	230	1,360	1,352	....	8	.....
1909	8,606	1,466	852	2,318	3,122	3,166	3,360	262	3,098	2,690	13%	408	.....
1910	10,719	1,812	954	2,766	3,381	4,572	4,797	372	4,425	2,954	33	1,471	.....
1911	11,626	2,201	981	3,185	3,683	4,758	4,966	599	4,367	3,095	29	1,272	.....
1912	12,544	1,808	970	2,778	3,639	6,127	6,286	425	5,861	2,923	50	2,938	.....
1913	13,409	2,015	1,267	3,282	3,848	6,279	6,491	450	6,041	2,740	55	3,301	.....
1914	12,589	1,961	1,559	3,520	4,893	4,176	4,268	424	3,844	3,074	20	770	$501
1915	13,339	2,640	1,303	3,943	4,520	4,876	5,100	458	4,642	3,296	29	1,346	1,055
1916	16,022	1,630	1,411	3,011	5,635	7,346	7,992	554	7,438	4,219	43	3,219	1,055
10-Year Average	$11,428	$2,225	$1,111	$3,336	$3,990	$4,102	$4,339	$386	$3,953	$2,728	27%*	$1,225	$261

* Deficit.

Note: The above exhibit is based on the average mileage directly operated. "Margin of safety" is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) amounted to $7,438; fixed charges consumed $4,219 per mile, or 57% of this, leaving $3,219, a "margin of safety" of 43%.

Public Utilities

If you are interested in any way in the securities of Gas, Electric Light, Electric Traction, Telephone and Telegraph or Power Companies, the "Public Utilities and Industrials" Edition of "MOODY'S ANALYSES OF INVESTMENTS" will prove indispensable. This whole field is covered in the same comprehensive and accurate way that Steam Railroads are covered in the Railroad Edition. In fact, the two volumes constitute a complete Service for the Banker and Investor. Separately, the editions sell at $15 each; in combination, they are supplied at $25, when ordered in advance.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$4,870,732	$4,055,010	$3,764,255	$3,714,341	$3,474,761	$3,220,450	$3,022,720
Maintenance of way	495,384	802,451	586,407	558,157	500,793	609,655	510,912
Maintenance of equipment	428,961	396,203	466,038	350,958	268,754	272,445	268,929
All other operating expenses	1,713,160	1,374,000	1,462,959	1,065,884	1,008,138	1,020,265	953,391
Net operating revenues	$2,233,227	$1,482,356	$1,248,852	$1,739,342	$1,697,076	$1,318,085	$1,289,488
Operating Ratio	54.1%	63.4%	66.8%	53.1%	51.1%	59%	57.3%
Other income	196,258	68,037	27,219	58,636	44,030	57,436	63,186
Total net income	$2,429,485	$1,550,393	$1,276,071	$1,797,978	$1,741,106	$1,375,521	$1,352,674
Taxes accrued	168,442	139,240	126,804	124,514	117,738	165,854	104,875
Balance for charges	$2,261,043	$1,411,153	$1,149,267	$1,673,464	$1,623,368	$1,209,667	$1,247,799
Fixed charges	1,282,627	1,001,864	919,246	759,048	809,683	857,247	832,918
Surplus over charges	$978,416	$409,289	$230,021	$914,416	$813,685	$352,420	$414,881
Dividends paid	320,808	320,826	149,888	.....	.....	.....	.....
Balance	$657,608	$88,463	$80,133	$914,416	$813.685	$352.420	$414.881
Earned on stock: Preferred	26.09%	10.91%	6.13%	24.38%	21.70%	9.40%	11.06%
Common	15.70%	5.40%	1.67%	.....	.....	.....	.....

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $721,112; credit balance transferred from income, $657,607; unrefundable overcharges, $399; miscellaneous credits, $828; total, $1,379,946. Contra: Loss on retired road and equipment, $11,696; miscellaneous debits, $4,303; credit balance carried to balance sheet, $1,363,947; total, $1,379,946.

Comment: The volume of business has shown steady improvement on the Central New England Railway during recent years. Both gross and net revenues are ranking far higher than was the case a few years ago, while fixed charges have increased more slowly. It will be noted that in 1916 the final surplus reported was equal to more than 26% on the preferred stock and nearly 16% on the common stock. The company is now paying, without any difficulty, 2% on the common stock besides the regular 6% on the preferred.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	$32,759	44%	$41,113	56%	$10,773	$84,645	.....	$84,645	.....	.....	.....	.....	.....	.....	.....
1908	29,082	44	36,498	56	6,246	71,826	.....	71,826	2.2%	.....	.....	.....	.....	.....	.....
1909	29,082	44	36,475	56	6,246	71,803	.....	71,803	4.7	.....	.....	.....	.....	.....	.....
1910	30,319	43	39,454	57	6,514	76,287	.....	76,287	6.3	.....	.....	.....	.....	.....	.....
1911	30,866	41	44,466	59	6,631	81,963	.....	81,963	6.1	.....	.....	.....	.....	.....	.....
1912	30,866	41	44,466	59	8,916	84,248	$9	84,239	7.5	.....	.....	.....	.....	.....	.....
1913	30,866	41	44,466	59	9,591	84,923	9	84,914	7.6	.....	.....	.....	.....	.....	.....
1914	28,595	36	49,997	64	15,518	94,110	8,811	85,299	5	$501	4%	.....	.....	35%	.....
1915	28,125	36	49,174	64	16,568	93,867	4,012	89,855	5.7	740	6	$316	2%	45	48%
1916	28,125	36	49,174	64	16,568	93,867	4,013	89,854	8.9	740	6	315	2	77	87
10-Year Average	$29,869	41%	$43,528	59%	$10,357	$83,754	$1,685	$82,069	5.3%	$198	1.6%	$63	.4%	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$22,919,014	$21,871,720	$22,016,469	$21,741,720	$19,320,634	$19,762,637	$20,477,956
Working assets	2,830,722	2,676,474	3,644,777	1,133,866	2,287,455	1,122,520	1,349,000
Deferred debit items	331,995	520,329	82,333	64,666	68,140	152,135	93,425
Accrued income not due	11,304	.....	.....	.....	.....	.....	10,933
Profit and loss deficit	.....	.....	.....	.....	30,845	846,672	1,112,462
Total	$26,093,035	$25,068,523	$25,743,579	$22,940,252	$21,707,074	$21,883,964	$23,043,776
Liabilities:							
Capital stock	$8,550,000	$8,550,000	$8,550,000	$8,550,000	$8,550,000	$8,550,000	$8,550,000
Funded debt	14,949,000	14,949,000	14,949,000	12,317,000	12,317,000	12,317,000	11,126,015
Working liabilities	931,272	595,244	1,233,772	936,219	592,560	773,089	2,865,084
Accrued liabilities not due	32,914	32,914	34,914	35,381	32,914	28,913	451,482
Deferred credit items	265,902	220,253	236,371	218,080	214,600	214,962	51,195
Profit and loss surplus	1,363,947	721,112	739,522	883,572	.....	.....	.....
Total	$26,093,035	$25,068,523	$25,743,579	$22,940,252	$21,707,074	$21,883,964	$23,043,776

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Cen. New Eng. Ry. inc. 5s..	Oct.	F 1949	Text	.....	$3,953	$3	99%	Very high	High	Aaa.
2. Dutchess Co. R. R. first 4½s	J&D	Je 1940	(1st) 12	$24,000		42	99%	"	"	A.
3. Cen. New Eng. Ry. first 4s..	J&J	Ja 1961	(1st) 141 (2d) 12	87,760	3,908	1,767	55%	Good	"	Baa.

REFERENCE NOTES ON BOND ISSUES

1. Outstanding, $18,000. Dated Feb. 1, 1899; due Feb. 1, 1949. Int. paid annually Oct. 1. This is part of an issue of $7,250,000 bonds called for payment in 1911 and refunded by No. 3 (below). Funds have been deposited with trustee to cover principal and interest on these $18,000 bonds and mortgage lien lifted. Normal income tax deducted from interest.

2. Outstanding, $287,000 (closed). Dated June 1, 1890; due June 1, 1940. Int. paid at Fidelity Trust Co., Philadelphia. Coupon, $1,000. Guar. prin. and int. by Central New England Ry. Underlie No. 3 which provides for retirement. First lien on 11.85 miles, Poughkeepsie to Hopewell, N. Y. Listed on Philadelphia Stock Exchange. Interest payable without deduction for normal income tax.

3. Auth., $25,000,000; outstanding, $13,427,000. Dated Jan. 1, 1911; due Jan. 1, 1961. Int. paid at Lincoln National Bank, New York. Coupon, $1,000; reg., $10,000. Callable after Jan. 1, 1921 at 105 and int. Guar. prin. and int. by New York, New Haven & Hartford R.R. by endorsement. Auth., $25,000,000, of which $287,000 are reserved to retire No. 2, $1,217,000 are in company's treasury and balance are reserved for improvement, etc. First lien on 141.14 miles (including Poughkeepsie Bridge) as follows: Campbell Hall to Poughkeepsie June., N. Y., 30.86 miles; Rhinecliff Junc. to Silvernails, 3.38 miles; Dutchess Junc. to Conn.-N. Y. State line near Millerton, 58.93 miles; Poughkeepsie to Boston Corners, 36.12 miles; second lien on 11.85 miles, following No. 2. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and issued, $3,750,000 4% non-cumulative preferred and $4,800,000 common; par $100. All but 130 shares of the preferred and all but 50 shares of the common owned by New York, New Haven & Hartford Railroad Company.

HARTFORD AND CONNECTICUT WESTERN RAILROAD

Incorporated under laws of New York and Connecticut, June 30, 1881, as successor to Connecticut Western R.R. Line of road: Hartford, Conn., to Rhinecliff, N. Y.. 109.91 miles; Tariffville, Conn., to Agawam June., Mass., 14.32 miles; total, 124.23 miles. Sidings, 29.2 miles. Leased until Aug. 30, 1940 to Central New England Ry. at annual rental of interest, taxes and 2% per annum on stock.

Management: Officers: J. M. Tomlinson, Pres.; E. G. Buckland, Vice-Pres.; A. E. Clark, Sec.; A. S. May, Treas. Annual meeting, third Tuesday in December. Office, New Haven, Conn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$131,829	$131,829	$131,829	$131,829	$122,493	$90,840
Fixed charges	72,489	72,489	72,489	72,489	63,153	31,500
Surplus	$59,340	$59,340	$59,340	$59,340	$59,340	$59,340
Dividends paid	59,340	59,340	59,340	59,340	59,340	59,340

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$4,386,613	$4,381,298	$4,382,648	$4,377,017	$4,328,899	$3,706,534
Working assets	829	829	829	829	829	16,962
Deferred debit items	15,859	1,511	.....	.....	.....	.....
Profit and loss deficit	175,041	175,041	175,041	175,041	175,041	175,041
Total	$4,578,342	$4,558,679	$4,558,518	$4,552,887	$4,504,769	$3,898,537
Liabilities:						
Capital stock	$2,970,000	$2,970,000	$2,970,000	$2,970,000	$2,970,000	$2,970,000
Funded debt	772,701	768,897	768,736	763,105	714,987	700,000
Working liabilities	835,641	819,782	819,782	819,782	819,782	228,537
Total	$4,578,342	$4,558,679	$4,558,518	$4,552,887	$4,504,769	$3,898,537

Note: Funded debt in 1916 includes $72,701 betterment advances due Central New England Ry.

Bonded Debt: $700,000 Hartford & Connecticut Western 1st 4½s; dated July 1, 1883; extended in 1903 to July 1, 1923. Int. paid J. and J. in New Haven. Coupon, $1,000. Int. guar. under lease by Central New England Ry. First lien on entire property owned. Normal income tax deducted from interest. Rating A.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

Capital Stock: Auth., $3,000,000; outstanding, $2,967,000, of which New York, New Haven & Hartford R.R. owns $1,748,200; par, $100. Dividends, 2% per annum, guar. under lease and payable Feb. 28 and Aug. 31 at American Exchange National Bank, New York.

HARLEM RIVER AND PORT CHESTER RAILROAD

Origin: Incorporated under laws of New York, April 23, 1867. Road opened the latter part of 1873. Leased to the New York, New Haven & Hartford R.R. for 99 years from Oct. 1, 1873, rental being interest on bonds, principal of bonds, 7% dividends on stock, taxes, etc. The road has four tracks between Harlem River and Oak Point, and six tracks from Oak Point to New Rochelle Junction. The electrification of the property was completed in 1912. Line of road: New Rochelle to Harlem River, N. Y., 11.27 miles; second track, 11.24 miles; third track, 10.78 miles; fourth track, 10.77 miles; all other main track, 19.29 miles; sidings, 100.84 miles; total operated, 164.19 miles.

Management: OFFICERS: Howard Elliott, Pres.; J. M. Tomlinson, Vice-Pres.; Augustus S. May, Treas.; A. E. Clark, Sec., New Haven Conn. Annual meeting, third Tuesday in April. OFFICE, Grand Central Terminal, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$1,320,000	$1,345,000	$1,197,101	$1,110,323	$1,080,648	$1,055,105
Fixed charges	1,250,000	1,275,000	1,127,001	1,040,323	1,010,648	985,105
Surplus	$70,000	$70,000	$70,000	$70,000	$70,000	$70,000
Dividends paid	70,000	70,000	70,000	70,000	70,000	70,000

Bonded Debt: (1) Harlem River & Port Chester R.R. 4s; dated May 2, 1904; due May 1, 1954. For full details and rating see bond table of N. Y., N. H. & H. R.R., page 504.

(2) $13,000,000 Harlem River & Port Chester R.R. prior lien, 5% gold debentures. Dated May 1, 1915; due May 1, 1930. Interest M. and N. 1, in New York, N. Y., and Boston, Mass. All deposited under N. Y., N. H. & H. 4½% note issue, due May 1, 1917.

Capital Stock: Auth. and outstanding, $1.000,000. Par, $100. Dividends of 7% per annum guaranteed under the lease. All owned by the New York, New Haven & Hartford R.R. Co.

HOLYOKE AND WESTFIELD RAILROAD

Origin: Incorporated under Massachusetts laws on Aug. 13, 1869. Road opened in 1879. Leased in perpetuity to the New Haven & Northampton R.R. Co., and lease assigned to the New York, New Haven & Hartford R.R. Co. Rental formerly was 50% of gross earnings with a minimum guaranty of $8,000 a year, but in June, 1908, the lease was amended so as to provide in perpetuity for a fixed annual rental of $46,000 and taxes. Line of road: Holyoke to Westfield, Mass., 10.59 miles. Sidings, 10.68 miles.

Management: OFFICERS: Edwin W. Chapin, Pres.; S. A. Mahoney, Vice-Pres.; F. G. Allen, Treas.; G. H. McCarthy, Sec., Holyoke, Mass. Annual meeting, last Saturday in January at Holyoke, Mass. OFFICE, Holyoke, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$46,211	$46,216	$45,310	$46,117	$46,247	$46,000
Taxes	.....	.....	.....	.....	1.380	1,157
Fixed charges	9,115	9,304	8,330	9,229	8,330	8,042
Surplus	$37,096	$36,912	$36,980	$36,888	$36,537	$36,946
Dividends paid	36,400	36,400	36,400	36,400	36,400	36,400
Balance	$696	$512	$580	$488	$137	$546

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$460,000	$460,000	$460,000	$464,200	$460,000	$460,000
Working assets	4,854	8,262	7,854	3,377	6,889	6,856
Total	$464,854	$468,262	$467,854	$467,577	$466,889	$466,856
LIABILITIES:						
Capital stock	$260,000	$260,000	$260,000	$260,000	$260,000	$260,000
Funded debt	196,000	200,000	200,000	200,000	.....	200,000
Accrued liabilities not due	2,083	3,700	3,804	.....	.....	.....
Deferred credit items	3,596	.....	.....	.....	4,011	4,114
Profit and loss surplus	3,175	4,562	4,050	7,577	2,878	2,742
Total	$464,854	$468,262	$467,854	$467,577	$466,889	$466,856

Bonded Debt: $196,000 Holyoke & Westfield R. R. first 4½s. Dated April 1, 1911; due April 1, 1951. Interest payable A. and O. 1, at Springfield, Mass. Of issue, $4,000 are held in treasury. Coupon, $1,000. These bonds were issued to refund a like amount of first mortgage 4s which matured on April 1, 1911. First lien on entire property. Int. guaranteed under lease by New York, New Haven & Hartford R.R. Legal for S. B. in Conn., Maine, Mass., Vt. Normal income tax deducted from interest. Rating, Aa.

Capital Stock: Auth., and outstanding, $260,000. Par, $100. Dividends payable quarterly March 15, etc., at Holyoke, Mass. Dividends have been paid as follows: 1899 to 1902, 10%; 1903 to 1916, 14% per annum. Treasurer of the company acts as transfer agent and registrar. As of June 30, 1915, the City of Holyoke, Mass., owned $226,500 and the New York, New Haven and Hartford R.R. Co. $20,000 of the stock. Lease rental covers full dividend.

NEW YORK, WESTCHESTER & BOSTON RAILWAY

Origin: Incorporated under New York laws, June 8, 1915, as a consolidation of the old company of the same name and the Westchester Northern R.R. The old company was incorporated in 1910 as a consolidation of a company of the same name, and the New York & Port Chester R.R. The consolidated companies are to form a high speed electrically equipped passenger and freight railroad from the Harlem River, New York, to the Connecticut State line at Port Chester with a branch line from Mount Vernon to White Plains, N. Y.

Location: Line of road: Harlem River, New York, to Columbus Ave. Junction, Mt. Vernon, N. Y., 10.55 miles; Columbus Ave. Junc. to Larchmont Junc., New Rochelle, N. Y., 2.16 miles; Columbus Ave. Junc., Mt. Vernon to Westchester Ave., White Plains, N. Y., 9.04 miles; total, 21.75 miles.

Equipment: 28 multiple-motor steel passenger cars, 3 flat cars, 12 box cars, 1 gasoline car, 2 switching locomotives, 1 miscellaneous car.

Management: OFFICERS: Leverett S. Miller, Pres.; New York, N. Y.; Augustus S. May, Treas.; A. E. Clark, Secy., New Haven, Conn. DIRECTORS: Leverett S. Miller, John T. Pratt, J. H. Harding, New York, N. Y.; Edward Milligan, Hartford, Conn.; Howard Elliott, Boston, Mass.; Benjamin Campbell, J. M. Tomlinson, Bridgeport, Conn.; Eli Whitney, New Haven, Conn.; T. DeWitt Cuyler, Philadelphia, Pa. Annual meeting, fourth Wednesday in March at Port Chester, N. Y. OFFICE, 180th Street and Morris Park Avenue, Bronx, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$513,325	$449,879	$400,680	$289,028
Operating revenues	438,730	379,034	430,834	468,942
Net operating revenues	$74,595	$70,845	def.$30,154	def.$179,914
Other income	52,753	19,348	30,157	9,536
Total net income	$127,348	$90,193	$3	(def.) $170,378
Taxes	120,025	115,529	129,052	105,605
Fixed charges	1,523,396	1,424,362	1,359,046	1,130,016
Surplus	df.$1,516,073	def. $1,449,698	def. $1,498,105	def. $1,405,999
Other deductions	.....	.....	Cr. 98,440	.....
Balance	df.$1,516,073	def.$1,449,698	def.$1,398,655	def.$1,405,999

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $1,241; debit balance carried to balance sheet, $5,795,234; total, $5,796,475. Contra: Debit balance at beginning of year, $4,257,875; debit balance transferred from income, $1,516,073; loss on retired road and equipment, $12,782; miscellaneous debits, $9,745; total, $5,796,475.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$23,329,941	$22,942,326	$22,646,846	$22,475,334
Working assets	937,114	1,263,111	1,257,384	1,066,464
Accrued income not due	.....	.....	.....	.....
Deferred debit items	8,627,048	8,400,990	8,669,310	8,659,375
Profit and loss deficit	5,795,234	4,257,875	2,805,665	1,405,999
Total	$38,689,337	$36,864,302	$35,379,405	$33,607,172
LIABILITIES:				
Capital stock	$5,005,250	$5,005,250	$4,945,250	$4,945,250
Funded debt	21,390,000	21,390,000	21,200,000	21,200,000
Working liabilities	12,015,720	8,829,910	9,148,485	7,218,419
Accrued liabilities not due	265,079	1,585,402	4,007	.....
Deferred credit items	13,288	53,740	.....	97,503
Appropriated surplus	.....	.....	81,663	146,000
Total	$38,689,337	$36,864,302	$35,379,405	$33,607,172

Bonded Debt: $21,390,000 New York, Westchester & Boston Ry. first 4½s. Dated July 1, 1911; due July 1, 1946; Int. paid J. and J. 1 in New York and London. Coupon, $1,000; reg., $1,000 and multiples. Guar. prin. and int. by New York, New Haven & Hartford R.R. by endorsement. Auth., $60,000,000. Of the amount outstanding, the New York, New Haven & Hartford R.R. Co. owns $2,190,000. First lien on entire property of the company. Listed on New York Stock Exchange. Tax exempt in New York State. Rating, B.

Capital Stock: Auth., $6,000,000; outstanding, $5,005,250, of which $4,924,937.50 is owned by New York, New Haven & Hartford R.R. Co.

NORWICH AND WORCESTER RAILROAD

Origin: Incorporated under the laws of Connecticut and Massachusetts, June 22, 1836. A consolidation of the Boston, Norwich and New London and the Worcester and Norwich R.R. Companies. Line of road: Groton, Conn., to Worcester, Mass, 70.88 miles; Y connection at Worcester, .22 mile; sidings, 41.36 miles. The extension to Groton, 5.44 miles, was opened June 4, 1899. The property was leased to the New England R.R. Co. for 99 years from Feb. 9, 1869; lease was assumed by the New York, New Haven & Hartford R.R. Co. on the merging of the New England R.R. Co. Annual rental, interest on bonds and 8% on preferred stock.

Management: OFFICERS: A. G. Bullock, Pres., Worcester, Mass.; M. M. Whittemore, Treas. and Sec., Worcester, Mass. Annual meeting, second Wednesday in January at Worcester, Mass. OFFICE, Worcester, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$292,253	$291,262	$291,418	$291,644	$291,619	$291,550
Taxes	.....	.....	.....	.....	3,387	3,203
Fixed charges	51,786	48,000	48,000	51,204	48,000	48,000
Surplus	$240,467	$243,262	$243,418	$240,440	$240,232	$240,347
Dividends paid	240,000	240,000	240,000	240,000	240,000	240,000
Other deductions	.....	3,306	3,554	.....	.....	.....
Balance	$467	(def.) $44	(def.) $136	$440	$232	$347

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$6,095,290	$6,095,290	$5,401,692	$5,093,056	$5,093,056	$4,916,589
Working assets	124,084	123,256	781,446	781,536	780,864	780,911
Deferred debit items	.....	184	193	180	180	180
Total	$6,219,374	$6,218,730	$6,186,331	$5,874,772	$5,874,100	$5,697,680
LIABILITIES:						
Capital stock	$3,006,600	$3,006,600	$3,006,600	$3,006,600	$3,006,600	$3,006,600
Funded debt	1,200,000	1,200,000	1,987,148	1,675,512	1,675,512	1,499,045
Working liabilities	883,426	883,249	63,662	63,603	63,371	63,349
Accrued liabilities not due	16,004	16,004	16,000	.....	16,000	16,000
Profit and loss surplus	1,113,344	1,112,877	1,112,921	1,113,057	1,112,617	1,112,386
Total	$6,219,374	$6,218,730	$6,186,331	$5,874,772	$5,874,100	$5,697,680

Bonded Debt: $1,200,000 Norwich & Worcester Railroad debenture 4s. Dated March 1, 1897; due March 1, 1927. Int. paid March and Sept. 1 at office of company, Boston, Mass. Coupon, and reg., $1,000. Not a mortgage. Int. guaranteed under lease by New York, New Haven & Hartford R.R. Co. Normal income tax deducted from interest. Legal for S. B. in Maine. Rating Aa.

Capital Stock: Authorized, $3,825,000 preferred; outstanding, $3,000,000. (For details and rating, see stock table of N. Y., N. H. & H. R.R. Co.) Authorized and outstanding, $6,600 common. The common stock is not entitled to dividends and is convertible into preferred whenever presented.

OLD COLONY RAILROAD

Origin: Incorporated under Massachusetts laws, April 24, 1844. Leased to the New York, New Haven & Hartford R.R. Co. for 99 years from March 1, 1893, the rental being 7% per annum on the capital stock, and assumption of all liabilities. The lessee assumes all liabilities of the company, and the agreement also provided for an exchange of stock on the basis of 9 shares of New Haven stock for 10 shares of Old Colony, up to June 30, 1906. In November, 1905, the company sold its holdings in the capital stock of the Old Colony Steamboat Co. to the New England Navigation Co. for a bond of that company for the sum of $3,600,000 which has been deposited in place of the shares under the lease of the N. Y., N. H. & H. R.R. Co. The latter agrees that this company shall have the option at the expiration of the lease to receive the amount of the bond in cash or in property, suitable for running a steamboat line, at an appraised valuation, and meanwhile the Fall River Line shall not be discontinued without the consent of this company.

Location: The lines of the Old Colony Railroad extend from Newport, R. I. to Boston, Mass., and radiate throughout the southeastern part of the State of Massachusetts and in Rhode Island. Total lines owned, June 30, 1916, 763.72 miles; sidings, 280.53.

Management: OFFICERS: Fayette S. Curtis, Pres.; Howard Stockton, Vice-Pres.; G. B. Phippen, Treas.; A. W. Adams, Sec., Boston, Mass. DIRECTORS: Fayette S. Curtis, Chas. F. Adams, Oliver Ames, Chas. F. Choate, Jr., Ernest M. Willis, Geo. P. Gardner, Howard Stockton, F. A. Farnham. Annual meeting, last Tuesday in September. OFFICE, South Terminal Station, Boston, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$2,122,087	$2,114,154	$2,106,627	$2,085,624	$2,056,197	$2,044,783
Taxes	.....	.....	.....	.....	10,880	7,907
Fixed charges	546,872	546,614	539,086	547,094	539,377	597,396
Surplus	$1,575,215	$1,567,541	$1,567,541	$1,538,530	$1,505,940	$1,446,441
Dividends paid	1,560,580	1,560,580	1,560,580	1,538,530	1,498,980	1,439,480
Other deductions	7,675	.....	.....	.....	.....	.....
Balance	$6,960	$6,961	$6,961	.....	$6,960	$6,967

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $2,780,580; credit balance transferred from income, $6,960; donations, $3,947; miscellaneous credits, $9,622; total, $2,801,109. Contra: Credit balance carried to balance sheet, $2,801,109.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$46,362,501	$46,340,935	$46,098,120	$43,266,841	$42,754,772	$41,500,855
Working assets	522,504	522,616	522,672	523,138	515,447	505,615
Accrued income not due..	68,660	68,660	68,660	.....	68,660	74,493
Deferred debit items.....	.....	.....	.....	2,800,000	2,800,000	2,800,000
Total	$46,953,665	$46,932,211	$46,689,452	$46,589,979	$46,132,879	$44,880,963
LIABILITIES:						
Capital stock	$29,131,299	$29,131,299	$29,131,299	$29,131,299	$28,023,286	$27,093,972
Funded debt	13,598,000	13,598,000	13,598,000	13,598,000	13,598,000	13,598,000
Working liabilities	1,057,801	1,043,796	1,031,620	932,147	1,583,060	1,254,624
Accrued liabilities not due.	68,660	68,660	68,660	68,660	68,660	74,493
Deferred credit items.....	72,332	98,128	86,254	199,528	100,175	107,136
Appropriated surplus	224,464	211,748	.....	.....	.....	.....
Profit and loss surplus....	2,801,109	2,780,580	2,773,619	2,660,345	2,759,698	2,752,738
Total	$46,953,665	$46,932,211	$46,689,452	$46,589,979	$46,132,879	$44,880,963

Bonded Debt: (1) $4,000,000 Old Colony R.R. 4s. Due Jan. 1, 1938. Not secured by mortgage.
(2) $3,000,000 Old Colony R.R. 4s. Due Feb. 1, 1924. Not secured by mortgage.
(3) $5,598,000 Old Colony R.R. 4s. Due Dec. 1, 1925. Not secured by mortgage.
(4) $1,000,000 Old Colony R.R. 3½s. Due July 1, 1932. Not secured by mortgage.

For details and ratings of above issues, see bond table of New York, New Haven & Hartford R.R. Co., page 504.

Securities Owned, June 30, 1916: $3,600,000 bond, New England Navigation Co.; $1,600 stock, Providence, Warren and Bristol R.R.; $79,014 Union Freight R.R. stock; $87 stock, Fall River R.R.; $16 stock, Oak Bluffs Land & Wharf Co.; $60 stock, Lowell & Framingham R.R. Co.; $100,000 stock, The Boston Terminal Co.; total, $3,780,768.

Capital Stock: Auth. and outstanding, $22,294,000. For full details and rating, see stock table of New York, New Haven & Hartford R.R.

BOSTON AND PROVIDENCE RAILROAD CORPORATION

Incorporated under Massachusetts laws, July 11, 1831; road opened in August, 1835. Leased for 99 years from April 1, 1888, to the Old Colony R.R. Co., the rental being an amount equivalent to the interest on the bonds, dividends at the rate of 10% on the capital stock, and $3,000 per annum for organization expenses. Line of road: Boston, Mass., to Providence, R. I., 41.78 miles and branches; total, 63.34 miles; sidings, 106.54 miles.

Management: OFFICERS: Phillip Dexter, Pres.; G. B. Phippen, Treas. and Clerk, Boston, Mass. Annual meeting, second Wednesday in October. OFFICE, South Terminal Station, Boston, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental Income	$495,019	$487,229	$487,851	$494,102	$497,128	$489,828
Taxes, salaries, etc.....	.....	.....	.....	.....	10,086	.....
Fixed charges	93,033	86,800	86,800	93,664	86,800	86,800
Surplus	$401,986	$400,429	$401,051	$400,438	$400,242	$400,000
Dividends paid	399,600	399,600	400,000	399,600	399,600	399,600
Balance	$2,386	$829	$1,051	$838	$642	$400

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$6,092,902	$6,092,902	$6,092,902	$6,092,902	$6,092,902	$6,092,902
Working assets	306,818	307,974	306,504	305,890	304,886	304,775
Total	$6,399,720	$6,400,876	$6,399,406	$6,398,792	$6,397,788	$6,397,677
LIABILITIES:						
Capital stock	$3,996,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000
Funded debt	2,170,000	2,170,000	2,170,000	2,170,000	2,170,000	2,170,000
Accrued liabilities not due.	147,944	147,486	146,814	147,282	147,117	147,647
Deferred credit items....	.....	.....	31	.....	.....	.....
Profit and loss surplus....	85,776	83,390	82,561	81,510	80,671	80,030
Total	$6,399,720	$6,400,876	$6,399,406	$6,398,792	$6,397,788	$6,397,677

Bonded Debt: $2,170,000 Boston & Providence R.R. Corp. plain 4s. Dated July 2, 1888; due July 1, 1918. Int. paid J. and J. 1 at Boston, Mass. Coupon, $1,000. Int. guaranteed by Old Colony R.R. under the lease. Legal for S. B. in Conn., Maine, Mass., N. H., Vt. Normal income tax deducted from interest. Rating, Aaa.

In May, 1912, the Massachusetts Legislature authorized the company to issue not over $8,000,000 bonds, bearing not over 4½% interest, and to mature within 75 years. In October, 1912, the stockholders authorized this issue, but up to date none of the bonds have been issued.

Capital Stock: Auth., $4,000,000; outstanding, $3,996,000; $4,000 in treasury. Par $100. For details and rating, see stock Table of New York, New Haven & Hartford R.R. Co.

CHATHAM RAILROAD

Incorporated under laws of Massachusetts, Feb. 25, 1887. Road opened Nov. 25, 1887. Leased to the New York, New Haven & Hartford R.R. for 81 years and 2 months from January, 1911, rental being 5% on capital stock, taxes, organization expenses, etc. Line of road: Harwich to Chatham, Mass., 7.25 miles; sidings, 0.78 miles.

Management: OFFICERS: Joshua A. Nickerson, Pres.; Oscar C. Nickerson, Sec. and Treas., Chatham, Mass. Annual meeting, second Tuesday in August. OFFICE, Chatham, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$3,610	$3,610	$3,665	$3,610	$3,617	$5,044
Taxes, salaries, etc.	.....	.....	.....	.....	193	418
Fixed charges	158	156	132	121	.....	106
Surplus	$3,452	$3,454	$3,533	$3,489	$3,424	$4,555
Dividends paid	3,410	3,410	3,410	3,410	5,115	2,046
Balance	$42	$44	$123	$79	(def.) $1,691	$2,509

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$99,491	$99,491	$99,491	$99,491	$99,491	$99,491
Working assets	2,591	2,549	2,505	2,382	2,304	3,994
Total	$102,082	$102,040	$101,996	$101,873	$101,795	$103,485
LIABILITIES:						
Capital stock	$68,200	$68,200	$68,200	$68,200	$68,200	$68,200
Profit and loss surplus	33,882	33,840	33,796	33,673	33,595	35,285
Total	$102,082	$102,040	$101,996	$101,873	$101,795	$103,485

Capital Stock: Auth., $70,000; outstanding, $68,200; par $100. Secretary of company acts as registrar and transfer agent. Dividends in recent years as follows: 1899, 1%; 1903, 1%; 1904 to 1907, 2% per annum; 1908, none; 1909 to 1911, 3% per annum; 1912 to 1916, 5% each. No bonded debt.

PROVIDENCE, WARREN AND BRISTOL RAILROAD

Incorporated under the laws of Rhode Island, October, 1850, and the Providence and Boston R.R. Co. name changed to above in 1852. Line of road, India Point, Providence, to Bristol, R. I., 14.02 miles, with branch, .42 mile; second track, 7.77 miles; yard track, 9.54 miles. Leased to the Old Colony R.R. Co., for 95 years and 9 months from July 1, 1891, rental being 5% on each class of stock for ten years, and thereafter 6% yearly during the remainder of lease, also to pay interest and taxes.

Management: OFFICERS: N. W. Smith, Pres., Providence, R. I.; E. M. Willis, Vice-Pres., Boston, Mass.; Geo. B. Phippen, Treas., Boston, Mass.; A. E. Clark, Clerk, New Haven, Conn. Annual meeting, last Monday in November. OFFICE, Boston Terminal Station, Boston, Mass.

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$73,708	$73,692	$54,102	$54,100	$54,101	$46,851
Fixed charges	21,144	21,144	1,545	1,545	1,545	1,545
Surplus	$52,564	$52,548	$52,557	$52,555	$52,556	$46,433
Dividends	52,476	52,476	52,476	52,476	52,476	45,306
Balance	$88	$72	$81	$79	$80	$1,127

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,467,140	$1,467,140	$1,467,140	$1,447,974	$1,447,974	$1,153,361
Working assets	31,097	30,925	30,720	30,589	30,395	30,738
Total	$1,498,237	$1,498,065	$1,497,860	$1,478,563	$1,478,369	$1,184,099
LIABILITIES:						
Capital stock	$1,093,250	$1,093,250	$1,093,250	$1,093,250	$1,093,250	$1,093,250
Funded debt	.....	.....	.....	294,614	294,614	.....
Working liabilities	380,942	380,858	380,725	66,895	66,781	67,205
Profit and loss surplus	24,045	23,957	23,885	23,804	23,724	23,644
Total	$1,498,237	$1,498,065	$1,497,860	$1,478,563	$1,478,369	$1,184,099

Capital Stock: Authorized and outstanding, $150,000 common; $724,600 pfd.; par, $100. For details and rating, see Stock Table of N. Y., N. H. & H. R.R. Co.

PROVIDENCE AND WORCESTER RAILROAD

Incorporated under laws of Massachusetts and Rhode Island. Consolidation Nov. 25, 1845, of two companies of the same name. Line of road, Providence, R. I., to Worcester, Mass., 43.28 miles, and branches, 7.31 miles. Total, 50.59 miles; sidings, 74.49 miles. Leased for 99 years from July 1, 1892, to the New York, New Haven & Hartford R.R. Co., rental being 10% on stock, interest on bonds and $6,000 for organization expenses.

Management: OFFICERS: Walter F. Angell, Pres.; Wm. A. Leete, Sec. and Treas., Providence, R. I. Annual meeting, second Wednesday in December. OFFICE, 144 Westminster St., Providence, R. I.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$418,232	$410,694	$417,932	$417,682	$417,641	$416,000
Taxes, etc.	.....	.....	.....	.....	6,220	.....
Fixed charges	66,186	60,000	66,485	66,108	60,000	60,000
Surplus	$352,046	$350,694	$351,447	$351,574	$351,421	$351,158
Dividends paid	350,000	350,000	350,000	350,000	350,000	350,000
Balance	$2,046	$694	$1,447	$1,574	$1,421	$1,158

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,105,137	$5,105,137	$5,105,137	$5,105,137	$5,105,137	$5,105,137
Working assets	55,263	53,217	52,523	50,980	49,406	47,985
Deferred debit items	95,748	80,748	80,748	80,748	80,748	80,748
Total	$5,265,148	$5,239,102	$5,238,408	$5,236,865	$5,235,291	$5,233,870
LIABILITIES:						
Capital stock	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000
Funded debt	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Working liabilities	15,095	95	95	.....	.....	.....
Profit and loss surplus	241,053	239,007	238,313	236,865	235,291	233,870
Total	$5,265,148	$5,239,102	$5,238,408	$5,236,865	$5,235,291	$5,233,870

Bonded Debt: $1,500,000, Providence & Worcester R.R., 1st 4s; dated Oct. 1, 1897; due Oct. 1, 1947. Int. paid April and Oct. 1, at Rhode Island Hospital Trust Co., Providence, R. I. Coupon, $1,000. First lien on entire property. Int. guar. under lease by N. Y., N. H. & H. R.R. Legal for S. B. in Cal., Conn., Maine, Mass., N. H., R. I., N. Y., N. J., Vt., Wis. Listed on Boston Stock Exchange. Normal income tax deducted from interest. Rating, Aa.

Capital Stock: Authorized and outstanding, $3,500,000. Par, $100. For details and rating see Stock Table of N. Y., N. H. & H. R.R. Co.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

NEW YORK, ONTARIO & WESTERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Jan. 21, 1880, under New York laws as successor to the New York & Oswego Midland R.R. In addition to its directly owned property, the company controls by lease the Ellenville & Kingston R.R., the Ontario, Carbondale & Scranton, the Pecksport Connecting Ry., the Port Jervis, Monticello & Summitville, the Romo & Clinton, the Utica, Clinton & Binghamton, and the Wharton Valley Ry.

Location: The directly operated mileage of the New York, Ontario & Western Ry. for the year ended June 30, 1916, consisted of 568.46 miles, as follows: Main lines and branches owned, consisting of line from Cornwall to Oswego, with branches to Ellenville, Delhi and New Berlin, 318.86 miles; leased lines, 193.73 miles; trackage rights from Weehawken, N. J., to Cornwall, N. Y. (53.07 miles), and in Scranton, 0.45 mile; other, 2.35 miles. This includes the mileage of the Rome & Clinton R.R. and the Utica, Clinton & Binghamton R.R., which are subleased from the Delaware & Hudson Company. Population of New York State in 1890, 5,997,853; in 1910, 7,268,894; in 1910, 9,113,614.

Control: In October, 1904, the New York, New Haven & Hartford R.R. acquired a majority of the capital stock, which it still owns. In 1911 an arrangement was made to dispose of this control to the New York Central & Hudson River R.R., but this plan was not carried through, and the control of the property therefore still remains in the hands of the New York, New Haven & Hartford R.R.

Management: OFFICERS: Howard Elliott, Chairman; John B. Kerr, Pres.; Richard D. Rickard, Sec. and Treas. DIRECTORS: John B. Kerr, L. M. Gillet, J. H. Harding, F. L. Lovelace, F. T. Maxwell, H. K. McHarg, T. DeWitt Cuyler, L. F. Loree, Edwd. Milligan, Richard D. Rickard, A. Heaton Robertson, Howard Elliott, John T. Pratt. Annual meeting, last Wednesday in September. GENERAL OFFICE, Grand Central Terminal, New York.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	5.73%	6.50%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	3.01	.95
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	78.49	77.46
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	3.51	4.27
Manufactures	.....	.....	.....	.....	.....	.....	.....	.....	8.45	9.39
Miscellaneous	.....	.....	.....	.....	.....	.....	.....	.....	.81	1.43

Total revenue tonnage in 1915 was 5,911,196 tons; in 1916, 5,644,550 tons. The company has not furnished any tonnage statistics in its reports, and the above are those reported to the Interstate Commerce Commission.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	546	118	176	188	7,443	77%	149,929	1,325,240	280	$1.96	1.90c	.87c
1908	546	118	176	203	7,324	77	157,321	1,356,519	283	2.01	1.80	.84
1909	546	124	183	305	7,237	77	147,640	1,503,943	284	1.93	1.87	.79
1910	546	128	184	310	7,023	78	156,383	1,534,565	281	1.98	1.86	.79
1911	566	148	216	315	7,515	79	152,450	1,716,330	296	2.05	1.89	.75
1912	566	152	214	314	6,653	77	152,359	1,526,994	288	2.02	1.90	.76
1913	566	153	213	318	6,809	77	154,427	1,649,803	308	2.19	1.93	.78
1914	568	207	211	328	6,605	76	152,627	1,545,437	301	2.16	1.97	.78
1915	568	207	209	326	6,329	66	129,580	1,470,409	410	2.33	2.10	.70
1916	568	207	212	326	6,511	65	123,206	1,446,695	451	2.45	2.31	.71
10-Year Average	559	156	199	293	6,945	75%	147,592	1,507,594	318	$2.11	1.95c	.78c

Yard tracks and sidings, June 30, 1916, 279 miles. In the above equipment classification, prior to 1908, certain cars now included under passenger equipment were then classed as freight equipment. This explains the apparent sharp rise in the number of passenger cars in 1909.

Comment: For the year ended June 30, 1916, there was no improvement in passenger and freight density on this property but the company succeeded in raising its average freight train load to a much better figure than during the previous year. The train mile earnings also averaged slightly higher than in 1915. As usual the bulk of the company's business was represented by mining products.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$15,023	$1,837	$2,290	$4,127	$5,855	$5,041	$5,872	$356	$5,516	$2,485	55%	$3,031	$2,147
1908	14,874	1,812	2,416	4,228	5,695	4,948	5,820	308	5,512	2,727	51	2,785	2,129
1909	15,117	1,685	2,528	4,213	6,122	4,782	5,566	346	5,220	2,760	47	2,460	2,129
1910	15,712	1,895	2,410	4,305	6,468	4,939	5,678	388	5,290	2,885	45	2,405	2,129
1911	16,423	1,922	2,640	4,562	6,796	4,885	5,564	380	5,184	3,163	39	2,021	2,058
1912	15,067	2,238	2,709	4,947	6,552	3,568	4,150	392	3,758	2,921	22	837	.....
1913	16,704	2,106	2,666	4,772	6,711	5,221	5,540	408	5,132	2,992	42	2,140	2,053
1914	15,917	2,240	2,754	4,994	6,789	4,134	4,449	420	4,029	2,861	29	1,168	.....
1915	15,716	2,014	2,800	4,814	6,705	4,197	4,536	427	4,109	3,031	26	1,078	.....
1916	15,741	1,857	2,449	4,306	6,614	4,820	5,151	458	4,693	2,961	37	1,732	1,023
10-Year Average	$15,630	$1,961	$2,566	$4,527	$6,449	$4,654	$5,233	$389	$4,844	$2,879	39%	$1,965	$1,367

Note: Above table is based on the average mileage directly operated in each year. Margin of safety is the proportion of surplus left over after deducting all fixed charges. For example, in 1916 the "balance for charges" (per mile) amounted to $4,693; fixed charges per mile consumed $2,961, or 63%, leaving $1,732, a "margin of safety" of 37%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$8,940,708	$8,926,891	$9,013,345	$9,422,030	$8,527,944	$9,295,702	$8,578,783
Maintenance of way	1,055,019	1,144,018	1,272,562	1,191,798	1,266,412	1,087,791	1,034,454
Maintenance of equipment	1,391,248	1,590,402	1,564,091	1,508,832	1,533,195	1,494,634	1,316,046
All other operating expenses	3,756,655	3,808,576	3,856,271	3,798,410	3,742,335	4,001,803	3,575,489
Net operating revenues	$2,737,786	$2,383,895	$2,320,421	$2,922,990	$1,985,992	$2,711,474	$2,652,794
Operating ratio	69.4%	73.3%	74%	68.7%	76.3%	70.2%	68.5%
Other income	188,225	192,405	207,087	212,785	362,917	384,142	403,316
Total net income	$2,926,011	$2,576,300	$2,527,508	$3,135,775	$2,348,909	$3,095,616	$3,056,110
Taxes accrued	259,923	242,455	238,562	231,092	221,926	214,990	211,693
Balance for charges	$2,666,088	$2,333,845	$2,288,946	$2,904,683	$2,126,983	$2,880,626	$2,844,417
Fixed charges	1,682,210	1,721,339	1,625,254	1,693,050	1,653,254	1,737,690	1,531,620
Surplus over charges	$983,878	$612,507	$663,692	$1,211,633	$473,729	$1,142,936	$1,312,797
Dividends paid	581,281	210	210	1,162,340	210	1,162,336	1,162,328
Balance	$402,597	$612,297	$663,482	$49,293	$473,519	(df.) $19,400	$150,469
Earned on stock	1.69%	1.05%	1.14%	2.08%	.82%	1.96%	2.26%

Note: Fixed charges include interest on all bonds, rental of leased lines, hire of equipment, etc. The total funded debt interest amounted to $1,204,297; leased line rentals, $204,028; joint facility rentals, $54,600 in 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $6,005,621; credit balance transferred from income, $402,598; unrefundable overcharges, $1,301; miscellaneous credits, $18,524; total, $6,428,044. Contra: Loss on retired road and equipment, $59,392; miscellaneous debits, $1,008; credit balance carried to balance sheet, $6,369,644; total, $6,428,044.

Comment: There was practically no change in the gross revenues of the New York, Ontario & Western for the year ended June 30, 1916, but the net receipts underwent a substantial advance. As fixed charges were reduced slightly, the balance carried forward was well in excess of the figures of the previous year, and equal to 1.69% on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.	Bonds Outstanding and Per Cent of Whole.	Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalisation.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$106,443 70%	$42,736 30%	$10,421	$159,600	$22,524	$137,076	4.3%	.....	.....	$2,147	2%	.....	29%
1908	106,443 70	43,860 30	10,195	160,498	21,745	138,753	4.2	....	.....	2,129	2	.....	24
1909	106,443 70	43,860 30	9,230	159,533	21,000	138,533	4.1	.....	... .	2,129	2	.....	13
1910	106,443 69	48,211 31	11,342	165,996	20,149	145,847	3.9	.....	.....	2,129	2	.....	11
1911	102,782 66	52,749 34	10,168	165,699	18,224	147,475	3.9	.....	.....	2,058	2	.....	..
1912	102,782 67	51,070 33	8,988	162,840	17,692	145,148	2.9	.....	.. ..	.....	..	.....	..
1913	102,782 65	55,201 35	10,048	168,031	16,940	151,091	3.7	.....	.....	2,053	2	.....	4
1914	102,320 65	53,947 35	9,436	165,703	16,153	149,550	3	.....	.....	.....	..	.....	..
1915	102,321 66	52,887 34	9,448	164,656	15,496	149,160	3	.....	.....	.....	..	.....	..
1916	102,320 66	53,042 34	9,106	164,468	15,054	149,414	3.4	.....	.....	1,023	1	.....	41
10-Year Average	$104,108 67%	$49,756 33%	$9,838	$163,702	$18,498	$145,204	3.6%	.....	.....	$1,367	1.3%	.....	..

Note: The bonded debt was materially increased in 1911 and 1913 by the issue of further general mortgage bonds and equipment notes.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$91,824,678	$91,352,008	$91,909,085	$91,265,781	$92,655,549	$92,624,309	$90,310,110
Working assets	2,752,302	2,368,911	3,230,230	4,210,124	3,113,692	3,952,561	3,790,935
Deferred debit items	723,626	893,173	596,371	1,623,153	22,752	22,317	31,915
Accrued income not due	865,910	521,484	.....	.....	.....	.....	.....
Total	$96,166,516	$95,135,576	$95,735,686	$97,099,058	$95,791,993	$96,599,187	$94,132,960
Liabilities:							
Capital stock	$58,117,982	$58,117,982	$58,117,983	$58,117,983	$58,117,983	$58,117,983	$58,117,983
Funded debt	30,128,000	30,040,000	30,642,000	31,244,000	28,906,000	29,448,000	26,323,000
Working liabilities	330,965	342,209	905,179	1,096,330	2,278,801	1,633,146	3,309,064
Accrued liabilities not due	939,035	357,475	333,212	1,496,269	322,029	1,487,462	325,156
Deferred credit items	282,890	272,289	267,829	244,499	237,582	266,454	164,618
Profit and loss surplus	6,367,644	6,005,621	5,469,483	4,899,977	5,929,598	5,646,142	5,893,139
Total	$96,166,516	$95,135,576	$95,735,686	$97,099,058	$95,791,993	$96,599,187	$94,132,960

Note: The securities owned on June 30, 1916, amounted to $8,551,015, and included chiefly bonds and stocks of directly operated subsidiaries.

Comment: There were no improvements in capitalization charges on the New York, Ontario & Western property in 1916. As measured on a mileage basis the net capitalization is very high and in recent years the company has not been able to show much improvement in its net income. In 1916, however, the earnings justified the payment of a small dividend.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. New York, Ont. & W. ref. 4s	M&S	Je 1992	(1st) 393	$50,890	$4,844	$1,410	71%	Very high	Very high	Aaa.
2. New York, Ont. & W. general 4s	J&D	Je 1955	(coll) 463	18,650	3,434	610	79%	High	High	Aa.
3. Wharton Valley first 5s	M&N	N 1918	(1st) 7½	10,000		7	79%	"	.....	Aa.
4. New York, Ont. & W. equip. 4½ per cent notes	See text	1917–28	Equip.	.....		111	79%	"	High	A.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $20,000,000. Dated June 1, 1892; due June 1, 1992. Int. paid at Grand Central Terminal, New York. Coupon, $1,000; reg., $5,000. First lien on 318.77 miles, as follows: From Cornwall to Oswego, N. Y., 271.75 miles; Ellenville Branch, from Summitville to Ellenville, N. Y., 7.80 miles; Delhi Branch, from Walton to Delhi, N. Y., 17.84 miles; New Berlin Branch, from New Berlin Junc. to New Berlin, N. Y., 22.38 miles; first collateral lien on 73.79 miles of the Ontario, Carbondale & Scranton Ry., extending from Cadosia to Scranton, Pa., 54.05 miles, and mine branches, 19.74 miles, being a first lien on the entire issue ($1,500,000) First Mortgage bonds, and upon $1,495,000 out of $1,500,000 capital stock of same; upon leasehold interests of the company covering 121.06 miles, as follows: Utica, Clinton & Binghamton R.R., from Randallsville to Utica, N. Y., 31.30 miles; Rome & Clinton R.R., from Clinton to Rome, 12.78 miles; Wharton Valley R.R., from Junction, New Berlin Branch to Edmeston, 6.80 miles; Pecksport Connecting Ry., from Pecksport to Whites Corners, N. Y., 3.69 miles; Ellenville & Kingston R.R., from Ellenville to Kingston, 27.81 miles; Pt. Jervis, Mont. & Summitv. R.R., Summitville to Valley Jct., 14.26 miles, and from Pt. Jervis to Monticello, 23.94 miles; also secured upon 54.75 miles of trackage rights over the West Shore R.R., from Cornwall to Weehawken; also upon terminal property at Weehawken and at Oswego. Underlies No. 2. Legal for Savings Bank in Maine. Listed on New York and London Exchanges. Interest paid without deduction for normal income tax.

2. Auth., $12,000,000; outstanding, $8,630,000. Dated June 1, 1905; due June 1, 1955. Int. paid at Grand Central Terminal, New York. Coupon and reg., $1,000. Redeemable at 110 and int., on any interest date on six months' notice. First collateral lien on 65.41 miles, as follows: On the 38.27 miles of the Port Jervis, Monticello & Summitville R.R., extending from Port Jervis to Monticello, N. Y., 23.85 miles, and Valley Junc. to Summitville, N. Y., 14.42 miles; on the 27.14 miles of the Ellenville & Kingston R.R., extending from Ellenville to Kingston, N. Y.; second lien on 318.77 miles, following No. 1; second lien on 73.79 miles, following No. 1; second lien upon the leasehold interests of the company covering 54.57 miles, following No. 1; second lien on 53.07 miles of trackage rights, following No. 1. No. 4 is equally secured with this issue. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $75,000. Dated Nov. 1, 1888; due Nov. 1, 1918. Int. paid at Grand Central Terminal, New York. Coupon, $1,000. Guar. prin. and int. by N. Y., O. & W. Ry. under lease extending to 1987. First lien, New Berlin to Edmeston, N. Y., with branches, 7.50 miles. Normal income tax deducted from interest.

4. Series A, 4½s; dated April 1, 1910; due $36,000 each A. and O. 1 to April 1, 1920. Int. paid A. and O. at Bankers' Trust Co., New York. Original amount, $720,000; now outstanding, $252,000. Coupon, $1,000. First lien on 14 locomotives, 7 passenger cars and 500 coal cars, all costing in excess of original amount. Series C, 4½s; dated March 1, 1913; due $30,000 each M. and S. 1 to March 1, 1928. Int. paid M. and S. 1 at Bankers' Trust Co., New York. Original amount, $900,000; now outstanding, $690,000. Coupon, $1,000. First lien on equipment costing $1,054,828. Series D 4½s dated April 1, 1916; due $35.000 each A. and O. to April 1, 1923. Int. paid A. and O. at Bankers' Trust Co., New York. Coupon, $1,000. First lien on 500 freight cars. Original amount $490,000; now outstanding, $455,000. Normal income tax deducted from interest on all issues.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
N. Y. Ontario & Western Ry. stock. Par $100. Outstanding, $58,113,983.	See text	$102,320	$1,965	$1,023*	48%	Fair	High	B.

For Key to Stock Rratings, see page 21. * For 1%.

Note: There is also an issue of $4,000 preferred stock outstanding. The New York, New Haven & Hartford Railroad owns $29,160,000 of the common and $2,200 of the preferred. Listed on New York and London Stock Exchanges.

Authorized amount of common, $65,000,000. Dividends: 1906 to 1911, 2% each; none in 1912; in 1913, 2%; 1914 and 1915, none; 1916, 1%. TRANSFER OFFICE, Grand Central Terminal, New York.

COMPANIES CONTROLLED BY NEW YORK, ONTARIO & WESTERN RAILWAY

ROME AND CLINTON RAILROAD

Incorporated under the laws of New York, June 3, 1869. Leased in perpetuity to the Delaware & Hudson Co. at an annual rental of $22,375 and taxes. Sublet to and operated by the New York, Ontario & Western Ry. Co. under agreement which terminates in 1921. Line of road: Rome to Clinton, N. Y., 12.79 miles; sidings, 3.76 miles.

Management: OFFICERS: Clinton Scollard, Pres., Clinton, N. Y.; W. W. Parry, Vice-Pres., Rome, N. Y.; R. U. Hayes, Sec. and Treas., Clinton, N. Y. Annual meeting, third Wednesday in June. OFFICE, Clinton, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$22,375	$22,375	$22,875	$22,375	$22,375	$22,375
Taxes	215	213	1,222	.....	566	164
Fixed charges	442	860		833	400	400
Surplus	$21,738	$21,302	$21,653	$21,492	$21,409	$21,361
Dividends paid	21,581	21,149	21,581	21,149	21,581	21,149
Balance	$157	$153	$72	$343	(def.) $172	$211

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$360,000	$360,000	$360,000	$360,000	$360,000	$360,000
Working assets	1,235	722	569	496	154	326
Total	$361,235	$360,722	$360,569	$360,496	$360,154	$360,326
LIABILITIES:						
Capital stock	$345,360	$345,360	$345,360	$345,360	$345,360	$345,360
Working liabilities	40	40	40	40	40	40
Profit and loss surplus	15,835	15,322	15,169	15,096	14,754	14,926
Total	$361,235	$360,722	$360,569	$360,496	$360,154	$360,326

Capital Stock: Authorized, $370,000; outstanding, $345,360. Par $100. Dividends paid at Hayes National Bank, Clinton, N. Y., or Hanover National Bank, New York. TRANSFER AGENT, R. U. Hayes, Secretary, Clinton, N. Y. Dividends, Jan., 3%; July 1, 3¼% or 6½% per annum under lease; 6½% paid in 1916. Rating, Aa.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Stock Ratings, see pages 21 to 23.

UTICA, CLINTON & BINGHAMTON RAILROAD

Origin: Incorporated under laws of New York, March 25, 1868. Leased to the Delaware & Hudson Co. in perpetuity, Dec. 4, 1889, at a rental of $61,500 per annum, the lessee guaranteeing principal and interest of bonds, also dividend of 5% per annum on the debenture stock. This road was subleased for thirty-five years to the New York, Ontario & Western Ry. Co., with the Rome & Clinton R.R., at an annual rental of $75,000 for both roads. The street railway division of this company is leased to the Utica & Mohawk Valley Ry. Co., for 99 years from December 31, 1886, at a rental of $15,000 per annum.

Location: Line of road: Utica to Randallsville, N. Y., 31.23 miles; sidings, etc., 24.18 miles. Company also owns 9.53 miles of street railway extending from New York Mills to New Hartford and Whitesboro.

Management: OFFICERS: E. B. Woolworth, Pres., Clinton, N. Y.; Clinton Scollard, Vice-Pres., Clinton, N. Y.; C. S. Symonds, Sec. and Treas., Utica, N. Y. Annual meeting, third Wednesday in January. OFFICE, 108 Genesee St., Utica, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$76,500	$75,660	$74,102	$75,649	$76,500	$76,500
Taxes	1,567	1,436	.....	1,038	2,021	1,286
Fixed charges	50,982	50,100	50,000	40,000	40,000	40,000
Surplus	$23,951	$24,124	$24,102	$34,611	$34,479	$34,589
Dividends paid	24,341	24,341	24,341	34,341	34,341	34,341
Balance	(def.) $390	(def.) $217	(def.) $239	$270	$138	$248

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,690,566	$1,690,566	$1,690,566	$1,690,566	$1,690,566	$1,690,567
Working assets	33,384	33,433	33,674	33,319	38,049	12,955
Accrued income not due	.....	.....	.....	.....	.....	20,000
Total	$1,723,950	$1,723,999	$1,724,240	$1,723,885	$1,728,615	$1,723,552

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$849,224	$849,224	$849,224	$849,224	$849,224	$849,285
Funded debt	800,000	800,000	800,000	800,000	800,000	800,000
Working liabilities	20,000	20,000	20,000	.....	25,000	.....
Accrued liabilities not due	836	495	519	20,515	515	20,515
Profit and loss surplus....	53,890	54,280	54,497	54,146	53,876	53,722
Total	$1,723,950	$1,723,999	$1,724,240	$1,723,885	$1,728,615	$1,723,552

Bonded Debt: $800,000 Utica, Clinton & Binghamton R.R. 1st 5s. Dated July 1, 1889; due July 1, 1939. Interest paid Jan. and July 1, at office of New York Trust Co., New York, Trustee. Coupon, $1,000. Secured on both steam and street railway property owned. Guaranteed as to principal and interest by the Delaware & Hudson Company. Interest paid without deduction for normal income tax. Net Rating, Aaa.

Capital Stock: Auth., $200,000 debenture stock, and $800,000 common stock; outstanding, $200,000 debenture, and $649,225 common. Par, $100. Dividends payable on debenture stock June 30 and Dec. 31; on common, Feb. 10 and Aug. 10, at Utica City National Bank, Utica, N. Y. Dividends on debenture stock, 5%, payable under lease; on common stock, as follows: 1898 to 1903, 3¾% per annum; 1904, 4%; 1905 to 1915, 3¾% per annum; 1916, 8¾%. TRANSFER AGENT: Chas. S. Symonds, Utica, N. Y. Rating A.

WHARTON VALLEY RAILWAY

Origin: Incorporated under New York laws, June 12, 1888. Leased for 99 years from Oct. 1, 1888 to New York, Ontario & Western Ry. Co., which owns entire capital stock and guarantees the bonds, principal and interest, at rental of interest on bonds and organization expenses. Line of road: New Berlin, N. Y., to Edmeston, N. Y., 6.85 miles; sidings, 1.21 miles.

Management: OFFICERS: (Vacancy), Pres.; R. D. Rickard, Sec. and Treas., New York. Annual meeting, second Wednesday in October. OFFICE, Grand Central Terminal, New York.

Bonded Debt: $75,000 Wharton Valley Ry. 1st 5s; due Nov. 1, 1918. Interest paid May and Nov. 1, at Grand Central Terminal, New York. Coupon, $1,000. Guaranteed principal and interest by the New York, Ontario & Western Ry. Co. Bankers' Trust Co., New York, Trustee. For Rating, see N. Y., O. & W. Ry. bond table, page 520.

Capital Stock: Auth. and outstanding, $70,000. Par, $100. Secretary of company acts as TRANSFER AGENT. Stock is all owned by the New York, Ontario & Western Ry. Co.

NORFOLK SOUTHERN RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Virginia laws, April 28, 1910, as successor through reorganization of the Norfolk & Southern Ry. Co. The company leases the Atlantic & North Carolina R.R. until 1996, rental being guaranty of int. and taxes, and a further surplus varying from $53,916 per annum up to $107,832 per annum. In November, 1911, the Aberdeen & Ashboro R.R., the Durham & Charlotte R.R. and the Raleigh & Southport R.R. were acquired, and in February, 1912, these companies, with the Sanford & Troy R.R., were consolidated under the name of the Raleigh, Charlotte & Southern R.R.; in the fall of 1912, the latter company was merged into the Norfolk Southern R.R. Owns entire stock and $4,788,000 first mortgage bond of John L. Roper Lumber Co. (For latter company, see "Moody's Analyses of Public Utilities and Industrials.")

Location: Lines operated on June 30, 1916, consisted of 907.71 miles, of which 44.82 miles, from Norfolk to Virginia Beach, were operated by electricity. The other lines extend southward, radiating throughout the State of North Carolina. The total steam mileage, 862.89 miles, is divided into three divisions, *viz:* Northern division, 308.20 miles; Central division, 258.04 miles; Western division, 296.64 miles. Of this mileage, 794.03 miles are owned, 108.33 miles are leased, and 5.34 miles consist of trackage rights.

Management: OFFICERS: Marsden J. Perry, Chairman; J. H. Young, Pres. and Gen. Mgr.; R. H. Swartwout, Vice-Pres.; M. S. Hawkins, Sec. and Asst. to Pres.; Matthias Manly, Treas. DIRECTORS: J. W. Harriman, Frederick Bull, R. H. Swartwout, Harold J. Gross, Alvin W. Krech, E. C. Duncan, C. E. Foy, Lewis L. Clarke, S. M. Nicholson, Marsden J. Perry, Philip Allen, B. A. Jackson, Frank A. Sayles, J. H. Young, S. L. Schoonmaker, John T. Terry. Annual meeting, second Wednesday in October. MAIN OFFICE, Norfolk, Va. NEW YORK OFFICE, 37 Wall Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	.....	12.78%	16.44%	15 60%	13.70%	12.7%	9.8%
Products of Animals.....	.....	.....	.....	.....	1.60	1.58	1.50	1.11	.5	.8
Products of Mines.....	.....	.....	.....	.....	9.08	9.76	11.47	10.12	12.5	25.6
Products of Forests.....	.....	.....	.....	.....	54.48	49.34	43.84	50.19	46.2	40.9
Manufactures.....	.....	.....	.....	.....	9.31	11.26	13.81	12.14	7.6	9.6
Miscellaneous.....	.....	.....	.....	.....	12.75	11.62	13.78	12.74	20.5	13.3

Total revenue tonnage, 1911, 1,583,896 tons; 1912, 1,649,657 tons; 1,804,927 tons in 1913; 2,099,532 tons in 1914; 1,895,155 tons in 1915; 2,594,023 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	557	....	66	125	2,313	64%	75,319	122,840	129	$1.37	1.57c	2.03c
1909	582	5	66	123	2,310	63	64,600	160,594	186	1.60	1.66	1.74
1910	602	5	68	121	2,917	69	73,826	184,030	185	1.61	1.51	1.60
1911	608	9	67	128	2,649	66	47,309	202,867	152	1.57	1.60	1.62
1912	608	9	71	124	3,072	64	50,345	219,236	158	1.72	1.68	1.64
1913	569	2	62	123	2,928	68	66,159	251,237	252	2.46	2.11	1.58
1914	843	2	74	115	3,385	68	49,727	213,193	193	2.04	2.22	1.52
1915	860	11	73	114	3,328	69	44,225	191,848	197	1.94	2.26	1.51
1916	908	11	94	151	3,423	71	61,494	272,369	253	1.90	1.90	1.31
9-Year Average	682	5	71	125	2,892	67%	59,223	202,024	189	$1.80	1.83c	1.62c

Yard tracks and sidings, 186.77 miles. Mileage operated in 1916 includes electric lines, not shown in previous years.

Comment: During the year ended June 30, 1916, the Norfolk Southern Railroad recovered very sharply in its volume of business, both passenger and freight. The freight density reached the highest figures ever recorded and the company reported also a better train load than in 1913. The average freight rates, however, tended to decline rather sharply, and therefore the train mile earnings were not up to the level of recent years. However, the character of the company's tonnage changed considerably, low grade freight representing a much larger proportion of the total business than ever before.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$3,901	$573	$633	$1,206	$1,858	$837	$1,138	$122	$1,016	$1,888	.....	$872*	.....
1909	4,154	580	457	1,037	1,696	1,421	1,430	120	1,310	1,910	.....	600*	.....
1910	4,469	509	551	1,060	1,704	1,705	1,735	100	1,635	1,706	.....	71*	.....
1911	4,861	568	568	1,136	1,876	1,849	1,963	117	1,847	844	54%	1,003	$395
1912	5,403	648	649	1,297	2,138	1,968	2,137	148	1,989	1,019	49	970	531
1913	5,860	697	770	1,467	2,262	2,131	2,725	198	2,527	1,070	58	1,457	562
1914	4,733	728	666	1,394	2,080	1,259	1,687	149	1,538	1,617	.....	79*	189
1915	4,216	569	645	1,214	1,988	1,014	1,404	152	1,252	1,473	.....	221*	.....
1916	5,053	609	729	1,338	2,041	1,674	1,743	163	1,580	1,149	27	431	.....
9-Year Average	$4,739	$609	$629	$1,239	$1,960	$1,540	$1,774	$141	$1,633	$1,408	19%	$225	$186]

* Deficit.

Note: Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $1,580; fixed charges per mile consumed $1,149 or 73%, leaving $431 per mile, a "margin of safety" of 27%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$4,588,513	$3,624,278	$3,990,020	$3,870,464	$3,284,824	$2,955,671	$2,690,470
Maintenance of way	553,298	489,693	613,071	517,421	394,192	345,651	306,806
Maintenance of equipment	661,882	554,995	561,692	481,134	394,780	345,770	332,165
All other operating expenses	1,852,968	1,709,344	1,755,840	1,501,523	1,299,148	1,140,548	1,025,822
Net operating revenues	$1,520,365	$870,246	$1,059,417	$1,370,386	$1,196,704	$1,123,702	$1,025,677
Operating ratio	80%	76%	73.4%	63.9%	63.6%	62%	61.9%
Other income	62,637	337,534	363,371	662,400	102,608	70,091	18,767
Total net income	$1,583,002	$1,207,780	$1,422,788	$2,032,786	$1,299,312	$1,193,703	$1,044,444
Taxes accrued	148,390	130,943	125,810	112,901	90,033	70,984	60,500
Balance for charges	$1,434,612	$1,076,837	$1,296,978	$1,919,885	$1,209,279	$1,122,809	$983,944
Fixed charges	1,043,602	1,266,328	1,363,216	1,039,195	819,928	512,359	1,027,179
Surplus over charges	$391,010	def.$189,491	def. $66,238	$880,689	$589,341	$610,450	def.$43,235
Dividends paid	.....	.....	160,000	320,000	320,000	240,000	.....
Balance	$391,010	def.$189,491	df. $226,238	$560,689	$269,341	$370,450	def.$43,235
Earned on stock	2.4%	.....	.....	5.5%	3.62%	3.8%	.....

Note: Foregoing account covers steam lines only prior to 1916. Net income from operation of electric division is included in "Other income," for years prior to 1916. For 1912 the net corporate income of the electric lines was $12,849. Hire of equipment: credits in 1914, included in "Other income" amounted to $332,182. Fixed charges in 1915 included $869,041 for interest on debt; $77,956 for lease rentals, and $260,750 for hire of equipment debit.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $873,632; credit balance transferred from income account, $391,010; profit on road and equipment sold, $1,335; donations, $4,712; miscellaneous credits, $153,000; total, $1,423,689. Contra: Loss on retired road and equipment, $8,114; miscellaneous debits, $96,853; balance carried to balance sheet, June 30, 1916, $1,318,722; total, $1,423,689.

Comment: Both gross and net operating revenues underwent a substantial improvement on this property in the year ended June 30, 1916. Outside income fell off, however, but the total income available for 1916 was nevertheless well above the results of the past two years. The net fixed charges were much lower than in 1915, and the company therefore succeeded in reporting a surplus which was equal to 2.4% on the outstanding stock. Conditions since the close of the fiscal year have continued to be very favorable.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$35,546,478	$35,296,958	$34,948,055	$31,662,143	$32,019,206	$26,137,472
Working assets	2,851,162	719,922	1,565,065	2,858,776	1,857,542	1,918,471
Deferred debit items...	1,522,682	1,331,194	1,347,271	1,504,044	1,116,267	634,352
Accrued income not due	.....	.....	2,558	1,725	1,725	1,725
Total	$39,920,322	$37,348,074	$37,862,949	$36,026,688	$34,994,740	$28,672,021
LIABILITIES:						
Capital stock	$16,000,000	$16,000,000	$16,000,000	$16,000,000	$16,000,000	$16,000,000
Funded debt	21,740,196	19,707,541	19,832,143	17,903,000	17,373,000	11,373,000
Working liabilities.....	403,933	328,975	534,204	547,115	598,094	455,768
Accrd. liabilities not due	326,809	323,359	324,523	302,003	181,706	174,868
Deferred credit items..	130,662	114,537	153,653	144,228	128,886	.....
Surplus	1,318,722	873,632	1,018,426	1,130,342	713,054	655,938
Total	$39,920,322	$37,348,074	$37,862,949	$36,026,688	$34,994,740	$28,672,021

Comment: During the year ended June 30, 1916, the Norfolk Southern property reported a further substantial increase in its outstanding funded debt. The general position of the property, however, was materially improved and the working capital was increased substantially.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Norfolk & Southern R. R. first 5s.....	M&N	My 1941	(1st) 203	$8,152	$1,633	$91	94%	Very high	High	Aaa.
2. Norfolk & Southern R. R. first general 5s.....	J&J	Jl 1954	(1st) 23 (2d) 203	3,600	1,542	45	92%	High	"	A.
3. Suffolk & Carolina Ry. first consol. 5s.....	J&J	Jl 1952	(1st) 73	9,000	1,542	35	92%	"	"	A.
4. Raleigh & Cape Fear first 5s.	M&S	Mr 1943	(1st) 32	4,200	1,542	8	92%	"	"	Baa.
5. Raleigh & Southport first 5s.	J&J	Je 1965	(see text)	.....	1,542	20	92%	"	"	Baa.
6. Raleigh & Southport gen. 6s.	A&O	O 1917	"	.....	1,542	11	92%	"	"	Baa.
7. Aberdeen & Ashboro first 5s.	J&J	Ja 1940	"	.....	1,542	9	92%	"	"	Baa.
8. Norfolk Southern R. R. first and ref. 5s.....	F&A	F 1961	(gen.)787	16,353	1,414	709	48%	Fair	Good	Ba.
9. Equipment trust 5s.....	J&J	1917–24	.....	.....	1,414	19	48%	High	"	A.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. ment. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,971,000; outstanding, $1,655,000; balance in treasury (closed). Dated June 2, 1891; due May 1, 1941. Int. paid at Metropolitan Trust Co., New York. Coupon, $1,000. Assumed by Norfolk Southern R.R. First lien on 202.76 miles as follows: Berkley, Va., to Edenton, N. C., 77.74 miles; Euclid to Munden, Va., 22.31 miles; Mackay's Ferry to Washington, N. C., 45.16 miles; Mackay's Ferry to Bellham, 29.41 miles; Norfolk to Virginia Beach (South route), 20.63 miles; branches, 7.51 miles. Underlie No. 2 and No. 8, latter providing for retirement at maturity. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $10,000,000; outstanding, $825,000; balance owned by Norfolk Southern R.R. Co. (closed). Dated July 1, 1904; due July 1, 1954. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. Assumed by Norfolk Southern R.R. First lien on 23.06 miles from Norfolk to Virginia Beach (North route), and second lien on 202.76 miles, following No. 1. Callable at 115 and interest on 8 weeks' notice. Underlie No. 8, which provides for retirement at maturity. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

3. Auth., $1,000,000; outstanding, $650,000; owned by Norfolk Southern R.R., $50,000 (closed). Dated July 1, 1902; due July 1, 1952. Int. paid at International Trust Co., Baltimore, Md. Coupon, $1,000. Assumed by Norfolk Southern R.R. Callable at 110 and int. First lien on 73.43 miles, including 50.23 miles, Suffolk to Edenton, 23.20 miles, Beckwith Junc. to Elizabeth City, N. C. Underlies No. 8, which provides for retirement. Listed on Baltimore Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $137,000 (closed). Dated March 1, 1903; due March 1, 1943. Int. paid at Columbia Trust Co., New York. Coupon, $1,000. Assumed by Norfolk Southern R.R. First lien on 32.5 miles of former Raleigh, Charlotte & Southern Ry., now merged with Norfolk Southern R.R. Underlie No. 8 which provides for retirement. Interest paid without deduction for normal income tax.

5. Auth., $2,000,000; outstanding, $374,000 (closed). Dated June 1, 1905; due June 1, 1965. Int. paid at Columbia Trust Co., New York. Coupon, $1,000. Assumed by Norfolk Southern R.R. Direct lien on portion of Southern division mileage, following No. 4 as a part. Underlies No. 8, which provides for retirement. Interest paid without deduction for normal income tax. Listed on Baltimore Stock Exchange.

6. Auth., $200,000; outstanding, $176,000 (closed). Dated Oct. 1, 1907; due Oct. 1, 1917. Int. paid at New York Trust Co., New York. Coupon, $1,000. Assumed by Norfolk Southern R.R. Follows No. 5, and underlies No. 8, latter providing for retirement. Interest paid without deduction for normal income tax.

7. Auth. and issued, $164,000; dated Jan. 1, 1910; due Jan. 1, 1940. Int. paid at Mercantile Trust & Deposit Co., Baltimore. Coupon, $1,000. Assumed by Norfolk Southern R.R. First lien, 99.5 miles of former Aberdeen & Ashboro Railroad. Interest paid without deduction for normal income tax.

8. Auth., $35,000,000; outstanding, $12,870,000. Dated Feb. 1, 1911; due Feb. 1, 1961. Int. paid at Central Trust Co., New York. Coupon and reg., $500 and $1,000; interchangeable. These oustanding are Series A, and are callable at 105 and interest on 6 weeks' notice. First lien on 331.83 miles as follows: Raleigh to Chocowinity, 102.08 miles; Washington to Bridgeton, 33.53 miles; Newbern to Oriental, 26.02 miles; Mackay's to Columbia, 32.97 miles; Edenton to Mackay's, 8.73 miles; Varina to Troy, 72.70 miles; Charlotte to Mt. Gilead, 51.77 miles; other lines, 4.3 miles; also by second or general lien on 454.99 miles, following Nos. 1 to 7. Also first collateral lien on $4,788,000 first lien bonds and $1,000,000 stock (entire issue) of John L. Roper Lumber Co. Mortgage provides that the lumber company securities may be withdrawn from under the mortgage if the company pays over to the trustee $5,000,000. Sinking fund of $100,000 per year shall accrue so long as the Lumber company bonds are held as collateral; one-half of such fund to retire bonds of this issue and balance for improvements. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

9. Original issue, $500,000; now outstanding, $350,000. Dated Jan. 1, 1914; due $25,000 each Jan. and July 1 to Jan. 1, 1924. Int. paid at Commercial Trust Co., Philadelphia. Coupon, $1,000. Callable prior to July 1, 1917 at 101 and interest. First lien on 300 steel underframe box cars, 160 steel underframe flat cars, 6 passenger coaches, 3 steel combination mail and baggage cars and 6 cabooses; all costing in excess of $500,000. Normal income tax deducted from interest.

Note: There is also an issue of Series B equipment 6s dated Sept. 1, 1915, maturing $2,600 per annum to Apr. 1, 1925. Original amount, $26,000; now outstanding, $23,400.

TABLE E.—Stock Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Norfolk Southern R.R. stock.....	See text	$17,620	$225	.....	.....	Moderate	Fair	Ca.

REFERENCE NOTE ON STOCK ISSUE

Auth. and outstanding, $16,000,000; par $100. Dividends of 2% per annum were paid, quarterly from Feb., 1911, to Jan., 1914; none since. Transfer Agents, Bankers' Trust Co., New York.

COMPANIES CONTROLLED BY NORFOLK SOUTHERN RAILROAD CO.

ATLANTIC AND NORTH CAROLINA RAILROAD

Incorporated under North Carolina laws, Jan. 20, 1854. Line of road: Morehead City to Goldsboro, N. C., 95 miles; branches, 15 miles; total owned, 110 miles. Leased to Norfolk Southern R.R. until Jan. 1, 1996, at rental covering taxes, interest on bonds and further payments; the totals ranging from $53,916 up to $107,832 at end of period. The lessee directly operates the property.

Management: Officers: G. D. Canfield, Pres., Morehead City, N. C.; Thomas W. Slocumb, Sec. and Treas. Annual meeting, first Thursday after first Monday in August. Office, Goldsboro, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental Income	$76,076	$75,900	$74,796	$74,636	$73,445	$73,547
Taxes, etc.	.....	.....	.....	.....	199	.....
Fixed charges	20,754	21,946	20,871	19,500	19,500	.....
Surplus	$55,322	$53,954	$53,916	$55,136	$53,746	$73,547
Dividends	53,916	53,916	54,529	53,695	53,943	53,964
Other deductions	1,000	59	.....	1,513	.....	.....
Balance	$406	(def.) $21	(def.) $704	(def.) $72	$193	$19,583

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$2,126,200	$2,126,200	Capital stock	$1,797,200	$1,797,200
Working assets	2,540	1,914	Funded debt	325,000	325,000
Deferred debit items....	.....	1,000	Working liabilities	4,578	5,578
Profit and loss deficit....	.....	.....	Profit and loss surplus..	1,962	1,336
Total	$2,128,740	$2,129,114	Total	$2,128,740	$2,129,114

Bonded Debt: $325,000 Atlantic & North Carolina R.R. 1st 6s. Dated July 1, 1887; due July 1, 1917. Int. paid Jan. and July 1 at National Mechanics' Bank, Baltimore, Md. Coupon, $1,000. Interest guaranteed under lease by Norfolk Southern R.R. First lien on entire property, 110 miles of road. Interest paid without deduction for normal income tax. Rating Ba.

Capital Stock: Auth., $1,800,000; outstanding, $1,797,200; par $100. The State of North Carolina owns 70% of the stock ($1,266,600) and the Norfolk Southern R.R. owns $240,000. The voting rights of the State of North Carolina are limited to 350 votes. Dividends are paid at rate of 3% per annum; this amount being practically guaranteed under the lease. Payments, Jan. and July 1st.

CAROLINA RAILROAD

Incorporated under laws of North Carolina, Dec. 11, 1912, as successor to the Kinston & Snow Hill R.R. Line of road, Kinston to Snow Hill, N. C., 15.86 miles. Controlled by Norfolk Southern R.R. by stock ownership, but separately operated.

Management: OFFICERS: C. I. Millard, Pres.; J. C. Nehms, Jr., Vice-Pres.; M. Manly, Treas.; M. S. Hawkins, Sec. OFFICE, Norfolk, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$26,447	$26,367	$25,199	$11,131
Operating expenses	16,602	18,404	18,371	6,418
Net operating revenues	$9,845	$7,963	$6,828	$4,713
Other income	.....	40	726	.....
Total net income.....	$9,845	$8,003	$7,554	$4,713
Taxes	609	513	492	.....
Fixed charges	8,495	7,288	5,735	2,451
Surplus	$741	$202	$1,327	$2,262

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$90,705	$90,318	$90,600	$90,100
Working assets	2,203	2,042	5,821	23,852
Deferred debit items	2,527	79	21	79
Total.....	$95,435	$92,439	$96,442	$114,031
LIABILITIES:				
Capital stock	$35,000	$35,000	$35,000	$35,000
Funded debt	10,000	42,694	48,794	.....
Working liabilities	45,160	9,776	9,060	75,260
Accrued liabilities not due.....	744	1,179	.....	.....
Deferred credit items.....	.....	.....	.....	1,510
Profit and loss surplus.....	4,531	3,790	3,588	2,261
Total.....	$95,435	$92,439	$96,442	$114,031

Capital Stock: Auth., $175,000; outstanding, $35,000; par $100. All owned by Norfolk Southern R.R.

CARTHAGE AND PINEHURST RAILROAD

Incorporated under laws of North Carolina, July 7, 1906. Line of road: Carthage to Pinehurst, N. C., 12.6 miles; siding, 2.94 miles. Was leased for 5 years from 1907 to Aberdeen & Ashboro R.R., at rental of guaranty of interest on bonds. Lease was assumed by Raleigh, Charlotte & Southern Ry., which was merged into Norfolk Southern R.R. in 1912. Lease was not renewed, but a majority of the stock of the company is owned by Norfolk Southern R.R.

Management: OFFICERS: T. B. Tyson, Pres.; T. B. King, Vice-Pres.; M. S. Hawkins, Sec. Annual meeting in Nov. OFFICE, Carthage, N. C.

Bonded Debt: $37,500 Carthage & Pinehurst R.R. first 6s. Dated June 1, 1907; due June 1, 1922. Int. paid June and Dec. 1, at Raleigh (N. C.) Banking & Trust Co. First lien on 12.5 miles at $3,000 per mile. Normal income tax deducted from interest. Rating, Ba.

Capital Stock: Auth., $70,000; issued, $69,900, of which the Norfolk Southern R.R. owns $49,800; par $100.

NORFOLK AND WESTERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Sept. 24, 1896, under laws of Virginia, as successor to the Norfolk & Western Railroad. Additional lines were acquired from time to time, including the Cincinnati, Portsmouth & Virginia R.R., and a half-interest in the Winston-Salem Southbound R.R. (the other half being owned by the Atlantic Coast Line R.R.). The company also controls the Pocahontas Coal & Coke Co. and various smaller coal companies and railroads.

The Pennsylvania R.R. Co. and its subsidiaries own $11,320,000 preferred and $40,552,900 common stock of the Norfolk & Western Ry.

Location: The directly operated lines of the company on June 30, 1916, consisted of 2,085.99 miles, including 1,542.98 miles of main lines owned, 529.03 miles of branches owned, and 13.98 miles of traffic rights. The system extends from Norfolk, through the West Virginia soft-coal fields to Cincinnati, Ohio, with branches to Richmond, Hagerstown, Md., Winston-Salem, N. C., Bristol, Tenn., and Columbus, Ohio. Mileage mainly in Virginia and West Virginia. Population of these States in 1890, 2,418,684; in 1900, 2,812,984; in 1910, 3,282,731.

Management: OFFICERS: L. E. Johnson, Pres.; W. G. Macdowell, Vice-Pres.; N. D. Maher, Vice-Pres.; T. S. Davant, Vice-Pres.; E. H. Alden, Sec. and Asst. Treas.; Jos. B. Lacy, Treas.; Jos. W. Coxe, Compt. DIRECTORS: L. E. Johnson, J. I. Doran, H. C. Frick, J. P. Green, W. G. Macdowell, Victor Morawetz, Joseph Wood, W. W. Atterbury, N. D. Maher, M. C. Kennedy, D. W. Flickwir. PHILADELPHIA OFFICE, Commercial Trust Building. GENERAL OFFICE, Roanoke, Va.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	5.71%	5.55%	4.97%	4.31%	4.56%	3.99%	3.94%	3.85%	4.2%	3.0%
Products of Forests	10.70	9.80	8.45	7.52	7.04	6.17	7.10	6.20	5.6	5.0
Products of Animals	.88	1.00	.91	.77	.78	.73	.69	.64	.7	.5
Products of Mines	67.68	71.04	71.54	74.76	75.00	77.59	76.05	78.29	79.1	79.0
M'f's, Mdse., etc	15.03	12.61	14.13	12.64	12.62	11.52	12.22	11.02	10.4	12.5

Total revenue tonnage in 1909, 20,049,203 tons; in 1910, 25,412,529 tons; in 1911, 25,828,267 tons; in 1912, 32,815,916 tons; 36,598,054 tons in 1913; 38,575,156 tons in 1914; 32,767,701 tons in 1915; 44,373,456 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	1,876	233	535	344	20,746	83%	93,861	2,799,873	569	$2.59	2.36c	.49c
1908	1,881	251	635	366	21,533	83	111,260	2,650,673	571	2.32	1.90	.48
1909	1,925	274	946	395	36,913	84	90,013	2,793,292	616	2.34	2.13	.46
1910	1,945	349	968	393	39,467	86	93,095	3,456,296	640	2.40	2.17	.45
1911	1,972	389	991	402	42,155	85	98,251	3,446,940	647	2.41	2.16	.44
1912	2,010	421	1,010	401	43,573	86	100,840	3,991,718	692	2.52	2.14	.43
1913	2,023	448	1,014	413	44,233	86	108,756	4,378,016	764	2.77	2.14	.42
1914	2,036	494	1,057	452	48,996	86	112,851	4,497,010	802	2.83	2.14	.42
1915	2,012	528	1,080	448	48,563	85	104,440	4,367,556	841	2.91	2.16	.41
1916	2,059	551	963	471	48,692	86	131,280	5,728,944	957	3.44	2.14	.42
10-Year Average	1,977	393	922	408	39,487	85%	104,465	3,811,331	710	$2.66	2.14c	.43c

Yard tracks and sidings, June 30, 1916, 1,313.36 miles.

Comment: A very great growth occurred in the volume of freight business done by the Norfolk & Western Railway during the year ended June 30, 1916. The freight density reached figures far higher than those of any previous year, being more than double the density of ten years ago. Average freight train load was also further increased and now ranges at a very high total. It will be noted that the train mile earnings improved to a marked degree. As usual the company's freight business was mainly that of transportation of soft coal, this representing over 68% of the total freight business done.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $14,384,134; credit balance transferred from income account, $19,704,387; adjustment of ledger value of equipment, $106,353; repayment of Pocohontas Coal & Coke Co. advances for bond interest, $40,000; miscellaneous credits, $185,447; total, $34,420,321. Contra: Dividend appropriations of surplus, $8,312,964; surplus appropriated for investment in physical property, $9,053,279; loss on retired road and equipment, $29,819; miscellaneous debits, $33,507; credit balance carried to balance sheet, $16,990,752; total, $34,420,321. See income account on next page.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$16,612	$2,076	$2,793	$4,839	$5,533	$5,210	$5,257	$531	$5,726	$1,995	65%	$3,731	$2,208
1908	15,344	1,839	2,495	4,334	5,476	5,534	5,905	543	5,363	2,293	57	3,070	2,030
1909	15,235	1,731	2,555	4,286	4,924	6,025	6,534	524	6,010	2,558	58	3,462	1,817
1910	18,023	1,921	3,060	4,939	5,882	7,207	7,796	575	7,221	2,572	64	4,649	2,082
1911	18,031	2,195	3,353	5,551	6,031	6,389	7,049	659	6,380	2,456	62	3,924	2,240
1912	19,768	2,305	3,819	6,215	6,555	6,998	7,676	701	6,975	2,306	67	4,667	2,780
1913	21,621	2,740	4,121	6,881	7,259	7,501	8,369	718	7,651	2,161	72	5,490	3,302
1914	21,842	2,455	4,526	6,981	7,723	7,138	8,110	796	7,314	2,271	69	5,043	3,527
1915	21,051	2,810	4,035	6,895	6,735	7,421	8,422	920	7,502	2,404	68	5,098	3,622
1916	27,830	3,192	4,879	8,071	7,559	12,200	13,233	1,003	12,230	2,212	82	10,018	4,484
10-Year Average	$19,536	$2,336	$3,570	$5,906	$6,338	$7,262	$7,935	$698	$7,237	$2,322	66%	$4,915	$2,809

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$57,301,132	$42,985,278	$44,450,745	$43,732,312	$39,375,237	$35,557,522	$35,063,870
Maintenance of way	6,571,329	5,738,074	4,998,612	5,542,960	4,816,378	4,328,717	3,752,045
Maintenance of equipment	10,046,263	8,341,419	9,214,008	8,336,631	7,676,464	6,638,842	5,951,907
All other operating expenses	15,563,754	13,752,322	15,723,222	14,686,221	12,837,007	12,000,701	11,342,807
Net operating revenue	$25,119,786	$15,153,463	$14,514,903	$15,166,500	$14,045,398	$12,589,262	$14,017,111
Operating ratio	56.2%	64.7%	67.3%	65.3%	64.6%	64.5%	60%
Other income	2,126,578	2,043,233	1,997,391	1,764,481	1,363,242	1,302,446	1,146,207
Total net income	$27,246,364	$17,196,696	$16,512,294	$16,930,981	$15,408,640	$13,891,708	$15,163,318
Taxes accrued	2,065,000	1,878,000	1,620,000	1,452,000	1,410,000	1,320,000	1,118,965
Balance for charges	$25,181,364	$15,318,696	$14,892,294	$15,478,981	$13,998,640	$12,571,708	$14,044,353
Fixed charges	4,553,305	4,908,791	4,624,154	4,372,340	4,616,966	5,014,322	5,001,188
Surplus over charges	$20,628,059	$10,409,905	$10,268,140	$11,106,641	$9,381,674	$7,557,386	$9,043,165
Dividends paid	*919,672	7,396,293	7,180,592	6,679,190	5,588,105	4,418,805	4,214,511
Improvements, etc.	4,000	.....	2,093,918	1,553,088	1,372,065	2,597,109	3,573,598
Balance	$19,704,387	$3,013,612	$993,630	$2,874,363	$2,421,506	$541,472	$1,255,056
Earned on stock: Preferred	89.72%	45.28%	44.64%	48.25%	40.79%	32.85%	39.32%
Common	16.84%	8.87%	8.68%	10.17%	9.88%	8.93%	11.71%

* Dividends on common stock ($8,312,964) charged in profit and loss account in 1916.

Note: Fixed charges include interest on debt and on equipment trusts, rentals, etc. Profit and loss account will be found on page 527.

Comment: Both gross and net revenues underwent a remarkable improvement on the Norfolk & Western property during the year ended June 30, 1916. The total income available for charges was more than $10,000,000 higher than that reported in 1915, and after the payment of the reduced fixed charges, the surplus finally carried forward was equal to nearly 90% on the outstanding preferred stock and nearly 17% on the outstanding common stock. The increase in dividends of this company for the year was therefore fully justified.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and per Cent of Whole.		Bonds Outstanding and per Cent of Whole.		Rentals Cap. at 5 per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$47,441	50%	$46,836	50%	.....	$94,277	$1,419	$92,858	6.7%	$490	4%	$1,718	5 %	87%	47%
1908	47,314	46	55,484	54	.....	102,798	8,194	94,604	6.2	488	4	1,542	4½	85	40
1909	46,234	46	54,156	54	.....	100,390	4,479	95,911	6.8	478	4	1,339	4	86	55
1910	47,247	44	59,566	56	.....	106,813	2,675	104,138	7.5	473	4	1,609	5	90	60
1911	49,288	47	55,006	53	.....	104,294	859	103,435	6.9	466	4	1,774	5	88	50
1912	54,259	50	53,796	50	.....	108,055	2,237	105,818	7.2	458	4	2,322	5¾	90	45
1913	60,867	52	55,383	48	.....	116,250	5,087	111,163	7.5	455	4	2,847	6	92	43
1914	64,224	54	54,835	46	.....	119,059	6,849	112,210	7.2	452	4	3,075	6	91	33
1915	64,229	55	53,596	45	.....	117,825	6,281	111,544	7.6	450	4	3,172	6	92	32
1916	68,582	59	47,241	41	.....	115,823	8,456	107,367	12.3	447	4	4,037	7¼	96	58
10-Year Average	$54,969	51%	$53,589	49%	.....	$108,558	$4,653	$103,905	7.6%	$466	4%	$2,343	5.4%	90%	46%

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$250,162,583	$246,770,702	$242,456,650	$228,774,590	$219,156,804	$213,304,910
Working assets	32,188,132	27,146,965	29,915,381	28,199,237	21,335,790	12,945,653
Deferred debit items...	23,438,481	5,638,750	4,487,614	10,552,494	2,909,364	1,567,138
Accrued income not due	128,938	120,913	.....	.....	.....	.....
Total	$305,918,134	$279,777,330	$276,859,645	$267,526,321	$243,401,958	$227,817,701
LIABILITIES:						
Capital stock	$141,209,000	$131,156,000	$130,760,500	$123,133,300	$108,653,000	$97,284,000
Funded debt	97,269,500	109,442,500	111,645,000	112,039,320	108,129,100	108,468,500
Working liabilities.....	4,283,387	5,082,680	3,545,656	4,696,199	3,942,027	3,566,809
Accrd. liabilities not due	2,096,433	1,917,609	1,973,685	1,769,373	1,801,150	1,629,014
Deferred credit items..	17,996,682	775,305	884,706	1,073,934	457,848	249,244
Appropriated surplus...	26,072,380	17,019,102	15,485,007	13,391,089	11,838,001	10,465,936
Profit and loss surplus.	16,990,752	14,384,134	12,565,091	11,423,106	8,580,832	6,154,198
Total	$305,918,134	$279,777,330	$276,859,645	$267,526,321	$243,401,958	$227,817,701

Controlled Properties: The Norfolk & Western Ry. Co. owns a controlling interest in the capital stock of the Guyandot & Tug River R.R. Co. and the entire capital stocks of the Pocahontas Coal & Coke Co. and the Virginia Company (except qualifying shares owned by directors). The Pocahontas Coal & Coke Co. is the owner of an extensive area of coal and other lands in West Virginia, and of mineral rights, leases, royalties, and other property. This property has been made the basis of a joint and several mortgage executed by the Pocahontas Coal & Coke Co. and the Norfolk & Western Ry. Co. in favor of the Girard Trust Co., Philadelphia, Pa., as trustee, to secure an issue of purchase money first mortgage bonds to the amount of $20,000,000, of which $17,407,000 were outstanding June 30, 1916. See Bond Table below. (For statement of the Pocahontas Coal & Coke Co., see "Moody's Analyses of Public Utilities and Industrials.")

Comment: The chief capitalization changes in the Norfolk & Western exhibit for the fiscal year 1916 was a substantial reduction in the outside funded debt, and a further increase in the outstanding stock. This change was brought about chiefly through the conversion of bonds into common stock.

It will be noted in view of this heavy volume of business, that this property is not very heavily capitalized. The net income on net capital has tended to increase steadily during the past few years, and for 1916 was practically double that reported in 1908.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Norfolk & W. R. R. gen. (now first) 6s.....	M&N	My 1931	(1st) 428	$16,815	$7,237	$210	97%	Very high	Very high	Aaa.
2. Norfolk & W. R. R. New River Div. first 6s	A&O	Ap 1932	(1st) 200	10,000	7,027	58	96%	"	"	Aaa.
3. Norfolk & W. R. R. imp. and ext. 6s.....	F&A	F 1934	(2d) 572	8,654		144	96%	"	"	Aaa.
4. Scioto Valley & N. E. first 4s	M&N	N 1989	(1st) 127	39,370		97	96%	"	"	Aaa.
5. Columbus Con. & Ter. first 5s	J&J	Ja 1922	(1st) Term.	.....		14	96%	"	"	Aaa.
6. Nor. & Western Ry. first cons. 4s	A&O	O 1996	(1st) 890 (2d) 165 (3d) 572	21,820	6,714	784	88%	"	"	Aaa.
7. Nor. & Western Ry. Div. first lien and gen. 4s.....	J&J	Jl 1944	(gen.) 1,875	12,270	5,030	447	92%	High	"	Aaa.
8. Nor. & Western Ry. conv. 10-25-yr. 4s.....	J&D	Je 1932	Not Mtg.	.....	5,483	34	92%	"	"	Aaa.
9. Norf. & West. convert. 4s..	M&S	S 1932	"	.....		4	92%	"	"	Aaa.
10. Norf. & West. conv. 4½s..	M&S	S 1938	"	.....		33	92%	"	"	Aa.
11. Nor. & Western-Pocah. Coal joint 4s.....	J&D	D 1941	(1st) on coal	.....		169*	92%	"	"	Aa.
12. Equip. trusts, see text.....	Var.	(see text)	.....	.....		186	92%	"	"	Aaa.

* One-half of full charge. See text on next page (No. 11).

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $11,000,000; outstanding, $7,197,000 (closed). Dated May 4, 1881; due May 1, 1931. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Assumed by Norfolk & Western Ry. Direct first lien on the main line from Norfolk, Va., to Bristol on the Tennessee boundary line, 408.38 miles; the City Point Branch, 10 miles; and the Saltville Branch, 9.33 miles; total, 427.71 miles. Underlie Nos. 3, 6 and 7, with provision by No. 6 for retirement. Legal for Savings Banks in Cal., Conn., Me., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York, Philadelphia and London Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $2,000,000. Dated May 12, 1882; due April 1, 1932. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Assumed by Norfolk & Western Ry. First lien on 200.01 miles, as follows: Walton Junc., to Kyle, W. Va., 83.22 miles; branches to coal mines, etc., 51.26 miles; Cripple Creek Extension, 30.40 miles; branches to ore mines, 35.13 miles; also on all lines constructed hereafter. Underlie Nos. 3, 6 and 7, with provision by No. 6 to retire. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt. Wis. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $4,950,000. Dated Dec. 21, 1883; due Feb. 1, 1934. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Assumed by Norfolk & Western Ry. Second lien on 144.21 miles of the 200.01 miles, following No. 2; and on 427.71 miles, following No. 1. Underlie Nos. 6 and 7, with provision by former to retire. Legal for S. B. in Cal., Conn., Mass., N. H., N. Y., R. I., Vt. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $5,000,000. Dated Nov. 1, 1889; due Nov. 1, 1989. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Assumed by Norfolk & Western Ry. and guaranteed. First lien from Columbus to Coal Grove, Ohio, near the Kentucky Boundary, 127.46 miles. Underlie Nos. 6 and 7, with provision by former to retire. Legal for S. B. in Cal., Conn., Maine., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

5. Auth. and outstanding, $583,000. Dated May 4, 1892; due Jan. 1, 1922. Int. paid at Metropolitan Trust Co., New York. Coupon, $500. Assumed by Norfolk & Western Ry. First lien on 4.65 miles and terminals in Columbus, inc. realty costing $568,304. Mileage as follows: Columbus Connecting & Terminal R.R., 3.45 miles; Warehouse Yard Line. .95 mile; and C., C., C. & St. L. Ry., connection, .25 mile; total, 4.65 miles. Underlie Nos. 6 and 7, with provision by former to retire. Legal for S. B. in Cal., Conn., Mass., Maine, Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth., $62,500.000; outstanding, $40,387,500; reserved to retire Nos. 1 to 5, $22,099,500 (closed). Dated Oct. 22, 1896; due Oct. 1, 1996. Int. paid at Bankers' Trust Co., New York. Coupon, $100, $500, $1,000; reg., $1,000, etc. First lien on terminals at Lambert's Point and shops at Roanoke, Va., and on 890.04 miles, as follows: The Maryland and Washington Div., Hagerstown, Md., to Roanoke, Va., 238 miles; and branches, 5.96 miles; the Roanoke & Southern Div., Roanoke, Va., south to Winston-Salem, N. C., and branches, 121.81 miles; the Ohio Extension, Kyle, W. Va., to Coal Grove, Ohio, and branches, 242.57 miles; the Clinch Valley Div., Graham to Norton, Va., and branches, 116.68 miles; the Lynchburg & Durham Div., Lynchburg, Va., to Durham, N. C., 114.10 miles, and branches, 3.48 miles; the North Carolina Extension, from near Ivanhoe to Galax, Va., 28.30 miles; the Norfolk Term. Div., Norfolk to Lambert's Point, 6.30 miles; other branches and extensions, 12.84 miles; second lien on 164.52 miles, as follows: On 127.46 miles, following No. 4, and on 4.65 miles, following No. 5; on 32.41 miles, following No. 2; third lien on 571.92 miles, following No. 3. Underlie No. 7. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt. Listed on New York, London and Richmond Stock Exchanges. Interest paid without deduction for normal income tax.

7. Auth., $35,000,000; outstanding, $23,000,000. Dated July 1, 1904; due July 1, 1944. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Redeemable at 105 and int. on any interest date after Jan. 1, 1929, upon three months' notice. First lien on 227.25 miles, as follows: Cincinnati Division from Sciotoville to Cincinnati, Ohio, and branches, 131.69 miles; Big Sandy Low Grade Line, from Naugatuck to Kenova, W. Va., 59.16 miles; Dry Fork Branch, to Canebrake, W. Va., 36.40 miles, second lien on 911.62 miles, following No. 6 as to 890.04 miles and No. 2 as to 21.58 miles; third lien on 164.52 miles, following No. 6; fourth lien on 571.92 miles, following No. 6. Legal for S. B. in N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

8. Auth., $34,000,000; outstanding, $1,771,000. Dated June 1, 1907; due June 1, 1932. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000. Redeemable at 105 and int. after June 1, 1917, upon ninety days' notice. Convertible before June 1, 1917, into common stock at par. Not a mortgage. Legal for S. B. in N. H., R. I. Listed on New York and London Stock Exchanges. Int. paid without deduction for normal income tax.

9. Auth., $13,300,000; outstanding, $227,000. Dated Sept. 3, 1912; due Sept. 1, 1932. Int. paid at New York. Redeemable at 105 and int. on any interest date after Sept. 1, 1922, on 90 days' notice. Convertible into common stock at par until Sept. 1, 1922. Not a mortgage. Legal for S. B. in N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

10. Auth., $18,353,000; outstanding, $1,533,000. Dated Sept. 2, 1913; due Sept. 1, 1938. Int. paid in New York. Coupon, $1,000, interchangeable. Convertible at par into common stock at any time before Sept. 1, 1923. Callable at 105 after Sept. 1, 1923. Not a mortgage. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

11. Auth., $20,000,000; outstanding, $17,407,000 (closed). Dated Dec. 2, 1901; due Dec. 1, 1941. Int. paid at Bankers' Trust Co., New York. Redeemable at 105 and int. on any interest date on two months' notice. Sinking fund: 2½ cents per ton on all coal mined to be used for purchase of these bonds at not exceeding 105 and int. Direct obligation of the Norfolk & Western Ry., and the Pocahontas Coal & Coke Co., these companies being jointly and severally liable to bondholders, but as between the two companies the Pocahontas Coal & Coke Co., is directly and primarily liable; first lien (purchase money) on the entire property and future acquisitions of the Pocahontas Coal & Coke Co., including coal lands amounting to about 290,000 acres; of which amount 157,000 have been leased to U. S. Steel Corpn. subsidiaries, and other companies; first collateral lien on the following securities: 900 shares (par value, $1,000) Trans-Flat-Top Land Association; 29,995 shares of common stock of the Pocahontas Fuel Co.; 2,300 shares of preferred stock of the Pocahontas Fuel Co., 2,495 shares of common stock of the Pocahontas Coal Land Co., and 5 shares of the stock of the Philadelphia Coal Land Co. Interest paid without deduction for normal income tax. Listed on New York Stock Exchange.

12. Series M, 4s; dated March 4, 1907; due $100,000 each March 1 to March 1, 1917. Now outstanding, $100,000. Coupon, $1,000. Int. paid Mar. and Sept. 1 at Commercial Trust Co., Philadelphia. First lien on 3 locomotives and 990 freight cars, all costing $1,048,740. Interest paid without deduction for normal income tax. Series N, 4s; dated April 4, 1907; due $100,000 each April 1 to April 1, 1917. Original amount, $1,000,000; still outstanding, $100,000. Coupon, $1,000. Int. paid April and Oct. 1 at Commercial Trust Co., Philadelphia. First lien on 500 gondola cars and 500 hopper coal cars, all costing $1,047,075. Interest paid without deduction for normal income tax. Series O, 4s; dated June 4, 1907; due $100,000 each June 1, to June 1, 1917. Original amount $1,000,000; still outstanding, $100,000. Coupon, $1,000. Int. paid June and Dec. 1, at Commercial Trust Co., Philadelphia. First lien on 300 stock cars, 300 drop bottom gondola cars and 430 hopper coal cars, all costing $1,052,856. Interest paid without deduction for normal income tax.

Series of 1914, 4½s: Dated Feb. 2, 1914; due $500,000 each Feb. 1 and Aug. 1, to Aug. 1, 1924. Original amount, $10,000,000; now outstanding, $8,000,000. Coupon, $1,000. Int. paid Feb. and Aug. 1, at Commercial Trust Co., Philadelphia. First lien on 11 passenger locomotives, 80 freight locomotives, 500 steel frame box cars, 500 steel frame stock cars, 4,000 steel sleeper cars, 700 steel flat bottom gondola cars, 250 steel frame flat cars, 35 steel passenger cars, 5 steel combination baggage and passenger cars; 6 steel baggage and express cars, 10 steel mail cars, 5 steel dining cars, 8 steel baggage and mail cars; total value, $10,750,000. Company deducts income tax.

Total of all series now outstanding, $8,300,000 of which $300,000 carry 4% interest and $8,000,000 4½% interest. Original cost of all equipment covered, $13,898,671.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Norfolk & Western Ry. preferred ..... Par $100. Outstanding, $23,000,000.	4% F&A	$11,170	$4,915	$447	91%	Very high	Very high	Aaa.
Norfolk & Western Ry. common..... ..... Par $100 Outstanding, $118,209,000.	7% Qu F	57,412	4,468	4,019*	10%	High	"	Aa.

* For 7% dividend on increased amount.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUES

Note: Auth., $23,000,000 preferred and $150,000,000 common. The company owns $8,200 preferred and $1,600 common. Par, $100. Preferred is entitled to 4% non-cumulative dividends only. Authorized issue of common increased to $150,000,000 in 1910 to provide for convertible bonds. In 1909 the Pennsylvania Railroad acquired a large interest in the stock of the road and added to its holdings in 1910. Dividend rate on common, formerly 4%, was increased to 5% in 1909, 6% in 1911, and 7% in June, 1916, dividends now being paid quarterly instead of semi-annually. In fiscal year to June 30, 1916, paid 6¼% regular and 1% extra. Paid 1% extra in Feb., 1917. Transfer Agent, Guaranty Trust Co., New York. Listed on New York Stock Exchange.

COMPANY CONTROLLED BY NORFOLK & WESTERN RAILWAY, SEPARATELY OPERATED

VIRGINIA-CAROLINA RAILWAY

Origin: Incorporated under laws of Virginia Jan. 19, 1900, and in 1913 absorbed the Virginia-Carolina & Southern Ry. In 1912, the control of the property was acquired by the Norfolk & Western Ry., through purchase of 51% of the capital stock. In 1916 acquired practically all the remainder.

Location: Line of road, Abingdon to Grassy Ridge, Va., 28.26 miles; Creek Jct., Va. to Elkland, N. C., 48.65 miles; short branches, 2.19 miles; total owned, 79.10 miles; sidings, 4.42 miles. Equipment owned: Locomotives, 6; passenger, freight and company cars, 210.

Management: Officers: Geo. P. Johnson, Pres., Treas. and Mgr.; W. G. Macdowell, Vice-Pres.; R. P. Royer, Sec. Directors: Jos. T. Doran, E. H. Alden, Theodore W. Reath, W. G. Macdowell, N. D. Maher, L. E. Johnson, Geo. P. Johnson. Annual Meeting, third Tuesday in September. Office, Abingdon, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Miles operated	79.1	77.3	29.9	31.5	31.5	31.5	31.5
Gross earnings	$212,237	$128,228	$100,304	$121,284	$121,336	$132,032	$133,604
Net earnings	93,809	52,443	52,190	66,815	62,868	72,778	74,006
Total net income.....	94,758	53,515	53,398	67,115	63,318	73,378	74,806
Fixed ch'ges, incldg. taxes, etc..	83,856	39,014	14,658	22,599	18,690	24,540	21,840
Dividends paid	.....	10,000	30,000	35,000	37,000	25,000	25,000
Surplus	10,902	4,501	8,740	9,516	7,627	23,838	27,957

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $108,174; credit balance transferred from income, $10,902; miscellaneous credits, $1; total, $119,077. Contra: Surplus appropriated for investment in physical property, $44,678; loss on retired road and equipment, $138; miscellaneous debits, $67; credit balance carried to balance sheet, $74,195; total, $119,077.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$2,088,774	$1,971,548	$1,527,983	$945,678	$764,276	$706,270
Working assets	40,220	46,856	33,697	30,230	16,712	75,285
Accrued income not due.	.....	.....	122	.....	.....	.....
Deferred debit items...	25	1,535	35	28	24,532	.....
Total	$2,129,019	$2,019,939	$1,561,837	$975,936	$805,520	$781,555
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	1,481,492	1,361,091	180,000	180,000	180,000	181,221
Working liabilities	12,692	45,083	774,360	187,824	29,399	10,142
Accr'd liabilities not due	15,962	5,564	3,802	3,870	1,500	1,500
Deferred credit items..	.....	27	1	1	3	.....
Appropriated surplus..	44,678	.....	.....	.....	.....	.....
Profit and loss.....	74,195	108,174	103,673	104,241	94,618	88,692
Total	$2,129,019	$2,019,939	$1,561,837	$975,936	$805,520	$781,555

Note: Funded debt in 1916 includes indebtedness of $1,301,491 to Norfolk & Western.

Bonded Debt: $180,000 Virginia-Carolina Ry. first 5s; dated May 1, 1900; due May 1, 1950; int. paid on May and Nov. 1, at First National Bank, Abingdon, Va. Coupon, $500. First lien on 27.9 miles owned. All now owned by Norfolk & Western Ry. Net Rating, A.

Capital Stock: Auth., $1,000,000; outstanding, $500,000; par $100. Dividends as follows: 1908, ½%; 1909, 4%; 1910 and 1911, 5% each; 1912, 5% and 2.4% extra; 1913, 7%; 1914, 6%; 1915, 2%; none in 1916. Norfolk & Western Ry. owns $499,300 of issue. TRANSFER AGENT, R. P. Royer, Roanoke, Va.

NORTHERN PACIFIC RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Wisconsin laws in July, 1896, as successor to the original Northern Pacific Railroad Co., which was incorporated by special Act of Congress July 2, 1864. On July 1, 1900, the St. Paul & Duluth Railroad was absorbed, and its bond issues assumed. In 1903, the Bellingham Bay & Eastern R.R. and the Washington Railway & Navigation Co. were absorbed, and in 1904 the Seattle & San Francisco Ry. & Navigation Co. and the Monte Cristo Ry. were acquired. On July 1, 1907, the Washington & Columbia River R.R. was purchased.

Location: The total mileage operated by the Northern Pacific Railway Company on June 30, 1916, was 6,504.84 miles, classified as follows: Main line, Ashland, Wis., to Portland, Oregon, with lines to St. Paul, Duluth, etc., and branches, 2,882.36 miles; branches owned, 3,622.48 miles. In addition, the company owns 401.36 miles which are operated by "other companies." Of these, 354.65 miles are located in the Province of Manitoba, and have been leased to the Manitoba Government for 999 years from May 31, 1901, at an annual rental of $210,000 for the first ten years, $225,000 for the second ten years, $275,000 for the third ten years, and $300,000 per annum thereafter, the lessee having the right to purchase the lines at any time for $7,000,000. These lines are now subleased by the Manitoba Government to the Canadian Northern Ry. Co. Other controlled lines separately operated are the Minnesota & International Ry., 167.42 miles. The Spokane, Portland & Seattle Ry., 40.57 miles, is jointly controlled by the Northern Pacific and the Great Northern. Lines extend westward from St. Paul and Duluth to Portland, Seattle, etc., crossing States of Minnesota, North Dakota, Montana, Idaho and Washington. Population of these States in 1890, 2,050,379; in 1900, 2,993,764; in 1910, 4,496,400.

Control of Chicago, Burlington & Quincy System: Jointly with the Great Northern Railway Co., the Northern Pacific Railway owns $107,611,000 capital stock out of $110,839,100 of the Chicago, Burlington & Quincy Railroad, which is deposited as collateral under the 4% joint bonds of these companies.

Northwestern Improvement Co.: In 1897 this company was organized for the purpose of acquiring certain properties of the Northern Pacific Ry., and took over the lands of the St. Paul & Duluth R.R. The Northwestern Improvement Co. has outstanding $6,775,000 capital stock, and $2,960,000 bonds, all of which are owned by the Northern Pacific Railway.

Land Department: In its land department the company reported on June 30, 1916, 6,586,898 acres still undisposed of. The net acreage of land sold during the year was 1,492,267 acres, and the amount realized was $6,432,498.

Management: OFFICERS: J. M. Hannaford, Pres.; Geo. T. Slade, Vice-Pres.; J. G. Woodworth, Vice-Pres.; Geo. T. Earl, Vice-Pres.; Chas. A. Clark, Treas.; Henry A. Gray, Comptroller; E. A. Gay, Sec. and Asst. Treas. DIRECTORS: G. F. Baker, Arthur C. James, Grant B. Schley, William Sloane, Amos T. French, James N. Hill, Payne Whitney, J. M. Hannaford, L. C. Ledyard, J. P. Morgan, Chas. Steele, Thomas W. Lamont, Wm. S. Tod, Geo. F. Baker, Jr., Wm. Sloane. ANNUAL MEETING, first Tuesday in October. MAIN OFFICE, St. Paul, Minn. NEW YORK OFFICE, 34 Nassau Street. TRANSFER AGENTS, J. P. Morgan & Co., New York.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	.....	.....	.....	.....	.....	24.31%	24.79%
Products of Animals.....	.....	.....	.....	.....	.....	.....	.....	.....	1.99	2.13
Products of Mines.....	.....	.....	.....	.....	.....	.....	.....	.....	28.79	30.03
Products of Forests.....	.....	.....	.....	.....	.....	.....	.....	.....	29.37	28.64
Products of Manufactures .	.....	.....	.....	.....	.....	.....	.....	.....	8.30	8.33
Miscellaneous.....	.....	.....	.....	.....	.....	.....	.....	.....	7.24	6.08

Total tonnage, 17,625,225 tons in 1915; 20,995,693 tons in 1916. Classification not available prior to 1915.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	5,443	248	1,255	893	48,449	70%	132,784	1,011,289	407	$2.99	2.26c	.87c
1908	5,633	330	1,314	923	48,106	71	141,018	915,388	441	3.22	2.28	.90
1909	5,671	470	1,323	1,005	47,915	69	135,327	927,613	435	3.14	2.26	.89
1910	5,765	504	1,430	1,119	50,571	65	169,431	939,997	429	2.94	2.18	.90
1911	5,950	574	1,441	1,161	49,560	67	127,609	806,834	461	2.95	2.28	.90
1912	6,025	624	1,416	1,161	49,787	69	107,802	836,544	511	2.95	2.36	.87
1913	6,260	634	1,366	1,162	53,949	72	105,674	995,554	542	3.12	2.39	.84
1914	6,325	636	1,357	1,160	56,227	71	107,869	890,016	567	3.08	2.30	.85
1915	6,461	702	1,361	1,276	52,332	69	92,907*	799,346	573	3.25	2.27	.85
1916	6,501	701	1,356	1,256	51,296	73	94,858	1,079,447	633	3.62	2.25	.79
10-Year Average	6,003	542	1,362	1,112	50,819	70%	121,528	920,203	500	$3.13	2.28c	.87c

Yard tracks and sidings June 30, 1916, 2,578 miles. There are no equipment trusts.

Comment: For the year ended June 30, 1916, the Northern Pacific Company reported the heaviest freight density in its history, and also moved its average freight train load up to a new high figure. As usual the freight tonnage of this property was very well diversified, the company not depending primarily on one type of business for its tonnage. Considering the diversity of the tonnage, the freight rates received appear to be fair and profitable. Train mile earnings last year were very much better than at any previous time during the decade.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$12,590	$1,680	$1,018	$2,698	$1,221	$5,671	$6,100	$441	$5,659	$1,348	76%	$4,311	$1,993
1908	12,112	1,595	1,498	3,093	3,984	5,036	5,860	482	5,378	1,387	74	3,991	1,926
1909	12,071	1,383	1,382	2,765	3,863	5,443	6,095	449	5,546	1,728	69	3,818	2,488
1910	12,927	1,881	1,560	3,441	4,536	4,950	5,741	628	5,113	1,245	76	3,868	3,011
1911	10,909	1,358	1,330	2,688	3,914	4,307	5,206	554	4,752	1,315	72	3,437	2,919
1912	10,526	1,305	1,196	2,501	3,832	4,193	5,080	621	4,459	1,197	73	3,262	2,881
1913	11,609	1,627	1,363	2,990	4,146	4,473	5,262	639	4,623	1,178	74	3,445	2,773
1914	10,837	1,480	1,275	2,755	3,802	4,280	5,220	795	4,425	1,318	70	3,107	2,745
1915	9,777	1,320	1,132	2,452	3,292	4,033	5,649	692	4,957	2,044	59	2,913	2,686
1916	11,680	1,359	1,206	2,565	3,644	5,471	6,755	780	5,975	2,037	66	3,938	2,670
10-Year Average	$11,501	$1,499	$1,296	$2,795	$3,923	$4,786	$5,697	$608	$5,089	$1,480	71%	$3,609	$2,609

Note: Above table is based on average mileage directly operated for each year.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$75,933,017	$63,167,502	$68,544,802	$72,676,139	$63,423,946	$64,912,832
Maintenance of way	8,833,210	8,523,657	9,363,824	10,188,054	7,861,490	8,065,463
Maint. of equipment	7,846,259	7,317,074	8,063,102	8,532,672	7,207,716	7,911,231
All other oper. expenses	23,686,943	21,267,318	24,045,127	25,952,572	23,089,310	23,753,067
Net oper. revenues	$35,566,605	$26,059,453	$27,072,749	$28,002,841	$25,265,430	$25,183,071
Operating ratio	53.2%	58.9%	60.5%	61.5%	60.2%	61.2%
Outside operations	*	*	304,819	308,820	312,750	441,803
Other income	8,479,258	10,439,179	5,639,674	4,625,873	5,021,843	5,340,429
Total net income	$44,045,863	$36,498,632	$33,017,242	$32,937,534	$30,600,023	$30,965,303
Taxes accrued	5,073,560	4,470,959	5,030,584	3,999,028	3,739,079	3,296,797
Balance for charges	$38,972,303	$32,027,673	$27,986,658	$28,938,506	$26,860,944	$27,668,506
Fixed charges	13,242,430	13,208,633	8,331,411	7,374,988	7,197,130	7,225,839
Surplus over ch'ges	$25,729,873	$18,819,040	$19,655,247	$21,563,518	$19,663,814	$20,442,667
Dividends paid	17,360,000	17,356,220	17,360,000	17,360,000	17,360,000	17,360,000
Balance	$8,369,873	$1,462,820	$2,295,247	$4,203,518	$2,303,814	$3,082,267
Earned on stock	10.3%	7.58%	7.93%	8.74%	7 93%	8.24%

* Outside operations included in revenues and expenses above.

Note: Other income in 1916 embraced dividends and interest, $5,053,693; rentals received, $2,626,636; hire-of-equipment credits, $607,309. Fixed charges included interest, $12,329,302; rentals, $597,226.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $83,176,241; credit balance transferred from income, $8,369,874; profit on road and equipment sold, $23,680; unrefundable overcharges, $2,290; miscellaneous credits, $47,796; total, $9,619,881. Contra: Debt discount extinguished through surplus, $2,052; loss on retired road and equipment, $406,975; miscellaneous debits, $312,117; credit balance carried to balance sheet, $90,898,737; total, $9,619,881.

Comment: Both gross and net revenues underwent a notable advance on the Northern Pacific property during the year ended June 30, 1916. Although income from outside sources was lower than in 1915, yet the balance carried forward was far in excess of any previous year, and the surplus for payment of the full fixed charges exceeded 10% on the outstanding capital stock. Since the close of the fiscal year the earnings have been maintained at recent high levels.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. (Omitting C. B. & Q. Jt. 4s and stock offset.) Dividend Record.

Years Ended June 30.	Stock Outstanding and per Cent of Whole.		Bonds Outstanding and per Cent of Whole.		Rentals Cap. at 5 per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907.....	$31,181	42%	$34,301	58%	$589	$66,071	$3,280	$62,791	9.5%	.....	.....	$1,993	7%	.....	54%
1908.....	38,679	53	33,772	47	1,069	73,520	3,305	70,215	8.3	.....	.....	1,926	7	.....	53
1909.....	43,731	56	33,757	44	1,190	78,678	6,303	72,375	8.4	.....	.....	2,488	7	.....	35
1910.....	43,018	56	33,117	44	1,770	77,905	8,028	69,877	8.2	.....	.....	3,011	7	.....	22
1911.....	41,680	57	31,996	43	1,860	75,536	14,332	61,204	8.5	.....	.....	2,919	7	.....	15
1912.....	41,162	57	31,762	43	1,887	74,811	13,114	61,697	8.2	.....	.....	2,881	7	.....	12
1913.....	39,617	56	30,727	44	1,717	72,061	11,722	60,339	8.7	.....	.....	2,773	7	.....	20
1914.....	39,209	56	30,789	44	1,935	71,933	10,464	61,469	8.5	.....	.....	2,745	7	.....	12
1915.....	38,376	54	33,374	46	1,703	73,453	11,108	62,345	9.1	.....	.....	2,686	7	.....	18
1916.....	38,148	54	33,082	46	1,837	73,067	11,150	61,917	10.9	.....	.....	2,670	7	.....	32
10-Year Average } ..	$39,480	54%	$32,668	46%	$1,556	$73,704	$9,281	$64,423	8.8%	.....	.....	$2,609	7%	.....	27%

Note: In "Table C" above, the Great Nor.-Nor. Pacific Joint 4s, secured on C. B. & Q. Ry. stock as collateral, are not included in the bonded debt column, nor is the C. B. & Q. stock included in the investment column. In the comparative balance sheet, one-half of the collateral bonds are included, and also, in the property investment account, the cost of the Northern Pacific's half of the C. B. & Q. stock.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$654,411,271	$651,287,210	$623,532,097	$602,722,702	$586,675,909	$588,325,001
Working assets	40,160,817	29,888,577	48,100,636	49,525,195	54,402,620	53,423,469
Deferred debit items...	7,924,581	7,660,814	7,352,425	6,403,737	6,445,359	6,224,191
Accrued income not due	309,053	296,019	569,672	160,185	596,268	822,395
Total	$702,805,722	$689,132,620	$679,554,830	$658,811,819	$648,120,156	$648,795,056
Liabilities:						
Capital stock	$248,000,000	$248,000,000	$248,000,000	$248,000,000	$248,000,000	$248,000,000
Funded debt	322,685,000	323,242,000	302,351,000	299,966,000	298,979,000	297,939,000
Working liabilities	13,132,521	7,515,521	19,876,369	11,492,032	8,345,367	12,555,322
Accr'd liabilities not due	7,574,507	1,186,868	7,490,543	7,014,954	6,801,569	6,675,904
Deferred credit items..	20,161,202	13,839,206	5,134,630	2,237,285	191,265	153,451
Appropriated surplus ..	353,755	6,172,784	11,929,828	6,401,778	5,542,517	5,397,117
Profit and loss surplus..	90,898,737	83,176,241	84,772,460	83,699,770	80,260,438	78,074,262
Total	$702,805,722	$689,132,620	$679,554,830	$658,811,819	$648,120,156	$648,795,056

Comment: There were practically no capitalization changes in the Northern Pacific during the year ended June 30, 1916. As measured on the mileage basis the net capital of this company is really not very high, and has tended downward in recent years. The net income on net capital has shown great stability, and recently has undergone marked improvement. For the year just closed this net income was equal to 10.9% on this capitalization.

Securities Owned June 30, 1916

Exclusive of securities held to represent the Insurance Fund.

Par Value	Titles of Securities	Book Value
	Securities of Proprietary, Affiliated and Controlled Companies—Unpledged.	
$59,850	St. Paul Union Depot Company Stock	$59,850
169,800	Lake Superior Terminal & Transfer Railway Company Stock	130,001
50,000	Camas Prairie Railway Company Stock	50,000
10,000	Dakota & Montana Railway Company Stock	10,000
20,000,000	Spokane, Portland & Seattle Railway Company Stock	20,000,000
2,150,000	Midland Railway Company of Manitoba Stock	2,150,000
31,855,000	Spokane, Portland & Seattle Railway Company Bonds	22,298,500
18,500	Washington Central Railway Company Bonds	16,775
6,775,000	Northwestern Improvement Company Stock	6,775,000
2,000,000	Gilmore & Pittsburgh Railroad Company Stock	2,000,000

Par Value	Securities of Proprietary Companies, etc., unpledged (con.)	Book Value
$53,856,350	Chicago, Burlington & Quincy Railroad Company Stock	$109,235,888
100,000	Colorado & Southern Railway Company Stock	56,400
345	Lewiston Terminal Company Stock	1
77,000	Minnesota Transfer Railway Company Bonds	77,000
2,960,000	Northwestern Improvement Company Bonds	2,960,000
68,000	Northern Pacific Terminal Company Bonds	78,500
113,550	Ruth Realty Co. Stock	1
3,714,549	Spokane, Portland & Seattle Railway Company Notes	3,502,183
38,208	Duluth Union Depot & Transfer Co. Notes	38,208
4,000,000	Gilmore & Pittsburgh R.R. Notes	2,812,181
187,942	Ruth Realty Co. Notes	177,610
1,429,282	General Advances	1,429,282
$129,633,376	Grand Total	$173,857,380

TABLE D.—Bond Record and Ratings (Based on 10-Year Results. Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Northern Pacific Ry. prior lien 4s	QuJ	Ja 1997	(1st)5,207 (2d) 178	$20,446	$5,089	$690	87%	Very high	Very high	Aaa.
2. Nor. Pacific Ry. gen. lien 3s	QuF	Ja 2047	(2d) 5,207 (3d) 178	10,140		252	88%	"	"	Aaa.
3. Northern Pacific Ry. St. P. & Dul. Div. 4s	J&D	D 1996	(see text)	36,000		49	88%	"	"	Aaa.
4. St. Paul & Nor. Pcf. first 6s	F&A	F 1923	(1st) 178	43,740		62	88%	"	"	Aaa.
5. St. Paul & Duluth R. R. first 5s	F&A	Ag 1931	(1st) 165	6,060		8	88%	"	"	Aaa.
6. St. Paul & Duluth R. R. second 5s	A&O	O 1917	(see text)	9,434	4,399	15	88%	"	"	Aaa.
7. St. Paul & Duluth R. R. consol. 4s	J&D	Je 1968	(see text)	4,717		6	88%	"	"	Aaa.
8. Wash. Cent. Ry. first 4s	Qu Mr	Mr 1948	(1st) 130	14,250		11	88%	"	"	Aa.
9. Gt. Nor. & Nor. Pcf. (C. B. & Q. coll.) 4s	J&J	Jl 1921	(stk. coll.)	.....		*	....	"	"	Aaa.
10. Wash. & Col. Riv. first 4s	J&J	Jl 1935	(1st) 168	(see text)		1	88%	....	.....	Aaa.
11. Nor. Pacific ref. & imp. 4½s	J&J	Jl 2047	(see text)	all		140	88%	High	.....	Aa.

* See below.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $130,000,000; outstanding, $112,085,500. Dated Nov. 10, 1896; due Jan. 1, 1997. Int. paid at J. P. Morgan & Co., New York, and in Berlin at 4.20 marks per dollar. Sinking fund: One-half net proceeds received from sales of lands granted (not to exceed $500,000) to be used annually for purchase of these bonds at not over 110. First lien on 4,770.78 miles, as follows: Ashland, Wis., *via* Moorhead, Minn., Helena, Mont., and Tacoma, Wash., to Portland, Ore., and branch from Pasco to Wallula Junc., Wash., 2,153.48 miles; Washburn Branch, Iron River to Washburn, Wis., 33.78 miles; Little Falls to Morris, Minn., 87.90 miles; Wadena Junc., Minn., to Oakes, N. D., 149.50 miles; Crookstown, Minn., to International Boundary, 190.40 miles; Fertile to Carthage, Minn., 54.34 miles; Fairview to Bayne, N. D., 13.79 miles; Fargo to Streeter, N. D., 148.61 miles; Casselton to Marion, N. D., 60.18 miles; Sanborn to McHenry, N. D., 62.88 miles; Jamestown to La Moure, N. D., 48.55 miles; Oakes Junc. to Oakes, N. D., 15.20 miles; Jamestown to Leeds, N. D., 107.65 miles; Carrington to Turtle Lake, N. D., 85.02 miles; Oberon to Rhodes, N. D., 28.07 miles; McKenzie to Linton, N. D., 44.21 miles; Logan to Butte, Mont., 71.48 miles; Laurel to Red Lodge, Mont., 44.37 miles; Silesia to Bridger, Mont., 19.72 miles; Livingston to Gardiner, Mont., 54.27 miles; Whitehall to Alder and Parrot, Mont., 46.81 miles; Sappington to Norris, Mont., 21 miles; Helena to Queen Siding, Mont., 22.34 miles; Helena to Rimini, Mont., 16.41 miles; Clough Junc. to Marysville, Mont., 12.58 miles; Drummond to Phillipsburg, Mont., 25.94 miles; Missoula to Darby, Mont., 65.47 miles; St. Regis Junc., Mont., to Success, Idaho, 130.58 miles; Hauser to Coeur d'Alene, Idaho, 13.65 miles; Marshall Junc., Wash., to Lewiston, Idaho, 138.76 miles; Pullman, Wash., to Genesee, Idaho, 27.50 miles; Auburn to Seattle, 21.10 miles; Medical Lake to Davenport, Wash., 18.13 miles; Palmer Junc. to Meeker Junc., Wash., 33.57 miles; Kanasket, Wash., to End of Track (Kerriston), 14.79 miles; Cascade Junc. to Wilkeson and Fairfax, Wash., 16.62 miles; Woodinville to Sallal, Wash., 39.17 miles; Snohomish to Everett, Wash., 11.41 miles; Woodinville to Belt Line Junc., Wash., 24.11 miles; Arlington to Darrington, Wash., 28.08 miles; Hartford to Monte Cristo, Wash., 42.12 miles; Wickersham to Bellingham, Wash., 22.74 miles; Lake View to Gate, 43.45 miles; Centralia to Bay City, Wash., 68.59 miles; Aberdeen Junc. to Moclips, Wash., 34.73 miles; Chehalis to South Bend, Wash., 56.68 miles; Vancouver Junc. to Yacolt, Wash., 27.27 miles; Seattle to International Boundary Line, 126.96 miles; together with branches aggregating 73.24 miles; first collateral lien on 533.40 miles, as follows: On the 318.36 miles covered by the North. Pac. & Manitoba Ry. first 5s of 1939, from International Boundary Line to Winnipeg, 65.94 miles; Morris to Brandon, 145.24 miles; Hilton to Hartney, 50.94 miles; Winnipeg to La Portage, 52.54 miles; Portage to Beaver, 20 miles; other branches, 4.94 miles; all

REFERENCE NOTES ON BOND ISSUES (Continued)

in Manitoba; on the 15.05 miles covered by the North. Pac. & Manitoba Ry. first Term. 5s of 1939 from Portage La Prairie to Delta, and terminal property in Winnipeg; all in Manitoba; on the 142.83 miles covered by the Minn. & International Ry. first 5s of 1923, from Brainerd to Grand Fall, Minn., 167.42 miles, and branch to Kelliher, Minn., 11.33 miles; second lien on 178.21 miles, following No. 4; first collateral lien on the following stocks: $7,000 Minn. Transfer Ry.; $150,000 Duluth Union Depot & Transfer Co.; $100,000 North. Pac. Coal Co.; $343,000 North. Pac. Express Co.; $50,000 St. Paul Union Depot Co.; $121,000 Portage & N. W. Ry. Co. and other securities. Total mileage covered by first or first collateral and second lien, 5,385.59 miles. Underlies No. 2 and 11, latter providing for retirement. Legal for Savings Banks in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., Vt., R. I., Wis. Listed on New York, Philadelphia, Boston, London and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax. Coupon, $500 and $1,000; reg., $100 and multiples.

2. Auth., $190,000,000; outstanding, $54,601,500; in treasury, $5,398,500 (closed). Dated Nov. 10, 1896; due Jan. 1, 2047. Int. paid at J. P. Morgan & Co., New York, and in Berlin at 4.20 marks per dollar. Sinking fund: Balance of net proceeds (not to exceed $500,000 per annum) received from sales of lands granted, to be used for purchase of these bonds at not over 110. Second lien on 4,770.78 miles, following No. 1; second collateral lien on 533.40 miles, following No. 1; third lien on 178.21 miles, following No. 1; second collateral lien on stocks covered by No. 1. Underlie No. 11, which provides for retirement. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax. Coupon, $500 and $1,000; reg., $100 and multiples.

3. Auth., $20,000,000; outstanding, $8,080,000. Dated June 15, 1900; due Dec. 1, 1996. Int. paid at J. P. Morgan & Co., New York. Sinking fund: Proceeds from sale of all lands covered by Northwestern Improvement bonds shall be used for the purchase of these bonds at not over 105 and int. First lien on 13.62 miles from White Bear to East Minneapolis, Minn.; third lien on 46.43 miles, following No. 7; fourth lien on 165.22 miles, following No. 7; first collateral lien on lands granted to the St. Paul & Duluth R.R.; first collateral lien on $300,000 capital stock of the Duluth Union Depot & Transfer Co. Underlie No. 11, which provides for retirement. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon and reg., $1,000.

4. Auth., $10,000,000; outstanding, $7,786,000 (closed). Dated June 1, 1883; due Feb. 1, 1923. Int. paid at J. P. Morgan & Co., New York. Sinking fund: After satisfaction of all prior liens, the proceeds of land sales shall be used for purchase of these bonds at not exceeding 120. Assumed by Northern Pacific Ry. First lien from St. Paul to Staples, Minn., 139.31 miles, and Little Falls to Brainerd, Minn., 32.91 miles; branches, 6 miles; total, 178.22 miles. Underlie Nos. 1, 2 and 11, with provision by latter to retire. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon and reg., $1,000.

5. Auth. and outstanding, $1,000,000. Dated July 1, 1881; due Aug. 1, 1931. Int. paid at J. P. Morgan & Co., New York. Assumed by Northern Pacific Ry. First lien on 165.22 miles, as follows: From St. Paul to Duluth, Minn., 137.73 miles; branch from Carlton to Cloquet, Minn., 6.95 miles; from Wyoming to Taylor's Falls, 20.54 miles. Underlie Nos. 3, 6, 7 and 11, with provision by No. 11 to retire. Legal for S. B. in Cal., Conn., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000.

6. Auth. and outstanding, $2,000,000. Dated Oct. 1, 1887; due Oct. 1, 1917. Int. paid at J. P. Morgan & Co., New York. Assumed by Northern Pacific Ry. First lien on 46.43 miles from Rush City, Minn., to Grantsburg, Wis.; 12.20 miles from Smithville to Fond du Lac, Wis.; 4.41 miles from Groninger to Banning, Minn.; 12.74 miles from White Bear Lake to Stillwater, Minn.; second lien on 165.22 miles, following No. 5. Underlies Nos. 3, 7 and 11, with provision by latter to retire. Legal for S. B. in Cal., Conn., Mass., N. H., N. Y., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000.

7. Auth., $5,000,000; outstanding, $1,000,000 (closed). Dated June 1, 1898; due June 1, 1968. Int. paid at J. P. Morgan & Co., New York. Assumed by Northern Pacific Ry. Second lien on 46.43 miles, following No. 6; third lien on 165.22 miles, following No. 6. Underlies No. 3 and 11, with provision by latter to retire. Legal for S. B. in Cal., Conn., Mass., N. H., N. Y., R. I. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000.

8. Auth., $1,853,000, plus $15,000 per mile additional; outstanding, $1,853,000. Dated June 1, 1898; due Mar. 1, 1948. Int. paid at Bankers' Trust Co., New York. Guar. as to int. under 999 years lease by Northern Pacific Ry. First lien from Cheney to Coulee City and Adrian, Wash., 129.88 miles. Underlie No. 11, which provides for retirement. Legal for S. B. in Cal., Mass. Listed on New York Stock Exchange. Coupon, $500 and $1,000; reg., $100 and multiples.

9. See full details in analysis of Great Northern Railway Co.

10. Auth., $2,620,000, plus $20,000 per mile additional; outstanding, $140,000; in treasury, $2,480,000 (closed). Dated Mar. 1, 1895; due July 1, 1935. Int. paid at 34 Nassau St., New York. Assumed by Northern Pacific Ry. First lien on 167.65 miles, as follows: From Pendleton, Ore., to Dayton, Wash., 127.26 miles; Eureka Junc. to Pleasant View, Wash., 19.73 miles; Killian Junc. to Athena, Ore., 14.54 miles; and Walla Walla to Tracy, Wash., 6.12 miles. Underlie No. 11, which provides for retirement. Legal for S. B. in Cal., Conn., Maine, Mich., Minn., N. H., N. Y., N. J., R. I., Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000.

11. Auth., $500,000,000 (see below); outstanding, $20,000,000. Dated July 1, 1914; due July 1, 2047. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000 and multiples. Interchangeable. Issued in series, those now outstanding being "Series A." These are callable after July 1, 1919, at 110 and interest on 3 months' notice. Rate of interest on further issues to be fixed by the board of directors. The mortgage covers the Northern Pacific system of railways, their appurtenances and equipment; but not the company's granted lands, its treasury holdings of bonds, the bonds or stock of the Northwestern Improvement Co., or the stock of the Northern Pacific and Northern Express Companies. A direct or collateral lien on 6,891.74 miles, of which 868.54 are covered by first lien; second lien on 311.07 miles, following Nos. 3, 8 and 10; third lien on 4,770.78 miles; third collateral lien on 533.40 miles; fourth lien on 242.68 miles and fifth lien on 165.22 miles. Also a lien on securities covered by Nos. 1 and 2 and in addition a first lien on the following stocks: $148,800 Lake Superior Terminal & Transfer Co., $59,850 St. Paul Union Depot Co., $20,000,000 Spokane, Portland & Seattle Ry. Of the bonds issuable under the mortgage, $421,292,500 are reserved for refunding purposes. The total authorized issue is limited, so that the

amount thereof, at any one time outstanding, together with all outstanding prior debt of the company as defined in the mortgage, after deducting therefrom the amount of all bonds reserved under the provisions of the mortgage, to retire debt at or before maturity, shall never exceed three times the company's outstanding capital stock; but if, at any time, the amount of bonds outstanding, when added to the aggregate amount then reserved to refund prior debt, shall be $500,000,000, no additional bonds shall thereafter be issued, in respect of work or property, in any amount exceeding 80% of the cost thereof, certified to the Corporate Trustee pursuant to provisions of the mortgage regulating the issue of bonds for future acquisitions by the company. Of the bonds in excess of the $421,492,500 reserved for refunding, $20,000,000 were issued immediately. The remainder of the bonds are issuable only to pay for work or property adding to or bettering the mortgaged estate, and coming under the lien of the mortgage. Follows Nos. 1 to 10, and provide for retirement of all. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Northern Pacific Ry. stock..... Par $100. Outstanding, $248,000,000.	7% Qu F	$38,148	$3,609	$2,670	26%	Good	High	A.*

For Key to Stock Ratings, see page 21. * For 7% dividend.

REFERENCE NOTE ON STOCK ISSUE

Authorized, $250,000,000. There was originally $75,000,000 of preferred which was exchanged for common in 1902. Dividends have been paid as follows: 1899, 2%; 1900, 4%; 1902, 5½%; 1903 to date, 7% per annum. An extra dividend of 11.26% was paid Nov. 19, 1908, from the accumulated surplus of the Northwestern Improvement Company. Transfer Agents, J. P. Morgan & Co., New York, and Deutsche Bank, Berlin. Listed on New York Stock Exchange.

COMPANIES CONTROLLED BY NORTHERN PACIFIC RAILWAY

GILMORE AND PITTSBURG RAILROAD COMPANY, LTD.

History: Incorporated under laws of Idaho, Mar. 11, 1907. Connects at Armstead, Mont., with Oregon Short Line R.R.

Location: Road extends from Armstead, Mont., to Gilmore, Idaho, with branch to Salmon, Idaho, 120 miles; second track and sidings, 13 miles.

Equipment: Locomotives, 4; cars, passenger, 15; box, 99; flat, 39; gondola, 102; caboose, 2; refrigerator, 2; service, 14; total cars, 273.

Management: Officers: J. M. Hannaford, Pres.; R. H. Relf, Sec.; C. A. Clark, Treas., St. Paul, Minn.; B. O. Johnson, Mgr., Livingston, Mont.; W. N. Bichler, Supt. & Aud., Armstead, Mont. Directors: J. M. Hannaford, C. W. Bunn, George T. Slade, R. W. Clark, St. Paul; W. A. McCutcheon, Pittsburgh, Pa.; H. W. Child, Helena, Mont.; H. M. Shaw, Salmon, Idaho. Annual meeting in July at Gilmore, Idaho. General Office, St. Paul, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$140,955	$117,724	$120,994
Operating expenses	117,787	93,714	115,655
Net operating revenues	$23,168	$24,010	$5,339
Other income	31,196	25,993	21,919
Total net income	$54,364	$50,003	$27,258
Fixed charges, including taxes	263,580	261,110	471,075
Deficit	$209,216	$211,107	$443,817

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $664,930; debit balance transferred from income, $209,216; loss on retired road and equipment, $6,271; miscellaneous debits, $13,981; total, $894,398. Contra: Unrefundable overcharges, $74; miscellaneous credits, $21; debit balance carried to balance sheet, $894,303; total, $894,398.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914
Property investment	$5,474,033	$5,511,235	$5,441,390
Working assets	344,144	321,730	294,047
Accrued income not due	67	.....	.....
Deferred debit items	29,743	5,755	94,857
Profit and loss	894,303	664,930	432,054
Total	$6,742,290	$6,503,650	$6,253,348
Liabilities:			
Capital stock	$2,000,000	$2,000,000	$2,000,000
Working liabilities	4,720,000	4,287,573	4,000,146
Accrued liabilities not due	21,776	250,943	252,080
Deferred credit items	514	5,134	1,122
Total	$6,742,290	$6,503,650	$6,253,348

Capital Stock: Authorized and outstanding, $2,000,000. Par, $100. No bonded debt. No voting control passed or exercised. Northern Pacific Ry. owns entire issue.

MINNESOTA & INTERNATIONAL RAILWAY

Incorporated under laws of Minnesota, July 1, 1909. Line of road East Brainerd to Northome, Minn., with various branches and spurs, 158.09 miles; trackage rights from Northome to Big Falls, Minn., 37.70 miles; total mileage operated, 195.79 miles. Sidings, 28.79 miles. Equipment: Locomotives, 24; passenger and freight cars, 560. Controlled through stock ownership by Northern Pacific Railway.

Management: OFFICERS: J. M. Hannaford, Pres., St. Paul, Minn.; W. P. Clough, Vice-Pres., New York, N. Y.; C. A. Clark, Treas.; R. F. Relf, Sec., St. Paul, Minn. Annual meeting, in October. OFFICE, Brainerd Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910	1909
Miles operated	195.79	196.25	179.62	177.24	177.24	177.13	177.04	177.04
Gross earnings	$839,854	$824,560	$976,182	$927,968	$849,455	$844,946	$770,042	$603,552
Net earnings	278,719	254,492	275,832	316,188	299,222	348,105	231,208	206,681
Total net income..	75,509	82,520	83,319	122,106	152,067	204,919	197,784	96,192

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $719,837; credit balance transferred from income, $75,509; delayed income credit, $146; total, $795,492. Contra: Surplus appropriated for investment in physical property, $16,903; credit balance carried to balance sheet, $778,260; delayed income debits, $329; total, $795,492.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$3,584,819	$3,588,680	$2,710,773	$2,635,898	$2,593,844	$2,592,115
Working assets	744,191	612,599	1,477,719	1,532,495	1,419,940	1,255,515
Accrued income not due	7,420	7,420	7,420	7,420	7,420	7,420
Deferred debit items...	1,298	1,489	2,223	1,625	912	900
Total	$4,337,728	$4,210,188	$4,198,135	$4,177,438	$4,022,116	$3,855,950
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	2,145,000	2,145,000	2,145,000	2,145,000	2,145,000	2,145,000
Working liabilities	175,971	138,824	180,167	216,610	173,958	130,758
Accrd. liabilities not due	23,187	21,351	24,023	25,798	18,469	18,030
Deferred credit items...	7,785	7,785	7,785	.....	270	.....
Appropriated surplus ..	697,525	677,391	660,642	563,967	496,731	470,038
Profit and loss	778,260	719,837	680,518	726,063	687,688	586,124
Total	$4,337,728	$4,210,188	$4,198,135	$4,177,438	$4,022,116	$3,855,950

Bonded Debt: $2,145,000 Minnesota & International Ry. first 5s; dated July 1, 1903; due July 1, 1923; int. paid at office of Northern Pacific Ry. Coupon, $1,000; interchangeable. First lien on entire property. All owned by Northern Pacific Railway.

Capital Stock: Auth. and outstanding, $500,000; par $100. The Northern Pacific Railway owns $350,000 of the issue. Dividends of 5% per annum are regularly paid.

NORTHWESTERN PACIFIC RAILROAD

Origin: Incorporated in California, January 8, 1907, as a consolidation of the Northwestern Pacific Ry., Eurcka & Klamath River R.R., San Francisco & Northern Pacific Ry., California Northwestern Ry., etc., in the interest of the Atchison, Topeka & Santa Fe Ry. and the Southern Pacific Co., which companies jointly own the capital stock.

Location: Operates 523.29 miles of road, all in California, of which 132 miles are from Tiburon to Willits; Willits to Eureka, 106 miles. Second track, 15.62 miles. Sidings, 125.15 miles. Equipment: Locomotives, 73; passenger, freight and company cars, 1,557. Steamboats, 6; barges, 1; other boats, 3.

Management: OFFICERS: W. S. Palmer, Pres. and Gen. Mgr.; A. H. Payson, Vice-Pres.; W. R. Scott, Vice-Pres.; H. W. Ellicott, Treas.; G. L. King, Sec.; W. J. Sperbeck, Compt. DIRECTORS: A. H. Payson, W. F. Herrin, E. S. Pillsbury, W. A. Bissell, Wm. Sproule, W. S. Palmer, W. G. Barnwell, E. O. McCormick, W. R. Scott. Annual meeting, first Wednesday after January 1. OFFICE, San Francisco.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	15.2%	19.5%	19.2%	15.0%	15.8%	16.0%	14.5%	11.9%	14.1%	14.3%
Products of Animals.....	6.7	3.4	4.9	4.1	4.3	4.4	4.8	3.7	3.1	3.2
Products of Mines.....	7.1	7.2	5.1	6.3	5.5	4.7	7.8	10.1	10.8	9.8
Products of Forests.....	33.5	36.3	35.1	38.6	35.5	36.7	36.7	34.7	37.9	44.3
Manufactures.....	23.1	19.7	21.8	22.6	25.5	24.7	23.0	23.9	14.3	12.4
Merchandise and Miscel...	14.4	13.9	13.9	13.4	13.4	14.5	13.2	15.7	19.8	16.0

Total revenue tonnage: 358,739 tons in 1907; 763,564 tons in 1908; 736,224 tons in 1909; 871,654 tons in 1910; 933,028 tons in 1911; 1,004,549 tons in 1912; 1,116,530 tons in 1913; 1,142,143 tons in 1914; 946,787 tons in 1915; 1,021,976 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	378	9	51	177	1,326	40%	120,212	35,431	80	$2.33	1.57c	4.17c
1908.....	373	9	61	208	1,370	37	287,088	78,665	79	2.34	1.58	3.89
1909.....	375	8	60	208	1,371	38	281,943	74,801	83	2.42	1.55	4.16
1910.....	376	12	60	201	1,372	40	284,260	88,095	99	2.35	1.56	3.78
1911.....	376	13	59	205	1,432	40	291,663	101,226	108	2.40	1.60	3.57
1912.....	401	13	59	215	1,428	39	288,366	89,019	106	3.32	1.63	3.76
1913.....	401	13	60	209	1,386	38	311,679	88,955	116	2.28	1.61	3.58
1914.....	401	16	66	206	1,363	38	314,405	97,202	115	2.23	1.62	3.68
1915.....	417	16	75	246	1,325	38	286,146	90,831	115	2.05	1.52	3.55
1916.....	507	16	73	244	1,313	41	256,839	122,207	141	2.22	1.60	2.83
10-Year Average	401	13	62	212	1,369	39%	272,260	87,644	101	$2.29	1.58c	3.70c

Comment: The business of this company is more largely passenger than freight, and in recent years the passenger density has been maintained at relatively high figures. In 1916, however, a notable improvement was shown in the freight density, and the average freight train load was moved up to a new high figure. The business is evidently profitable, as shown by the relatively high passenger rates and the substantial train mile earnings. The freight traffic, although light, is well diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$3,663	$750	$396	$1,146	$1,472	$1,045	$1,220	$127	$1,093	$710	35%	$383	.....
1908.....	8,275	1,864	1,336	3,200	3,351	1,721	2,094	299	1,795	1,676	7	119	.....
1909.....	8,061	1,588	1,173	2,761	3,242	2,058	2,347	290	2,057	1,716	16	341	.....
1910.....	8,425	1,427	1,088	2,515	3,314	2,596	2,974	345	2,629	1,717	35	912	.....
1911.....	8,962	1,573	1,336	2,909	3,735	2,318	2,679	366	2,313	1,736	25	577	.....
1912.....	8,726	1,601	1,213	2,814	3,579	2,333	2,590	357	2,233	1,551	30	682	.....
1913.....	9,251	1,329	1,247	2,576	3,895	2,780	3,050	381	2,669	1,502	44	1,167	.....
1914.....	9,341	1,463	1,270	2,733	3,883	2,725	2,980	456	2,524	1,609	36	915	.....
1915.....	8,558	1,443	1,202	2,645	3,588	2,325	2,718	457	2,261	1,640	28	622	.....
1916.....	8,520	1,302	989	2,291	3,139	3,090	3,359	401	2,955	2,705	8	250	.....
10-Year Average	$8,178	$1,434	$1,125	$2,559	$3,320	$2,299	$2,601	$348	$2,253	$1,656	26%	$597	.....

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$4,319,598	$3,568,564	$3,745,808	$3,709,766	$3,499,099	$3,369,859	$3,167,806
Maintenance of way	660,183	601,741	586,858	532,889	641,869	591,525	536,473
Maintenance of equipment.....	501,547	501,057	509,277	500,233	486,384	502,244	409,078
All other operating expenses...	1,591,225	1,496,395	1,557,224	1,561,723	1,435,365	1,404,289	1,246,185
Net operating revenues....	$1,566,643	$969,371	$1,092,446	$1,114,921	$935,481	$871,801	$976,070
Operating ratio	63.7%	72.8%	70.8%	70%	73.3%	74.1%	69.2%
Other income	136,728	164,212	102,790	106,219	100,464	134,934	141,432
Total net income.....	$1,703,371	$1,133,583	$1,195,156	$1,221,141	$1,035,945	$1,006,735	$1,117,502
Taxes accrued	205,281	190,489	182,852	152,648	143,175	137,700	129,900
Balance for charges.....	$1,498,090	$943,094	$1,013,304	$1,068,493	$892,770	$869,035	$987,602
Fixed charges, etc.	1,413,003	723,485	684,824	640,100	631,703	653,817	651,004
Surplus	$85,087	$219,609	$327,480	$428,393	$261,067	$215,218	$336,598

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,379,130; credit balance transferred from income, $85,087; unrefundable overcharges, $1,369; donations, $10,904; miscellaneous credits, $34,650; total, $3,511,140. Contra: Debt discount extinguished through surplus, $3,155; loss on retired road and equipment, $17,845; credit balance carried to balance sheet, $3,484,641; miscellaneous debits, $5,499; total, $3,511,140.

Comment: For the fiscal year ended June 30, 1916, both gross and net revenues improved substantially on the Northwestern Pacific Railroad. Although fixed charges were practically doubled during the year, it will be noted that the company reported a surplus after making all payments.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and per Cent of Whole.		Bonds Outstanding and per Cent of Whole.		Rentals Cap. at 5 per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$92,593	75%	$31,069	25%	.....	$123,662	.....	$123,662	1. %	.....	.....	.....	.....	.....	.....
1908.....	93,834	74	33,019	36	.....	126,853	.....	126,853	1.6	.....	.....	.....	.....	.....	.....
1909.....	93,333	68	44,312	32	.....	137,645	$11,483	126,162	1.9	.....	.....	.....	.....	.....	.....
1910.....	93,085	68	44,000	32	.....	137,085	10,755	126,330	2.3	.....	.....	.....	.....	.....	.....
1911.....	93,085	68	43,915	32	.....	137,000	6,545	130,455	2.1	.....	.....	.....	.....	.....	.....
1912.....	87,282	57	65,319	43	.....	152,601	8,728	143,873	1.8	.....	.....	.....	.....	.....	.....
1913.....	87,282	61	56,519	39	.....	143,801	.....	143,801	2.1	.....	.....	.....	.....	.....	.....
1914.....	87,282	60	57,581	40	.....	144,863	.....	144,863	2.1	.....	.....	.....	.....	.....	.....
1915.....	83,933	57	63,681	43	.....	147,614	.....	147,614	1.8	.....	.....	.....	.....	.....	.....
1916.....	69,034	55	56,893	45	.....	125,927	2,110	123,817	2.7	.....	.....	.....	.....	.....	.....
10-Year Average	$88,074	64%	$49,631	36%	.....	$137,705	$3,962	$133,743	1.9%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$65,374,349	$65,211,461	$61,191,404	$57,048,506	$54,183,359	$51,220,762
Working assets	811,022	898,538	678,769	3,622,406	9,483,703	6,654,008
Deferred debit items...	1,087,869	1,083,236	866,504	996,205	1,146,866	518,069
Total	$67,273,240	$67,193,235	$62,736,677	$61,667,117	$64,813,928	$58,392,839
Liabilities:						
Capital stock	$35,000,000	$35,000,000	$35,000,000	$35,000,000	$35,000,000	$35,000,000
Funded debt	27,775,000	26,879,000	23,090,000	22,664,000	26,193,000	20,012,000
Working liabilities	476,778	748,466	1,135,726	849,729	906,335	1,068,641
Accrued liabilities	359,615	340,937	280,904	281,407	281,469	137,597
Deferred credit items...	59,502	737,535	18,834	23,908	7,499	30,727
Appropriated surplus ..	117,704	108,167	757,318	717,824	678,719	640,426
Profit and loss surplus..	3,484,641	3,379,130	2,453,895	2,130,249	1,746,906	1,503,448
Total	$67,273,240	$67,193,235	$62,736,677	$61,667,117	$64,813,928	$58,392,839

Comment: There was a moderate increase in the funded debt of the Northwestern Pacific Railroad during the year ended June 30, 1916. As measured on the mileage basis, this property is very heavily capitalized and as the earning power is rather light the company has in some years shown a very small net income on net capital.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. California N. W. Ry. first 4s	A&O	Ap 1928	(1st) 40	$23,350	$2,253	$74	81%	High	Fair	Aa.
2. San Fran.&No. Pcf. Ry. first 5s	J&J	Ja 1919	(1st) 164	22,079		357	81%	"	"	A.
3. Northwestern Pcf. ref. 4½s	M&S	Mr 1957	(1st) 307 (2d) 204	45,300	1,822	2,059	.....	Fair	.....	Ba.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $934,000; dated Mar. 17, 1898; due April 1, 1928; int. paid at company's office in New York or San Francisco. Coupon, $1,000. First lien on 40 miles of road, from Ukiah to Sherwood, Cal. Sinking fund, ½ of 1% per annum to retire at 110. Underlies No. 3, which provides for retirement. Normal income tax deducted from interest.

2. Auth. and outstanding, $3,621,000; dated Jan. 1, 1889; due Jan. 1, 1919; int. paid at Ladenburg, Thalmann Co., New York and in San Francisco, and Frankfort-on-Main, Germany. Coupon, $1,000. First lien on 164.35 miles, as follows: Tiburon to Ukiat, 106.06 miles; Ignacio to Glen Ellen, 26.59 miles; Fulton to Monte Rio, 19.72 miles; Junction to Donahue, 5.65 miles; Santa Rosa to Sebastopol, 6.33 miles. Sinking fund, $25,000 yearly to retire at 110 and int. Underlie No. 3, which provides for retirement. Listed on New York Stock Exchange. Normal income tax deducted from interest. Market: E. Bunge & Co., Byrne & McDonnell, New York.

3. Auth., $35,000,000; outstanding, $23,196,000, of which the Southern Pacific Co. owns $23,032,000; dated Mar. 1, 1907; due Mar. 1, 1957; int. paid in New York. Coupon and reg., $1,000, interchangeable. Callable Sept. 1, 1917, or any interest date thereafter. Sinking fund of $10,000 per annum to purchase bonds at not exceeding 110. First lien on 307.17 miles, as follows: Sausalito to Cazadero, 77.83 miles; Willetts toward Eureka, 105.64 miles; Arcata to Trinidad, 19.82 miles; Albion to Christine, 25.66 miles; Arcata to Shively, 47.34 miles; shorter branches, 30.88 miles; second lien on 204.41 miles, following Nos. 1 and 2. Sufficient are reserved to retire Nos. 1 and 2. Interest paid without deduction for normal income tax.

Capital Stock: Outstanding, $35,000,000, of which the Atchison, Topeka & Santa Fe R.R., and the Southern Pacific Company each own one-half. Par, $100.

THE PENNSYLVANIA RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated April 3, 1846, under Pennsylvania laws. The original line extended from Harrisburg to Pittsburgh, and was opened for traffic Feb. 15, 1854. The distance was 249.29 miles. In the meantime a division from Harrisburg eastward to Hollidaysburg was under construction. This latter connected with the Portage Railroad, then owned by the State of Pennsylvania, and known by the name of the Philadelphia & Columbia R.R. The latter was purchased by the Pennsylvania R.R. Co., in 1857, and in the meanwhile the Harrisburg, Portsmouth, Mt. Joy & Lancaster R.R. was leased. With these acquisitions the company had a complete system extending from Philadelphia to Pittsburgh.

Additional lines were acquired from time to time as part of the directly operated system, which on Dec. 31, 1915, aggregated 4,541.04 miles, and was made up as follows:

(1) Eastern Pennsylvania Division—Lines owned, 1,200.95 miles; lines operated under contract, 82.93 miles; used under traffic rights, 55.67 miles; total, 1,339.55 miles.

(2) Western Pennsylvania Division—Lines owned, 733.91 miles; used under traffic rights, 7.78 miles; total, 741.69 miles.

(3) New Jersey Division—Lines owned, 5.34 miles; lines operated under contract, 459.16 miles; used under traffic rights, 76.58 miles; total, 541.08 miles.

(4) Central Division—Lines owned, 603.12 miles; lines operated under contract, 458.59 miles; used under traffic rights, 50.91 miles; total, 1,112.62 miles.

(5) Northern Division—Lines owned, 225.34 miles; lines operated under contract, 550.81 miles; used under traffic rights, 29.95 miles; total, 806.10 miles.

In addition to above, the Pennsylvania R.R. operates, as part of its New Jersey Division, the Delaware & Raritan Canal, 66 miles, and the Hudson River ferries. It also owns 13.39 miles of lines in Pennsylvania, which are operated by other companies in the general system.

Location: The directly operated lines of the company extend throughout the States of Pennsylvania and New Jersey, including the main line from New York City *via* Philadelphia to Pittsburgh. Population of these States in 1890, 6,702,947; in 1900, 8,185,784; in 1910, 10,222,278.

Controlled Companies: Including its directly operated lines as above, the Pennsylvania Railroad Company controls the following properties: (Those which are separately operated from the main system, are all independently described and analyzed on the following pages.)

East of Pittsburgh and Erie (total 6,736.79 miles).

	Miles.
Baltimore, Chesapeake and Atlantic Railway.	87.61
Baltimore and Sparrows Point R.R.	5.43
Cape Charles R.R.	12.22
Central Division, Pennsylvania Railroad.	1,112.62
Cherry Tree and Dixonville Railroad.	38.39
Cornwall and Lebanon R.R.	26.44
Cumberland Valley Railroad Lines.	163.65
Eastern Pennsylvania Division, Penn. R.R.	1,339.55
Long Island Railroad Lines.	397.53
Maryland, Delaware and Virginia Railway.	82.62
Monongahela Ry.	106.40
New Jersey Division, Pennsylvania Railroad.	541.08
New York, Philadelphia and Norfolk R.R.	112.00
Northern Division Pennsylvania R.R.	806.10
Philadelphia & Camden Ferry Co.	1.00
Philadelphia, Balt. and Wash. R.R. Division.	717.07
Rosslyn Connecting Railroad.	3.14
Susquehanna, Bloomsburg & Berwick R.R.	41.83
West Jersey and Seashore Railroad Division.	360.39
Western Penn. Div., Pennsylvania Railroad.	741.69

West of Pittsburgh and Erie (total, 5,338.82 miles).

	Miles.
Central Indiana Ry.	117.74
Cincinnati, Lebanon and Northern Railway.	76.17
Grand Rapids and Indiana Railway Lines.	567.50
Manufacturers Railway	3.02
Ohio River and Western Railway.	111.75
Pennsylvania Co., Proprietary Department.	1,758.08
Pennsylvania Terminal Ry.	4.79
Pittsburgh, Chartiers and Youghiogheny Ry.	20.56
Pittsburgh, Cincinnati, Chicago & St. Louis Ry.	1,488.98
Toledo, Peoria and Western Railway.	247.70
Vandalia Railroad Lines	912.02
Waynesburg and Washington Railroad.	28.16
Wheeling Terminal Railway.	9.65
Total length of the System, Dec. 31, 1915.	12,102.61

Income Accounts: The following is a condensation of the income accounts of all transportation companies east and west of Pittsburgh and Erie that are owned, operated or controlled by or affiliated in interest with the Pennsylvania Railroad system east and west of Pittsburgh and Erie, as presented in the annual report of the Pennsylvania Railroad for the year ended Dec. 31, 1915.

Companies East of Pittsburgh and Erie.	Operating Revenue.	Expenses, Including Taxes.	Operating Income.	Other Income.	Gross Income.	Interest, Rentals, Dividends and all Other Charges.	Surplus or Deficit.
Penna. R.R. Co.	$196,628,170.10	$150,377,245.42	$46,250,924.68	$20,375,320.66	$66,626,245.34	$66,626,245.34	.....
P., B. & W. R.R.	21,311,136.99	17,096,083.79	4,215,053.20	1,364,687.02	5,579,740.22	5,434,412.59	*$145,327.63
W. J. & Sea. R.R.	6,942,484.74	5,855,868.46	1,086,616.28	134,201.73	1,220,818.01	1,213,976.23	* 6,841.78
Cumberl. Val. R.R.	3,091,214.28	1,949,638.67	1,141,575.61	166,078.74	1,307,654.35	1,307,654.35	.....
Con. or affil. co's.	24,485,217.15	18,814,986.98	5,670,230.17	1,331,486.88	7,001,717.05	7,082,559.25	† 80,842.20
Totals.	$252,458,223.26	$194,093,823.32	$58,364,399.94	$23,371,775.03	$81,736,174.97	$81,664,847.76	* $71,327.21

* Surpluus. † Deficit.

Companies West of Pittsburgh and Erie.	Operating Revenue.	Expenses, Including Taxes.	Operating Income.	Other Income.	Gross Income.	Interest, Rentals, Dividends and all Other Charges.	Surplus or Deficit.
Penna. R.R. Co...	$60,857,677.21	$44,335,503.13	$16,522,174.08	$10,247,424.05	$26,769 598.13	$26,769,598.13	.....
P.C.C.& St.L.R.R.	41,445,689.98	32,199,563.86	9,246,126.12	735,592.06	9,981,718.18	8,145,481.79	*$1,836,236.39
Vandalia R.R.....	11,426,270.29	9,135,895.03	2,290,375.26	109,548.72	2,399,923.98	2,088,274.55	* 311,649.43
G.R. & Ind.Ry.Co.	5,330,928.38	4,245,684.09	1,085,244.29	58,199.53	1,143,443.82	1,103,598.85	* 39,844.97
Con. or affil. co's.	3,420,856.69	3,014,775.31	406,081.38	525,036.35	913,117.73	1,003,499.43	† 72,381.70
Totals.....	$122,481,422.55	$92,931,421.42	$29,550,001.13	$11,675,800.71	$41,225,801.84	$39,110,452.75	*$2,115,349.09
Grand totals...	$374,939,645.81	$287,025,244.74	$87,914,401.07	$35,047,575.74	$122,961,976.81	$120,775,300.51	*$2,186,676.30

* Surpluus. † Deficit.

Interest in Other Companies: Prior to 1913, the Pennsylvania R.R. owned a large amount of both common and preferred stock of the Baltimore & Ohio R.R., but in 1913 the entire holdings were exchanged, by an agreement with the Union Pacific R.R., for a substantial interest in the stock of the Southern Pacific Company. For full details of this exchange, see Southern Pacific and Union Pacific analyses in this volume. The Pennsylvania R.R. at the opening of 1916, held $38,573,400 common and $6,320,000 preferred stock of the Norfolk & Western R.R., while the Northern Central Ry. and the Pennsylvania Company held additional amounts. See list of all investment holdings on pages 544 to 546.

Management: OFFICERS: Samuel Rea, Pres.; Geo. D. Dixon, Vice-Pres.; Henry Tatnall, Vice-Pres.; W. W. Atterbury, Vice-Pres.; W. Heyward Myers, Vice-Pres.; A. J. County, Vice-Pres.; Lewis Neilson, Sec.; Jas. F. Fahnestock, Treas. DIRECTORS: Wm. H. Barnes, George Wood, C. Stuart Patterson, Effingham B. Morris, Thos. De Witt Cuyler, Bayard Henry, G. K. McFadden, L. L. Rue, Henry C. Frick, Chas. E. Ingersoll, Percival Roberts, Jr., Samuel Rea, Henry Tatnall, W. W. Atterbury, Joseph Wood, Geo. D. Dixon, W. Heyward Myers. Annual meeting, second Tuesday in March. NEW YORK OFFICE, Pennsylvania Station, 7th Ave. & 32d St. GENERAL OFFICE, Broad Street Station, Philadelphia, Pa.

Classification of Freight Tonnage (Years Ending December 31, 1907–1912; June 30, 1913–1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	5.18%	6.04%	4.75%	4.16%	4.36%	4.06%	4.34%	4.45%	5.9%	5.2%
Products of Animals.....	1.43	1.65	1.56	1.22	1.12	.88	1.05	1.34	1.8	1.6
Products of Mines.....	64.75	65.38	66.02	65.89	63.07	61.02	61.86	67.16	65.1	63.2
Products of Forests.....	4.56	4.95	4.82	4.57	3.91	3.43	3.91	4.16	4.3	4.2
Manufactures.....	20.38	18.68	19.32	19.81	16.85	14.62	15.10	15.09	14.5	16.6
Merchandisc and Miscel...	3.70	3.30	3.53	4.35	10.69	15.99	13.74	7.80	8.4	9.2

Total freight tonnage, in 1899, 100,054,226 tons; in 1907, 223,810,000 tons; in 1908, 182,083,103 tons; in 1909, 214,941,159 tons; in 1910, 129,858,353 tons; in 1911, 125,175,068 tons; in 1912, 143,480,431 tons; in 1913, 153,503,355 tons; 135,054,623 tons year ended June 30, 1914; 132,625,711 tons year ended June 30, 1915; 151,106,955 tons year ended June 30, 1916.

While a heavy carrier of miscellaneous freight, the Pennsylvania directly operated lines transport an enormous amount of bituminous coal.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEAR ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	3,902	2,123	3,215	2,070	56,287	75%	417,648	5,503,121	574	$2.62	1.92c	.58c
1908 "	3,980	2,149	3,210	2,083	61,139	73	368,341	4,269,464	602	2.61	1.97	.57
1909 "	3,947	2,134	3,212	2,172	67,430	73	392,224	4,840,916	656	2.86	1.96	.58
1910 "	3,977	2,175	3,426	2,222	78,580	73	425,968	5,099,717	649	2.79	1.96	.58
1911 "	4,018	2,198	3,517	2,474	141,834	72	428,777	4,833,148	671	2.77	1.98	.59
1912 "	4,025	2,212	3,532	2,704	143,102	73	456,753	5,469,201	685	2.89	1.96	.58
1913 June 30	4,032	2,392	3,546	2,677	149,935	73	474,214	5,658,605	701	3.00	1.92	.58
1914 "	4,084	2,420	3,762	2,820	157,226	72	481,691	5,430,286	730	3.00	1.92	.58
1915 "	4,528	2,551	4,013	2,996	163,227	70	421,713	4,712,983	727	3.13	1.99	.60
1916 "	4,534	2,583	3,973	2,993	165,968	72	449,921	5,699,666	772	3.47	2.06	.61
10-Year Average	4,103	2,294	3,541	2,521	118,473	73%	431,725	5,151,711	677	$2.91	1.97c	.59c

Yard tracks and sidings, June 30, 1915, 4,386 miles; June 30, 1916, 4,434 miles.

Comment During the year ended June 30, 1916, the Pennsylvania Railroad Company reported a decided increase in its freight density, bringing the average figures even above the high exhibit of 1913. The company also reported an increase in its passenger density and its average freight train load moved up to a new high figure. The train mile earnings were the best ever reported by the company. As usual the company depended primarily on the transportation of low grade freight for its volume of business.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907, Dec. 31	$42,469	$5,253	$8,222	$13,475	$17,409	$11,585	$16,311	$1,020	$15,290	$5,599	63%	$9,692	$5,614
1908 "	34,245	3,813	6,310	10,123	14,352	9,770	13,385	1,002	12,383	5,296	57	7,087	4,743
1909 "	38,907	4,840	7,376	12,216	14,928	11,763	15,804	1,208	14,596	5,688	61	8,908	4,858
1910 "	40,349	5,366	7,018	12,384	16,816	11,149	15,088	1,603	13,485	4,587	66	8,898	5,489
1911 "	40,621	4,734	7,887	12,621	16,584	11,416	15,466	1,699	13,767	4,141	70	9,626	6,694
1912 "	43,381	5,243	8,966	14,209	17,254	11,918	16,425	1,771	14,654	4,181	71	10,473	6,757
1913, June 30	45,097	5,844	9,510	15,354	17,819	11,924	16,399	1,817	14,582	4,450	69	10,132	6,746
1914 "	43,821	5,794	9,002	14,796	18,028	10,997	15,135	1,800	13,335	4,423	67	8,912	7,290
1915 "	40,564	5,380	8,222	13,602	17,220	9,742	13,917	1,607	12,310	4,968	60	7,342	6,615
1916 "	48,602	5,998	9,333	15,331	18,962	14,309	19,439	1,616	17,823	6,056	66	11,767	6,604
10-Year Average	$41,805	$5,229	$8,185	$13,411	$16,937	$11,457	$15,737	$1,514	$14,223	$4,939	65%	$9,284	$6,141

Note: Above table is based on the average mileage directly operated, including owned, leased and otherwise controlled or used mileage. The figures for 1913, 1914, 1915 and 1916 are those submitted to the Interstate Commerce Commission. The company's own fiscal year ends Dec. 31. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in the year to June 30, 1916, the "balance for charges" (per mile) was $17,823; fixed charges consumed 34% of this, or $6,056, leaving $11,767, a "margin of safety" of 66%.

Comparative Income Account, Years Ended December 31, 1911-1912; June 30, 1913-1916.

	1916	1915	1914	1913	1912	1911
Gross revenues	$220,068,300	$183,647,515	$178,963,562	$185,400,825	$174,607,598	$157,487,413
Maintenance of way	27,159,754	24,363,415	23,663,160	24,116,756	21,102,640	18,353,290
Maintenance of equip	42,259,305	37,227,559	36,762,225	38,853,179	36,088,367	30,579,966
All other oper. expenses	85,859,920	77,969,937	73,624,463	75,017,465	69,446,938	64,295,137
Net oper. revenues	$64,789,321	$44,086,604	$44,913,714	$47,413,425	$47,969,653	$44,259,020
Operating ratio	70.6%	75.98%	74.9%	74.4%	72.5%	71.9%
Outside operations	*	*	def. 1,778,769	def. 1,904,281	def. 1,147,985	def. 1,525,202
Net oper. revenues	$64,789,321	$44,086,604	$43,134,945	$45,509,144	$46,821,668	$42,733,818
Other income	23,733,349	18,929,511	18,678,208	19,530,416	19,289,733	17,226,474
Total net income	$88,522,670	$63,016,115	$61,813,153	$65,039,560	$66,111,401	$59,960,292
Taxes accrued	7,328,681	7,278,544	7,352,503	7,326,660	7,128,535	6,826,070
Balance for charges	$81,193,989	$55,737,571	$54,460,650	$57,712,900	$58,982,866	$53,134,222
Fixed charges	27,460,550	22,491,910	18,062,876	15,792,067	16,828,903	19,212,480
Surp. over charges	$53,733,439	$33,245,661	$36,397,774	$41,920,833	$42,153,963	$33,921,742
Dividends paid	29,952,222	29,952,216	29,770,865	28,394,248	27,198,918	25,950,857
Other deductions	19,784,957	3,735,832	8,215,179	10,213,207	12,155,314	6,265,887
Balance	$3,996,260	def. $442,387	$1,588,270	$2,423,378	$2,799,731	$1,704,998
Earned on stock	10.8%	6.66%	7.16%	8.00%	8.17%	7.47%

* Outside operations included in above figures for gross, etc.

Note: Fixed charges include interest, lease rentals, sinking funds, joint rents, etc. The figures of 1913, 1914, 1915 and 1916 are not those of the fiscal year, as submitted to the stockholders; latter ends Dec. 31st, see below.

Income Account, year ended December 31, 1916. Gross revenues, $230,278,533; operating expenses including taxes, $175,186,981; operating income, $55,056,011; other income, $23,164,885; total net income, $78,220,896.

Profit and Loss Account, year ending June 30, 1916: Credit balance at beginning of year, $27,097,657; credit balance from income account, $3,996,260; unrefundable overcharges, $9,193; miscellaneous credits, $608,125; adjustment of appropriated surplus, $2,313,853; total, $34,025,088. Contra: Debt discount, $2,926,932; loss on retired road and equipment, $410,927; miscellaneous debits, $1,145,399; credit balance at close of year, $29,541,830; total, $34,025,088.

Comment: The gross revenues on the Pennsylvania Railroad for the year ended June 30, 1916, rose far above any figures ever before reported. The net earnings also reached a new high total, being over 40% in excess of those during the previous year. As outside income underwent a further advance, the balance carried forward available for charges equaled over $81,000,000 as compared with less than $56,000,000 for the year ended June 30, 1915. While fixed charges increased substantially, yet the surplus carried forward available for dividends equaled nearly 11% on the stock as compared with about 6 2-3% during the previous year. Since June 30, the business on the lines of this company has continued to show unusual improvement.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road. Stock Outstanding and per Cent of Whole.		Bonds Outstanding and per Cent of Whole.		Rentals Cap. at 5 per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred	Margin of Safety Common.
1907 Dec. 31	$80,624	54%	$69,927	46%	$46,777	$197,328	$56,378	$140,950	11.6%	.....	.....	$5,614	7%	.....	42%
1908 "	79,046	49	80,006	51	32,349	191,401	58,316	133,085	10	.....	.....	4,743	6	.....	33
1909 "	102,500	58	74,770	42	38,796	216,066	68,480	147,586	10.7	.....	.....	4,858	6	.....	45
1910 "	103,750	60	67,886	40	28,174	199,810	70,422	129,388	11.6	.....	.....	5,489	6	.....	38
1911 "	112,961	63	65,415	37	24,485	202,861	79,654	123,207	12.6	.....	.....	6,694	6	.....	30
1912 "	112,765	65	61,331	35	26,343	200,439	82,140	118,299	13.9	.....	.....	6,757	6	.....	35
1913 June 30	122,895	67	60,394	33	24,756	208,045	66,289	141,756	11.6	.....	.....	6,746	6	.....	33
1914 "	122,249	67	60,196	33	28,655	211,100	62,340	148,760	10.2	.....	.....	7,290	6	.....	18
1915 "	110,248	60	72,085	40	41,270	223,603	67,248	156,355	8.9	.....	.....	6,615	6	.....	10
1916 "	111,716	66	56,530	34	44,678	212,924	67,123	145,801	13.3	.....	.....	6,606	6	.....	44
10-Year Average	$105,875	61%	$66,854	39%	$33,628	$206,358	$67,839	$138,519	11.4%	.....	.....	$6,141	6%	.....	34%

Note: In the years 1909, 1910 and 1911 the stock of the Pennsylvania Railroad was further increased, but the bonded debt, through retirement of bonds and notes, was materially reduced. The rental payments have been lower in recent years. In above table, capital stock column does not include "premiums."

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment....	$853,348,745	$846,309,724	$660,506,207	$792,156,897	$758,811,382	$727,695,098
Working assets.....	105,852,866	137,221,699	210,587,398	93,197,414	75,512,540	95,448,105
Deferred debit items...	39,647,311	41,016,586	55,153,308	53,612,400	51,067,575	45,869,651
Accrued income not due	82,782	1,346,988	410,055	1,205,000	787,524	630,213
Total	$998,931,704	$1,025,894,997	$926,656,968	$940,171,711	$886,179,022	$869,643,067
Liabilities:						
Capital stock.....	$506,519,948	$506,519,948	$506,519,948	$506,462,422	$461,938,150	$460,930,735
Funded debt.....	256,308,824	330,732,920	245,842,420	251,461,851	249,416,798	265,407,669
Working liabilities.....	54,225,706	32,143,439	23,044,002	30,414,154	34,344,201	25,911,399
Accrd. liabilities not due	8,858,016	7,857,455	5,929,158	7,332,995	7,001,977	6,626,331
Deferred credit items..	7,867,419	5,499,952	11,642,094	10,268,895	8,320,354	8,795,626
Appropriated surplus..	135,609,960	116,043,626	107,283,167	105,204,203	96,632,566	74,573,499
Profit and loss surplus.	29,541,831	27,097,657	26,396,179	29,027,181	28,534,976	27,397,808
Total	$998,931,704	$1,025,894,997	$926,656,968	$940,171,711	$886,179,022	$869,643,067

Note: In above balance sheet, "capital stock" includes "premium on stock," amounting to about $7,000,000. The "property investment" item includes securities of affiliated companies unpledged, also pledged securities. See details below of investments owned. The radical change in the "property investment" and "working assets" accounts in 1915 is chiefly due to changes in form of statement.

Comment: During the fiscal year ended June 30, 1916, there were only moderate changes in the capitalization figures of the Pennsylvania Railroad. The property appears to be heavily capitalized as measured on the mileage basis, but the earning power is so large that this capitalization is carried with great ease. During the year the company added very substantially to its surplus accounts which now range at the highest figures in its history.

Stocks Owned by the Pennsylvania Railroad Company, December 31, 1915

Name of Company.	Shares.	Total Par.	Name of Company.	Shares.	Total Par.
Arcade Real Estate Co.....	24,750	$1,237,500.00	Pennsylvania Canal Co.....	70,343	$3,517,150.00
Balt., Ches. & Atl. Ry. Co., 5 p. c. pref..... Scp.	8,652 $6.80	432,606.80	Pennsylvania Co. 1,600,000		80,000,000.00
Balt., Ches. & Atl. Ry. Co., com	5,000	250,000.00	Penn. Steel Co. of N. J., 7 p. c., non-cum., pref.	5,847	584,700.00
Barnegat R.R. Co.....	1,000	50,000.00	Penn. Term. Real Estate Co..	30,000	3,000,000.00
Belvidere Delaware R.R. Co..	4,892	244,600.00	Penn. Tun. & Term. R.R. Co..	150,000	15,000,000.00
Camden & Burl. County Ry..	126	3,150.00	Penn. & Newark R.R. Co.....	3,900	390,000.00
Cherry Tree & Dixv'le R.R. Co.	5,000	250,000.00	P'th Amboy & Wood. R.R. Co.	3,968	198,400.00
Connecting Ry Co.....	76,507	3,825,350.00	Phila. & B'ch Haven R.R. Co.	4,000	200,000.00
Cornwall and Lebanon R.R....	10,000	500,000.00	Phila. & Camden Ferry Co...	17,929	896,450.00
Cumb. Valley R.R., Co., com..	96,566	4,828,300.00	Phila. & Trenton R.R. Co....	6	600.00
Cumb. Valley R.R. Co., 1st pf.	4,772	238,600.00	Phila., Balt. & Wash. R.R. Co.	502,709½	25,135,475.00
Cumb. Valley R.R. Co., 2d pf..	4,835	241,750.00	Pittsburgh, Ft. Wayne & Chic. Ry. Co., guar. special.....	3	300.00
Delaware River R.R. & Br. Co.	26,000	1,300,000.00			

Stocks Owned by Pennsylvania R.R. Company (Continued)

Name of Company.	Shares	Total Par
Duquesne Warehouse Co.....	200	$10,000.00
Enola Realty Co.....	4,500	225,000.00
Enola Sewerage Co.....	500	25,000.00
Erie & Western Trans. Co...	59,993	2,999,650.00
First-Sec. Nat. Bank of Pittsb.	1,145	114,500.00
Frk.&Pk. Ld. R.R. Co.,inst. rec.	7,000	35,000.00
Freehold & Jas. Agri. R.R. Co.	378	37,800.00
Girard Point Storage Co.....	20,000	2,000,000.00
Har., Port., Mt. Joy & L. R.R.	7	350.00
Har. & E. New'k Con. R.R. Co.	250	25,000.00
Johnsonburg R.R. Co.....	3,000	150,000.00
Kingston Realty Co.....	100	5,000.00
Lehigh & Hudson Riv. Ry. Co	1,632	163,200.00
Long Island R.R. Co.....	135,958	6,797,900.00
Lykens Vall. R.R. and Coal Co.	573	11,460.00
Manor Real Estate & Tr. Co..	40,000	2,000,000.00
Merchants Warehouse Co....	1,545	154,500.00
Min. R.R. & Min. Co. inst. rec.	16,667	100,002.00
Monogahela Ry. Co.....	33,530	1,676,500.00
New Jersey Ware. & Guar. Co.	5,000	25,000.00
New York Bay R.R. Co.....	120,000	6,000,000.00
New York Con. R.R. Co., com.	15,000	1,500,000.00
N. Y., N. H. & H. R.R. Co...	53,125	5,312,500.00
N. Y., Phila. & Norf. R.R. Co.	49,855	2,492,750.00
Norf. & Western Ry. Co., com.	385,734	38,573,400.00
Nor. & West. Ry. Co., adj. prf.	63,200	6,320,000.00
Northern Central Ry. Co.....	296,161	14,808,050.00
Penn. & Atlantic R.R. Co.....	22,157	1,107,850.00
Pittsburgh, Ft. Wayne & Chic. Ry. Co., regular guaranteed	250	$25,000.00
Pitts. Joint Stock Yds. Co....	10,000	1,000,000.00
Pomeroy & Newark R.R. Co..	10,000	500,000.00
Richmond-Washington Co.	4,450	445,000.00
Rocky Hill R.R. & Transp. Co.	5	250.00
Roxboro R.R. Co., instal. rec..	2,000	70,000.00
Southern Pacific Co.....	171,438	17,143,800.00
Stewartstown R.R. Co. of Pa.	190	9,500.00
Stuyvesant Real Estate Co...	5,000	500,000.00
Sus., Bl'sb'g & Ber. R.R. Co..	20,000	1,000,000.00
Susquehanna Coal Co.....	21,366	2,136,600.00
Tipton R.R. Co.....	865	43,250.00
The Pres., Mgrs. & Co. for erecting a bridge over the river Delaware at or near Trenton	1,000	100,000.00
United N. J. R.R. & Canal Co.	13,500	1,350,000.00
W. Jer. & Sea. R.R. Co., com..	98,094	4,904,700.00
W. J. & S. R.R. Co. sp. guar..	907	45,350.00
West. N. Y. & Pa. Ry. Co....	388,780	19,439,001.50
Wilkes-Barre Con. R.R. Co...	1,826	91,300.00
York, Han. & Fred. R.R. Co..	10,500	525,000.00
Sundry Water Companies....	.....	8,326,050.00
Miscellaneous stocks	.....	1,896,501.13
Total	.....	$294,546,646.43

Bonds Owned by the Pennsylvania R.R. Company, December 31, 1915

Name of Company.	Total Par.
Bel., Del. R.R. Co. con. mtg., 4 p. c. reg..	$300,000.00
C. T. & D. R.R. Co. 4 p. c. cert. of Indeb..	598,796.31
C., Peoria & St. L. gen. & ref. 4½s coup.	1,000.00
C. & P. D. Ry. Co. 1st mtge., 4 p. c. c. reg.	306,000.00
Enola Realty Co. 4 p. c. cert. of Indebt...	20,000.00
F. & J. A. R.R. Co. 4 p. c. deb.....	97,000.00
G. R. & I. Ry. Co. 2d mtge., 4 p. c. g. coup.	888,000.00
G. R. & I. R.R. Co. 1st 7s ext. at 3½%...	40,000.00
G. R. & I. R.R. Co. 1st 7s, ext. at 4½%..	10,000.00
I. N. Co. of N. J. 1st mtge., 5 p. c. cou...	305,000.00
Johnsonb'g R.R. Co. 1st mtge., 6 p. c. cou.	150,000.00
Lehigh & Hud. R. Ry. Co. 4 p. c. deb. cou.	34,000.00
L. I. R.R. Co. 10-yr. 4 p. c. deb. gold.....	12,247,951.55
L. I. R.R. Eq. Tr. 4 p. c. c., d. Feb. 1, 1906	400,000.00
L. I. R.R. Eq. Tr. 4 p. c. c., d. Feb. 1, 1908	122,000.00
Long Island R.R. unified 4s.....	3,000.00
Manor R. E. & T. Co. 3½ p. c. cert. of Ind.	3,649,423.76
M., D. & V. R. Co. 4 p. c. cert. of indebt..	14,000.00
Mng. R.R. Co. 1st mtge., 3¼ p.c. gd. coup.	586,000.00
N. Y., Phil. & Norf. R.R. stk. 4 p. c. trust cert. fractional receipts.....	250.00
N. Y. & Long Branch R.R. gen. 4s.....	3,000.00
Penn. Canal Co. gen. mtge., 6 p.c. coup...	384,000.00
Penn. & Newark R.R. 4% cert. of ind.s.	$45,404.57
P. R.R. Wat. Spy. 4% tr. cert., d. J. 1, '07	7,000,000.00
Penn. Tun. & Term. R.R. cert. of Indebt..	83,003,410.02
Pitts., C., C. & St. L. cons. 3½s, cou. reg.	3,000.00
Pomeroy & New. R.R. 4 p.c. cert. of ind.	534,401.21
Susqueh. Coal Co. 5 p. c. gold.....	7,510,000.00
The Pres., Mgrs. & Co. for erecting a bridge over the river Delaware at or near Trenton, N. J., 7 p. c. registered.	4,000.00
Utd. N. J. R.R. & C. Co. gen. mtge. 4s...	2,000.00
W. J. & S. R.R. Co. 4 p. c. cert. of in.....	1,394,000.00
W. N. Y. & Pa. Ry. Co. gen. mtge., 4 p. c. coup. registered gold.....	54,000.00
W. N. Y. & Penn. gen. mtge. bond scrip.	18.75
W. N. Y. & Penn. Ry. Co. income mtge., 5 p. c. coupon registered.....	9,225,000.00
W. N. Y. & Pa. Ry. Co. in. mtge. bd. scrip.	914.38
Y., H. & F. R.R. Co. 1st mtg., 4% c.r.g.	150,000.00
Sundry bonds	280,289.00
Real estate mortgages.....	2,044,848.47
Notes	15,914,604.67
Total	$147,307,312.69

SUMMARY.

Par value of stocks.....	$294,546,646.43
Par value of bonds.....	129,347,859.55
Par value of real estate mortgages.....	2,044,848.47
Par value of notes.....	15,914,604.67
	$441,853,959.12
Cost, as per general balance-sheet.....	$337,987,610.47

Of the foregoing securities there are deposited under the Consolidated Mortgage and the Collateral Trust Loan:—

Stocks of a par value of.....	$54,309,400.00
Bonds of a par value of.....	15,000.00
Total	$54,324,400.00

Income Received from Securities Owned During the Year 1915

Title of Issue Owned	Amount Received.	Title of Issue Owned	Amount Received.
Belvidere Delaware R.R. stock	$9,784.00	Northern Central Ry. Co. stock	$1,184,644.00
Belvidere Del. R.R. Co. con. mtge. 4 p. c. registered bonds	12,000.00	Pennsylvania Co. stock	4,800,000.00
Camden & Burl. County Ry. stock	47.25	Penn. R.R. Wat. Sup. 4 p. c. trust cert.	200,333.33
Char. Ry. Co. 1st mtge. 3½ p. c. coup. bds.	122.57	Perth Amboy & Wood. R.R. Co. stock	39,680.00
Cherry Tree & Dixonville R.R. Co. 4 p. c. certificate of indebtedness	23,951.85	Phila., Balto. & Wash. R.R. Co. stock	1,005,418.00
Cherry Tree & Dixonville R.R. stock	10,000.00	Philadelphia & Camden Ferry Co. stock	161,361.00
Columbia & Port Deposit Ry. Co. 1st mtge. 4 per cent. coupon bonds	12,240.00	Philadelphia & Trenton R.R. Co. stock	60.00
Connecting Ry. Co. stock	153,014.00	Pitts., Cin., Chic. & St. L. Ry. Co. cons. 3½ p. c. bonds—Series E	105.00
Cornwall & Lebanon R.R. stock	20,000.00	Pitts., Ft. W. & Chic. Ry. Co. guar sp. st.	21.00
Cum. Valley R.R. Co. pfd. and com. stocks	424,692.00	Pittsburgh, Ft. Wayne & Chicago Ry. Co. regular guaranteed stock	1,750.00
Delaware River R.R. and Bridge Co. stock	52,000.00	Pittsburgh Joint Stock Yards Co. stock	40,000.00
Enola Realty Co. 4 p. c. certificates of indebtedness	1,400.00	Richmond-Washington Co. stock	17,800.00
Enola Sewerage Co. stock	1,000.00	Rocky Hill R.R. & Transp. Co. stock	15.00
Freehold & Jamesburg Agricultural R.R. Co. 4 p. c. debentures	3,880.00	Southern Pacific Co.	1,028,628.00
Freehold & Jamesburg Ag. R.R. stock	945.00	Stewartstown R.R. Co. of Penn. stock	522.50
G. R. & I. R.R. Co. 1st 7s ext. at 3½%	1,507.81	Susquehanna Coal Co. 5 p. c. 5-yr. g'd b'd	375,925.00
G. R. & I. R.R. Co. 1st 7s ext. at 4½%	450.00	The Pres., Managers. & Co. for erecting a bridge over the river Delaware at or near Trenton, 1st mtge. 7 p. c. bonds	280.00
Grand Rapids & Indiana Ry. Co. 2d mtge. 4 p. c. gold coupon bonds	35,520.00	The Pres., Mangaers & Co. for erecting a bridge over the river Delaware at or near Trenton stock	4,000.00
Harrisburg, Portsmouth, Mt. Joy & Lancaster R.R. Co. stock	26.25	United New Jer. R.R. & Canal Co. stock	135,000.00
Leh. & Hud. R. Ry. Co. 4 p. c. deb. cou. bds	1,360.00	United New Jer. R.R. & Canal Co. gen. mtge. 4 p. c. coupon bonds (1944)	80.00
Leh. & Hud. River Ry. Co. stock	13,056.00	Vincentown Br. of the Burlington County R.R. Co. stock	141.75
L I. R.R. 4 p. c. equip. tr. cert	21,213.33	West Jersey & Seashore R.R. Co. 4 p. c. certificate of indebtedness	55,760.00
L. I. R.R. Co. unified mtge. 4 p. c. cou. reg. bonds	120.00	West Jer. & Seashore R.R. Co. com. stock	245,235.00
Lykens Valley R.R. & Coal Co. stock	160.00	W. J. & Sea. R.R. Co. sp. guar. stock	2,721.00
Merchants' Warehouse Co. stock	6,180.00	Western New York & Penn. Ry. Co. gen. mtge. 4 p. c. coupon reg. bonds	2,160.00
Mon. R.R. Co. 1st mtge. 3½ p. c. cou. bds.	20,352.50	Dividends and int. on sun. stocks and bds.	11,937.25
Monongahela R.R. Co. stock	42,840.00	Real Estate Mortgages	82,585.14
New York Bay R.R. Co. stock	90,000.00		
New York, Phila. & Norf. R.R. Co. stock.	299,130.00		
Norf. & West. Ry. Co. adjust. pfd. stock.	252,800.00		
Norfolk & Western Ry. Co. com. stock	2,314,404.00	Total	$13,220,539.53

Dividends Paid: From date of organization, to June 30, 1916, the Penn. R.R. Co. has paid cash dividends aggregating 376½%, or $511,390,058.

Dividend Record to 1916

Years	Rate	Amount	Years	Rate	Amount	Years	Rate	Amount
1856	8%	$875,234	1877	3%	$2,410,457	1898	5%	$6,465,236
1857	4	454,908	1878	2½	1,377,404	1899	5	6,465,266
1858	6	715,383	1879	4	3,099,159	1900	6	8,781,171
1859	6	719,586	1880	3½	2,066,106	1901	6	10,857,672
1860	6	721,261	1881	8	5,861,718	1902	6	12,262,491
1861	6	723,543	1882	6½	5,209,024	1903	6	14,792,931
1862	8	1,061,928	1883	4½	3,993,134	1904	6	17,933,034
1863	9	1,206,060	1884	5	4,702,061	1905	6	18,113,978
1864	10	1,593,262	1885	5	4,738,892	1906	6½	19,869,661
1865	10	1,997,265	1886	5	4,738,892	1907	7	21,908,435
1866	9	1,800,000	1887	5	5,418,702	1908	6	18,875,680
1867	6	1,231,372	1888	5	5,327,270	1909	6	19,173,742
1868	8	1,960,274	1889	5½	5,327,270	1910	6	24,410,860
1869	10	2,980,007	1890	5	6,241,873	1911	6	25,950,857
1870	10	3,350,000	1891	3	3,803,136	1912	6	27,198,918
1871	10	3,687,060	1892	6½	7,606,457	1913*	6	28,394,248
1872	10	4,514,720	1893	5	6,400,507	1914*	6	29,954,430
1873	5	2,679,250	1894	5	6,464,647	1915*	6	29,952,216
1874	10	6,801,777	1895	5	6.465,011	1916*	6	29,952,222
1875	8	5,509,616	1896	5	6,465,123			
1876	8	5,509,616	1897	5	6,465,170			

* Years ended June 30.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Pennsylvania R. R. consol. 5s	M&S	S 1919	1,712 consol. and leasehold (see text)	$23,000	$14,223	$937	93%	Very high	Very high	Aaa.
2. Pennsylvania R. R. consol. 4s	M&N	My 1943					93%	"	"	Aaa.
3. Pennsylvania R. R. Cons. Sterling 3½s	J&J	Jl 1945					93%	"	"	Aaa.
4. Pennsylvania R. R. Cons. Sterling and Dollar 4s	M&N	My 1948					93%	"	"	Aaa.
5. Pennsylvania R. R. 4½s	F&A	Ag 1960					93%	"	"	Aaa.
6. Pennsylvania R. R. R. E. P. M. 4s	M&N	My 1923	.....	.....		18	93%	"	"	Aaa.
7. Phila. & Erie Gen. (now first) 6s	J&J	Jl 1920	(1st) 305	64,990		218	93%	"	"	Aaa.
8. Phila. & Erie Gen. (now first) 5s	A&O	Jl 1920					93%	"	"	Aaa.
9. Phila. & Erie Gen. (now first) 4s	A&O	Jl 1920					93%	"	"	Aaa.
10. Pitts., Va. & Charleston first 4s	M&N	N 1943	(1st) 91	66,000		53	93%	"	"	Aaa.
11. Junction R. R. gen. 3½s	A&O	Ap 1930	(1st) 3	194,000		6	93%	"	"	Aa.
12. Holl. Bed. & Cum. R. R. first 4s	J&J	Jl 1951	(1st) 72	14,900		10	93%	"	"	Aa.
13. Sunbury & Lewistown first 4s	J&J	Jl 1936	(1st) 56	8,900		5	93%	"	"	Aaa.
14. Sunbury, Hazleton & W. first 5s	M&N	My 1928	(1st) 43	9,765		4	93%	"	"	Aaa.
15. Sunbury, Hazleton & W. second 6s	M&N	My 1938	(2d) 43	30,670		18	93%	"	"	Aaa.
16. West Chester R. R. first 5s	M&S	S 1949	(1st) 5	15,000		1	93%	"	"	Aaa.
17. Western Penn. Cons. (now first) 4s	J&D	Je 1928	(1st) 139	28,777		35	93%	"	High	Aaa.
18. Allegheny Valley gen. 4s	M&S	Mr 1942	(1st) 259	77,220		170	93%	"	"	Aaa.
19. Belvidere Del. Consol. 4s	M&S	S 1925	(1st) 80	31,910	13,286	21	93%	"	"	Aaa.
20. Belvidere Del. Consol. 4s	F&A	F 1927					93%	"	"	Aaa.
21. Belvidere Del. Consol. 4s	J&J	Ja 1933					93%	"	"	Aaa.
22. Belvidere Del. Consol. 3½s	J&J	Ja 1943					93%	"	"	Aaa.
23. Cambria & Clearf. first 5s	J&J	Ja 1941	(1st) 102	5,300		6	93%	"	"	Aaa.
24. Clearfield & Jeff. first 6s	J&J	Ja 1927	(1st) 56	17,500		13	93%	"	"	Aa.
25. Penna. & Northw. gen. 5s	J&J	Ja 1930	(1st) 31 (2d) 56	11,700		11	93%	"	"	Aa.
26. Cambria & Clearf. gen. 4s	F&A	F 1955	(gen) 407	4,000		5	93%	"	"	Aa.
27. Camden & Bur. County first 4s	F&A	F 1927	(1st) 30	11,670		3	93%	"	"	Aaa.
28. Connecting Ry. first 4s	M&S	Mr 1951	(1st) 35	200,000		62	93%	"	"	Aaa.
29. Del. River R. R. & Bdg. first 4s	F&A	Ag 1936	(1st) 10	127,000		11	93%	"	"	Aaa.
30. Johnsonburg R. R. first 6s	M&S	Mr 1929	(1st) 20	10,000		3	93%	"	"	Aa.
31. N. Y. Bay R. R. first 4s	J&J	Ja 1948	(1st) 14	27,300		37	93%	"	"	Aa.
32. United N. J. R. R. & Canal gen. (now first) 4s	F&A	F 1923	(1st) 159 and canal	125,800		170	93%	"	"	Aaa.
33. United N. J. R. R. & Canal gen. (now first) 4s	M&S	S 1929					93%	"	"	Aaa.
34. United N. J. R. R. & Canal gen. (now first) 4s	M&S	Mr 1944					93%	"	"	Aaa.
35. United N. J. R. R. & Canal gen. (now first) 3½s	M&S	Mr 1951					93%	"	"	Aaa.
36. United N. J. R. R. & Canal gen. (now first) 4s	M&S	S 1948					93%	"	"	Aaa.
37. Equipment Trusts	Var.	Var.	(see text)	.....		216	97%	"	"	Aaa.
38. North. Cent. Ry. first 6s	QuJ	(Irred.)	(1st) 144	10,400		20	97%	"	"	Aaa.
39. North. Cent. Ry. cons. 4½s	A&O	Ap 1925	(2d) 144	12,200		18	97%	"	"	Aaa.
40. North. Cent. Ry. second 5s	J&J	Ja 1926	(3d) 144	23,300		38	97%	"	"	Aaa.
41. Elmira & Williamsport first 4s	J&J	Ja 1950	(1st) 74	13,000	12,406	9	97%	"	"	Aa.
42. Elmira & Williamsport Income 5s	A&O	O 2862	.....	.....		7	97%	"	"	Aa.
43. Sodus Bay & South first 5s	J&J	Jl 1924	(1st) 34	15,000		6	97%	High	"	Aa.
44. Penn. R. R. gen. 4½s	J&D	Je 1965	Text	23,200	12,092	640	95%	"	"	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1, 2, 3, 4 and 5. Auth. (orig.), $100,000,000; outstanding (total), $99,279,130 (closed). In five series, as follows: $4,998,000 5s, dated Sept. 1, 1879, due Sept. 1, 1919; $2,561,000 4s, issued May 1, 1893, due May 1, 1943; $3,326,130 sterling 3½s, issued July 1, 1895, due July 1, 1945; $39,394,000 currency and sterling 4s, dated May 1, 1908, due May 1, 1948; $49,000,000 4½s, dated Feb. 1, 1915, due Aug. 1, 1960. On first three series a sinking fund of 1% of outstanding bonds accrues either for purchase of bonds at par or other investment. First lien on 993.01 miles, as follows: From Philadelphia, Pa., to York and Shenandoah, and from Harrisburg to Lockhaven and to Pittsburgh, with branches to Wilkes-Barre, etc. Also second lien on 220.17 miles, following No. 26. Also third lien on 132.79 miles, following No. 26; also a fourth lien on 56.51 miles, following No. 26; also first lien on 999-year lease of United New Jersey R.R. & Canal Co., and on 999-year lease of Harrisburg, Portsmouth, Mt. Joy & Lancaster R.R. and on other leases; covering in all 309.71 miles; and additionally secured by deposit of securities of a value of about $54,000,000. Underlie No. 44, which provides for retirement. Legal for Savings Banks in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. All but the sterling bonds are listed on New York and Philadelphia Stock Exchanges. Free of Pennsylvania State tax. Interest paid without deduction for normal income tax. Coupon and reg., $1,000 and £200 for sterling issues.

6. Auth. and outstanding, $2,000,000. Dated May 1, 1893; due May 1, 1923. Int. paid at Penn. Station, New York and Philadelphia. First lien on piers owned by company on North River, New York City. Underlie No. 44 which provides for retirement. Legal for S. B. in Cal., Maine, Mo., Mich., N. H., N. J., N. Y., R. I., Wis. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax. Free of State and municipal taxes Coupon, $1,000. Fully registerable.

7, 8 and 9. Auth., $20,000,000; outstanding, $8,180,000 6s (closed), $5,263,000 5s (closed), and $5,880,000 4s (closed). Dated July 1, 1869; due July 1, 1920. Int. at Broad Street Station. Philadelphia. Assumed by Penn. R.R. First lien, 304.89 miles, Sunbury *via* Williamsport to Erie, Pa. Underlie No. 44 which provides for retirement. Legal for S. B. in Cal., Conn., Maine., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on Philadelphia Stock Exchange. Normal income tax deducted from interest. Free of Pennsylvania State tax. Coupon, $1,000 and £200.

10. Auth. and outstanding, $6,000,000. Dated Feb. 1, 1904; due Nov. 1, 1943. Int. paid at Penn. Station, New York, and Broad Street Station, Philadelphia. Assumed by Penna. R.R., which guarantees prin. and int. First lien 90.74 miles, Pitsburgh to West Brownsville, Pa., and various branches. Underlie No. 44 which provides for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and Philadelphia Stock Exchanges. Free of Pennsylvania State tax. Interest paid without deduction for normal income tax. Coupon, $1,000.

11. Auth., $752,000; outstanding, $582,000; in treasury, $143,000. Dated April 3, 1900; due April 1, 1930. Coupon, $1,000. Int. paid at Broad Street Station, Philadelphia. Assumed by Penn. R.R. First lien on 3.34 miles of terminal trackage in Philadelphia, also on lands, buildings, etc. Underlie No. 44 which provides for retirement. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Free of Pennsylvania State tax. Interest paid without deduction for normal income tax.

12. Auth. and outstanding, $1,073,000. Dated July 1, 1911; due July 1, 1951. Int. paid at Broad Street Station, Philadelphia. Coupon, $1,000. Assumed by Penn R.R., which also guarantees principal and interest. First lien on 71.71 miles from Brooks Mills, Pa., to Penn.-Md. State line and branches. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on Philadelphia Stock Exchange. Underlie No. 44, which provides for retirement. Free of Pennsylvania State tax. Interest paid without deduction for normal income tax.

13. Auth., $600,000; outstanding, $500,000 (closed). Dated July 1, 1896; due July 1, 1936. Int. paid at Broad Street Station, Philadelphia. Assumed by Penn. R.R. First lien, 55.75 miles, Selinsgrove Junc., *via* Lewistown, to Milroy, Pa. Underlie No. 44, which provides for retirement. Legal for S. B. in Cal., Conn., Maine. Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000. Reg. as to principal.

14. Auth., $1,000,000 Series A and $1,000,000 Series B; outstanding, $399,600 Series A (closed), no Series B (closed). Dated May 1, 1878; due May 1, 1928. Int. paid at Broad Street Station, Philadelphia. Purchasable at par for sinking fund. Assumed by Penn. R.R. First lien, 43.81 miles, Sunbury to Tomhickon, Pa.; also on 1,500 acres coal lands in Columbia county. Underlie Nos. 15 and 44, with provision by latter for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on Philadelphia Stock Exchange. Normal income tax deducted from interest. Coupon, $100, $500, $1,000.

15. Auth., $1,350,000; outstanding, $1,349,500 (closed). Dated May 1, 1878; due May 1, 1938. Int. paid at Broad Street Station, Philadelphia. Assumed by Penn. R.R. Second lien, 43.81 miles, following No. 14. Underlie No. 44, which provides for retirement. Legal for S. B. in Cal., Conn., Mass., Minn., N. H., N. Y., R. I., Vt. Listed on Philadelphia Stock Exchange. Normal income tax deducted from interest. Coupon, $100, $500, $1,000. Fully registerable.

16. Auth. and outstanding, $75,000. Dated Sept. 1, 1879; due Sept. 1. 1919. Int. paid at Broad Street Station, Philadelphia. Assumed by Penn. R.R. First lien, 5.22 miles, Morstein to West Chester, Pa. Underlie No. 44 which provides for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Free of Pennsylvania State tax. Interest paid without deduction for normal income tax. Coupon, $100, $500, $1,000.

17. Auth., $5,000,000; outstanding, $4,000,000 (closed). Dated June 1, 1888; due June 1, 1928. Int. at Broad Street Station, Philadelphia. Assumed by Penn. R.R. First lien, 139.42 miles, as follows: Sheridan to Pittsburgh, 92.90 miles; Butler Junc. to Butler, Pa., 21.10 miles; other branches, 25.42 miles. Underlie No. 44 which provides for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax. Free of Pennsylvania State tax. Coupon, $1,000. Reg. as to prin.

18. Auth., $20,000,000; outstanding, $19,130,000. Dated March 1, 1892; due March 1, 1942. Int. paid at Penn. Station, New York, or Broad Street Station, Philadelphia. Guar. prin. and int. by Penn. R.R. by endorsement, and now asumed. First lien, 259.29 miles, Pittsburgh to Oil City, Redbank Junc. to Driftwood, and branches. Underlie No. 44 which provides for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York, Philadelphia, and Pittsburgh Stock Exchanges. Free of Pennsylvania State tax. Interest paid without deduction for normal income tax. Coupon, $1,000. Fully registerable.

19, 20, 21 and 22. Auth., $4,000,000; outstanding, $2,559,000; issued in four series, as follows: (See next page.)

REFERENCE NOTES ON BOND ISSUES (Continued)

19. $500,000, dated Sept. 1, 1885; due Sept. 1, 1925; int., 4% March and Sept. 1.

20. $749,000, dated Feb. 1, 1887; due Feb. 1, 1927; int., 4% Feb. and Aug. 1.

21. $338,000, dated Jan. 1, 1893; due Jan. 1, 1933; int., 4% Jan. and July 1.

22. $972,000, dated Jan. 1, 1903; due Jan. 1, 1943; int., 3½% Jan. and July 1.

Int. paid at Broad Street Station, Philadelphia. Bonds purchasable at 105 or less for sinking fund. Guar. prin. and int. by United N. J. R.R. & Canal Co., excepting No. 21; Penn. R.R. has assumed guaranty on all series. First lien, 80.35 miles, Trenton to Manunka Chunk, with branch to Flemington, N. J. Nos. 19, 20 and 22 are legal for S. B. in Cal., Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis.; No. 21 in Maine. Nos. 20 and 22 are listed on Philadelphia Exchange and No. 22 on New York Exchange. Interest paid without deduction for normal income tax. Free of New Jersey and Pennsylvania State taxes. Coupon and reg., $1,000; No. 22, coupon, $1,000, only.

23. Auth., $2,000,000; outstanding, $532,000 (closed). Dated Jan. 1, 1891; due Jan. 1, 1941. Int. paid at Broad Street Station, Philadelphia. Assumed by Penn. R.R. First lien, 101.99 miles, Cresson to Hoovers Mill Junc., to Cherry Tree, Pa., and branches. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Underlie Nos. 1-5, 26, and 44, with provision by latter for retirement. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax. Free of Pennsylvania State tax. Coupon, $1,000. Reg. as to prin.

24. Auth. and outstanding, $1,000,000. Dated July 8, 1886; due Jan. 1, 1927. Int. paid at Broad Street Station, Philadelphia. Assumed by Penn. R.R. First lien, 56.51 miles, Irvona to near Punxsutawney, Pa. Underlie Nos. 1-5, 25, 26, and 44, with provision by latter to retire. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on Philadelphia Stock Exchange Interest paid without deduction for normal income tax. Free of Pennsylvania State tax. Coupon, $500 and $1,000. Prin. may be registered.

25. Auth., $2,000,000; outstanding, $1,021,000 (closed). Dated Jan. 6. 1890; due Jan. 1, 1930. Int. paid at Broad Street Station, Philadelphia. Assumed by Penn. R.R. First lien on 30.80 miles, from Bellwood to Irvona, known as Bells' Gap R.R.; also second lien on 56.51 miles, following No. 24. Underlie Nos. 1-5, 26, and 44, with provision by latter for retirement. Legal for S. B. in Cal., Conn., Mass., N. H., N. Y., R. I., Vt. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax. Free of Pennsylvania State tax. Coupon, $1,000. Prin. may be registered.

26. Auth., $7,500,000; outstanding, $540,000 (closed). Dated Feb. 1, 1905; due Feb. 1, 1955. Int. paid at Broad Street Station, Philadelphia. Assumed by Penn. R.R. First lien, 217.41 miles, including lines from Cresson to Irvona, Vail to Gramplan, Ebensburg to Black Lick, etc.; also second lien on 132.79 miles, following Nos. 23 and 25; also third lien on 56.51 miles, following No. 25. Underlie Nos. 1-5 and 44, with provision by latter for retirement. Legal for S. B. in Cal., Conn., Mass., N. H., N. Y., R. I., Vt. Interest paid without deduction for normal income tax. Free of Pennsylvania State tax. Coupon, $1,000. Prin. may be registered.

27. Auth. and outstanding, $350,000. Dated Feb. 1, 1897; due Feb. 1, 1927. Int. paid at Broad Street, Station, Philadelphia. First lien on 29.86 miles, Pavonia to Pemberton, with branches to Mt. Holly, Birmingham, etc. Guar. prin. and int. by Penn. R.R. Interest paid without deduction for normal income tax. Free of New Jersey State tax. Coupon, $1,000. All owned by Penn. R.R.

28. Auth., $15,000,000; outstanding, $7,000,000. Dated June 21, 1911; due March 15, 1951. Int. paid at Broad Street Station, Philadelphia. Prin. and int. guar. by Penn. R.R. by endorsement. First lien on 35.65 miles of terminal lines in and about Philadelphia. Interest paid without deduction for normal income tax. Free of Pennsylvania State tax. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on Philadelphia Stock Exchange. Coupon, $1,000.

29. Auth., $1,300,000; outstanding, $1,267,000. Dated Aug. 1, 1896; due Aug. 1, 1936. Int. paid at Penn. Station, New York, and Broad Street Station, Philadelphia. Coupon, $1,000. Guar. prin. and int. by Penn. R.R. by endorsement. First lien, 9.52 miles, Frankford Junc. to Haddonfield and branches. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Free of Pennsylvania and New Jersey States taxes.

30. Auth. and outstanding, $200,000, of which Penn. R.R. owns $150,000. Dated Jan. 16, 1889; due March 1, 1929. First lien, 19.62 miles, Johnsonburg to Clermont, Pa. Legal for S. B. in Maine. Interest paid without deduction for normal income tax. Free of Pennsylvania State tax and income tax. Coupon, $1,000.

31. Auth., $6,000,000; outstanding, $4,241,000. Dated Jan. 1, 1908; due Jan. 1, 1948. Int. paid at Broad Street Station, Philadelphia. Coupon, $1,000. First lien on terminal properties in New York Bay. The Penn. R.R. owns $3,156,000 of these bonds. Interest paid without deduction for normal income tax. Free of New Jersey State tax.

32, 33, 34, 35 and 36. Auth. and outstanding, $20,000,000; issued in five series, as follows:

32. $1,824,000, issued in 1883; due Feb. 1, 1923; int., 4% Feb. and Aug. 1. Reg., $1,000.

33. $6,020,000, issued in 1889; due Sept. 1, 1929; int. 4% Mar. and Sept. Coupon and reg., $1,000.

34. $5,646,000, issued in 1894; due March 1, 1944; int., 4% Mar. and Sept. Coupon and reg., $1,000.

35. $5,669,000, issued in 1901; due March 1, 1951; int., 3½% Mar. and Sept. Coupon and reg., $1,000.

36. $841,000, issued in 1908; due Sept. 1, 1948; int., 4%, Mar. and Sept. Coupon and reg., $1,000.

Int. paid at Broad Street Station, Philadelphia. Int. on Nos. 34 and 35 paid at Penn. Station in New York. Guar. prin. and int. by Penn R.R. First lien, 158.88 miles, Camden to South Amboy, Trenton to Jersey City, Trenton to Bordentown and branches; also a first lien on Jersey City terminals and on canal from Camden to Bordentown, N. J., 66 miles. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. No. 32 listed on Philadelphia Stock Exchange, and No. 34, listed on both New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax. Free of New Jersey State tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

37. Equipment Trusts, in several series, as follows:

Series F to I, 4s: Dated Nov. 1, 1907; original amount, $9,000,000; due $100,000 of each series annually to Nov. 1, 1917; now outstanding, $400,000. Int. paid quar., Feb. 1, at Fidelity Trust Co., Philadelphia. First lien on 7,268 steel underframe freight and gondola cars, costing in excess of original amount.

Series A to K, 4s: Dated May 2, 1910; due $100,000 each series annually to May 1, 1920; now outstanding, $4,400,000. Int. paid quar., Feb. 1, at Fidelity Trust Co., Philadelphia. First lien on 10,159 freight cars, costing in excess of original amount.

Series A to G, 4s: Dated June 1, 1912; due $100,000 of each series annually to June 1, 1922; original amount, $7,000,000; now outstanding, $4,200,000. Int. paid quar., Mar. 1, at Fidelity Trust Co., Philadelphia. First lien on 5,725 freight cars, costing in excess of original amount.

Series A to T of 1913, 4½s: Dated April 1, 1913; due $1,970,000 annually on April 1 to April 1, 1923; now outstanding, $13,790,000. Int. paid quar., Jan. 1, at Fidelity Trust Co., Philadelphia. First lien on 15,000 freight cars, costing in excess of original amount.

All series are in reg. form, $1,000 each. Interest payable on all series without deduction of income tax.

38. Auth. and outstanding, $1,500,000. Dated Jan. 27, 1855, irredeemable. Int. paid at treasurer's office, Baltimore. First lien on main lines, 144.45 miles, which are described in No. 40 below. Int. guaranteed under lease to Penn. R.R. All owned by State of Maryland. Interest paid without deduction for normal income tax.

39. Auth., $10,000,000; outstanding, $1,757,000 Series E. Dated April 1, 1885; due April 1, 1925. Int. paid at treasurer's office, Baltimore. Second lien on 144.45 miles covered by No. 38. Underlie No. 40. Int. guaranteed under lease by Penn. R.R. Legal for S. B. in N. H. and R. I. Listed on Philadelphia and Baltimore Stock Exchanges. Interest paid without deduction for normal income tax.

40. Auth., $5,000,000; outstanding, $2,554,000 Series A, $977,000 Series B. Dated Jan. 1, 1876; due Jan. 1, 1926. Int. paid at treasurer's office, Baltimore. Coupon, $1,000. Sinking fund: $30,000 per annum, beginning in 1880, to redeem and cancel the bonds of Series A. No bonds have been redeemed since 1894. Third lien on 144.45 miles, as follows: From Baltimore, Md., to Sunbury, Pa., 135.83 miles; and branches, 8.62 miles, following No. 39. Series A is further secured by a first lien on $823,000 out of $1,500,000 capital stock of the Elmira & Lake Ontario R.R. Co. Int. guaranteed under lease by Penn. R.R. Legal for S. B. in N. H. and R. I. Listed on Philadelphia and Baltimore Stock Exchanges. Interest paid without deduction for normal income tax.

41. Auth., $1,000,000; outstanding, $963,000. Dated May 11, 1860; due Jan. 1, 1950. Int. paid at Broad Street Station, Philadelphia. Coupon, $1,000. Convertible into common stock at any time. Interest guaranteed by Northern Central Ry. and by Penn. R.R. Co. First lien on the line from Williamsport, Pa., to Elmira, N. Y., 73.49 miles. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

42. Auth. and outstanding, $570,000. Dated May 1, 1863; due Oct. 1, 2862. Int. paid at Broad Street Station, Philadelphia. Coupon, $500. Guar. as to int. by Northern Central Ry. and by Pennsylvania R.R. Listed on Philadelphia Stock Exchange. Normal income tax deducted from interest.

43. Auth. and outstanding, $500,000. Dated July 1, 1884; due July 1, 1924. Int. paid at National Bank of Commerce, New York. Coupon, $1,000. Assumed by the Elmira & Lake Ontario R.R., all stock of which is owned by Northern Central Ry. First lien on 34.06 miles from Stanley to Sodus Point, N. Y. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

44. Outstanding, $64,375,000. Dated June 1, 1915; due June 1, 1965. Int. paid at 85 Cedar Street, New York, and company's office, Philadelphia. Coupon and reg., $1,000. General lien on entire property, being a first lien on 261.70 miles, and a general lien on 2,517.42 miles. subject to prior mortgages, all of which are provided for; also a lien on 668.30 miles of leasehold interests following Nos. 1-5 as to 309.84 miles. Further secured on real estate in New York, a portion of which is covered by No. 6. Issue limited to amount of stock outstanding. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. Y. N.J., R. I., Vt., Wis. Free of Pennsylvania State tax. Listed on New York Stock Exchange. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Camden & Burlington County gtd. stock... Par $25. Outstanding, $366,150.	6% J&J	.....		5	90%	Very high	High	Aaa.
2. Har., Ports., Mt. Joy & Lanc. gtd. stock.... Par $50. Outstanding, $1,182,550.	7½% J&J	.....		18	90%	"	"	Aaa.
3. Lykens Valley R.R. & Coal gtd. stock..... Par $20. Outstanding, $599,120	4% J&J	.....			90%	"	"	Aa.
4. Phila. & Trenton R.R. gtd. stock..... Par $100. Outstanding, $494,100.	10% QuJ	.....		11	90%	"	"	Aaa.
5. United N. J. R.R. & Canal Co. gtd. stock... Par $100. Outstanding, $21,240,400.	10% QuJ	.....	10,298	470	90%	"	"	Aaa.
6. Elmira & Williamsp. R.R. pfd. stock..... Par $50. Outstanding, $500,000.	7% J&J	.....		8	90%	"	Very high	Aaa.
7. Elmira & Williamsp. R.R. common stock... Par $50. Outstanding, $500,000.	5% M&N	.....		5	90%	"	"	Aaa.
8. Shamokin Val. & Pottsville stock..... Par $50. Outstanding, $869,450.	6% F&A	.....		12	90%	"	"	Aaa.
9. Northern Central Ry. stock..... Par $50. Outstanding, $27,077,150.	8% J&J	$188,000		480	90%	High	"	Aaa.
10. Pennsylvania R.R. stock..... Par $50. Authorized, $600,000,000. Outstanding, $499,265,700.	6% QuF	110,248	9,284	6,606*	29%	"	"	A.

For Key to Stock Ratings, see page 23.

* For 6% dividends.

REFERENCE NOTES ON STOCK ISSUES

1. Camden & Burlington County Ry.: Leased in perpetuity to Camden & Amboy R.R. in 1868; lease assigned to Penn. R.R. in 1871; rental, int. on bonds, organization expenses, and 6% on stock. Auth., $800,000; outstanding, $427,050, of which United N. J. R.R. & Canal Co. owns $10,000, and $50,900 is owned by company on which no dividends are paid. See full details on page 552.

2. Harrisburg, Portsmouth, Mt. Joy & Lancaster R.R.: Leased to Penn. R.R. for 999 years from 1861 at rental equaling expenses, int. on bonds, and 7% on stock. Auth., $2,500,000; outstanding, $1,182,550. In recent years "outside income" has enabled company to pay 7½% divs.; payments are 3½% in Jan. and 4% in July. Listed on Philadelphia Stock Exchange. See full details, page 553.

3. Lykens Valley R.R. & Coal Co.: Leased to Northern Central Ry. for 99 years from 1910 at annual rental of $24,000, being equivalent to 4% on stock, organization expenses and taxes. Lease assumed by Penn. R.R. in 1914. Auth., $800,000.

4. Philadelphia & Trenton R.R.: Leased to Penn. R.R. for 999 years from 1871 at rental of 10% per annum on all stock not owned by United N. J. R.R. & Canal Co. Latter owns $765,000 out of $1,259,100, leaving $494,000 which receives 10% per annum. Listed on Philadelphia Stock Exchange. See full details on page 554.

5. United New Jersey R.R. & Canal Co.: Leased to Penn. R.R. for 999 years from 1871, the lessee assuming all debts and guaranteeing as rental a dividend of 10% per annum on the capital stock. Auth. and outstandig, $21,240,000, of which Penn. R.R. owns $1,350,000. Listed on Philadelphia Stock Exchange. See full details on page 555.

6 and 7. Elmira & Williamsport R.R.: Leased to Northern Central Ry. for 999 years from May 1, 1863, at rental of interest on bonds, 7% on preferred stock, and 5% on common stock, with organization expenses and taxes, except that taxes on dividends or interest are deducted by the company from the payments made to stockholders and bondholders. The lease is guaranteed by the Pennsylvania Railroad. Full dividends on both common and preferred have been paid from 1907 to date. Auth. and outstanding, $500,000 preferred and $500,000 common. Both issues listed on Philadelphia Stock Exchange.

8. Shamokin Valley & Pottsville R.R.: Northern Central Railway owns $619,650 out of $869,450 outstanding. Shamokin Valley & Pottsville R.R. is leased to Northern Central Ry. for 999 years from Feb. 27, 1863, rental being interest and sinking fund on bonds and 6% on stock.

9. Northern Central Ry.: Dividends in recent years as follows: 1889 and 1900, 8% each; 1891, 7% each; 1892, 8%; 1893, 9%; 1894 to 1900, 7% each; 1901 to date, 8% per annum. In 1907 an extra 12½% dividend in stock was paid. In 1911, 40% extra stock dividend was to be distributed and it was proposed to lease the road to the Pennsylvania Railroad for 999 years on a guaranty of 8% per annum on the increased stock. On July 1, 1912, all litigation having been settled, the lease was entered, and the Pennsylvania Railroad began to directly operate the property. The Pennsylvania R.R. Co. owns $14,808,050 of the stock. Listed on Baltimore, New York and Philadelphia Stock Exchanges.

10. Authorized amount was increased from $500,000,000 to $600,000,000 in 1911. In 1917 it was proposed to increase authorized amount by $75,000,000. On December 31, 1915, there was outstanding, $499,265,700, including stock then held in trust. Cash dividends have been paid on the stock without interruption since 1855, the aggregate amount so paid being in excess of $495,000,000. Since 1899 the rate has been 6% per annum, except in the last half of 1906 and the year 1907, when the rate paid was 7%. See page 546 for full dividend record. TRANSFER OFFICES, Broad Street Station, Philadelphia, and 85 Cedar Street, New York. Stock is listed on Philadelphia and New York Stock Exchanges.

LEASED COMPANIES OF PENNSYLVANIA RAILROAD, DIRECTLY OPERATED

BELVIDERE DELAWARE RAILROAD

Incorporated under laws of New Jersey, March 2, 1836. Leased for 999 years to the United New Jersey R.R. & Canal Co., Feb. 15, 1876, rental being net earnings. On Jan. 29, 1885, the Flemington R.R. & Transportation Company was consolidated with this property, and on Feb. 26, 1896, the Martin's Creek Ry., of Pennsylvania, the Martin's Creek Ry. of New Jersey, and the Enterprise R.R. were merged into this road.

Location: Line of road: Trenton to Manunka Chunk, N. J., 66.61 miles; Lambertville to Flemington, N. J., 11.55 miles; branches, 2.19 miles. Sidings, 59.94 miles.

Management: OFFICERS: A. J. County, Pres.; H. Tatnall, Vice-Pres.; J. M. Wood, Treas.; Lewis Neilson, Sec. OFFICE, Broad Street Station, Philadelphia, Pa. Annual meeting, second Thursday in April, at Camden, N. J.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	(Dec.31) 1912	(Dec.31) 1911
Rental income	$557,385	$468,042	$114,750	$159,527	$319,029
Taxes	109,590	95,276	.....	.....	.....
Fixed charges	230,719	226,232	210,589	224,123	230,159
Surplus	$217,076	$146,534	def. $95,839	def. $64,596	$88,870
Dividends paid	50,120	.....	82,392	.....	.....
Other deductions	101,394	43,976	10,379	23,036	20,504
Balance	$65,562	$102,558	def.$188,610	def. $87,632	$68,366

Profit and Loss Account, year ending June 30, 1916: Credit balance at beginning of year, $18,736; credit balance transferred from income, $65,562; miscellaneous credits, $513; total, $84,811. Contra: Credit balance carried to balance sheet, $84,564; miscellaneous debits, $131; loss on retired road and equipment, $116; total, $84.811.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ..	$4,532,497	$4,419,897	$4,326,787	$4,234,938	$4,184,490	$4,168,908
Working assets	170,463	173,873	37,874	391,686	550,591	732,916
Deferred debit items...	299,251	288,050	277,284	266,904	256,943	247,032
Profit and loss deficit...	.....	.....	81,516	.....	.....	.....
Total	$5,002,211	$4,881,820	$4,723,461	$4,893,528	$4,992,024	$5,148,856
LIABILITIES:						
Capital stock	$1,253,000	$1,253,000	$1,253,000	$1,253,000	$1,253,000	$1,253,000
Funded debt	2,559,000	2,585,000	2,585,000	2,585,000	2,611,000	2,637,000
Working liabilities	137,648	164,541	69,348	147,595	36,195	35,919
Accrd. liabilities not due	74,400	68,368	67,914	69,324	95,503	62,784
Apropriated surplus ...	813,569	792,175	748,199	655,427	544,596	485,649
Profit and loss surplus.	84,564	18,736	.....	183,182	451,730	674,504
Total	$5,002,211	$4,881,820	$4,723,461	$4,893,528	$4,992,024	$5,148,856

Bonded Debt: $500,000 Belvidere Delaware R.R. consol. s. f. 4s, due Sept. 1, 1925. For details and rating see bond table of Pennsylvania R.R. Co.

$749,000 Belvidere Delaware R.R. consol. mtge. s. f. 4s, due Feb. 1, 1927. For details and rating see bond table of Pennsylvania R.R. Co.

$338,000 Belvidere Delaware R.R. consol. mtge. s. f. 4s, due Jan. 1, 1933. For details and rating see bond table of Pennsylvania R.R. Co.

$972,000 Belvidere Delaware R.R. consol. s. f. 3½s, due Jan. 1, 1943. For details and rating see bond table of Pennsylvania R.R. Co.

Capital Stock: Authorized, $4,000,000; outstanding, $1,253,000. Par, $50. The Pennsylvania R.R. Co. owns $244,600 of the stock and the United N. J. R.R. & Canal Co. owns the balance. Dividends payable Dec. 31, at Philadelphia, Pa.; 1900 to 1905, inclusive, 5% each; 1906 to 1911, inclusive, 10% each; 1912, 7%; 1913, 6%; 1914, none; 1915, 4%. TRANSFER AGENT, W. E. Ringel, Camden, N. J. Registrar, S. A. Abbott, Philadelphia, Pa.

CAMDEN & BURLINGTON COUNTY RAILWAY COMPANY

Origin: Incorporated in New Jersey, Oct. 4, 1915, as a consolidation of the Camden & Burlington County R.R., the Mt. Holly, Lumberton & Medford R.R., and the Vincentown Branch of the Burlington County R.R. The old company was incorporated in New Jersey, May 2, 1866, as a consolidation of Burlington County R.R. Co., and the Camden, Moorestown, Hainesport and Mount Holly Horse Car R.R. Co. Leased to Camden & Amboy R.R. Co., April 24, 1868, for term of corporate existence. Lease assigned to Pennsylvania R.R. Co., June 30. 1871, rental being bond interest and dividends of 6% on stock, taxes and organization expenses, a total of $37,415.

Location: Line of road: Pavonia to Pemberton, N. J., 22.34 miles; East Burlington to Mount Holly, N. J., 7.12 miles; Mt. Holly to Medford, 5.98 miles; Evansville to Vincentown, 2.94 miles; connecting with Philadelphia & Long Branch R.R., at Birmingham, N. J., 0.39 mile. Total, 38.77 miles. Sidings, 16.64 miles.

Management: OFFICERS: A. J. County, Pres.; H. Tatnall, Vice-Pres.; Lewis Neilson, Sec.; James F. Fahnestock, Treas. Annual meeting, second Saturday in May, at Camden, N. J. OFFICE, Broad Street Station, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$40,305	$37,393	$37,299	$37,416	$37,415	$37,416
Taxes	.....	.....	.....	237	108	145
Fixed charges	14,232	14,000	14,000	14,000	14,000	14,000
Surplus	$26,073	$23,393	$23.299	$23,179	$23,307	$23,271
Dividends paid	25,605	22,916	22,916	22,916	22,915	22,915
Balance	$468	$477	$383	$263	$392	$356

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$961,963	$753,772	$753,772	$753,772	$843,198	$774,574
Working assets.....	22,135	23,191	17,101	16,535	16,470	16,005
Accrued income not due	5,833	.....	5.833	5,833	5.834	5,834
Profit and loss deficit..	.....	5,210	5,687	6,100	3,959	3,768
Total	$989,931	$782,173	$782,393	$782,240	$869,461	$800,181
LIABILITIES:						
Capital stock.....	$502.575	$381,925	$381.925	$381.925	$381,925	$381,925
Funded debt.....	350.000	382,163	350.000	350,000	350,000	350,000
Working liabilities.....	46,256	12,252	44,635	44,482	131,703	62,422
Accrd. liabilities not due	5,833	5,833	5,833	5,833	5,833	5,834
Appropriated surplus...	294	.....	.....	.....	.....	.....
Profit and loss surplus.	84,983	.....	.....	.....	.....	.....
Total	$989,931	$782,173	$782,393	$782,240	$869,461	$800,181

Bonded Debt: $350,000 Camden & Burlington Co. R.R. 1st 4s, due Feb. 1, 1927. For details and rating, see Bond Table of Pennsylvania R.R. Co., page, 547.

Capital Stock: Authorized, $800.000. Outstanding, $502,575. Par, $25. Dividends Jan. and July 1, at Philadelphia, Pa. TRANSFER AGENT, W. E. Ringel, Camden, N. J. Listed on Philadelphia Stock Exchange.

DELAWARE RIVER RAILROAD AND BRIDGE COMPANY

Incorporated March 17, 1896, a consolidation Jan. 17, 1896, of the Pennsylvania & New Jersey R.R. Co., of Pennsylvania and the Pennsylvania & New Jersey R.R. Co. of New Jersey. Operated by the Pennsylvania R.R. Co., rental being net earnings. Line of road, Frankford Junc., Pa., to West Haddonfield, N. J., and branches, 9.52 miles. Second track, 8.12 miles; sidings, 1.44 miles.

Management: OFFICERS: A. J. County, Pres.; H. Tatnall, Vice-Pres.; Lewis Neilson, Sec.; Vacancy, Treas., Philadelphia. Annual meeting, first Monday in February, at Philadelphia. OFFICE, Broad Street Station, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$232,358	$142,303	$131,915	$128,700	$101,259	$213,625
Taxes	39,825	36,838	.....	.....	.....	14
Fixed charges	58,446	57,718	57,479	51,720	57,160	57,486
Surplus	$134,087	$47,747	$74,436	$76,980	$44,099	$156,125
Dividends paid	52,000	.....	.....	.....	78,000	91,000
Other deductions	15,927	16,267	8,347	14,416	10,761	8,694
Balance	$66,160	$31,480	$66,089	$62,564	def. $44,662	$56,431

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,630,612	$2,628,087	$2,315,411	$2,324,035	$2,624,688	$2,614,680
Working assets	211,382	142,051	431,202	427,388	183,740	181,808
Deferred debit items	.....	.....	.....	.....	287,761	278,001
Total	$2,841,994	$2,770,138	$2,746,613	$2,751,423	$3,096,189	$3,074,489
LIABILITIES:						
Capital stock	$1,300,000	$1,300,000	$1,300,000	$1,300,000	$1,300,000	$1,300,000
Funded debt	1,267,000	1,280,000	1,293,000	1,293,000	1,293,000	1,293,000
Working liabilities	2,813	1,066	1,887	2,653	5,481	1,053
Accrd. liabilities not due	45,016	44,094	45,463	45,942	74,010	32,654
Appropriated surplus	76,198	60,270	37,003	28,656	312,449	291,928
Profit and loss surplus	150,967	84,708	69,260	81,172	111,249	155,854
Total	$2,841,994	$2,770,138	$2,746,613	$2,751,423	$3,096,189	$3,074,489

Bonded Debt: $1,267,000 first 4s, due 1936. For details and rating, see Bond Table of Pennsylvania R.R. Co., page 547.

Capital Stock: Authorized and outstanding, $1,300,000. Par, $50. All owned by Penn. R.R. Co. Dividends June and Dec., at Broad Street Station, Philadelphia; 4% paid in 1914; 4% in 1915.

HARRISBURG, PORTSMOUTH, MOUNT JOY AND LANCASTER RAILROAD

Incorporated under laws of Pennsylvania, June 9, 1832. Leased for 999 years from Jan. 1, 1861, to the Pennsylvania R.R. Co., rental being organization expenses, taxes, interest and 7% on stock. Line of road: Dillerville Junc. to Harrisburg, Pa., 34.48 miles; Royalton, Pa., to Columbia, Pa., 18.09 miles. Total, 52.57 miles. Sidings, 51.60 miles. In 1917, the Pennsylvania R.R. proposed to acquire and directly merge this property.

Management: OFFICERS: J. P. Green, Pres.; A. J. County, Vice-Pres.; J. S. Vanzandt, Sec. and Treas., Philadelphia, Pa. Annual meeting, first Friday in March, at Philadelphia, Pa. OFFICE, Broad Street Station, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	(Dec. 31) 1913	(Dec. 31) 1912	(Dec. 31) 1911
Rental income	$120,675	$118,572	$118,513	$120,308	$120,185	$120,097
Taxes	.....	152	.....	1,842	1,773	1,779
Fixed charges	29,918	28,000	28,000	28,000	28,000	28,000
Surplus	$90,957	$90,420	$90,513	$90,466	$90,412	$90,318
Dividends paid	88,316	88,316	88,316	88,316	88,316	88,316
Balance	$2,441	$2,104	$2,197	$2,150	$2,096	$2,002

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,060,332	$2,058,630	$1,880,392	$1,880,392	$1,880,392	$1,880,392
Working assets	63,565	67,818	242,825	240,685	238,514	236,403
Total	$2,123,897	$2,126,448	$2,123,217	$2,121,077	$2,118,906	$2,116,795

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock.....	$1,777,550	$1,182,550	$1,182,550	$1,182,550	$1,182,550	$1,182,550
Funded debt.....	700,000	700,000	700,000	700,000	700,000	700,000
Working liabilities.....	14,360	14,353	14,545	14,601	14,586	61,673
Accrd. liabilities not due	47,103	47,102	47,102	47,102	47,102	.....
Profit and loss surplus.	184,884	182,443	179,020	176,824	174,668	172,572
Total	$2,123,897	$2,126,448	$2,123,217	$2,121,077	$2,118,906	$2,116,795

Bonded Debt: $700,000 Harrisburg, Portsmouth, Mount Joy & Lancaster R.R. 1st mtge. ext. 4s. Dated July 1, 1853; due July 1, 1883; extended to July 1, 1913, and again to July 1, 1943. Interest, Jan. and July 1. Registered, $500 and $1,000. Trustee, Girard Trust Co., Philadelphia, Pa. Secured on entire line. Under terms of lease, Pennsylvania R. R. Co. agrees to pay interest and principal when the issue matures. All owned by Penn. R.R. Listed on Philadelphia Stock Exchange. Rating, Aaa.

Capital Stock: Authorized, $2,500,000. Outstanding, $1,182,550. Par, $50. TRANSFER AGENT, C. M. Lammot, Philadelphia, Pa.; Registrar, Girard Trust Co., Philadelphia, Pa. Listed on Philadelphia Stock Exchange. Dividends of 7½% paid from 1902 to 1916, Jan. 10 and July 10.

PHILADELPHIA AND TRENTON RAILROAD

Incorporated June 9, 1832. Leased to Pennsylvania R.R. Co., for 999 years from 1871, rental being 10% dividend on capital stock, taxes, interest and ground rents. Line of road: N. J.-Pa. State Line, Delaware River, at Trenton, N. J., to Kensington, Philadelphia, Pa., 26.07 miles. Sidings, 59.70 miles.

Management: OFFICERS: A. J. County, Pres.; H. Tatnall, Vice-Pres.; L. Neilson, Sec.; J. M. Wood, Treas., Philadelphia, Pa. Annual meeting, third Wednesday in February. OFFICE, Broad Street Station, Philadelphia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$49,734	$49,734	$49,734	$49,734	$49,794	$49,821
Fixed charges	324	324	324	324	384	411
Surplus	$49,410	$49,410	$49,410	$49,410	$49,410	$49,410
Dividends paid	49,410	49,410	49,410	49,410	49,410	49,410

Profit and Loss Account, year ending June 30, 1916: Credit balance at beginning of year, $680,362. Contra: Credit balance carried to balance sheet, $678,399; miscellaneous credits, $1,963; total, $680,362.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$5,808,970	$5,816,770	$5,818,705	$5,819,624	$7,265,444	$6,744,078
Working assets.....	7,772	1,934	12,632	12,592	12,585	12,610
Deferred debit items...	12,540	12,353	.....	.....	.....	.....
Total	$5,829,282	$5,831,057	$5,831,337	$5,832,216	$7,278,029	$6,756,688
LIABILITIES:						
Capital stock.....	$1,259,100	$1,259,100	$1,259,100	$1,259,100	$1,259,100	$1,259,100
Funded debt.....	8,100	8,100	8,100	8,100	.....	.....
Working liabilities.....	3,871,330	3,871,142	3,871,423	3,871,482	5,325,395	4,804,054
Accrd. liabilities not due	12,353	12,353	12,352	12,352	12,352	12,352
Profit and loss surplus.	678,399	680,362	680,362	681,182	681,182	681,182
Total	$5,829,282	$5,831,057	$5,831,337	$5,832,216	$7,278,029	$6,756,688

Capital Stock: Authorized, $3,000,000. Outstanding, $1,259,100. Par, $100. Dividends quarterly, Jan. 10, etc., at Broad Street Station, Philadelphia. Dividends, 1900 to 1915, 10% each year. $765,000 owned by United New Jersey R.R. & Canal Co. does not bear dividends. TRANSFER AGENT, C. M. Lammot, Philadelphia. Registrar, Girard Trust Co., Philadelphia. Listed on Philadelphia Stock Exchange.

PENNSYLVANIA TUNNEL AND TERMINAL RAILROAD COMPANY

Incorporated under laws of New York and New Jersey, June 26, 1907, as a consolidation of the Pennsylvania, New York & Long Island R.R. Co., and Pennsylvania, New Jersey & New York R.R. Co. Line of road: Manhattan Transfer Station, N. J., to Long Island City, N. Y., 11.81 miles, line extending under New York City and including new 33d Street Station property. Sidings, 37.75 miles.

Management: OFFICERS: Samuel Rea, Pres.; A. J. County, Vice-Pres.; J. F. Fahnestock, Treas.; L. Nielson, Sec.; C. M. Bunting, Compt., Philadelphia, Pa. DIRECTORS: S. Rea, H. Tatnall, T. DeWitt Cuyler, A. J. County, W. H. Barnes, Philadelphia, Pa.; J. D. Crimmins, New York; S. S. Dennis, Newark, N. J.; P. Roberts, Jr., W. W. Atterbury, W. H. Myers, Philadelphia, Pa. Annual meeting, third Friday in April. OFFICE, Broad Street Station, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	(Dec. 31) 1912	(Dec. 31) 1911
Rental income	$2,532	$3,125	def. $1,048,921	def. $2,270,433	def. $394,798
Taxes	.....	11,754	.....	.....	.....
Fixed charges	1,350	450	105,098	185,748	90,843
Surplus	$1,182	def. $9,079	def. $1,154,019	def. $2,456,181	def. $485,642

Profit and Loss Account, year ending June 30, 1916: Credit balance transferred from income, $1,182; miscellaneous credits, $115,154; debit balance carried to balance sheet, $5,175,080; total, $5,291,416. Contra: Debit balance at beginning of year, $5,291,416.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$109,410,406	$109,397,425	$109,098,013	$107,808,851	$109,661,632	$109,089,078
Working assets.....	1,489	1,489	57,015	63,299	109,043	186,452
Deferred debit items...	.....	.....	11,755	386,279	377,126	11,260
Profit and loss deficit..	5,175,080	5,291,416	5,282,337	5,031,744	2,941,822	485,642
Total	$114,586,975	$114,690,330	$114,449,120	$113,290,173	$113,089,623	$109,772,432
LIABILITIES:						
Capital stock.....	$25,000,000	$25,000,000	$25,000,000	$25,000,000	$25,000,000	$25,000,000
Funded debt.....	.....	.....	317,032	31,855	84,879,334	84,302,269
Working liabilities.....	89,586,975	89,690,330	89,132,088	88,257,930	3,209,944	470,163
Deferred credit items..	.....	.....	.....	388	345	.....
Total	$114,586,975	$114,690,330	$114,449,120	$113,290,173	$113,089,623	$109,772,432

Certificates of Indebtedness: Authorized and outstanding, Dec. 31, 1915, $83,003,410; dated Dec. 31, 1913; due Dec. 29, 1914. No interest paid. Registered in the name of the Pa. R.R. Co., which owns entire issue.

Capital Stock: Outstanding, $25,000,000, of which $15,000,000 is owned by the Penn. R.R. Co., and $10,000,000 by the Pennsylvania Co. Par, $100. Authorized, $40,000,000. TRANSFER AGENT, W. E. Ringel, Camden, N. J.

UNITED NEW JERSEY RAILROAD AND CANAL COMPANY

Origin: The Camden & Amboy R.R. Co. and Delaware & Raritan Canal Co. were both chartered on the 4th of Feb. 1830, and in Feb., 1831, the capital stocks of these two companies were consolidated. Their affairs were managed jointly by the directors of both companies and they were to share equally in profits. In 1863, the joint companies acquired a controlling interest in the stock of the Philadelphia & Trenton R.R. Co., and arranged with that company for an equal division of their joint profits. In Jan., 1867, a through New York-Philadelphia route was formed by an agreement with the United Cos. and the New Jersey R.R. and Transportation Company, which owned the line between New Brunswick and Jersey City, and under this agreement the profits were divided between the four companies. On June 30, 1871, the entire property was leased to the Pennsylvania R.R. Co., for 999 years, at an annual rental equal to 10% on the aggregate capital stock.

Location: Line of road, Jersey City, N. J., to Penn. State Line, at Trenton, N. J., 56.72 miles; South Amboy to Camden, N. J., 61.22 miles; branches, 42.44 miles; total, 160.38 miles; sidings, 434.31 miles. Canal, Bordentown to New Brunswick, N. J., 44 miles; feeder, Raven Rock to Trenton, N. J., 22 miles. Total canal, 66 miles.

Management: OFFICERS: T. Oakes, Pres.; S. S. Dennis, Vice-Pres.; H. W. Green, Sec. and Treas. DIRECTORS: Wm. Starr Miller, J. R. Roosevelt, New York; T. Oakes, Bloomfield, N. J.; S. S. Dennis, J. W. Clark, Newark, N. J.; B. Henry, H. P. McKean, R. D. Benson, Philadelphia, Pa.; J. D. Bedle, Jersey City, N. J.; H. W. Green, Trenton, N. J.; M. T. Pyne, Princeton, N. J.; C. W. McAlpin, Princeton, N. J.; Edgar G. Weart (State Director), Princeton, N. J. Annual meeting, last Tuesday in May, at Trenton, N. J. OFFICE, 72 Clinton Street, Trenton, N. J.

Bonded Debt: United N. J. R.R. & Canal Co., $20,000,000 4s and 3½s. Dated 1883, 1889, 1894, 1901, 1908, and due 1923, 1929, 1944, 1948, 1951. For details and ratings, see Bond Table of Pennsylvania R.R. Co., page 547.

Capital Stock: Authorized, $21,240,000; outstanding, $20,834,700. Par, $100. TRANSFER AGENT, Henry W. Green, 72 So. Clinton Street, Trenton, N. J. For details and ratings, see Stock Table of Pennsylvania R.R. Co.

COMPANIES CONTROLLED BY PENNSYLVANIA RAILROAD, BUT SEPARATELY OPERATED

BALTIMORE, CHESAPEAKE & ATLANTIC RAILWAY

Incorporated under Maryland laws, Aug. 29, 1894, as successor to Baltimore & Eastern Shore R.R., Eastern Shore Steamboat Co., Maryland Steamboat Co., and Choptauk Steamboat Co. Equipment: Locomotives, 14; passenger and freight cars, 115; steamboats, 19. The water lines are as follows: Baltimore to Claiborne, 44 miles; Baltimore to Denton, Md., 140 miles; Tuckahoe division, 18 miles; Baltimore to Seaford, Del., 160 miles; Baltimore to Salisbury, Md., 142 miles; Baltimore to Snow Hill, Md., 200 miles; Baltimore to Shields, Va., 190 miles; Baltimore to Freeport, Va., 240 miles.

Operates about 87.61 miles of rail; sidings, 16.41 miles, and 1,134 miles of water lines in Maryland and on Chesapeake Bay. Controls the Maryland, Delaware & Virginia Ry. (see below) by stock ownership.

Management: W. Heyward Myers, Pres.; Willard Thomson, Vice-Pres. and Gen. Mgr.; Lewis Neilson, Sec.; J. F. Fahnestock, Treas. DIRECTORS: W. H. Myers, W. W. Atterbury, A. J. County, G. D. Dixon, J. B. Hutchinson, H. Tatnall, W. Thomson, J. M. Nelson, R. B. Dixon, Joseph Bancroft, J. C. Leonard, M. V. Brewington, M. Vandiver, Wm. P. Jackson. Annual meeting, third Wednesday in March. OFFICES, Baltimore, Md., and Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	(Dec.31) 1913	1913	1912
Gros earnings	$1,127,927	$1,235,650	$1,253,935	$1,247,861	$1,208,656	$1,130,881
Net earnings	72,912	142,439	154,860	.....	183,510	206,171
Operating ratio ...	93.3%	88.5%	76.3%	88%	84.8%	81.8%
Net income	98,296	167,966	168,302	162,218	196,241	220,088
Taxes accrued	26,921	27,752	26,270	25,459	.....	21,184
Fixed charges	278,132	245,052	204,053	147,977	150,251	167,050
Balance	def. $206,757	def. $104,838	def. $62,021	def. $11,218	$45,990	$31,854
Dividends	.....	.....	90	.....	37,500	37,500
Other deductions	Cr. 839	18,483	20,388	.....	.....	.....
Balance	def. $205,918	def. $123,321	def. $82,499	def. $11,218	def. $8,490	def. $5,646

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $97,467; debit balance carried to balance sheet, $347,424; total, $444,891. Contra: Debit balance at beginning of year, $69,500; debit balance transferred from income, $205,918; loss on retired road and equipment, $169,446; miscellaneous debits, $27; total, $444,891.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$3,913,581	$4,150,905	$4,166,326	$4,174,150	$3,868,609	$3,890,380
Working assets.....	259,396	255,198	203,305	196,751	537,141	248,266
Accrued income not due	.....	.....	.....	.....	.....	439
Deferred debit items...	150,053	171,742	175,269	116,840	126,057	130,559
Profit and loss.....	347,424	69,500	.....	.....	.....	.....
Total	$4,670,454	$4,647,345	$4,544,900	$4,487,741	$4,531,807	$4,269,644
LIABILITIES:						
Capital stock.....	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Funded debt.....	1,370,000	1,846,000	1,450,000	1,490,000	1,490,000	1,290,000
Working liabilities.....	626,400	127,612	383,410	226,790	174,312	112,297
Accrd. liabilities not due	27,846	29,123	29,758	30,093	27,627	25,552
Deferred credit items..	6,731	6,003	1,173	.....	1,952	881
Appropriated surplus...	137,477	138,607	125,672	99,916	123,199	102,609
Profit and loss.....	.....	.....	54,887	140,942	214,717	238,305
Total	$4,670,454	$4,647,345	$4,544,900	$4,487,741	$4,531,807	$4,269,644

Bonded Debt: (1) $1,250,000 Balto., Ches. & Atlantic first 5s; dated Sept. 1, 1894; due Sept. 1, 1934. Int. paid Mar. and Sept. 1, at Broad Street Station, Phila., and 85 Cedar Street, New York. Coupon, $1,000. First lien on entire property and equipment, embracing 87.61 miles of railroad from Claiborne to Ocean City, Md. Legal for S. B. in Maine. Normal income tax deducted from interest. Net Rating, Ba.

Capital Stock: Auth and outstanding, $1,500,000 preferred and $1,000,000 common; par $50. Preferred stock has preference to 5% cumulative dividends. Full rate was paid on preferred in 1909 to 1911; in 1912, 2½%; none in 1913, 1914 and 1915. Pennsylvania R.R. owns $432,607 preferred and $250,000 common; Delaware R.R. owns $278,200 preferred and $250,000 common; Philadelphia, Baltimore & Washington R.R. owns $454,950 preferred and $250,000 common; New York, Phila. & Norfolk R.R. owns $261,250 preferred and $250,000 common.

CORNWALL & LEBANON RAILROAD

Origin: Incorporated in Pennsylvania on Feb. 28, 1882; acquired the Colebrook Valley Railroad in 1886, and the Lebanon Belt. Ry. in 1900.

Location: Operates about 26.44 miles, Conewago to Lebanon, Pa.; Cornwall to Ore Banks; Lebanon to North and East Lebanon, etc. Sidings, 13.28 miles.

Control: Capital stock now owned by the Pennsylvania Railroad Co., 62½%, and the Pennsylvania Co., 37½%.

Management: OFFICERS: A. D. Smith, Pres.; A. J. County, Vice-Pres.; Lewis Neilson, Sec.; J. F. Fahnestock, Treas.; H. W. Siegrist, Aud. DIRECTORS: B. D. Coleman, D. J. Leopold, E. E. McCurdy, J. R. Williams, W. Heyward Myers, A. J. County, Henry Tatnall, W. A. Patton, E. T. Postlethwaite, A. D. Smith. Annual meeting, first Thursday in April. OFFICE, Lebanon, Pa.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	.....	.....	.....	.....	.....	1.27%	.83%
Products of Animals.....	.....	.....	.....	.....	.....	.....	.....	.....	.98	.88
Products of Mines.....	.....	.....	.....	.....	.....	.....	.....	.....	70.50	68.48
Products of Forests.....	.....	.....	.....	.....	.....	.....	.....	.....	.90	.75
Manufactures.....	.....	.....	.....	.....	.....	.....	.....	.....	13.21	17.34
Miscellaneous.....	.....	.....	.....	.....	.....	.....	.....	.....	13.14	11.72

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908.....	26	15	11	12	608	84%	65,127	655,196	289	$2.48	1.89c	1.56c
1909.....	26	15	12	12	755	86	61,406	687,996	289	2.44	1.68	1.59
1910.....	26	15	12	12	755	86	80,500	921,104	329	2.88	1.72	1.61
1911.....	26	15	12	13	795	82	68,615	573,609	384	2.33	1.59	1.97
1912.....	26	15	12	12	788	82	79,960	516,000	231	2.30	1.99	1.98
1913.....	26	15	13	15	719	85	81,990	807,782	316	2.91	1.62	1.67
1914.....	26	15	14	16	615	83	91,358	550,371	254	2.35	1.70	1.77
1915.....	26	15	14	17	352	76	80,942	489,599	256	2.34	1.75	1.77
1916.....	26	15	17	23	387	75	109,472	874,330	314	3.11	1.96	1.55
9-Year Average } ..	26	15	13	15	664	82%	79,930	675,110	285	$2.57	1.77c	1.72c

Yard tracks and sidings, 13.28 miles, June 30, 1916.

Comment: During the year to June 30, 1916, the Cornwall & Lebanon nearly doubled its freight density and reported a very substantial increase in passenger density. The company also reported very much better train mile earnings, and a higher average train load than in any year since 1913.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$11,850	$1,638	$2,807	$4,445	$3,829	$3,576	$3,872	$501	$3,371	$945	72%	$2,426	$2,154
1909	12,690	1,437	2,939	4,376	4,478	3,836	4,589	459	4,130	944	77	3,186	2,461
1910	16,676	1,431	3,050	4,481	5,597	6,598	7,651	539	7,112	1,176	83	5,936	3,077
1911	12,563	1,176	3,304	4,480	5,302	2,781	4,009	515	3,464	945	73	2,519	2,461
1912	11,869	1,061	3,205	4,266	5,300	2,303	3,726	562	3,164	941	70	2,223	2,154
1913	15,924	1,217	3,657	4,874	6,221	4,829	5,326	605	4,721	944	80	3,777	3,077
1914	11,976	1,267	3,619	4,886	5,730	1,360	1,917	608	1,309	944	28	365	308
1915	11,410	1,248	2,246	3,494	5,559	2,357	2,495	555	1,940	1,619	17	321	.....
1916	18,112	1,846	2,192	4,038	7,065	7,010	7,169	598	6,571	2,805	57	3,766	1,231
9-Year Average	$13,674	$1,369	$3,002	$4,371	$5,453	$3,850	$4,528	$552	$3,976	$1,251	62%	$2,725	$1,880

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$470,923	$296,642	$311,373	$414,019	$308,573	$326,635	$433,590
Maintenance of way	47,983	32,447	32,950	31,634	27,602	30,578	37,208
Maintenance of equipment	56,990	58,408	94,090	95,084	83,337	85,901	79,298
All other operating expenses	183,678	61,271	148,978	161,755	137,748	137,855	145,525
Net operating revenues	$182,272	$61,271	$35,355	$125,546	$59,886	$72,301	$171,559
Operating ratio	61.3%	78.9%	88.6%	69.7%	80.6%	77.8%	60.4%
Other income	4,127	3,596	14,479	12,935	36,999	31,924	27,361
Total net income	$186,399	$64,867	$49,834	$138,481	$96,885	$104,225	$198,920
Taxes accrued	15,555	14,423	15,812	15,723	14,599	14,182	14,013
Balance for charges	$170,844	$50,444	$34,022	$122,758	$82,286	$90,043	$184,907
Fixed charges	72,921	42,085	24,548	24,548	24,548	24,548	30,596
Surplus over charges	$97,923	$8,359	$9,474	$98,210	$57,738	$65,495	$154,311
Dividends paid	32,000	.....	8,000	80,000	56,000*	64,000*	80,000
Balance	$65,923	$8,359	$1,474	$18,210	$1,738	$1,495	$74,311
Earned on stock	12.24%	1.02%	1.18%	12.28%	7.22%	8.2%	19.3%

* In addition, $16,000 (2%) was paid from profit and loss in 1911, and $24,000 (3%) from profit and loss in 1912.

Profit and Loss Account, year ending June 30, 1916: Credit balance at beginning of year, $680,000; credit balance transferred from income account, $65,923; total, $745,923. Contra: Loss on retired road and equipment, $8,145; miscellaneous debits, $253; credit balance at close of year, $737,525; total, $745,923.

Comment: Both gross and net revenues underwent a marked improvement during the year ended June 30, 1916. While fixed charges increased heavily the balance carried forward was nevertheless a very substantial one and equaled more than 12% on the outstanding stock as compared with only a nominal figure in 1915.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended June 30.	Stock Outstanding and per Cent of Whole.		Bonds Outstanding and per Cent of Whole.		Rentals Cap. at 5 per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$30,770	51%	$29,420	49%	.....	$60,190	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	30,770	51	29,420	49	.....	60,190	$6,338	$53,852	7.2%	.....	.....	$2,154	7%	.....	.....
1909	30,770	51	29,420	49	.....	60,190	7,800	52,390	8.7	.....	.....	2,461	8	.....	.....
1910	30,770	51	29,420	49	.....	60,190	7,800	52,390	14.5	.....	.....	3,077	10	.....	.....
1911	30,770	51	29,420	49	.....	60,190	7,680	52,510	7.6	.....	.....	2,461	8	.....	.....
1912	30,770	51	29,420	49	.....	60,190	7,480	52,710	7	.....	.....	2,154	7	.....	.....
1913	30,770	51	29,420	49	.....	60,190	7,465	52,725	10.1	.....	.....	3,077	10	.....	.....
1914	30,769	51	29,419	49	.....	60,188	7,460	52,728	3.6	.....	.....	308	1	.....	.....
1915	30,769	51	29,419	49	.....	60,188	7,267	52,921	4.7	.....	.....	.....	.....	.....	.....
1916	30,769	51	29,419	49	.....	60,188	7,267	52,921	13.5	.....	.....	1,231	4	.....	.....
9-Year Average	$30,770 *	51%	$29,420 *	49%	.....	$60,190 *	$7,395	$52,795	8.6%	.....	.....	$1,880	6.1%	.....	.....

* Ten-year average.

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1912	1911	1910
ASSETS:							
Property investment	$2,162,017	$1,948,595	$1,982,069	$2,181,671	$2,075,726		$1,966,277
Working assets	368,078	421,837	397,603	323,870	409,243	$2,481,612	395,821
Deferred debit items	13,187	800	2,424	2,709	.....		.....
Accrued income not due	600	636	672	.....	.....		.....
Total	$2,544,782	$2,373,899	$2,382,828	$2,508,250	$2,484,971	$2,481,612	$2,362,048
LIABILITIES:							
Capital stock	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000
Funded debt	764,000	764,000	764,000	764,000	764,000	764,000	764,000
Working liabilities	213,700	109,137	94,115	182,966	128,963		10,990
Accrued liabilities not due	24,737	18,846	19,554	57,896	105,001	192,708	47,649
Deferred credit items	3,020	1,017	297	.....	.....		.....
Surplus	737,525	680,000	703,962	702,488	686,047	724,004	738,508
Total	$2,544,782	$2,373,899	$2,382,828	$2,508,250	$2,484,971	$2,481,612	$2,362,048

Comment: There were no capitalization changes on the Cornwall & Lebanon property during the year to June 30, 1916. The property is not very heavily capitalized, and during the past decade has generally reported a substantial net income on the net capital. For the year recently closed this net income was no less than 13½%.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest Req'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Cornwall & Lebanon first 30-year 4s	A&O	Ap 1921	(1st) 26	$23,600	$3,976	$941	70%	High	Good	Baa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19-21.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $800,000; outstanding, $613,700; in treasury, $151,200. Dated April 1, 1891; due April 1, 1921. Int. paid April and Oct. 1, at treasurer's office, Philadelphia, Pa. Coupon, $1,000; reg., $100, $250, $500, $1,000. Interest rate, formerly 5%, was reduced to 4% on Oct. 1, 1906. First lien on 26.44 miles owned, and on all other property of the company. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $800,000; par, $50. Dividends paid Jan. and July 31. Rates in recent years: 1900, 5%; 1901, 5½%; 1902 to 1906, 6% each; 1907, 8%; 1908, 7%; 1909, 8%; 1910, 10%; 1911, 8% and 2% extra; 1912, 7% and 3% extra; 1913, 10%; 1914, 1%; none in 1915; 4% in 1916. Pennsylvania Railroad Company and the Pennsylvania Co. now own the entire issue.

CUMBERLAND VALLEY RAILROAD COMPANY

Origin: Incorporated in Penn., June 2, 1835. Successor by consolidation in 1865 of the former company of the same name with the Franklin R.R. Co. In 1906, the Dillsburg & Mechanicsburg R.R. was absorbed and in the same year the Cumberland Valley & Waynesboro R.R. was merged. The company is controlled by stock ownership by the Pennsylvania R.R., the latter owning nearly all the two preferred issues, and a large majority of the common stock.

Location: Main line extends from Harrisburg, Pa., to Potomac River, W. Va., with branches to Waynesboro, Richmond, Pa., Winchester, Va., etc., 163.68 miles in all. Yard track, 118.17 miles. This includes 107.06 miles directly owned, balance being controlled through leases.

Management: OFFICERS: M. C. Kennedy, Pres.; Samuel Rea, Vice-Pres.; W. L. Ritchey, Sec. and Treas. DIRECTORS: John P. Green, Samuel Rea, Henry Tatnall, M. C. Kennedy, S. C. Gilbert, Geo. H. Stewart, Lewis S. Sadler, A. J. County, W. W. Atterbury, G. D. Nixon, William A. Patton. Annual meeting, first Monday in October. MAIN OFFICE, Chambersburg, Pa.

Comparative Income Account, Years Ended December 31

	1916*	1915*	1914	1913	1912	1911	1910
Gross revenues	$3,478,178	$2,910,581	$3,227,054	$3,574,335	$3,291,360	$2,891,331	$3,128,258
Maintenance of way	367,432	402,923	515,120	728,307	587,974	566,379	422,367
Maintenance of equipment	315,172	379,043	418,757	411,788	422,098	358,251	426,588
All other operating expenses	1,183,288	1,150,213	1,267,618	1,362,797	1,215,646	1,077,485	1,106,544
Net operating revenues	$1,612,286	$889,002	$1,025,540	$1,071,443	$1,065,642	$889,216	$1,172,759
Operating ratio	53.7%	69.7%	68.2%	70%	67.6%	69.2%	65.2%
Other income	136,757	133,694	102,323	98,912	74,410	73,692	69,321
Total net income	$1,749,043	$1,022,696	$1,127,872	$1,170,355	$1,140,052	$962,908	$1,242,080
Taxes accrued	71,068	68,836	69,532	71,547	70,696	67,840	84,515
Fixed charges	242,181	93,223	105,142	247,273	182,901	165,934	187,167
Surplus	$1,435,794	$860,637	$953,198	$851,535	$886,455	$729,634	$970,398
Dividends paid	426,676	426,676	426,676	426,676	426,676	426,676	426,680
Balance	$1,009,118	$433,961	$526,522	$424,859	$459,779	$302,958	$543,718
Earned on stock (Combined Issues)	26.9%	16.1%	17.9%	16%	16.4%	13.5%	18.2%
Other deductions	1,005,733	427,984	.....	.....	.....	.....	.....
Balance	$3,385	$5,977	.....	.....	.....	.....	.....

* Year ended June 30.

Profit and Loss Account, year ending June 30, 1916: Credit balance at beginning of year, $698,148; credit balance transferred from income, $3,385; profit on road and equipment sold, $50; miscellaneous credits, $10; total, $701,573. Contra: Credit balance carried to balance sheet, $691,480; loss on retired road and equipment, $6,708; miscellaneous debits, $3,385; total, $701,573.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$8,584,652	$8,031,051	$5,996,949	$5,694,096	$5,250,558	$5,082,996
Working assets	2,054,068	1,498,175	3,402,852	3,290,704	3,415,581	2,978,222
Accrued income not due	.....	.....	.....	.....	.....	.....
Deferred debit items	31,843	34,245	32,369	21,302	32,966	30,284
Total	$10,671,463	$9,563,471	$9,432,170	$9,008,102	$8,709,105	$8,091,502
Liabilities:						
Capital stock	$5,333,550	$5,333,550	$5,333,550	$5,333,550	$5,333,550	$5,333,550
Funded debt	.....	5,420	10,841	16,261	21,682	27,102
Working liabilities	417,165	301,844	579,810	650,663	862,082	724,186
Accrd. liabilities not due	31,632	34,465	33,653	27,548	24,446	20,748
Deferred credit items	9,037	7,178	.....	.....	.....	.....
Appropriated surplus	4,188,599	3,182,866	2,754,882	2,260,351	1,748,066	1,361,034
Profit and loss surplus	691,480	698,148	719,434	719,729	219,279	624,882
Total	$10,671,463	$9,563,471	$9,432,170	$9,008,102	$8,709,105	$8,091,502

Note: As there are no outstanding bonds and all but a few shares of the stock of the Cumberland Valley R.R. are now owned by the Pennsylvania R.R., a full analysis is not given. For results of years prior to 1911, see "Moody's Analyses" for 1912.

Capital Stock: Outstanding, $241,900 first preferred, $243,000 second preferred, and $4,818,550 common; par $50. Pennsylvania R.R. owns $238,600 first preferred, $241,750 second preferred, and $4,827,700 common. Dividends: on all classes from 1885 to 1907, 8%; 1908 and 1909, 12%; 1910 to date, 8% per annum. In 1910, a 200% dividend was paid in scrip, this scrip being convertible into common stock. No bonded debt. All issues are legal for S. B. in N. H.

CUMBERLAND VALLEY & MARTINSBURG RAILROAD

Incorporated under Virginia laws, March 17, 1888, as successor to the Martinsburg and Potomac R.R. Line of road, Potomac River to Winchester, Va., 33.73 miles; sidings, 27.73 miles. Leased to Cumberland Valley R.R. Co. for 99 years from March 17, 1888, and operated as a part of that company's system. Rental, net earnings.

Management: Officers: M. C. Kennedy, Pres.; W. L. Richey, Treas.; A. C. Nadenbousch, Sec.; C. M. Davison, Auditor. Annual meeting, fourth Tuesday in January. Office, Martinsburg, W. Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Total net income	$116,319	$14,678	$111,198	$137,242	$109,356	$104,402
Surplus	$116,319	$14,678	$111,198	$137,242	$109,356	$104,402
Other deductions	33,731	.....	80,249	12,565	10,097	37,710
Balance	$82,588	$14,678	$30,949	$124,677	$99,259	$66,692

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $469,997; credit balance transferred from income, $82,588; total $552,585. Contra: Credit balance carried to balance sheet, $544,340; loss on retired road and equipment, $8,245; total, $552,585.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ..	$1,418,854	$1,390,296	$1,292,688	$1,157,714	$809,175	$799,078
Working assets	143,759	64,243	177,204	200,980	412,278	313,019
Total	$1,562,613	$1,454,539	$1,469,892	$1,358,694	$1,221,453	$1,112,097
LIABILITIES:						
Capital stock	$700,000	$700,000	$700,000	$700,000	$700,000	$700,000
Appropriated surplus..	318,273	284,542	195,285	115,035	102,470	92.373
Profit and loss surplus.	544,340	469,997	574,607	543,659	418,983	319,724
Total	$1,562,613	$1,454,539	$1,469,892	$1,358,694	$1,221,453	$1,112,097

Capital Stock: Auth. and issued, $700,000; par $100. No bonded debt.

MARYLAND, DELAWARE & VIRGINIA RAILWAY

Incorporated under laws of Maryland in 1894 and of Delaware in 1895, as the Queen Anne's Railroad Co. Operates about 82.62 miles from Love Point, Md., to Lewes, Del., with branches; sidings, 11.77 miles. Owns 11 locomotives; freight cars, 39; passenger cars, 25; service cars, 3; steamboats, 12. Also operates about 979 miles of water lines on Chesapeake Bay and Potomac River. Water lines are as follows: Baltimore to Love Point, Md., 27 miles; Baltimore to Fredericksburg, Va., 285 miles; Norfolk to Tappahannock, Va., 150 miles; Baltimore to Washington, 295 miles; Baltimore to Lyons Creek, Md., 150 miles; Baltimore to Crumpton, Md., 72 miles. Controlled by Baltimore, Chesapeake & Atlantic Railway Co., but separately operated.

Management: OFFICERS: W. H. Myers, Pres.; W. Thomson, Vice-Pres. and Gen. Mgr.; L. Neilson, Sec.; J. F. Fahnestock, Treas. Annual meeting, fourth Thursday in March. OFFICES, Phila. and Baltimore, Md.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	*1912	*1911
Gross earnings	$890,179	$935,581	$962,612	$943,932	$895,149	$885,388
Net earnings	64,837	96,351	96,031	108,288	101,989	126,212
Operating ratio	92.8%	89.7%	90.0%	88.5%	88.6%	85.8%
Total net income.....	70,572	103,059	98,002	109,903	103,960	126,292
Taxes accrued	9,447	8,546	5,904	.....	5,559	5,453
Fixed charges, etc.....	182,306	174,723	165,239	163,677	160,054	155,435
Deficit	$121,181	$80,210	$73,241	$53,774	$61,652	$34,596

* Year ended Dec. 31.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $150; debit balance carried to balance sheet, $907,444; total, $907,594. Contra: Debit balance at beginning of year, $780,236; debit balance transferred from income, $121,181; loss on retired road and equipment, $1,436; miscellaneous debits, $4,741; total, $907,594.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$4,900,922	$4,907,297	$4,948,708	$4,949,145	$4,956,038	$5,057,087
Working assets	93,600	98,531	81,349	70,554	74,748	73,444
Deferred debit items...	55,373	79,155	62,589	61,388	67,350	54,335
Profit and loss.....	907,444	780,236	664,940	559,024	503,449	407,538
Total	$5,957,339	$5,865,219	$5,757,586	$5,640,111	$5,601,585	$5,592,404
LIABILITIES:						
Capital stock	$3,000,000	$3.000.000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Working liabilities	874,077	790,272	681,034	596,626	557,524	547,988
Accr'd liabilities not due	45,081	43,643	42,987	42,985	43,038	43,399
Deferred credit items..	.....	.....	651	500	1,023	1,017
Appropriated surplus..	38,181	31,304	32,914	.....	.....	.....
Total	$5,957,339	$5,865,219	$5,757,586	$5,640,111	$5,601,585	$5,592,404

Bonded Debt: $2,000,000 Maryland, Delaware & Virginia Ry. first 5s; dated Feb. 1, 1905; due Feb. 1, 1955; int. Feb. and Aug. First lien on entire property owned, 77.43 miles. Guaranteed prin. and int. by Baltimore, Chesapeake & Atlantic Ry. Coupon, $1,000. Free of Maryland and Delaware State taxes. Interest paid without deduction for normal income tax. Net Rating, B.

Capital Stock: $1,500,000 4% non-cumulative preferred and $1,500.000 common; par, $50. Baltimore, Chesapeake & Atlantic Ry. owns all the common and $300,000 of the preferred stock.

SOUTHERN PENNSYLVANIA RAILWAY & MINING COMPANY

Incorporated under Penn. laws Feb. 20, 1869, as the Southern Penna. Iron & R.R. Co. Line of road, South Penn. Jct. to Richmond, Pa., 21.89 miles. Sidings, 2.94 miles. Leased to Cumberland Valley Ry. for 99 years from 1870. Rental being net earnings.

Management: OFFICERS: M. C. Kennedy, Pres.; W. L. Richey, Treas. and Sec. Annual meeting, first Monday in May. OFFICE, Chambersburg, Pa.

Capital Stock: Auth. and issued, $800,000; par $50. No bonded debt and no dividends.

LYKENS VALLEY RAILROAD AND COAL COMPANY

Incorporated April 7, 1830, under laws of Pennsylvania. Line of road, Millersburg to Williamstown, Pa., 19.33 miles. Sidings, 10.34 miles. Leased to Northern Central Railway for 99 years from July 1, 1910; rental being $24,000 per year, taxes, and organization expenses. Lease assumed by Penn. R.R. in 1914. Earnings now included in income account of Penna. R.R. Co.

Capital Stock: Auth., $800,000; outstanding, $600,000; par $20. Dividends since 1909 as follows: 1910, 5%; 1911, 5%; 1912, 1913, 1914, 1915 and 1916, 4% each. Payments Jan. and July. TRANSFER AGENT, C. M. Lammot, Philadelphia. No bonded debt.

SUSQUEHANNA, BLOOMSBURG & BERWICK RAILROAD

Origin: Incorporated under Pennsylvania laws, July 31, 1902, as a reorganization of the Central Pennsylvania & Western Ry. Operates 41.83 miles, Watsontown to Berwick, Pa., and branches. Sidings, 6 miles. Equipment: locomotives, 7; cars, 8.

Management: OFFICERS: A. J. County, Pres.; S. T. McCormick, Vice-Pres.; J. F. Fahnestock, Treas.; L. Neilson, Sec. DIRECTORS: S. T. McCormick, E. R. Payne, J. W. Cochran, Jr., C. Cochran, A. J. County, W. Masters, A. Bellmeyer. Annual meeting, first Monday in May. OFFICE, Broad Street Station, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$320,072	$108,687	$174,836	$249,354	$170,897	$142,045	$194,990
Maintenance of way	69,390	32,519	37,852	33,577	18,782	22,434	
Maintenance of equipment	20,493	22,884	20,022	20,701	18,263	9,261	108,381
All other operating expenses	76,349	48,806	64,743	65,758	56,387	53,710	
Net operating revenues	$153,840	$4,478	$52,219	$129,318	$77,465	$56,640	$86,609
Operating ratio	51.9%	95.9%	70%	48.1%	54.7%	60.1%	55.6%
Other income	5,319	2,864	2,975	.....	.....	.....	.....
Total net income	$159,159	$7,342	$55,194	$129,318	$77,465	$56,640	$86,609
Taxes accrued	5,010	4,937	5,720	7,294	3,674	4,349	4,674
Fixed charges	64,816	47,636	55,325	63,470	52,119	49,153	62,289
Surplus	$89,333	def.$45,231	def.$5,851	$58,554	$21,672	$3,138	$19,646
Earned on stock	8.93%	.....	.....	5.85%	2.17%	0.31%	1.96%

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year $144,862; credit balance transferred from income, $89,333; unrefundable overcharges, $383; total, $234,578. Contra: Credit balance carried to balance sheet, $234,578.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,767,941	$1,763,700	$1,774,097	$1,779,392	$1,772,626	$1,774,057
Working assets	315,619	78,551	156,351	200,641	131,240	101,581
Deferred debit items	519	68,577	68	43	64	114
Total	$2,084,079	$1,910,828	$1,930,516	$1,980,076	$1,903,930	$1,875,752
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	700,000	700,000	700,000	700,000	700,000	700,000
Working liabilities	103,388	50,335	24,770	66,960	50,734	43,227
Accr'd liabilities not due	15,522	14,902	15,008	15,633	13,989	14,075
Deferred credit items	30,591	729	.....	101	101	968
Profit and loss surplus	234,578	144,862	190,738	197,382	139,106	117,482
Total	$2,084,079	$1,910,828	$1,930,516	$1,980,076	$1,903,930	$1,875,752

Bonded Debt: $700,000 Susquehanna, Bloomsburg & Berwick R.R. first 5s; dated Oct. 1, 1902; due Oct. 1, 1952; int. paid April and Oct. 1 at Fidelity Trust Co., Philadelphia. First lien on entire 42.43 miles owned, and all other property. Company pays income tax. Market: S. K. Phillips, Phila.; Coffin Co., New York. Rating, Ba.

Capital Stock: Auth. and outstanding $1,000,000; par $50. Total issue is now owned by Pennsylvania Railroad. Dividend of 1% was paid in 1910. None reported since.

WESTERN NEW YORK & PENNSYLVANIA RAILWAY

Origin: Incorporated under the laws of Pennsylvania and New York, March 18, 1895, as a reorganization of the Western New York and Pennsylvania Railroad Company. The company was leased on August 1, 1900, to the Pennsylvania Railroad for one year, this lease then being extended to 20 years from August 1, 1903. Rental consists of the net earnings. The Pennsylvania Railroad owns nearly all the outstanding capital stock of the company.

Location: Lines of road operated consist of 592.78 miles of main track and 63.06 miles of second track; 346.79 miles of sidings. The main lines extend from Buffalo, N. Y., to Emporium Junction, Pa., and also from Buffalo to Oil City, Pa., with branches in western New York and western Pennsylvania, entering such cities as Oil City, Pa., Warren, Pa., Titusville, etc. Equipment owned: locomotives, 128; passenger, freight, and service cars, 5,850.

Management: OFFICERS: J. P. Green, Pres.; A. J. County, Vice-Pres.; J. F. Fahnestock, Treas.; L. Neilson, Sec., Philadelphia, Pa. DIRECTORS: T. De Witt Cuyler, G. E. Bartol, J. J. Henry, J. P. Green, George Wood, W. H. Barnes, F. L. Bartlett, H. Tatnall, Porter Norton, W. W. Atterbury, A. J. County, Victor Wierman, H. T. Ramsdell. Annual meeting, first Monday in April. OFFICE, Broad Street Station, Philadelphia, Pa.

Comparative Income Account Years Ended December 31

	1915	1914	1913	1912	1911	1910
Gross earnings	$10,871,845	$9,574,786	$10,315,796	$9,450,146	$7,869,967	$8,458,268
Maintenance of way...	1,606,817	1,711,277	1,608,239	1,231,456	1,231,456	1,395,284
Maint. of equipment...	2,491,093	2,397,493	2,876,337	1,974,379	1,974,379	2,255,542
Net earnings	$2,206.636	$621,606	$483,664	$1,369,987	$810.606	$809.356
Operating ratio ...	79.7%	93.5%	95.3%	85.6%	89.7%	90.5%
Fixed chgs., tax., & imp.	3,447,879	3,162,062	3,765,412	2,263,127	2,099,282	2,521,500
Deficit	$1,241,243	$2,540,456	$3,281,748	$893,140	$1,288,676	$1,712,144

Income Account, year ended June 30, 1916: Income from lease, $3,061,695; charges, taxes, etc., $3,943,526; deficit, $881,831. Operating figures not reported.

While net operating results of the road do not show any surplus for the full charges, the policy of the Penn. R.R. has no doubt been to expend heavy sums in the maintenance and improvement of the property, as is shown by the very heavy operating ratio. The bonds are entitled to a fair rating in view of the true earning capacity of the road.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $16,932,248; debit balance transferred from income, $881,831; delayed income debits, $4.460; miscellaneous debits, $323; total, $17.818,862. Contra: Miscellaneous credits, $104; debit balance carried to balance sheet, $17,818,758; total, $17,818,862.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$62,529,847	$60,701,841	$60,146.589	$58,308,507	$57,725,948	$57,318,044
Working assets	970,626	612,070	623,528	1,236,137	1,350,998	1,207,903
Deferred debit items...	194	.....	.....	.....	.....	.....
Profit and loss deficit...	17,818,758	16,932,248	14,807,394	9,077,251	8,115,099	6,859,170
Total	$81,319,425	$78,246,159	$75,577,511	$68,621,895	$67,192,046	$65,385,117
LIABILITIES:						
Capital stock	$20,000.000	$20.395.000	$20.395.000	$20,000,000	$20,000.000	$20,000,000
Funded debt	29,990.000	29,656,756	29,718,512	30,175,268	30,298,773	30.422,279
Working liabilities	25,499,404	23,646,997	21,498,671	18,263,621	16,741,781	14,842,435
Accrued liabilities	209,442	152,419	189,840	183,006	151,492	120,403
Deferred credit items..	.....	716	.....	.....	.....	.....
Appropriated surplus ..	5,620,579	4,394,271	3,775,488	.....	.....	.....
Total	$81,319,425	$78,246,159	$75,577,511	$68,621,895	$67,192,046	$65,385,117

Bonded Debt: (1) $9,990.000 Western New York & Penna. R.R. first 5s; dated Dec. 1, 1887; due Jan. 1, 1937. Int. paid at Broad St. Station, Phila., and company office, New York. Coupon, $1,000. Registerable as to principal. First lien on 572.15 miles as follows: from Oil City, Pa., to Buffalo, N. Y., 136.91 miles; Buffalo to Emporium Jc., Pa., 118.40 miles; Olean, N. Y., to Warren, Pa., 59.68 miles; Irvineton to Oil City, Pa., 50.19 miles; Stoneboro, Pa., to Mahonington, 37.42 miles; Tyronville to Lakeville, Pa., 8.42 miles; Titusville to Pioneer, Pa., 9.70 miles; Kinzua to Gates, Pa., 13.22 miles; Morrison to West Line, Pa., 9.86 miles; Larabee to Clermont, Pa., 22.34 miles; Rochester to Hinsdale, N. Y., 98.37 miles; smaller branches, 7.64 miles. Second collateral lien on terminal property in Buffalo, including 2.32 miles of main track from Louisiana St. to Bailey Ave. following No. 2. Also a lien on all the right and interest of the company in and to the railroad, franchises, and property of the Bradford R.R. Co., and Olean, Bradford & Warren R.R. Underlie Nos. 2 and 3. Listed on the New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax. Free of New York and Pennsylvania State tax. Net Rating, A.

(2) $10,000.000 Western New York & Pennsylvania Ry. gen. 4s; dated April 1, 1895; due April 1, 1943. Int. paid at Broad St. Station, Phila., and company office, New York. Coupon, $1,000. Registerable as to principal. First lien on 21.77 miles as follows: from Leesburg to Redmond, Pa., 14.10 miles, and from Winchester to Blasdell, N. Y., 7.67 miles; second lien on 572.15 miles, following No. 1; first collateral lien on the 2.32 miles; also second lien on the right and interest of the company, etc., etc., following No. 1. Underlies No. 3. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax. Free of Pennsylvania and New York State tax. Net Rating, Ba.

(3) $10,000,000 Western New York & Pennsylvania Ry. income 5s; dated April 1, 1895; due April 1, 1943. Int. paid when earned and non-cumulative at Fidelity Trust Co., Philadelphia. Coupon, $1,000. Registerable as to principal. Second lien on 21.77 miles, following No. 2; third lien on 572.15 miles, following No. 2; third collateral lien on 2.32 miles, following No. 1; third lien on the right and interest of the company, etc., etc., following No. 2. Listed on the New York and Philadelphia Stock Exchanges. Nearly all owned by Pennsylvania R.R. Co. No interest being paid.

Capital Stock: Auth., $20,000,000; outstanding, $19,972,756; par, $50. Pennsylvania R.R. owns $19,439,601.

YORK, HANOVER & FREDERICK RAILWAY

History: Consolidation in July, 1914, of the Central R.R. of Maryland and the York, Hanover & Frederick R.R. Latter was consolidation in 1897 of Frederick & Northern R.R. and Hanover & York R.R. Line of road, York, Pa., to Frederick, Md., 55.64 miles; Keymar to Union Bridge, Md., 5.50 miles; total operated, 61.14 miles. Sidings, 11.14 miles. Operated by Northern Central Ry. under agreement, rental being net earnings. Mileage and income included in statement of Northern Central Railway. Name changed to York, Hanover and Frederick Railway, July 20, 1914.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$27,880	$31,420	def.$25,934	def. $4,274	def.$16,089	def.$28,054
Taxes	12,948	11,186	.....	.....	.....	.....
Fixed charges	25,468	25,041	20,824	17,764	19,005	18,099
Surplus	def.$10,536	def.$4,807	def.$46,758	def.$22,038	def.$35,094	def.$46,153
Other deductions	21,181	11,836	3,578	8,053	2,662	.....
Balance	def.$31,717	def.$16,643	def.$50,336	def.$30,091	def.$37,756	def.$46,153

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $376,393; debit balance transferred from income, $31,717; total, $408,110. Contra: Debit balance carried to balance sheet, $408,110.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$856,041	$832,051	$818,926	$598,642	$582,188	$570,979
Working assets	6,759	5,810	2,946	.....	.....	.....
Profit and loss deficit	408,110	376,393	359,906	299,347	277,310	242,267
Total	$1,270,910	$1,214,254	$1,181,778	$897,989	$859,498	$813,246
LIABILITIES:						
Capital stock	$525,000	$525,000	$525,000	$400,000	$400,000	$400,000
Funded debt	150,000	150,000	150,000	150,000	150,000	150,000
Working liabilities	542,073	507,841	487,035	345,616	307,136	262,186
Accr'd liabilities not due	6,527	5,284	5,450	2,373	2,362	1,060
Appropriated surplus	47,310	26,129	14,293	.....	.....	.....
Total	$1,270,910	$1,214,254	$1,181,778	$897,989	$859,498	$813,246

Bonded Debt: $150,000 York, Hanover & Frederick R.R. first 4s; dated May 1, 1897; due May 1, 1927; int. paid May and Nov. at Broad Street Station, Philadelphia. Coupon, $1,000. First lien on entire property. All now owned by Pennsylvania R.R.

Capital Stock: Auth., $600,000; issued, $525,000; par $50. No dividends. All now owned by Pennsylvania R.R.

THE LONG ISLAND RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated April 24, 1834, under New York laws, main line to Greenport opened July 10, 1844. From time to time additional properties were acquired and the company now controls and operates all the steam railroad lines on Long Island, including besides the directly owned lines, the New York & Rockaway Beach Ry., the New York, Brooklyn & Manhattan Beach Ry., Canarsie R.R., etc., etc.

Location: Directly operated lines consist of main stems from Long Island City to Greenport and to Montauk Point, with a third line on the North Shore and many branches radiating throughout the Island, making 397.01 miles in all, of which 323.48 miles is owned, and balance operated under contract and trackage rights. The company operates, under traffic rights, the Pennsylvania Tunnel & Terminal R.R. from Long Island City to Pennsylvania Station, New York; also maintains a terminal at Flatbush and Atlantic Aves., Brooklyn.

Control: The Pennsylvania R.R. Co. owns $6,797,900 out of $12,000,000 capital stock of the Long Island R.R.

Management: OFFICERS: Ralph Peters, Pres.; Henry Tatnall, Vice-Pres.; Frank E. Haff, Sec.; James F. Fahnestock, Treas.; C. L. Addison, Asst. to Pres.; J. A. McCrea, Gen. Mgr. DIRECTORS: W. W. Atterbury, August Belmont, F. G. Bourne, Thos. DeWitt Cuyler, John P. Green, W. G. Oakman, Ralph Peters, C. M. Pratt, Samuel Rea, Henry Tatnall, Geo. D. Dixon, H. C. Lakin, Percival Roberts, Jr. Annual meeting, second Tuesday in April. OFFICE, Pennsylvania Station, New York.

Classification of Freight Tonnage (Years Ending December 31, 1907-1912; June 30, 1913-1916)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	9.09%	11.46%	11.04%	10.78%	11.58%	11.42%	12.38%	14.80%	13.50%	12.55%
Products of Animals	6.06	6.18	5.21	5.59	5.49	5.51	5.40	7.14	7.35	8.51
Products of Mines	33.33	40.06	33.38	40.00	39.35	39.33	38.90	42.60	43.11	40.22
Products of Forests	9.09	8.04	10.30	8.74	7.51	7.32	7.53	7.56	7.60	7.89
Manufactures	18.19	18.83	19.21	17.68	16.96	16.48	17.73	22.99	17.66	18.49
Merchandise and Miscel	24.24	15.43	20.86	17.21	19.11	19.94	18.06	4.91	11.32	12.34

Total revenue tonnage in 1908, 3,072,521 tons; 1909, 3,595,657 tons; 1910, 3,814,289 tons; 1911, 3,996,717 tons; 1912, 4,268,313 tons; 4,331,771 tons in year ended June 30, 1913; 4,292,177 tons in 1914; 4,455,450 tons in 1915; 4,824,269 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	392	155	190	579	1,598	27%	926,783	207,730	145	$2.07	1.46c	3.32c
1908 "	392	157	189	538	1,547	26	898,793	203,686	163	2.13	1.48	3.18
1909 "	391	162	188	779	1,846	27	1,042,786	230,545	167	2.12	1.40	3.30
1910 "	395	180	188	835	2,143	32	1,152,726	233,032	159	2.00	1.37	3.33
1911 "	399	188	181	951	1,959	33	1,275,027	244,399	156	1.71	1.36	3.34
1912 "	399	191	176	899	1,911	31	1,383,728	255,379	163	1.85	1.33	3.40
1913 June 30	399	194	182	974	1,626	30	1,443,734	252,854	164	1.92	1.31	3.47
1914 "	398	203	177	1,085	1,489	27	1,512,718	238,845	174	2.09	1.31	3.57
1915 "	398	205	165	1,106	1,500	28	1,516,816	261,701	200	2.28	1.30	3.63
1916 "	397	204	165	1,088	1,572	29	1,572,510	290,374	217	2.37	1.31	3.62
10-Year Average	406	184	180	883	1,719	29%	1,272,562	241,855	171	$2.05	1.36c	3.42c

Yard tracks and sidings, 257 miles. Fiscal year ends Dec. 31.

Comment: During the year to June 30, 1916, the passenger density of the Long Island Railroad reached a new high figure, and there was also some improvement in the freight density. It will be noted that the bulk of this company's business is passenger business, the volume of freight always being light. Passenger rates are relatively low, while freight rates are high, but in recent years there has been a tendency toward substantial improvement in the train mile earnings.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907, Dec. 31	$25,843	$3,230	$3,765	$6,995	$14,757	$4,091	$4,938	$881	$4,057	$6,248	.....	$2,191*	.....
1908 "	25,047	2,553	3,305	5,858	12,681	6,508	7,062	1,003	6,059	6,763	.....	704*	.....
1909 "	27,873	2,613	3,335	5,948	13,112	8,813	9,489	1,283	8,206	7,396	10%	810	.....
1910 "	29,440	2,923	3,524	6,447	15,038	7,955	8,575	1,407	7,168	8,000	.....	832*	.....
1911 "	29,979	3,400	3,203	6,603	15,083	8,293	9,153	1,522	7,631	8,779	.....	1,148*	.....
1912 "	32,464	3,684	3,248	6,932	16,260	9,272	10,753	1,712	9,041	9,749	.....	708*	.....
1913, June 30	29,178	3,899	3,309	7,208	13,742	8,228	11,461	1,795	9,666	10,692	.....	1,026*	.....
1914 "	31,722	3,940	3,628	7,568	15,155	8,999	10,378	1,947	8,431	10,808	.....	2,377*	.....
1915 "	33,455	3,720	3,727	7,447	15,356	10,652	12,940	2,172	10,768	11,729	.....	961*	.....
1916 "	35,774	4,068	3,888	7,956	15,882	11,936	14,460	2,267	12,193	11,860	3	333	.....
10-Year Average	$30,078	$3,403	$3,493	$6,896	$14,707	$8,475	$9,921	$1,599	$8,322	$9,202	.....	$880*	.....

* Deficit.

Comparative Income Account, Years Ended December 31, 1910-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$14,202,332	$13,315,125	$12,625,291	$11,641,883	$11,186,656	$10,517,751	$9,779,116
Maintenance of way	1,615,026	1,480,746	1,568,047	1,555,766	1,469,757	1,356,663	1,154,444
Maintenance of equipment	1,543,366	1,483,345	1,443,972	1,320,191	1,296,053	1,279,068	1,391,991
All other operating expenses	6,305,283	6,111,674	6,031,753	5,482,071	5,368,235	5,268,048	4,874,172
Net operating revenues	$4,738,657	$4,239,360	$3,581,519	$3,283,855	$3,052,611	$2,613,972	$2,358,509
Operating ratio	66.6%	68.1%	71.6%	71.8%	72.7%	75.1%	75.9%
Outside operations, net	*	*	2,902	514,867	646,983	695,003	753,787
Other income	1,002,020	910,848	545,896	774,369	590,658	342,991	275,051
Total net income	$5,740,677	$5,150,208	$4,130,317	$4,573,091	$4,290,252	$3,651,966	$3,387,347
Taxes accrued	900,208	864,555	774,733	716,232	683,074	607,116	555,753
Balance for charges	$4,840,469	$4,285,653	$3,355,584	$3,856,859	$3,607,178	$3,044,850	$2,831,594
Fixed charges	4,708,264	4,668,037	4,301,687	4,266,254	3,889,868	3,502,806	3,160,157
Deficit	(sur.) $132,205	$382,384	$946,103	$409,395	$282,690	$457,956	$328,563

* In above income account, net receipts from "outside operations" are included in "net operating reveunes."

Profit and Loss Account, year ended June 30, 1916: Debit balance, June 30, 1915, $7,335,252; debt discount, $6,435; loss on retired road and equipment, $713,854; miscellaneous debits, $186,888; total, $8,242,429. Contra: Credit balance from income account, $132,205; profit on road and equipment sold, $270,970; miscellaneous credits, $138,687; debit balance transferred to balance sheet, $7,700,567; total, $8,242,429.

Comment: Both gross and net revenues underwent moderate improvement on the Long Island Railroad during the year to June 30, 1916. While fixed charges increased only slightly, the company was able to show for the first time in the past eight years, a moderate surplus above fixed charges.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. (Includes Leaseholds) Dividend Record.

Years Ended	Stock Outstanding and per Cent of Whole.		Bonds Outstanding and per Cent of Whole.		Rentals Cap. at 5 per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907 Dec. 31	$30,612	21%	$118,128	79%	$23,224	$171,964	$17,081	$154,883	3.2%	.....	.....	.....	.....	.....	.....
1908 "	30,612	21	118,128	79	25,905	174,645	17,120	157,525	4.5	.....	.....	.....	.....	.....	.....
1909 "	30,690	18	138,976	82	29,740	199,406	17,690	181,716	5.2	.....	.....	.....	.....	.....	.....
1910 "	30,380	16	155,074	84	31,311	216,765	14,110	202,655	4.3	.....	.....	.....	.....	.....	.....
1911 "	30,075	18	141,613	82	29,589	201,277	16,570	184,707	4.9	.....	.....	.....	.....	.....	.....
1912 "	30,075	17	151,402	83	30,358	211,835	15,851	195,984	5.5	.....	.....	.....	.....	.....	.....
1913 June 30	30,075	17	150,738	83	32,285	213,098	22,020	191,078	6.	.....	.....	.....	.....	.....	.....
1914 "	30,151	17	148,841	83	34,308	213,300	9,892	203,408	5.1	.....	.....	.....	.....	.....	.....
1915 "	30,151	17	146,995	83	33,890	211,036	9,253	201,783	5.	.....	.....	.....	.....	.....	.....
1916 "	30,227	14	178,876	86	33,480	242,583	1,900	240,683	6.	.....	.....	.....	.....	.....	.....
10-Year Average	$30,305	18%	$144,877	82%	$30,409	$205,591	$14,149	$191,442	6.1%	.....	.....	.....	.....	.....	.....

Note: The bonded debt column includes the entire direct bonded debt of the company, notes, equipment issues, floating debt, etc.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment...	$75,125,404	$74,462,485	$72,979,274	$74,520,548	$73,916,446	$74,812,155
Working assets	7,616,557	7,067,639	7,970,566	4,285,360	3,370,750	2,928,034
Deferred debit items...	3,793,324	3,414,676	3,702,814	4,352,452	3,007,702	3,272,234
Acrued income not due.	124,079	118,844	97,044	15,893	.....	.....
Profit and loss deficit...	7,700,567	7,335,252	6,163,860	5,130,723	4,105,050	3,723,340
Total	$94,359,931	$92,398,896	$90,913,558	$88,304,976	$84,399,948	$84,735,763
Liabilities:						
Capital stock	$12,000,000	$12,000,000	$12,000,000	$12,000,000	$12,000,000	$12,000,000
Funded debt	71,013,654	58,503,925	59,239,047	60,144,572	60,501,412	60,478,412
Working liabilities	9,840,062	20,513,994	18,412,356	15,152,809	11,111,976	11,539,561
Accrd. liabilities not due	959,152	934,333	1,108,863	926,333	761,560	697,564
Deferred debit items...	281,901	181,482	153,292	81,262	25,000	20,226
Appropriated surplus...	265,162	265,162	.....	.....	.....	.....
Total	$94,359,931	$92,398,896	$90,913,558	$88,304,976	$84,399,948	$84,735,763

Securities Owned: The company owned Dec. 31, 1915, $3,316,800 in par value of stocks and $6,437,951 in par value of bonds; total securities owned, $9,754,751.

Note: The "working liabilities" item in the above balance sheet includes loans and bills payable. For many years the Pennsylvania R.R. has been making advances to this company for improvements, etc., and the $12,248,000 debenture 4s of 1909 were issued to the Penn. R.R. to liquidate a part of these advances. Increase in funded debt in 1916 due to further issue of debenture 4s to liquidate indebtedness to Penn. R.R. These debentures were taken by the latter company at par.

Comment: The chief change in the financial statement of the Long Island property during the year to June 30, 1916, was a large increase in the funded debt, which was due to the issue of debenture bonds to the Pennsylvania Railroad for the purpose of liquidating the company's indebtedness to the latter. As measured on the mileage basis the capitalization is very high indeed, and in recent years the net income on net capital has not shown much improvement. In 1916 this net income equaled 6%, which is just under the average for the decade.

Capital Readjustment: In January, 1917, the Pennsylvania Railroad submitted the following plan of readjustment to the minority stockholders of the company:

(1) The Long Island R.R. to issue 5% debenture bonds for $5,202,100 (this being equal to amount of stock held by other owners than Pennsylvania R.R.).

(2) To issue common stock for the balance of its debt approximating $25,000,000. The Pennsylvania R.R. Co. agrees to accept the debentures and common stock at par for that amount of the debt due to it by the Long Island Rilroad Company.

(3) The Pennsylvania R.R. Co. is to exchange the debentures, par for par, for the common stock of the company held by other owners than itself. These debentures are to run for 20 years, and are to be secured by any future mortgage placed upon the property. They are redeemable after five years, at the option of the company, at 102½.

The success of the plan depends upon its acceptance by the minority stockholders, because the Pennsylvania R.R. Co. has not obligated itself to carry any part of it into effect unless the owners of a satisfactory amount of the stock of the Long Island R.R. Co., held by others than itself, consent to its terms, and agree to exchange their stock for debenture bonds.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Long Island R. R. second (now first) 7s	F&A	Ag 1918	(1st) 155	$1,730	$8,322	$47	99%	Very high	High	Aaa.
2. Long Island first cons. 5s	QuJa	Jl 1931	(1st) 32			455	93%	"	"	Aaa.
3. Long Island first cons. 4s	QuJa	Jl 1931	(2d) 295	14,336	8,275	113	93%	"	"	Aaa.
			(3d) 2							
4. Long Island R. R. gen. 4s	J&D	Je 1938	(2d) 7	12,150		300	92%	High	"	Aa.
			(3d) 155							
5. Long Island R. R. deb. 5s	J&D	Je 1934	Not mtg.	.....	7,707	143	92%	"	"	Aa.
6. Long Island Stewart L. 4s	J&D	Je 1932	(1st) 17	19,691		34	92%	"	"	Aa.
7. Long Island Ferry first 4½s	M&S	Mr 1922	(1st) Term.	.....		170	92%	"	"	Aa.
8. New York & Flush first 6s	M&S	Mr 1920	(1st) 2	54,600		19	89%	"	"	Aa.
9. Bklyn. & M. 2d (now 1st) 5s	J&D	Je 1938	(1st) 76	7,690		75	89%	"	"	Aa.
			(2d) 2							
10. Long Isl. City & F. cons. 5s	M&N	My 1937	(1st) 21	31,250	7,060	81	89%	"	"	Aa.
11. N. Y. Bay Extcn. first 5s	J&J	Ja 1943	(1st) 6	16,260		12	89%	"	"	Aa.
12. Montauk Extcn. first 5s	J&J	Ja 1945	(1st) 21	15,000		39	89%	"	"	Aa.
13. Long Island unified 4s	M&S	Mr 1949	(cons. all)	17,400		566	89%	"	"	A.
14. Long Island Refunding 4s	M&S	Mr 1949	"	72,572		2,400	50%	"	"	Aa.
15. Long Island Nor. Sh. Br. first consol. 5s	QuJ	O 1932	(1st) 30	42,066		160	50%	"	"	Aa.
16. New York & Rockaway Bch. first 5s	M&S	S 1927	(1st) 12	71,540	6,268	111	50%	"	"	Aa.
17. N. Y. Bklyn. & Man. Bch. first consol. 5s	A&O	O 1935	(1st) 16	100,000		200	50%	"	"	A.
18. Long Island R. R. Equip. 4s	seetext	An.	.....	.....		227	50%	"	"	Aa.
19. Long Island Deb. 4s	J&D	D 1919	.....	.....	3,170	2,600	(text)	.....	.....	(text)

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,500,000; outstanding, $268,703 (closed). Dated Aug. 5, 1878; due Aug. 1, 1918. Int. paid at Penn. Station, New York. Coupon, $100, $500, and $1,000. First lien, 154.45 miles, Long Island City to Greenport, Eastport Junc. to Sag Harbor, Hicksville to Northport, Mineola to Locust Valley, Manorville to Eastport. Underlie Nos. 2, 3, 4, 13 and 14, with provision by latter to retire. Legal for Savings Banks in Maine. Normal income tax deducted from interest.

2 and 3. Auth., $5,000,000; outstanding, $3,610,000 5s and $1,121,000 4s (closed). Dated Sept. 1, 1881; due July 1, 1931. Int. quarterly at Penn. Station, New York, and in London. Coupon, $1,000. First lien, 32.27 miles of terminals and short branches, and second lien 295.06 miles, following Nos. 1, 6, 9, 10, 11 and 12; third lien on 2.32 miles, following No. 8. Underlie Nos. 4, 13 and 14, with provision by latter to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $3,000,000. Dated Aug. 1, 1888; due June 1, 1938. Int. paid at Penn. Station, New York. Coupon, $1,000. Second lien on 6.72 miles, following Nos. 2 and 3, and third lien on 154.45 miles, covered by No. 1. Underlie Nos. 13 and 14, with provision by latter to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth., $1,500,000; outstanding, $1,135,000. Dated June 1, 1894; due June 1, 1934. Int. paid at Penn. Station, New York, and in London. Not secured by mortgage, but provided for by No. 14. Listed on the New York Stock Exchange. Normal income tax deducted from interest.

6. Auth., $500,000; outstanding, $332,000 (closed). Dated June 1, 1892; due June 1, 1932. Int. paid at Penn. Station, New York. Coupon, $1,000. First lien, 16.86 miles, Floral Park to Bethpage Junc., etc. Underlie Nos. 2, 3, 13 and 14, with provision by latter to retire. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

7. Auth., $2,750,000; outstanding, $1,494,000 (closed). Dated March 1, 1892; due March 1, 1922. Int. paid at Penn. Station, New York. Coupon, $1,000. First lien on ferry operating between Long Island City and New York, with terminals, equipment, etc. Underlie Nos. 2, 3, 13 and 14, with provision by latter to retire. Listed on New York Stock Exchange. Normal income tax deducted from interest.

8. Auth. and outstanding, $125,000. Dated March 14, 1859; due March 1, 1920. Int. formerly 7%, reduced to 6% in 1880, and paid at Penn. Station, New York. Coupon, $1,000. First lien, 2.29 miles, from Long Island City to junction with Main Line at Flushing. Underlie Nos. 2, 3, 9, 13 and 14, with provision by latter to retire. Legal for S. B. in Maine. Normal income tax deducted from interest.

9. Auth. and outstanding, $600,000. Dated June 15, 1888; due June 1, 1938. Int. paid at Penn. Station, New York. Coupon, $1,000. Assumed by L. I. R.R. First lien, 75.83 miles, Long Island City to Eastport Junc., Valley Stream to Cedarhurst, etc.; second lien on 2.32 miles following No. 8. Underlie Nos. 2, 3, 13 and 14, with provision by latter to retire. Legal for S. B. in Maine. Normal income tax deducted from interest.

10. Auth., $1,250,000; outstanding, $650,000 (closed). Dated May 2, 1887; due May 1, 1937. Int. paid at Penn. Station, New York. Coupon, $1,000. Assumed by L. I. R.R. First lien, 20.83 miles, Long Island City to Flushing and branches. Underlie Nos. 2, 3, 13 and 14, with provision by latter to retire. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

11. Auth., $600,000; outstanding, $100,000 (closed). Dated Jan. 2, 1893; due Jan. 1, 1943. Int. paid at Penn. Station, New York. Coupon, $1,000. First lien, 5.89 miles, Garden City to Valley Stream. Assumed by L. I. R.R. Underlie Nos. 2, 3, 13 and 14, with provision by latter to retire. Legal for S. B. in Maine. Normal income tax deducted from interest.

12. Auth., $600,000; outstanding, $315,000 (closed). Dated Jan. 2, 1895; due Jan. 2, 1945. Int. paid at Penn. Station, New York. Coupon, $1,000. First lien, 21.20 miles, Bridgehampton to Montauk, N. Y. Underlie Nos. 2, 3, 13 and 14, with provision by latter to retire. Legal for S. B. in Maine. Listed on New York Stock Exchange. Normal income tax deducted from interest.

13. Auth., $45,000,000; outstanding, $5,660,000 (closed). Dated March 1, 1899; due March 1, 1949. Int. paid at Penn. Station, New York, and at treasurer's office, Philadelphia. Coupon and reg., $1,000. Callable at 110 on four months' notice. Secured on 329.65 miles, subject to various prior liens described above, amounting in all to $10,121,602. Underlie No. 14, which provides for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

14. Auth., $45,000,000; outstanding, $24,008,000. Dated Sept. 1, 1903; due March 1, 1949. Int. paid at Penn. Station, New York, and Philadelphia. Coupon, $500 and $1,000; reg., $1,000 and multiples. Guaranteed prin. and int. by the Penn. R.R. Co. by endorsement. Secured on 329.65 miles, subject to the various prior liens described, and for all of which bonds of this issue are held in reserve for retirement at or before maturity. Legal for S. B. in Maine, Mich., Minn., N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

15. Auth., $1,500,000; outstanding, $1,262,000; in treasury, $163,000. Dated Oct. 1, 1892; due Oct. 1, 1932. Int. paid at Penn. Station, New York. Coupon, $1,000. Guar. prin. and int. by Long Island R.R. by endorsement. First lien, 30.24 miles, Northport Junc. to Wading River. Provided for by No. 14. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

16. Auth., $1,000,000; outstanding, $883,000; in treasury, $101,000. Dated Sept. 1, 1887; due Sept. 1, 1927. Int. paid at Penn. Station, New York. Coupon, $1,000. Guar. prin. and int. by L. I. R.R. Co. First lien, 12.34 miles to Rockaway Park, L. I., etc. Provided for by No. 14. Listed on New York Stock Exchange. Normal income tax deducted from interest.

17. Auth., $2,000,000; outstanding, $1,601,000; in treasury, $125,000. Dated Oct. 1, 1885; due Oct. 1, 1935. Int. paid at Penn Station, New York. Coupon, $1,000. Guar. prin. and int. by L. I. R.R. by endorsement. First lien, 15.66 miles, Manhattan Beach to East New York and to Bay Ridge, etc. Provided for by No. 14. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

18. Series A, $400,000 4s; due, $100,000 annually on Feb. 1; int. paid Feb. and Aug. 1 at Fidelity Trust Co., Philadelphia. Series B, $400,000 4s; due, $100,000 annually on Feb. 1. Series C, $400,000 4s; due, $100,000 annually on Feb. 1. Int. Feb. and Apr., on all series, at Fidelity Trust Co., Philadelphia.

Equipment 5s of 1914, Series A; dated June 1, 1914; due, $106,000 annually to 1923 and $96,000 June 1, 1924. Int. paid June and Dec. 1, at Fidelity Trust Co., Philadelphia. Authorized, $1,050,000; now outstanding, $838,000. First lien on equipment costing $1,175,262, of which the company paid $125,262 in cash.

19. Auth., $26,500,000; outstanding, $25,247,951. Dated 1909; due Dec. 31, 1919; int. paid in New York. Those outstanding were issued to the Pennsylvania R.R. for advances, etc.

Note: The Long Island R.R. Co. guarantees, in addition to above, the following securities:

$340,000 Prospect Park and Coney Island 1st 4½s; dated Jan. 18, 1886; due Feb. 1, 1926. Int. F. and A. Both prin. and int. are guaranteed. There are also outstanding $160,000 of this same issue carrying 6%, but not guaranteed.

$96,000 Prospect Park and Coney Island 2nd 4½s; dated Feb. 25, 1891; due Mar. 1, 1931. Int. M. and S. Both prin. and int. guaranteed by Long Island R.R. There are outstanding $104,000 of this issue carrying 6%, but not guaranteed. Both guaranteed issues are provided for by No. 14.

$44,000 Montauk Steamboat Co., Ltd., 1st 6s; dated Apr. 1, 1896; due Apr. 1, 1926. Int. J. and J. Both prin. and int. guaranteed.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. New York, Brooklyn & Man. Beach gtd. pfd. stock. Par $100. Outstanding, $650,000...	5% A&O	.....	(Def.)	$81	.....	Small	Small	B.
2. Long Island R.R. stock. Par $50. Outstanding, $12,000,000.	Nil	$30,227	.....	.....	.....	"	"	C.

For Key to Stock Ratings, see page 21.

REFERENCE NOTES ON STOCK ISSUES

1. Road leased to Long Island R.R.; rental, interest on bonds and 5% dividends on preferred stock. Rating based on guaranty. The Long Island R.R. owns $316,000 of this issue. There is also an issue of $650,000 common stock outstanding.

2. On December 31, 1915, the Pennsylvania Railroad owned $6,797,900, out of the total of $12,000,000 outstanding. No dividends are paid. In January, 1917, plans were pending looking to the acquisition of the balance of the stock by the Pennsylvania R.R. See details of proposed plan on page 565. Listed on New York Stock Exchange.

NEW YORK, PHILADELPHIA & NORFOLK RAILROAD

Origin: Incorporated Sept. 27, 1881, under Virginia laws, as successor to the Peninsular R.R. of Virginia. Reorganized without foreclosure in 1899. Controlled by Pennsylvania R.R. Co., which owns $2,492,750 out of $2,500,000 capital stock, which it received in exchange for its 40-year 4% certificates.

Location: Owns and operates 112 miles, from Delmar, Del., to Cape Charles, Va., and Kings Creek to Crisfield, Md. Also operates 36 miles of water lines between Cape Charles and Norfolk, Va. Controls Cape Charles R.R., from Cape Junc. to Kiptopeke, Va.

Management: OFFICERS: Wm. A. Patton, Pres.; A. J. County, Vice-Pres.; Lewis Neilson, Sec.; James F. Fahnestock, Treas. DIRECTORS: Wm. A. Patton, J. P. Green, W. H. Myers, H. Tatnall, R. B. Cooke, C. I. Leiper, A. J. County. Annual meeting, third Tuesday in March. OFFICE, Broad Street Station, Philadelphia.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	11.3%	15.0%	12.5%	13.3%	12.8%	13.2%	13.0%	14.2%	16.5%	13.5%
Products of Animals.....	.9	.8	.8	1.2	1.4	.7	.9	1.0	1.5	1.7
Products of Mines.....	1.4	2.1	2.2	2.6	3.7	4.0	5.5	8.0	5.7	5.1
Products of Forests.....	59.9	59.5	62.2	60.0	58.4	57.0	58.6	54.4	51.3	51.7
Manufactures.....	14.0	14.4	13.5	17.2	18.6	20.0	18.6	18.8	21.9	25.1
Merchandise and Miscel...	12.5	8.2	8.8	5.7	5.1	5.1	3.4	3.6	3.1	2.9

Total revenue tonnage in 1907, 2,499,769 tons; 1908, 2,442,536 tons; 1909, 2,654,599 tons; 1910, 3,137,098 tons; 1911, 3,202,089 tons; 1912, 3,300,205 tons; 1913, 3,805,133 tons; 1914, 3,813,864 tons; 1915, 3,584,676 tons; 1916, 4,619,770 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)*

YEARS ENDED JUNE 30.	Average Miles Operated.†	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.‡	Freight Density.‡	Average Freight Train Load (Tons).‡	Train Mile Earnings.‡	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	112	16	32	27	917	78%	160,358	2,426,209	589	$3.76	2.48c	.81c
1908.....	112	23	32	27	1,255	75	207,994	2,424,742	591	3.94	2.24	.81
1909.....	112	31	32	26	1,271	80	149,997	2,600,685	630	4.11	2.25	.80
1910.....	112	42	38	26	1,378	82	159,620	3,090,060	676	4.39	2.22	.80
1911.....	112	49	37	40	1,352	80	166,309	3,109,869	696	4.16	2.22	.78
1912.....	112	49	38	40	1,336	79	181,271	3,232,306	705	4.15	2.22	.75
1913.....	112	63	37	30	2,128	79	196,787	3,718,047	675	4.05	2.25	.72
1914.....	112	72	40	31	2,136	80	207,084	3,666,601	669	3.90	2.21	.74
1915.....	112	79	41	30	2,159	79	196,570	3,426,885	639	4.12	2.18	.79
1916.....	112	92	40	29	2,139	84	170,055	4,609,487	805	4.98	2.32	.77
10-Year Average	112	52	37	31	1,607	80%	179,405	3,230,489	668	$4.16	2.26c	.78c

* Company operates steamboats, tugs, and barges on 36 miles of water route. † Exclues 36 miles of water route.

‡ Averages not comparable with those of other roads on account of inclusion of results of operation of water lines. Yard tracks and sidings on June 30, 1916, 83.95 miles.

Comment: During the year ended June 30, 1916, the New York, Philadelphia & Norfolk Railroad reported a very heavy increase in its freight density, but the passenger density tended to again decline. The average freight train load, however, was far higher than ever before reported and the train mile earnings also ranged at a new high level. The company's freight business is quite well diversified although the property continues to depend to a large degree on lumber products for its tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$25,157	$3,464	$2,883	$6,347	$10,147	$8,663	$8,719	$531	$8,188	$1,990	76%	$6,198	$2,455
1908.....	26,157	2,498	4,807	7,305	11,069	7,783	7,811	618	7,193	2,259	69	4,934	2,679
1909.....	25,982	2,348	4,567	6,915	11,098	7,969	8,000	624	7,376	1,835	75	5,541	2,679
1910.....	30,068	3,022	4,952	7,974	12,078	10,016	10,105	725	9,380	2,307	75	7,073	2,679
1911.....	30,111	3,555	5,250	8,805	13,404	7,902	8,092	837	7,255	2,476	66	4,779	2,679
1912.....	30,573	2,959	5,316	8,275	14,006	8,292	8,320	833	7,487	2,636	65	4,851	2,679
1913.....	33,763	2,700	5,960	8,660	16,719	8,384	9,169	865	8,304	3,529	58	4,775	2,679
1914.....	34,043	3,005	7,172	10,177	17,508	6,358	7,029	942	6,087	2,136	65	3,951	2,679
1915.....	34,073	3,241	6,978	10,219	16,770	7,084	8,014	995	7,019	2,839	60	4,180	2,679
1916.....	42,531	3,610	8,203	11,813	17,497	13,221	14,196	1,116	13,080	2,956	77	10,124	2,679
10-Year Average	$31,246	$3,040	$5,609	$8,649	$14,030	$8,567	$8,946	$809	$8,137	$2,496	69%	$5,641	$2,657

Note: The above table is based on the average mileage directly operated.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$4,763,418	$3,816,228	$3,812,826	$3,781,500	$3,424,154	$3,372,484	$3,367,648
Maintenance of way	404,306	363,002	336,569	302,430	331,437	398,184	338,479
Maintenance of equipment	918,733	781,532	803,245	667,516	595,360	587,984	554,616
All other operating expenses	1,959,662	1,878,192	1,960,933	1,872,568	1,568,710	1,501,285	1,352,779
Net operating revenues	$1,480,717	$793,502	$712,079	$938,986	$928,647	$885,031	$1,121,774
Operating ratio	68.9%	79.2%	81.3%	75.2%	72.9%	73.8%	66.7%
Other income	109,239	104,027	75,155	87,906	3,205	21,325	10,002
Total net income	$1,589,956	$897,529	$787,234	$1,026,892	$931,852	$906,356	$1,131,776
Taxes	124,967	111,477	105,550	96,873	93,281	93,760	81,164
Balance for charges	$1,464,989	$786,052	$681,684	$930,019	$838,571	$812,596	$1,050,612
Fixed charges	331,076	317,913	239,250	395,246	295,287	277,363	258,381
Surplus over charges	$1,113,913	$468,139	$442,434	$534,773	$543,284	$535,233	$792,231
Dividends	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Other deductions	62,024	51,108	54,352	167,575	150,432	382,692	372,528
Balance	$771,889	$117,031	$88,082	$67,198	$92,852	*$147,459	$119,703
Earned on stock	45.32%	18.72%	17.70%	21.39%	21.73%	21.41%	31.69%

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balanace at beginning of year, $1,130,945; credit balance transferred from income account, $771,889; miscellaneous credits, $4,532; total, $1,907,366. Contra: Loss on retired road and equipment, $7,768; credit balance at close of year, $1,899,598; total, $1,907,366.

Comment: For the year ended June 30, 1916, New York, Philadelphia & Norfolk Railroad reported a very substantial increase in its gross revenues, while its net operating revenues almost doubled. The total net income available for fixed charges was very heavy and as fixed charges increased only slightly the final balance equaled no less than 45 1-3% on the outstanding stock. Since the close of the year the operations of the property have continued to show marked improvement.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended June 30.	Stock Outstanding and per Cent of Whole.		Bonds Outstanding and per Cent of Whole.		Rentals Cap. at 5 per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	$22,321	41%	$32,143	59%	.....	$54,464	$216	$54,248	16.1%	.....	.....	$2,455	11%	.....	60%
1908	22,321	41	32,143	59	.....	54,464	221	54,243	12.6	.....	.....	2,679	12	.....	46
1909	22,321	41	32,143	59	.....	54,464	216	54,248	14.8	.....	.....	2,679	12	.....	52
1910	22,321	41	32,143	59	.....	54,464	582	53,882	18.7	.....	.....	2,679	12	.....	62
1911	22,321	41	32,143	59	.....	54,464	962	53,502	15.1	.....	.....	2,679	12	.....	44
1912	22,321	41	32,143	59	.....	54,464	1,330	53,134	15.6	.....	.....	2,679	12	.....	45
1913	22,321	36	40,179	64	.....	62,500	2,018	60,482	15.1	.....	.....	2,679	12	.....	44
1914	22,321	36	39,286	64	.....	61,607	1,524	60,083	11.7	.....	.....	2,679	12	.....	32
1915	22,321	37	38,393	63	.....	60,714	1,268	59,446	13.5	.....	.....	2,679	12	.....	36
1916	22,321	38	36,929	62	.....	59,250	1,268	57,982	24.5	.....	.....	2,679	12	.....	73
10-Year Average	$22,321	39%	$34,765	61%	.....	$57,086	$961	$56,125	15.8%	.....	.....	$2,657	12%	.....	53%

Note: The above table is based on the average mileage directly operated.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$9,485,257	$9,286,713	$9,253,625	$8,418,364	$7,776,736	$7,683,174
Working assets	1,548,842	1,166,432	925,634	1,448,517	1,388,990	918,974
Deferred debit items	1,181,052	1,153,564	1,145,495	1,545,843	968,630	1,177,193
Total	$12,215,151	$11,606,709	$11,324,754	$11,412,724	$10,134,356	$9,779,341
Liabilities:						
Capital stock	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Funded debt	4,136,000	4,300,000	4,400,000	4,500,000	3,600,000	3,600,000
Working liabilities	1,033,603	1,087,531	916,178	1,043,081	869,756	807,407
Accrued liabilities	40,952	40,590	2,667	4,124	2,759	49
Deferred credit items	97,026	101,995	.....	.....	.....	.....
Appropriated surplus	2,507,972	2,445,648	2,453,741	2,400,151	2,182,598	1,984,177
Surplus	1,899,598	1,130,945	1,052,168	965,367	979,243	887,708
Total	$12,215,151	$11,606,709	$11,324,754	$11,412,724	$10,134,356	$9,779,341

Comment: There were only slight changes in the financial statement of this company during the year ended June 30, 1916. It will be noted that the property is very lightly capitalized in view of its earning power, and that in recent years, there has been no tendency toward increase in this capitalization. The net income on net capital has always ranged high, and in the year just closed reached the high figure of 24.5%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. N. Y., Phila & Norf. R. R. first 4s	J&J	Ja 1939	(1st) 112	$23,360	$8,137	$930	89%	Very high	High	Aaa.
2. N. Y., Phila. & Norf. R. R. inc. 4s	M&N	Ja 1939	(2d) 112	8,500	7,207	340	92%	High	"	Aa.
3. Equipment 4s	QuM	Var.	Equip.	.....		214	92%	"	"	Aa.

Note: Average income available is the annual average surplus per mile for charges for the ten years ended June 30, 1916. For Key to Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,000,000; outstanding, $2,600,000; dated Feb. 1, 1899; due Jan. 1, 1939. Int. paid at Broad St. Station, Philadelphia, Pa. Coupon, $1,000. Registerable as to principal. First lien on 112 miles as follows: Delmar, Del., to Cape Charles, Va., 95 miles, and branch to Chrisfield, Md., 17 miles; also first lien on certain steamboats and barges. Legal for S. B. in Conn., Me., Mich., Minn., N. H., N. J. and Wis. Listed on Philadelphia Stock Exchange. Underlie No. 2. Interest paid without deduction for normal income tax.

2. Auth., $1,000,000; outstanding, $950,000; in sinking fund, $50,000. Dated Feb. 1, 1899; due Jan. 1, 1939. Int. paid out of net earnings, as declared by the Board ofDirectors, and in non-cumulative. Fall rate regularly paid. Registered, $1,000. Second lien on 112 miles, following No. 1. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

3. Outstanding, $600,000 Series G issue of 1912; due $100,000 annually to June 1, 1922. Int. paid at Fidelity Trust Co., Phila. Reg., $1,000. Original issue, $1,000,000. First lien on 850 freight cars.

Capital Stock: Auth., $4,000,000; outstanding, $2,500,000, of which $2,492,750 is owned by Penna. R.R. and pledged under its stock trust certificates. See below. Par, $50. Dividends: 1901, 6%; 1902, 5%; 1903, 6%; 1904, 8%; 1905, 10%; 1906, 10% in cash and 25% in stock; 1907, 11%; 1908 to date, 12% per annum.

Penna. R.R.-N. Y., Phila. & Norfolk 4% Stock Trust Certificates: Auth., $7,500,000; outstanding, $7,478,250, of which the Penn. R.R. owns $200,250. Dated June 30, 1908; due June 1, 1948. Int. paid June and Dec. 1 at Fidelity Trust Co., Phila. Coupon, $1,000. First collateral lien on $2,492,750 capital stock of New York, Philadelphia & Norfolk R.R., on basis of $3,000 in certificates for $1,000 in stock. An obligation of the Pennsylvania R.R.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 26.

PHILADELPHIA, BALTIMORE & WASHINGTON RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Delaware laws, Nov. 1, 1902, as a consolidation of the Philadelphia, Wilmington & Baltimore and the Baltimore & Potomac R.R. Cos. The Philadelphia, Wilmington & Baltimore was formed in 1838 as a consolidation of the Phila. & Delaware County, the Wilmington & Susquehanna, the Delaware & Maryland, and the Baltimore & Port Deposit R.R. Cos. The Baltimore & Potomac R.R. was incorporated in Maryland in 1853, in District of Columbia in 1867 and opened to Washington in 1872.

Location: The directly operated lines of the Philadelphia, Baltimore & Washington R.R. on Dec. 31, 1915, amounted to 717.14 miles, forming a direct line from Philadelphia to Washington, *via* Wilmington and Baltimore, with various branches. The mileage is classified as follows: Main lines and branches owned, 229.45 miles; lines operated under contract, including Columbia & Port Deposit Ry., Phila. & Baltimore Central R.R., Phila. & Delaware County R.R., the Delaware R.R., Delaware, Maryland & Virginia R.R., etc., 478.73 miles; used under traffic rights, 8.96 miles. The company also owns, jointly with the Baltimore & Ohio R.R., the Washington Terminal Co. In 1916, the Philadelphia & Baltimore Central R.R., the Columbia & Port Deposit and the Elkton & Middletown R.R. were directly merged.

Control: The Pennsylvania R.R. Co. owns $25,135,475 out of $25,138,000 capital stock of the Philadelphia, Baltimore & Washington R.R.

Management: Officers: Samuel Rea, Pres.; Geo. D. Dixon, Vice-Pres.; Henry Tatnall, Vice-Pres.; W. W. Atterbury, Vice-Pres.; W. Heyward Myers, Vice-Pres.; A. J. County, Vice-Pres.; Jas. F. Fahnestock, Treas.; Lewis Neilson, Sec. Directors: J. P. Green, J. Walter Smith, Blanchard Randall, S. C. Rowland, Preston Lea, Henry Tatnall, Samuel Rea, C. C. Febiger, Geo. D. Dixon, J. B. Ramsay, R. Dale Benson, D. H. Thomas, W. W. Atterbury, Wm. C. Sproul, W. Heyward Myers, A. J. County, P. S. du Pont. Main Office, Broad Street Station, Philadelphia, Pa.

Classification of Freight Tonnage (Years Ending Dec. 31, 1909-12; June 30, 1913-16)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	10.92%	10.83%	11.96%	10.52%	11.15%	12.35%	12.6%	10.1%
Products of Animals.....	.....	.....	2.42	2.23	1.67	1.49	1.59	2.36	3.5	2.9
Products of Mines.....	.....	.....	34.98	34.39	33.05	30.64	30.45	31.98	32.3	29.5
Products of Forests.....	.....	.....	18.58	19.11	16.00	15.04	16.19	19.56	18.8	21.1
Manufactures.....	.....	.....	25.26	25.80	24.75	18.89	20.41	17.86	16.3	18.3
Merchandise and Miscel...	.....	.....	7.84	7.64	12.57	23.42	20.21	15.89	16.5	18.1

Total tons carried, 14,942,288 in 1909; 15,700,559 in 1910; 14,812,387 in 1911; 15,710,172 in 1912; 16,354,561 tons year ended June 30, 1913; 15,695,848 tons in 1914; 15,150,757 tons in 1915; 18,112,072 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	715	342	323	395	4,099	49%	526,937	1,256,571	275	$1.95	1.93c	.94c
1908 "	716	340	323	393	4,097	48	485,195	1,170,036	274	1.89	1.95	.92
1909 "	717	342	313	407	4,010	50	503,924	1,360,746	308	2.01	1.96	.90
1910 "	714	343	335	424	4,375	51	538,445	1,571,612	325	2.07	1.96	.86
1911 "	714	346	330	433	3,976	49	548,221	1,497,360	327	2.06	1.98	.87
1912 "	713	349	334	462	4,093	50	583,845	1,657,226	334	2.12	1.95	.86
1913 June 30	713	351	333	449	4,164	50	619,863	1,756,677	347	2.15	1.91	.84
1914 "	717	366	343	440	3,789	49	607,822	1,702,128	358	2.16	1.91	.83
1915 "	717	366	330	440	3,542	49	575,199	1,639,734	383	2.30	1.98	.85
1916 "	717	366	346	401	4,046	73	618,146	1,972,661	446	2.62	2.08	.87
10-Year Average	715	351	331	420	4,019	52%	560,760	1,558,475	338	$2.13	1.96c	.87c

Yard tracks and sidings, June 30, 1916, 385 miles. Fiscal year ends Dec. 31.

Comment: For the year ended June 30, 1916, as reported to Interstate Commerce Commission, the Philadelphia, Baltimore & Washington reported substantial improvement in both passenger and freight density, while the company's average freight train load rose to a far higher figure than ever before. The company also reported better average passenger and freight rates. Its train mile earnings were well in excess of those reported in 1915. As usual the company's tonnage was well diversified, high grade freight representing more than one-third of the total tonnage of the year.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907 Dec. 31	$21,145	$3,124	$4,338	$7,460	$11,369	$5,316	$6,353	$567	$5,786	$3,035	47%	$2,751	$1,360
1908 "	22,523	2,782	3,752	6,534	10,624	5,365	6,397	557	5,840	3,806	35	2,034	1,401
1909 "	24,468	3,117	4,210	7,627	10,587	6,254	7,413	599	6,814	3,846	42	2,968	1,471
1910 "	26,662	4,140	4,465	8,605	11,862	6,195	7,575	797	6,778	3,639	46	3,139	1,408
1911 "	26,491	3,660	4,309	7,969	12,227	6,295	7,683	811	6,872	3,678	46	3,194	1,408
1912 "	28,443	4,367	4,952	9,319	13,240	5,884	7,771	883	6,888	4,050	41	2,838	1,410
1913 June 30	29,598	4,803	5,443	10,246	13,699	5,653	7,533	904	6,629	4,143	37	2,486	1,410
1914 "	28,810	4,470	4,379	9,849	14,013	4,948	7,007	915	6,092	4,487	26	1,605	1,402
1915 "	28,250	4,242	5,450	9,692	13,208	5,350	7,450	908	6,542	4,753	27	1,789	1,402
1916 "	33,021	4,352	5,861	10,213	13,765	9,046	11,148	901	10,247	4,949	52	5,298	1,402
10-Year Average	$27,241	$3,985	$4,716	$8,751	$12,459	$6,031	$7,633	$784	$6,849	$4,039	40%	$2,810	$1,408

Note: Above table is based on the average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) was $10,247; fixed charges consumed $4,949 per mile, or 48%, leaving $5,298, a "margin of safety" of 52%.

Comparative Income Account, Years Ended December 31, 1911-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911
Gross revenues.....	$23,677,892	$20,253,922	$20,657,039	$21,103,723	$20,280,042	$18,914,244
Maintenance of way...	3,120,217	3,041,431	3,205,080	3,424,525	3,113,615	2,613,471
Maintenance of equip..	4,202,129	3,907,561	3,857,078	3,881,136	3,530,700	3,096,072
All other oper. expenses	9,869,867	9,470,003	10,047,649	9,767,304	9,440,186	8,709,684
Net oper. revenues.	$6,485,679	$3,834,927	$3,547,232	$4,030,758	$4,195,541	$4,495,017
Operating ratio.....	72.6%	81.06%	82.8%	80.9%	79.4%	84.2%
Other income	1,507,557	1,506,595	1,476,919	1,340,437	1,344,862	990,951
Total net income..	$7,993,236	$5,341,522	$5,024,151	$5,371,195	$5,540,403	$5,485,968
Taxes accrued	646,282	651,281	656,376	644,209	629,341	579,185
Balance for charges	$7,346,954	$4,690,241	$4,367,775	$4,726,986	$4,911,062	$4,906,783
Fixed charges	3,548,522	3,407,789	3,217,216	2,954,331	2,887,883	2,625,468
Surp. over charges	$3,798,432	$1,282,452	$1,150,559	$1,772,655	$2,023,179	$2,281,315
Dividends paid	1,005,520	1,005,520	1,005,520	1,005,520	1,005,520	1,005,520
Other deductions	1,881,978	279,291	302,502	589,489	817,659	1,217,415
Balance	$910,934	def. $2,359	def. $157,463	$177,646	$200,000	$58,380
Earned on stock.....	15.1%	5.10%	4.58%	7.05%	8.05%	9.06%

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915, $4,890,662; credit balance transferred from income, $910,934; unrefundable overcharges, $154; miscellaneous credits, $3,962; total, $5,805,712. Contra: Miscellaneous debits, $77,851; credit balance carried to balance sheet, $5,727,861; total, $5,805,712.

Comment: Gross revenues underwent a substantial improvement on this property in 1916, while net operating revenues increased nearly 80%. The total net income available for fixed charges was more than double the fixed charge requirements, and the final balance carried forward for dividends and improvements exceeded 15% on the outstanding capital stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907 Dec. 31	$35,159	55%	$28,370	45%	$22,072	$85,601	$11,505	$74,096	9%	.....	.....	$1,360	4%	.....	50%
1908 "	35,110	50	34,916	50	26,852	96,878	12,248	84,630	7.6	.....	.....	1,404	4	.....	30
1909 "	35.061	50	35,369	50	29.559	99,989	12,118	87,871	8.4	.....	.....	1,471	4	.....	50
1910 "	35,208	51	34,289	49	22,744	92,241	13,150	79,091	9.6	.....	.....	1,408	4	.....	56
1911 "	35,208	51	34,250	49	24,147	93,605	13,445	80,160	9.6	.....	.....	1,408	4	.....	56
1912 "	35,258	51	34,272	49	25,573	95,103	13,697	81,406	9.5	.....	.....	1,410	4	.....	50
1913 June 30	35,258	51	34,172	49	26,056	95,486	13,425	82,061	9.2	.....	.....	1,410	4	.....	43
1914 "	35,061	50	35,344	50	22,391	92,796	14,458	78,338	8.9	.....	.....	1,402	4	.....	13
1915 "	35,061	50	34,608	50	18,528	88,197	14,759	73,438	10.1	.....	.....	1,402	4	.....	22
1916 "	35,061	51	33,872	49	21,492	90,425	14,739	75,686	14.7	.....	.....	1,402	4	.....	73
10-Year Average	$35,145	51%	$33.946	49%	$23,941	$93,032	$13,354	$79,678	9.6%	.....	.....	$1,408	4%	.....	50%

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment....	$68,275,535	$66,132,554	$60,059,206	$59,687,863	$60,640,462	$57,133,474
Working assets.....	3,971,356	2,631,997	6,887,874	6,101,900	3,534,231	6,521,506
Deferred debit items...	283,240	84,716	1,654,842	1,638,038	718,314	706,767
Accrued income not due	115,063	115,363	115,362	122,434	122,392	122,685
Total	$72,645,194	$68,964,630	$68,717,284	$67,550,235	$65,015,399	$64,484,432
Liabilities:						
Capital stock.....	$25,138,925	$25,138,925	$25,138,925	$25,138,925	$25,138,925	$25,138,925
Funded debt.....	24,286,376	24,814,040	25,341,703	24,364,549	24,435,776	24,463,439
Working liabilities.....	9,095,374	7,428,970	6,008,215	5,794,568	3,491,185	3,834,387
Accrd. liabilities not due	147,249	164,065	135,565	177,382	395,696	351,495
Deferred credit items..	320,504	235,546	703,073	606,878	44,524	215,368
Appropriated surplus....	7,928,906	6,292,422	5,583,330	5,280,828	5,226,249	4,343,112
Profit and loss surplus.	5,727,860	4,890,662	5,806,473	6,187,105	6,283,044	6,137,706
Total	$72,645,194	$68,964,630	$68,717,284	$67,550,235	$65,015,399	$64,484,432

Securities Owned: The par value of stocks owned by the company at the close of 1915 amounted to $12,649,730; and of bonds, $1,920,480; making a total of $14,570,210. The investments include a one-half interest in the capital stock of the Washington Terminal Co., the other half of which is owned by the Baltimore & Ohio R.R., the two companies jointly guaranteeing the entire issue of bonds of the latter.

Comment: There were practically no changes in the capitalization statement of the company during the year to June 30, 1916. The company is really not heavily capitalized in view of its earning power, and during the past decade has each year reported a very substantial income on net capital. In 1916, this percentage reached a new high figure, and was no less than 14.7%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Phila., Balt. & Wash. first cons. 4s	M&N	N 1943	(1st) 227	$70,800	$6,849	$900	84%	Very high	High	Aaa.
2. Phila., Wilm. & Balt. R. R. plain 4s	Var.	1917–32	(1st) 227	17,300		220	84%	"	"	Aaa.
3. Col. & Port Deposit first 4s	F&A	Ag 1940	(1st) 42	43,000		100	92%	"	"	Aaa.
4. Delaware R. R. gen. 4½s	J&J	Jl 1932	(1st) 117	4,270		30	92%	High	Good	Aaa.
5. Junction & Breakwater first 3s	J&J	Ja 1932	(1st) 43	4,300	5,729	6	92%	"	"	Aa.
6. Breakwater & Frankford first 3s	J&J	Ja 1932	(1st) 19	10,000		9	92%	"	"	Aa.
7. Phila., Baltimore & Wash. Debenture 4s	J&J	1918–24	Not mtg.	.....		200	92%	"	"	Aa.
8. Phila. & Balti. Central 4s	M&N	N 1951	(1st) 74	30,000		120	92%	"	"	Aa.

For Key to Bond Ratings, see page 19. Average income available is annual average surplus above charges per mile for the ten years ended June 30, 1916.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $20,000,000; outstanding, $16,070,000. Dated Feb. 1, 1904; due Nov. 1, 1943. Int. paid at Penn. R.R. Station, New York, and Broad Street Station, Philadelphia. Coupon, $1,000; reg., $1,000 and multiples. First lien equally with No. 2 on 227.20 miles, as follows: From Philadelphia, Pa., to Baltimore, Md., 59.15 miles; from Baltimore to Pope's Creek, Md., and from Bowie, Md., to Washington, D. C., including bridge over Potomac River, 90.93 miles; from Newark to Delaware City, Del., 11.80 miles, and other branches aggregating 27.82 miles, and also on the tunnel from the western boundary of the city of Baltimore to a junction with the Northern Central R.R., 1.50 miles, formerly covered by the first lien of the Baltimore & Potomac Tunnel 6s. Legal for Savings Banks in Cal., Conn., Me., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

2. Dated 1887, 1887, 1891, 1892; due $1,000,000 April 1, 1917; $1,000,000 Nov. 1, 1922; $930,000 Jan. 1, 1926; $1,000,000 Oct. 1, 1932. Reg., $1,000. Int. paid at Broad Street Station, Philadelphia, and on the 1917 issue also at Kidder, Peabody & Co., Boston. First lien equally with No. 1 on 227.20 miles. An equal amount of the Philadelphia, Baltimore & Washington 1st 4s is reserved to retire these bonds. Legal for S. B. in Cal., Conn., Mich., Minn., N. H., N. J., N. Y., Wis. Listed on Philadelphia Stock Exchange (except those due 1926). Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $1,800,000. Dated Aug. 1, 1890; due Aug. 1, 1940. Int. paid at Broad Street Station, Philadelphia. Coupon, $1,000. Assumed by Phila., Balt. & Wash. R.R. First lien on 41.94 miles from Columbia, Pa., to Perryville, Md. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

4. Auth., $2,000,000; outstanding, $500,000. Dated July 1, 1892; due July 1, 1932. Int. paid at Broad Street Station, Philadelphia. Coupon, $1,000. Int. guar. by Philadelphia, Baltimore & Washington R.R. First lien on 117.41 miles, as follows: From Sheelport Crossing, near Wilmington, to Delmar, Del., 95.20 miles; and branches from Townsend, Del., to Masseys Cross Roads, Md., Clayton to Smyrna, Del., and Seaford to Del.-Md. State line, 22.21 miles. Legal for S. B. in Conn., Maine, Mich., Minn., N. J., Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $185,000. Dated Jan. 1, 1867; due Jan. 1, 1932. Int. paid at Broad Street Station, Philadelphia. First lien, 43 miles, Harrington to Rehoboth, Del. Divisional lien on Delaware, Maryland & Virginia R.R., which is operated by P. B. & W. R.R. These bonds are all owned by State of Delaware. $250,000 second 5s follow these bonds, being owned by P. B. & W. R.R.

6. Auth. and outstanding, $200,000. Dated May 2, 1874; due Jan. 1, 1932. Int. paid at Broad Street Station, Philadelphia. First lien, 19.3 miles, Georgetown, Del., to Va. State line. Underlying lien on Del., Maryland & Va. Ry. All owned by the State of Delaware.

7. Auth., $5,000,000 and outstanding, $3,500,000. Dated Jan. 1, 1909; due $500,000 annually from Jan. 1, 1915 to 1924. Int. paid at Broad Street Station, Philadelphia. Coupon and reg., $1,000. Not a mortgage, but company agrees that any new mortgage it may hereafter create shall equally secure these bonds. Legal for S. B. in N. H. and R. I. Listed on Philadelphia Stock Exchange. Tax exempt in Penn., Del. and Md. Interest paid without deduction for normal income tax.

8. Auth., $10,000,000; outstanding, $2,200,000. Dated Nov. 1, 1911; due Nov. 1, 1951. Int. paid at company's office, Philadelphia. Coupon, $1,000. Guar. prin. and int. by the Philadelphia, Baltimore & Washington R.R., and now assumed. First lien on 73.63 miles, as follows: West Philadelphia, Pa., to Octoraro, Md., 62.56 miles; Wawa to West Chester, Pa., 9.44 miles, and Brandywine branch, 1.63 miles; and on other property now owned or

hereafter acquired. In addition, the bonds now cover (subject to a prior lien of $180,000), all the property of the Phila. and Delaware County R.R., 10.08 miles. Legal for S. B. in Maine, Mich., Minn., N. H., N. J. Listed on Phila. Stock Exchange. Interest paid without deduction for normal income tax.

Pennsylvania R.R.-Phila., Wilmington & Balto. 4% Stock Trust Certificates.—Auth., $10,000,000; redeemed by sinking fund, $3,379,000; now outstanding, $6,621,000. Dated July 1, 1881; due July 1, 1921. Int. paid Jan. and July 1, at Penn. Co., for Ins. on Lives and Granting Annuities, Phila., Pa. Reg., $1,000. Secured by deposit of an equal amount of the capital stock of the Phila., Wilmingto & Baltimore R.R. (now Phila., Balto. & Washington R.R.) Sinking fund: ½ of 1% semi-annually to purchase and cancel certificates at not over par. If no purchases can be made, fund for that year to revert to Penna. R.R. Co. Listed on Phila. Stock Exchange. Tax free in Penna. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Delaware R.R. stock..... Par $25. Outstanding, $5,078,275.	8% J&J	.....	$3,380	$570	83 %	Very high	Very high	Aaa.
2. Phil., Balt. & Wash. R.R. stock..... Par $50. Outstanding, $25,138,925.	text	$35,061	2,810	1,402*	50%	High	See note	A.

For Key to Stock Ratings, see page 21. * For 4% dividend.

REFERENCE NOTES ON STOCK ISSUES

1. Delaware R.R. was originally leased to Phila., Wilmington & Baltimore R.R., on May 5, 1855, lease expiring in 1910. New lease was then made with Phila., Balt. & Washington R.R. for 99 years and four months, rental being interest on bonds, taxes, and 8% on stock. Latter rate has since been regularly paid. The P. B. & W. R.R. owns $2,704,600 of the issue.

2. Auth., $25,350,450. Dividends at rate of 4% have been paid since organization. In December, 1916, rate was increased to 8% per annum, payable semi-annually, June and Dec. Pennsylvania R.R. owns $25,135,475, a portion of which are deposited under the Philadelphia, Wilmington & Baltimore 4% stock trust certificates, described above.

BALTIMORE & SPARROW'S POINT RAILROAD

Origin: Incorporated under laws of Maryland, Nov. 26, 1887. Road opened in 1899. Controlled by the Philadelphia, Baltimore & Washington R.R. through ownership of entire capital stock.

Location: Colgate Creek to Sparrow's Point, Md., 4.77 miles; branch, 0.66 mile; sidings, 3.84 miles. Locomotives, 2. Passenger service conducted by Northern Central Ry.

Management: Officers: A. J. County, Pres.; Henry Tatnall, Vice-Pres.; Lewis Neilson, Sec.; Jas. F. Fahnestock, Treas., Philadelphia, Pa.; G. R. Sinnichson, Supt., Baltimore, Md. Directors: A. J. County, Henry Tatnall, W. H. Myers, E. T. Postlethwaite, W. A. Patton, J. B. Hutchinson, Phila., Pa.; S. C. Rowland, Baltimore, Md. Annual meeting, Wednesday after the second Tuesday in March at Philadelphia, Pa. Office, Broad Street Station, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$134,660	$73,760	$136,798	$139,066	$102,063	$111,921
Maintenance of way...	19,276	23,124	14,324	27,669	32,027	18,117
Maintenance of equip..	5,892	6,437	6,701	4,995	1,022	946
All other oper. expenses	35,577	30,263	41,661	55,259	44,376	42,682
Net revenues	$73,915	$13,936	$74,112	$51,143	$24,638	$50,176
Other income	8,679	7,590	10,717	16,915	13,718	17,943
Total net income..	$82,594	$21,526	$84,829	$68,058	$38,356	$68,019
Taxes	2,081	4,530	5,527	4,051	4,373	3,037
Fixed charges	19,479	2,267	7,259	2,925	2,098	.....
Surplus	$61,034	$14,729	$72,043	$61,082	$31,885	$65,082
Dividends paid	.....	21,000	64,500	.....	.....	.....
Other deductions	8,715	1,014	296	735	5,186	6,334
Balance	$52,319	def. $7,285	$7,247	$60,347	$26,699	$58,748

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $87,250; credit balance transferred from income, $52,319; total, $139,569. Contra: Dividend appropriations of surplus, $4,500; credit balance carried to balance sheet, $135,069; total, $139,569.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment....	$188,048	$177,758	$178,679	$180,318	$181,518	$159,981
Working assets.....	127,557	76,738	80,491	86,496	55,173	63,318
Deferred debit items...	.....	.....	1,872	2,487	1,331	2,235
Total	$315,605	$254,496	$261,042	$269,301	$238,022	$225,534

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock.....	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Funded debt.....	.....	.....	.....	.....	21,439	.....
Working liabilities.....	5,897	578	308	15,661	155	7,711
Accrd. liabilities not due	.....	.....	.....	632	.....	162
Deferred credit items..	* 1,288	* 545	16,199	.....	15,168	.....
Appropriated surplus...	25,927	17,213	.....	15,903	.....	9,981
Profit and loss surplus.	135,069	87,250	94,535	87,105	51,260	57,680
Total	$315,605	$254,496	$261,042	$269,301	$238,022	$225,534

* Reverse item.

Capital Stock: Authorized and outstanding, $150,000. Par, $50. All owned by Philadelphia, Baltimore & Washington R.R. Co. Dividends paid as follows: 1905, 30%; 1906, 48 1-3%; 1907, 20%; 1908, 50%; 1909, 20%; 1910, 50%; 1911, 22%; 1912, 33%; 1913, 33%; 1914, 24%; 1915, 3%.

WEST JERSEY & SEASHORE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated May 4, 1896, under New Jersey laws as a consolidation of the Camden & Atlantic R.R., the West Jersey R.R., the Alloway & Quinton R.R., the West Jersey & Atlantic R.R., the Chelsea Branch R.R., and the Philadelphia, Marlton & Medford R.R. Control of the Delaware River R.R. was acquired May 1, 1900. The main line between Camden & Atlantic City is operated by electricity. In addition to the rail lines, the company operates two ferries on the Delaware River.

Location: The directly operated lines consisted on Dec. 31, 1915, of 360.39 miles, including 35.85 miles of traffic rights and two miles of ferries. The system extends from Camden to Atlantic City and to Cape May, with branches to Salem, Bridgton, Ocean City, etc. The main business is the passenger traffic between Philadelphia and the various South New Jersey coast resorts. Population of New Jersey in 1890, 1,444,938; in 1900, 1,883,666; in 1910, 2,537,167.

Control: The Pennsylvania R.R. Co. on Dec. 31, 1915, owned $4,904,700 out of $9,641,600 common and $45,350 out of $82,350 special guaranteed stock of the West Jersey & Seashore R.R.

Management: OFFICERS: Samuel Rea, Pres.; Geo. D. Dixon, Henry Tatnall, W. W. Atterbury, W. Heyward Myers, A. J. County, Vice-Presidents; Lewis Neilson, Sec.; James F. Fahnestock, Treas. DIRECTORS: George Wood, Jos. W. Cooper, Samuel Rea, John P. Green, W. H. Barnes, Israel G. Adams, George S. Bacon, Wilbur F. Rose, Henry Tatnall, Wm. J. Sewall, Jr., W. W. Atterbury, W. Heyward Myers, David Baird, Geo. D. Dixon, A. J. County, Wm. Plummer. Annual meeting, first Tuesday in March. PRINCIPAL OFFICE, 22 Federal Street, Camden, N. J.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907-12; June 30, 1913-16)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	12.91%	10.62%	9.25%	8.66%	7.79%	6.40%	6.62%	6.28%	7.9%	5.9%
Products of Animals ...	3.69	2.93	2.82	2.16	1.76	1.00	1.04	3.47	5.1	3.9
Products of Mines.....	44.10	47.58	45.83	47.30	44.88	43.58	44.06	46.67	45.5	44.6
Products of Forests.....	8.02	7.92	7.96	9.03	8.10	5.69	5.83	6.58	7.6	8.1
Manufactures	23.62	24.45	24.10	23.82	20.05	16.76	17.25	17.64	17.7	23.7
Merchandise and Miscel...	7.66	6.50	10.04	9.03	17.42	26.48	25.20	19.36	16.2	13.8

Total tonnage carried in 1908, 2,184,081 tons; in 1909, 2,411,116 tons; in 1910, 2,766,461 tons; in 1911, 2,762,485 tons; in 1912, 2,965,366 tons; 2,937,897 tons, year ended June 30, 1913; 2,952,899 tons in 1914; 2,979,858 tons in 1915; 3,955,408 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	363	151	83	371	710	30%	695,114	211,797	134	$1.59	1.31c	2.19c
1908 "	356	138	83	310	711	28	642,397	193,589	126	1.53	1.38	2.09
1909 "	356	138	81	403	714	29	698,758	212,559	137	1.66	1.40	2.12
1910 "	353	138	86	376	578	30	771,353	248,420	144	1.66	1.40	2.05
1911 "	356	138	85	372	574	30	806,888	257,796	154	1.69	1.40	2.00
1912 "	356	138	87	415	577	30	819,824	283,873	174	1.74	1.40	1.89
1913 June 30	354	170	85	415	574	29	824,482	276,509	173	1.73	1.41	1.87
1914 "	356	170	88	397	540	28	836,092	277,169	181	1.74	1.41	1.83
1915 "	358	172	88	341	509	29	781,051	268,612	181	1.88	1.44	2.00
1916 "	359	173	88	321	570	34	832,897	347,279	217	2.11	1.45	2.04
10-Year Average	357	153	85	372	606	30%	770,886	257,760	162	$1.73	1.40c	2.01c

Yard tracks and sidings, Dec. 31, 1915, 120 miles; June 30, 1916, 138 miles. Fiscal year ends Dec. 31.

Comment: The passenger density on the West Jersey & Seashore Railroad during the year ended June 30, 1916, underwent substantial recovery while the freight density was better than ever before recorded. The company depends very largely on passenger business for its prosperity, but in recent years the proportion of freight business has been tending to increase. Freight tonnage is very well diversified, high grade freight representing more than 40% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907 Dec. 31	$15,578	$2,309	$1,963	$4,272	$7,921	$3,385	$3,603	$594	$3,009	$1,204	**60%**	$1,805	$1,612
1908 "	14,378	2,198	1,737	3,935	7,154	3,289	3,528	684	2,844	1,318	**54**	1,526	1,101
1909 "	15,568	2,594	1,957	4,551	7,005	4,012	4,154	768	3,386	1,108	**67**	2,278	1,236
1910 "	16,928	2,962	2,078	5,040	7,965	3,923	4,109	790	3,319	1,244	**63**	2,075	1,440
1911 "	18,111	2,700	2,604	5,304	8,841	3,966	4,252	995	3,257	1,263	**60**	1,994	1,372
1912 "	17,964	2,607	2,722	5,329	8,325	4,310	4,903	843	4,060	1,548	**62**	2,512	1,372
1913 June 30	17,941	2,730	2,790	5,520	8,472	3,949	4,468	799	3,669	1,604	**56**	2,065	1,379
1914 "	17,971	2,838	2,854	5,692	8,628	3,651	4,123	890	3,233	1,657	**49**	1,576	1,372
1915 "	18,253	3,088	2,838	5,926	8,824	3,503	4,161	969	3,192	1,878	**41**	1,314	1,347
1916 "	20,900	3,501	3,057	6,558	9,167	5,175	5,582	1,313	4,269	1,928	**55**	2,341	1,343
10-Year Average	$17,359	$2,753	$2,460	$5,213	$8,230	$3,916	$4,288	$864	$3,424	$1,475	**57%**	$1,949	$1,357

Comparative Income Account, Years Ended December 31, 1910-1912; June 30, 1913-1916.

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$7,503,241	$6,534,147	$6,358,130	$6,305,257	$6,352,536	$6,247,667	$5,981,673
Maintenance of way	1,256,790	1,105,501	1,010,154	966,370	928,209	960,315	1,045,667
Maintenance of equipment	1,097,616	1,016,177	1,015,881	987,520	969,239	927,015	731,514
All other operating expenses	3,290,834	3,158,578	3,091,840	2,999,096	2,963,698	2,905,763	2,753,535
Net operating revenues	$1,858,001	$1,253,891	$1,260,255	$1,352,271	$1,491,390	$1,454,574	$1,450,957
Operating ratio	75.2%	80.81%	80.2%	78.6%	76%	76.7%	75.7%
Other income	145,900	235,641	207,750	229,443	254,206	58,977	(def.) 294
Total net income	$2,003,901	$1,489,532	$1,468,005	$1,581,714	$1,745,596	$1,513,551	$1,450,663
Taxes accrued	471,525	346,842	316,850	282,753	299,992	354,145	278,733
Balance for charges	$1,532,376	$1,142,690	$1,151,155	$1,298,961	$1,445,604	$1,159,406	$1,171,930
Fixed charges	692,317	672,310	589,930	567,900	551,485	319,073	330,017
Surplus	$840,059	$470,380	$561,225	$731,061	$894,119	$840,333	$841,913
Dividends paid	482,080	*	488,320	488,321	488,320	488,320	488,320
Other deductions	313,669	87,953	203,418	406,754	327,007	352,013	353,593
Balance	$44,310	$382,427	df.$130,513	df.$164,014	$78,792	.....	.....

* Dividend of $482,080 charged in profit and loss account in 1915.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $127,251; credit balance transferred from income, $44,311; unrefundable overcharges, $668; miscellaneous credits, $7,561; total, $179,791. Contra: Surplus appropriated for investment in physical property, $145,889; miscellaneous debits, $717; credit balance carried to balance sheet, $33,185; total, $179,791.

Comment: Both gross and net revenues underwent a marked advance on this property during the year ended June 30, 1915. Fixed charges increased silghtly, but nevertheless the surplus was a heavy one and exceeded that of any years since 1912.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$26,852	60%	$19,085	40%	$579	$46,516	$379	$46,137	**7.8%**	$18	6%	$1,594	6%	99%	11%
1908 "	27,379	60	19,169	40	684	47,232	369	46,863	**7.5**	18	6	1,083	4	98	27
1909 "	27,380	54	23,076	46	1,050	51,506	459	51,047	**8.1**	18	6	1,218	4½	99	46
1910 "	27,613	54	23,127	46	281	51,021	721	50,300	**8.2**	18	6	1,422	5	99	30
1911 "	27,386	54	22,720	46	440	50,546	718	49,828	**8.4**	18	6	1,354	5	99	29
1912 "	27,386	55	22,484	45	10,402	60,272	463	59,809	**8.2**	18	6	1,354	5	99	46
1913 June 30	27,535	60	18,531	40	11,444	57,510	465	57,045	**7.8**	18	6	1,361	5	99	33
1914 "	27,380	60	18,177	40	11,090	56,647	466	56,181	**7.3**	18	5	1,354	5	99	13
1915 "	27,227	60	17,813	40	10,606	55,646	460	55,186	**9.4**	..	...	1,347	5	..	..
1916 "	27,151	61	17,493	39	11,569	56,213	469	55,744	**10**	..	..	1,343	5	..	..
10-Year Average	$27,328	58%	$20,168	42%	$5,815	$53,311	$497	$52,814	**8.3%**	$14	4.7%	$1,343	4.9%	99%	31%

Note: Above figures for bonds outstanding in 1916, based on funded debt unmatured, $6,280,000.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916.

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$21,277,345	$20,653,225	$20,536,395	$20,085,985	$20,099,359	$19,740,193
Working assets.....	1,183,761	1,052,162	663,518	818,718	1,396,673	1,306,329
Deferred debit items...	36,181	295,202	571,382	572,350	311,537	318,075
Accrued income not due	59,286	54,923	70,097	58,808	12,969	1,626
Total	$22,556,573	$22,055,512	$21,861,392	$21,535,861	$21,820,538	$21,366,223
LIABILITIES:						
Capital stock.....	$9,747,305	$9,747,305	$9,747,305	$9,747,305	$9,747,305	$9,747,305
Funded debt.....	9,012,000	9,187,956	6,471,050	6,560,075	8,004,400	8,088,425
Working liabillties.....	899,857	755,505	2,941,473	2,556,325	996,279	812,469
Accrd. liabilities not due	233,574	192,984	179,145	178,056	498,629	508,339
Deferred credit items..	88,119	*39,761	253,380	286,273	1,036	35,045
Appropriated surplus...	2,542,532	2,084,270	1,894,416*	1,690,998	1,650,382	1,244,583
Profit and loss surplus.	33,186	127,251	374,623	516,829	922,507	930,057
Total	$22,556,573	$22,055,512	$21,861,392	$21,535,861	$21,820,538	$21,366,223

* Reverse Item.

Note: Funded debt in 1916 includes $1,338,000 loans and bills payable.

Comment: There was a slight decrease in the funded debt of the West Jersey & Seashore Railroad in 1916, but no change in the capital stock. The company is rather lightly capitalized in view of its earning power, and in the past few years has reported an increasing net income on net capital. In 1916, this was in excess of 10%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	Salability.	Net Rating.
West J. & S. S. 3½s and 4s....	J&J	J1 1936	(1st) 338	$18,310	$3,424	$663	81%	Very high	Very high	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

Auth., $7,000,000; outstanding, Series A 4s, $1,564,000; Series B 3½s, $1,151,000; Series C 3½s, $765,000; Series D 4s, $1,058,000; Series E 4s, $683,000; Series F 4s, $968,000 (closed). Total outstanding, $6,189,000, balance of $811,000 retired by sinking fund. Dated July 1, 1896; due July 1, 1936. Int. paid at Broad Street Station, Philadelphia. Coupon, $1,000. Sinking fund, equal to 1% annually to purchase bonds at not exceeding par. First lien on 338.12 miles, as follows: From Camden to Atlantic City, 58.78 miles; Atlantic City to Longport, 8.38 miles; Camden to Cape May, 81.62 miles; Newfield to Atlantic City, 34.55 miles; Woodbury to Swedesboro and from Riddleton to Salem, 17.15 miles; Elmer to Riddleton, 10.38 miles; Glassboro to Bridgeton, 20.83 miles; Sea Isle June. to Ocean City, 16.24 miles; Haddonfield to Medford, 11.90 miles; Woodbury to Penn's Grove, 21.71 miles; Swedesboro to Riddleton, N. J., 11.20 miles, and branches aggregating 43.98 miles. Legal for Savings Banks in Conn., Me., Mich., Minn., N. H., N. J., R. I., Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME AND DETAILS OF ISSUE.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	BASIS FOR RATING. Equity.	Salability.	Net Rating.
1. West Jersey R.R. special guar. stock	6% M. & S.	.....	$1,970	$4	99%	Very high	.....	Aaa.
2. West Jersey & Seashore R.R. spec. guar. stk.	6% M. & S.	.....		14	99%	"	.....	Aaa.
3. West Jersey & Seashore R.R. common stk ..	5% M. & S.	.....	1,949	1,606*	17%	Large	Good	Baa.

For Key to Stock Ratings, see pages 21-23. * To pay 5% on present amount.

REFERENCE NOTE ON STOCK ISSUES

Outstanding, $20,450 West Jersey R.R. special guaranteed; $83,550 West Jersey & Seashore R.R. special guaranteed, and $11,531,000 common stock; par, $50. Nos. 1 and 2 are entitled to 6% per annum, and No. 3 has received 5% per annum regularly from 1909 to date. The Pennsylvania R.R. on Dec. 31, 1915, owned $4,904,700 common and $45,350 special guaranteed. In 1913, it was proposed to lease the property to the Pennsylvania R.R. for 999 years at rental of interest and principal on bonds and 6% dividends on stock; but the New Jersey Public Utility Commissioners declined to approve the lease, and it has not become operative. Authorized amount of common is $13,000,000. Amount outstanding, as above, includes $1,890,000 new stock issued in Aug., 1916, to stockholders at par. The stock is listed on the Philadelphia Stock Exchange.

PENNSYLVANIA COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated April 1, 1870, under Pennsylvania laws, as a holding company, in the interest of the Pennsylvania Railroad for the purpose of controlling and managing the various lines leased and controlled by the latter, which were located west of Pittsburgh and Erie. The company as now constituted has leased and directly operates various of these Western lines, and in addition controls certain other companies which are directly operated.

Location: The directly operated lines of the Pennsylvania Company on Dec. 31, 1915, consisted of 1,948.52 miles classified as follows: Pittsburgh, Fort Wayne & Chicago Ry., 470.53 miles, embracing main line from Pittsburgh to Chicago, and branches; Pittsburgh, Youngstown & Ashtabula, 137.56 miles; Erie & Pittsburgh R.R., 82.97 miles; Cleveland & Pittsburgh R.R., 205.34 miles; Toledo, Columbus & Ohio River R.R., 345.31 miles; Massillon & Cleveland R.R., 12.23 miles; New Castle Branch of Western New York & Penn. R.R., 51.52 miles; Pittsburgh, Ohio Valley & Cincinnati R.R., 15.09 miles; South Chicago & Southern R.R., 23.05 miles; Marginal R.R., 3.44 miles; Youngstown & Ravenna R.R., 2.28 miles; Cleveland, Akron & Cincinnati Ry., 335.21 miles; trackage rights, 263.99 miles. (See terms of control of these companies, etc., under their own headings.) These directly operated lines extend from Pittsburgh to Chicago, Cleveland, Cincinnati, etc., mileage being chiefly in Ohio, Indiana and Illinois. Population of these States in 1890, 9,691,021; in 1900, 11,555,597; in 1910, 13,106,588.

Separately Operated Lines: In addition to the above, the Pennsylvania Company controls the following separately operated properties:

(1) Pittsburgh, Cincinnati, Chicago & St. Louis Ry. (including Ohio Connecting Ry., Pittsburgh, Wheeling & Kentucky R.R., Little Miami R.R., Chicago, Indiana & Eastern Ry., etc.), 1,422.18 miles.

(2) Grand Rapids & Indiana Ry. (including Muskegon, Grand Rapids & Indiana R.R., Traverse City R.R., Cincinnati, Richmond & Fort Wayne R.R.), 567.50 miles.

(3) Vandalia R.R. (including Terre Haute & Peoria R.R., and trackage on Evansville and Terre Haute lines), 800.59 miles.

(4) The following smaller companies, some of which are jointly controlled with other railroads: Waynesburg & Washington R.R., Pittsburgh, Chartiers & Youghiogheny R.R., Toledo, Peoria & Western Ry., Cincinnati, Lebanon & Northern Ry., Central Indiana Ry., Ohio River & Western Ry., Wheeling Terminal Ry., Pennsylvania Terminal Ry., and Manufacturers Ry. of Toledo; in all, 600.03 miles. Is also jointly interested with the New York Central R.R. in the Lake Erie & Pittsburgh Ry., from Lorain to Youngstown and Cleveland, 120 miles.

Note: For details of recent merger of Pittsburgh, Cincinnati, Chicago & St. Louis Ry. and the Vandalia R.R. see those companies.

Control: The Pennsylvania Railroad Co. owns the entire $80,000,000 capital stock of the Pennsylvania Company.

Management: OFFICERS: Saml. Rea, Pres.; J. J. Turner, Vice-Pres.; A. M. Schoyer, Vice-Pres.; E. B. Taylor, Vice-Pres.; D. T. McCabe, Vice-Pres.; Geo. L. Peck, Vice-Pres.; S. H. Church, Sec.; T. H. B. McKnight, Treas. DIRECTORS: J. J. Turner, E. B. Taylor, D. T. McCabe. Geo. L. Peck. J. P. Green, W. H. Barnes, T. DeWitt Cuyler, Samuel Rea, Geo. Wood, C. Stuart Patterson, E. B. Morris, Henry Tatnall, W. W. Atterbury. MAIN OFFICE, Pittsburgh, Pa. Annual meeting, first Tuesday in June. PHILADELPHIA OFFICE, Broad Street Station.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907–12; June 30, 1913–16)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	3.22%	4.12%	3.10%	2.92%	3.32%	3.44%	3.41%	3.74%	4.71%	3.32%
Products of Animals.....	.85	1.29	.84	.75	.82	.74	.69	.82	.71	.54
Products of Mines.....	71.16	71.15	73.05	73.64	72.36	71.02	71.21	70.79	67.67	67.03
Products of Forests.....	1.75	1.54	1.50	1.56	1.52	1.73	1.76	1.88	1.77	1.54
Manufactures.....	19.84	19.09	18.94	18.93	19.52	20.88	20.54	20.08	20.16	20.28
Merchandise and Miscel...	3.18	2.81	2.57	2.20	2.46	2.19	2.39	2.69	4.98	7.29

Total revenue tonnage, in 1908, 58,701,104; in 1909, 79,962,345 tons; in 1910, 89,562,971 tons; in 1911, 80,227,336 tons; in 1912, 103,990,811 tons; 111,539,078 tons in year ending June 30, 1913; 100,589,746 tons in 1914; 83,093,114 tons in 1915; 119,664,445 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	1,414	826	972	602	37,505	79%	273,863	4,756,525	499	$2.39	1.87c	.60c
1908 "	1,416	828	1,006	584	36,316	74	251,286	3,313,860	445	2.21	1.91	.61
1909 "	1,416	830	1,008	582	38,032	75	279,292	4,363,434	507	2.44	1.82	.59
1910 "	1,416	843	1,133	602	56,649	79	311,982	5,062,333	481	2.32	1.85	.58
1911 "	1,416	880	1,166	678	57,502	74	319,341	4,491,002	520	2.45	1.87	.58
1912 "	1,751	898	1,286	773	60,376	75	280,467	4,742,271	555	2.55	1.94	.57
1913 June 30	1,751	1,003	1,357	764	60,394	76	287,320	5,065,397	572	2.64	1.96	.57
1914 "	1,750	1,014	1,434	797	61,527	73	293,760	4,448,369	588	2.66	1.97	.57
1915 "	1,757	1,034	1,350	792	59,954	72	267,603	3,639,685	605	2.75	2.05	.60
1916 "	1,758	1,033	1,378	796	61,546	75	297,017	4,972,225	676	3.21	2.12	.61
10-Year Average	1,585	919	1,209	697	52,980	75%	286,193	4,485,510	545	$2.56	1.94c	.59c

Yard tracks and sidings, 1,661 miles. Fiscal year ends December 31.

In above table, cars held under equipment trusts are included in 1910 and after.

Comment: The operating results of the Pennsylvania Company lines for the year ended June 30, 1916, as reported to the Interstate Commerce Commission, reflected a remarkable improvement in freight business as compared with 1915. The freight density rose to a figure nearly as high as that of 1913, while the freight train load was far better than ever before. It will be noted also that the company was able to report a better average in both freight and passenger rates, and the train mile earnings were therefore substantially improved. As has been the case in recent years, more than two-thirds of the tonnage transported was represented by products of mines.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907 Dec. 31	$36,306	$4,926	$6,420	$11,346	$13,691	$11,269	$19,653	$1,052	$18,601	$11,600	38%	$7,001	$2,970
1908 "	27,842	2,454	4,291	6,745	10,869	10,228	18,296	1,141	17,155	10,743	37	6,412	2,966
1909 "	34,345	4,238	5,282	9,520	12,057	12,768	20,617	1,282	19,335	11,650	40	7,685	3,248
1910 "	38,256	4,967	6,684	11,651	14,565	12,040	21,152	1,487	19,665	12,855	35	6,810	3,955
1911 "	35,530	4,305	6,288	10,593	13,885	11,052	20,650	1,570	19,080	12,232	36	6,848	3,955
1912 "	35,951	5,392	6,374	11,766	13,730	10,455	18,418	1,564	16,854	9,600	43	7,254	3,198
1913 June 30	38,042	6,343	7,020	13,363	14,812	9,867	17,657	1,675	15,982	9,042	43	6,940	3,198
1914 "	34,731	4,859	6,562	11,421	14,697	8,613	16,049	1,877	14,172	9,265	34	4,907	3,199
1915 "	30,537	4,344	5,690	10,034	12,739	7,761	14,353	1,787	12,566	10,054	20	2,512	1,366
1916 "	40,531	5,152	6,689	11,841	14,581	14,110	21,242	2,004	19,238	11,121	42	8,117	3,641
10-Year Average	$35,207	$4,698	$6,130	$10,828	$13,562	$10,817	$18,809	$1,544	$17,265	$10,816	37%	$6,449	$3,170

Note: Above table is based on average mileage directly operated for each year. In 1912, the directly operated mileage was considerably increased by the inclusion of the Cleveland, Akron & Cincinnati lines.

Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" amounted to $19,238; fixed charges consumed $11,121, leaving $8,117, a "margin of safety" of 42%.

Comparative Income Account, Years Ended December 31, 1911-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911
Gross revenues	$71,252,971	$53,649,734	$60,779,683	$66,573,352	$62,950,425	$50,110,589
Maintenance of way	9,055,642	7,632,721	8,503,754	11,100,992	9,440,848	6,096,737
Maint. of equipment	11,758,928	9,996,685	11,484,168	12,285,654	11,161,331	8,904,230
All other oper. expenses	25,632,803	22,382,868	25,720,238	25,922,039	24,041,232	19,424,836
Net oper. revenues	$24,805,598	$13,637,460	$15,071,523	$17,264,667	$18,274,808	$15,684.786
Operating ratio	65.2%	74.6%	75.2%	74.1%	71%	68.7%
Other Income	12,538,407	11,582,502	13,015,048	13,636,533	13,975,753	13,592,316
Total net income	$37,344,005	$25,219,962	$28,086,571	$30,901,200	$32,250,561	$29,277,102
Taxes accrued	3,522,601	3,139,889	3,284,866	2,933,710	2,738,020	2,222,906
Balance for charges	$33,821,404	$22,080,073	$24,801,705	$27,967,490	$29,512,541	$27,055196
Fixed charges	19,551,499	17,664,150	16,213,181	15,821,120	20,180,174	17,424,926
Surplus	$14,269,905	$4,415,923	$8,588,524	$12,146,370	$9,332,367	$9,629,270
Dividends paid	6,400,000	*	5,600,000	5,600,000	5,600,000	5,600,000
Other deductions	5,057,269	2,033,551	4,109,788	6,367,423	3,000,000	4,000,000
Balance	$2,812,636	$2,382,372	†$1,121,264	$178,947	$732,367	$29,270
Earned on stock	17.8%	5.52%	10.73%	15.18%	11.54%	12.4%

* Dividend of $2,400,000 paid from surplus account in 1915.

† Deficit.

Note: Other Income is made up chiefly of income on stocks and bonds owned. Fixed charges include: rentals of leased lines (a heavy item), interest on bonds, joint facility rents, etc. Fiscal year ends Dec. 31st (see below).

Income Account, year ended December 31, 1916: Gross revenues, $75,569,026; operating expenses and taxes, $55,242,607; operating income, $20,320,735; other income, $12,280,928; total net income, $32,601,663.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $6,393,395; credit balance transferred from income, $2,812,636; delayed income credits, $264,700; miscellaneous credits, $19,055,260; total, $28,525,991. Contra: Surplus applied to sinking and other reserve funds, $7,000,000; surplus appropriated for investment in physical property, $7,700,000; loss on retired road and equipment, $690,092; miscellaneous debits, $1,999,165; credit balance carried to balance sheet, $11,136,734; total, $28,525,991.

Comment: For the year ended June 30, 1916, the gross revenues of the Pennsylvania Company lines underwent a very sharp improvement, while the net operating revenues were nearly doubled as compared with 1915. The total net income was far higher than ever before reported by the company, and although fixed charges increased sharply, the balance carried forward was equal to nearly 18% on the outstanding stock. Conditions since June 30th have continued to improve, and currently the company is undoubtedly making a better showing than it did in the earlier months of the calendar year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907 Dec. 31	$42,433	32%	$90,980	68%	$141,090	$274,503	$133,407	$141,096	14%	.....	.....	$2,970	7%	.....	57%
1908 "	42,358	33	89,771	67	128,218	260,347	123,372	136,975	13.4	.....	.....	2,966	7	.....	54
1909 "	56,497	39	88,650	60	148,685	293,832	122,751	171,081	12	.....	.....	3,248	8	.....	58
1910 "	56,500	39	94,392	61	141,069	291,961	117,146	174,815	12	.....	.....	3,955	7	.....	40
1911 "	56,500	40	92,054	60	135,528	284,082	134,980	149,102	13.3	.....	.....	3,955	7	.....	40
1912 "	45,688	37	78,875	63	119,056	243,619	115,888	127,731	14.4	.....	.....	3,198	7	.....	56
1913 June 30	45,688	37	78,543	63	108,541	232,772	116,154	116,618	15.1	.....	.....	3,198	7	.....	51
1914 "	45,714	37	78,499	63	105,528	229,741	113,174	116,567	13.8	.....	.....	3,199	7	.....	35
1915 "	45,532	37	76,265	63	107,394	229,191	113,263	115,928	12.4	.....	.....	1,366	3	.....	46
1916 "	45,506	33	93,343	67	128,670	267,519	121,725	145,794	14.6	.....	.....	3,641	8	.....	55
10-Year Average	$48,242	36%	$86,137	64%	$126,378	$260,757	$121,186	$139,571	13.4%	.....	.....	$3,170	6.8%	.....	51%

Note: Stock issue was increased to $80,000,000 at close of 1909, by payment of a 33 1/3% stock dividend. The entire issue is owned by the Pennsylvania Railroad, and is carried in the latter's investment account.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment ..	$270,293,620	$249,276,793	$238,718,403	$237,426,431	$235,895,941	$229,563,600
Working assets	34,657,501	22,013,120	25,584,852	22,875,681	19,096,935	19,335,355
Deferred debit items...	20,527,285	11,390,382	21,015,259	18,578,570	16,776,679	13,495,952
Accrued income not due	235,651	179,914	37,164	28,902	.....	.....
Total	$325,714,057	$282,860,209	$285,355,678	$278,909,584	$271,769,555	$262,394,907
Liabilities:						
Capital stock	$80,000,000	$80,000,000	$80,000,000	$80,000,000	$80,000,000	$80,000,000
Funded debt	164,096,575	133,997,176	137,372,481	137,527,995	138,110,570	130,348,380
Working liabilities	11,363,907	24,342,487	22,779,938	18,833,306	12,767,850	16,555,337
Accr'd liabilities not due	2,987,415	3,279,597	2,978,046	2,658,562	2,472,762	2,137,989
Deferred credit items..	5,430,509	3,613,970	6,116,634	6,484,072	6,233,710	6,611,449
Appropriated surplus ..	50,698,917	31,233,584	29,260,032	25,191,637	24,177,213	18,885,952
Profit and loss surplus.	11,136,734	6,393,395	6,848,497	8,214,012	8,007,450	7,855,800
Total	$325,714,057	$282,860,209	$285,355,678	$278,909,584	$271,769,555	$262,394,907

Comment: There was a considerable increase in the funded debt of the Pennsylvania Company lines for the year ended June 30, 1916. As measured on the mileage basis, the company is heavily capitalized, but the earning power is also very heavy, and therefore this capitalization was carried without difficulty. Notwithstanding the large increase of last year in the net capitalization, it will be noted that the net income on net capital was higher than in other years of the present decade.

Bonds Owned by the Pennsylvania Co., December 31, 1915

Name of Company.	Total Par.
Chic., Ind. & East. Ry. Co. 1st mtge. 5s.....	$500,000
Chic., St. L. & P. R.R. Co. 1st cons. mtge. 5s.	8,000
C., Peoria & St. L. R.R. Co., gen. & ref. 4½s.	1,000
Central Indiana Ry. Co. 1st mtge. 4s.....	750,000
Cinn., Lebanon & Northern Ry. cons. 4s.....	200,000
Dayton, Lebanon & Cinn. R.R. & Term. Co. 1st mtge. 6s.....	92,500
Dayton Union Ry. Co. mtge. 4s.....	7,000
Erie & Pitts. R.R. Co. gold deb. 3½s reg.....	479,506
Erie & Pitts. R.R. Co. gen. mtge., ser. B 3½s	38,000
Erie & Pitts. R.R. Co. gen. mtge., ser. C 3½s	6,000
Grand Rapids & Ind. Ry. Co. 2nd. mtge. 4s...	3,487,000
Long Island R.R. Co. Equipment trust 4s....	800,000
Ohio River & Western Ry. Co. 1st mtge. 4s..	600,000
Pitts., Cin., C. & St. L. Ry. Co. con. mtge. 4s	13,000
Pitts., Ohio Vy. & Cinn. R.R. Co. 1st mtge. 5s	$290,000
Pitts., Wheeling & Ky. R.R. cons. 6s.....	1,000
Pitts., Youngs. & Ash. Ry. gen. mtge.....	364,000
Penn. Co. guar. gold tr. cert., series D, 3½s..	48,000
Penn. Steel Freight Car Trust 4s.....	300,000
Penn. Steel Equip. Imp. Trust 4s.....	1,000,000
Penn. Gen. Freight Equip. Trust 4s.....	2,200,000
Penn. Steel Co. collateral trust 5s.....	5,950,000
Peoria and Pekin Union Ry. Co. 5s deb.....	56,000
Toledo, Peoria & West. Ry. Co. 1st mtge. 4s..	1,248,000
Toledo Terminal R.R. 1st 4½s.....	24,000
Union Depot Co., Columbus, O., 1st mtge. 7s..	39,000
Un. Depot Co., Columbus, O., gen. mtge. 4½s	16,000
Vandalia R.R. cons. 4s.....	150,000
Total	$18,620,006

Stocks Owned by the Pennsylvania Co., December 31, 1915

Name of Company	Total Par.
Belt Ry. of Chicago	$240,000
Calumet Western Ry. Co.	108,000
Chartiers Southern Ry. Co.	9,000
Canton and East Liverpool R.R. Co.	10,000
Canton and East Liverpool Ry. Co.	5,000
Central Indiana Ry. Co.	60,000
Cleveland and Pitts. R.R., spec. guaranteed	5,771,750
Cleveland, Akron and Cincinnati Ry. Co.	7,498,488
Cincinnati, Lebanon and Northern Ry. Co.	2,100,000
Cincinnati, Richmond & Ft. Wayne R.R. Co.	1,277,000
Chicago, Indiana and Eastern Ry. Co.	1,000,000
Columbus and Xenia R.R. Co.	500
Continental Improvement Co.	1,563
Cornwall and Lebanon R.R. Co.	300,000
Erie and Pittsburgh R.R. Co.	2,200
Erie and Pittsburgh R.R. Co., special	895,550
Englewood Connecting Ry. Co.	250,000
Fairport and Youngstown Ry. Co.	25,000
First-Second Nat. Bank of Pittsburgh	91,800
Granite Improvement Co.	70,000
Grand Rapids and Indiana Ry. Co.	2,966,600
Homeworth Consumers' Gas Co.	5
Indianapolis and Frankfort R.R. Co.	60,000
Lake Erie and Pittsburgh Ry. Co.	2,150,000
Little Miami R.R. Co.	500
Little Miami R.R. Co., special betterment	1,381,500
Louisville Bridge Co.	903,900
Massillon Iron and Steel Co., second pref.	15,300
Monongahela Ry. Co.	823,500
Norfolk and Western Ry. Co., preferred	5,000,000
Norfolk and Western Ry. Co., common	3,190,500
Ohio Connecting Ry. Co.	$2,000,000
Ohio River and Western Ry. Co.	652,600
Pennsylvania-Ontario Transportation Co.	125,000
Pennsylvania Steel Co., preferred	4,579,200
Pennsylvania Steel Co., common	3,694,400
Pennsylvania Terminal Ry. Co.	759,600
Pennsylvania Tunnel and Terminal R.R. Co.	10,000,000
Pennsylvania Western Ry. Co.	60,000
Pittsburgh, Ohio Val. & Cincinnati R.R. Co.	300,000
Pittsburgh, Wheeling and Kentucky R.R.	264,700
Pitts., Cin., Chic. and St. Louis Ry., pref.	24,886,800
Pitts., Cin., Chic. and St. Louis Ry., com.	24,169,600
Pitts., Ft. Wayne & Chic. Ry., spec. guar.	48,505,200
Pitts., Youngstown & Ashtabula Ry., pref.	5,775,000
Pitts., Youngstown & Ashtabula Ry., com.	2,100,000
Pittsburgh Joint Stock Yards Co.	500,000
Sharpsville R.R. Co.	170,100
South Chicago and Southern R.R. Co.	842,500
Southern Pacific Co.	12,741,200
Terre Haute and Peoria R.R. Co., pref.	1,133,700
Terre Haute and Peoria R.R. Co., com.	220,300
Toledo, Peoria and Western Ry. Co.	2,011,200
Toledo Terminal R.R. Co.	387,200
Toledo, Columbus and Ohio River R.R. Co.	10,000,000
Vandalia R.R. Co.	12,175,000
Walhonding Coal Co.	262,500
Wheeling Terminal Ry. Co.	2,000,000
Youngstown and Ravenna R.R. Co.	320,000
Total	$206,843,455

Summary of Stocks and Bonds Owned December 31, 1915

Par value of stocks	$206,843,455
Par value of bonds	18,620,006
	$225,463,461
Cost, as per general balance sheet	$179,924,731

Of the foregoing securities there are deposited as collateral with the various mortgages, and trust obligations, stocks of a par value of $114,369,100

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TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Pennsylvania Co. first 4½s	J&J	Jl 1921	(see text)	.....	$17,265	$472	97%	Very high	Very high	Aaa.
2. Pennsylvania Co. Trust etf. 3½s Series A	M&S	S 1937	"	.....		84	93%	"	"	Aaa.
3. Pennsylvania Co. Trust etf. 3½s Series B	F&A	F 1941	"	.....		110	93%	"	"	Aaa.
4. Pennsylvania Co. Trust etf. 3½s Series C	J&D	D 1942	"	.....	16,793	86	93%	"	"	Aaa.
5. Pennsylvania Co. Trust etf. 3½s Series D	J&D	D 1944	"	.....		182	93%	"	"	Aaa.
6. Pennsylvania Co. Trust etf. 4s Series E	M&N	My 1952	"	.....		230	93%	"	"	Aaa.
7. Pennsylvania Co. gold 4s	A&O	Ap 1931	"	.....		460	93%	"	"	Aaa.
8. Pennsylvania Co. Freneh Frane Loan 3¾s	J&D	Je 1921	(Gtd.)	.....	15,641	386	93%	"	"	Aaa.
9. Pennsylvania Co. gold 4½s	J&D15	Je 1921	"	.....		772	93%	"	"	Aaa.
10. Cleveland & Marietta first 4½s	M&N	My 1935	(1st) 104	$12,000		31	95%	"	"	Aaa.
11. Cleveland & Pitts. gen. s. f. 4½s Series A	J&J	Ja 1942						"	"	Aaa.
12. Cleveland & Pitts. gen. s. f. 4½s Series B	A&O	O 1942						"	"	Aaa.
13. Cleveland & Pitts. gen. s. f. 3½s Series B	A&O	O 1942	(1st) 206	44,000		196	95%	"	"	Aaa.
14. Cleveland & Pitts. gen. s. f. 3½s Series C	M&N	N 1948						"	"	Aaa.
15. Cleveland & Pitts. gen. s. f. 3½s Series D	F&A	Ag 1950						"	"	Aaa.
16. Erie & Pitts. gen. (now first) 3½s	J&J	Jl 1940	(1st) 83	50,000		84	95%	"	"	Aaa.
17. Pitts., Youngstown & Ash. consol. 5s	M&N	N 1927	(1st) 123	12,700	14,583	44	95%	"	"	Aaa.
18. Pitts., Youngstown & Ash. Series A 4s	J&D	Je 1948	(con) 138	21,000		70	95%	"	"	Aaa.
19. Tol. Walh. & Ohio first 4½s Series A	J&J	Jl 1931						"	"	Aaa.
20. Tol. Walh. & Ohio first 4½s Series B	J&J	Jl 1933	(1st) 234	16,000		90	95%	"	"	Aaa.
21. Tol. Walh. & Ohio first 4s Series C	M&S	S 1942						"	"	Aaa.
22. Cleve. Akron & Col. gen. (now first) 5s	M&S	Mr 1927	(1st) 187	9,600		51	95%	"	High	Aaa.
23. Cleve. Akron & Col. first cons. s. f. gtd. 4s	F&A	Ag 1940	(2d) 187	8,400		35	95%	"	"	Aaa.
24. Cin. & Musk. Val. first s. f. 4s	F&A	Ag 1948	(1st) 148	11,610		38	95%	"	"	Aaa.
25. Equipment trusts	Var.	Var.	(see text)	.....		127	95%	"	"	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $20,000,000; outstanding, $18,443,000. Dated April 1, 1881; due July 1, 1921. Int. paid at National City Bank, New York. Coupon, $1,000. Sinking fund: Annual amount equal to 1% of bonds outstanding to be used for purchase of bonds at not exceeding par. Guar. prin., int. and sinking fund by Pennsylvania R.R. First lien on the following leases: Pittsburgh, Fort Wayne & Chicago Ry.; Cleveland & Pittsburgh R.R.; Erie & Pittsburgh R.R.; first lien on realty in Pittsburgh, Allegheny & Chicago; also first lien on stocks and bonds of a par value of about $27,000,000. Legal for Savings Banks in N. H., R. I. Listed on Philadelphia, New York and London Stock Exchanges. Interest paid without deduction for normal income tax. Free of Penn. State Tax.

2. Issued, $5,000,000; outstanding, $4,213,000 (closed). Dated Sept. 1, 1897; due Sept. 1, 1937. Int. paid at Girard Trust Co., Phila. Coupon, $1,000. Sinking fund: Beginning Aug. 15, 1898, and annually thereafter, $50,000 to be used for the purchase of these certificates at not exceeding par and int. Guar. prin. and int. by Pennsylvania R.R. First collateral lien on $5,000,000 Pittsburgh, Fort Wayne & Chicago Guaranteed Special Stock (7% dividends being guaranteed by Pennsylvania R.R.). Legal for S. B. in N. H., R. I. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

3. Issued, $10,000,000; outstanding $8,363,000 (closed). Dated Feb. 1, 1901; due Feb. 1, 1941. Int. paid at Penn. Station, New York, and Girard Trust Co., Philadelphia. Coupon, $1,000. Sinking fund: $100,000 annu-

ally, to be used for purchase of these certificates at not exceeding par. Guar. prin. and int. by Pennsylvania R.R. First collateral lien on $10,000,000 Pittsburgh, Fort Wayne & Chicago Guaranteed Special Stock (7% dividends being guaranteed by Pennsylvania R.R.). Legal for S. B. in N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Issued, $5,000,000; outstanding, $4,335,000 (closed). Dated Dec. 1, 1902; due Dec. 1, 1942. Int. paid at Penn. Station, New York, and Girard Trust Co., Philadelphia. Coupon, $1,000. Sinking fund: $50,000 annually to be used for purchase of these certificates at not exceeding par and int. Guar. prin. and int. by Pennsylvania R.R. First collateral lien on $5,000,000 Pittsburgh, Fort Wayne & Chicago Guaranteed Special Stock (7% dividends being guaranteed by Pennsylvania R.R.). Legal for S. B. in N. H. and R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

5. Issued, $10,000,000; outstanding, $9,155,000 (closed). Dated Dec. 1, 1904; due Dec. 1, 1944. Int. paid at New York and Philadelphia. Coupon, $1,000. Sinking fund: $100,000 annually for purchase of these certificates at not exceeding par and int. Guar. prin. and int. by Pennsylvania R.R. First collateral lien on $10,000,000 Pittsburgh, Fort Wayne & Chicago Guaranteed Special Stock (7% being guaranteed by Pennsylvania R.R.). Legal for S. B. in N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

6. Auth. and outstanding, $10,000,000. Dated May 1, 1912; due May 1, 1952. Int. paid at Girard Trust Co., Philadelphia, and Penn Station, New York. Coupon, $1,000. Sinking fund of $100,000, beginning Nov. 1, 1917, to purchase these certificates at not exceeding par and int. Guar. prin. and int. by Pennsylvania R.R. Secured by deposit of $10,000,000 Pittsburgh, Fort Wayne & Chicago Ry. guaranteed special stock. Legal for S. B. in N. H., R. I. Interest paid without deduction for normal income tax.

7. Auth. and outstanding, $20,000,000. Dated April 2, 1906; due April 1, 1931. Int. paid at Girard Trust Co., Philadelphia, and Penn Station, New York. Coupon, $1,000. Redeemable at par and int. on April 1, 1921, or on any interest date thereafter on ninety days' notice. Guar. prin. and int. by Pennsylvania R.R. by endorsement. First collateral lien on $12,500,000 common stock and $10 900,000 preferred stock of the Pittsburgh, Cincinnati, Chicago & St. Louis Ry.; $4,000,000 Vandalia R.R. stock, and $1,000,000 Pittsburgh, Youngstown & Ashtabula Ry. stock. The company can substitute other collateral of equal value at any time. Legal for S. B. in N. H., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

8 and 9. Auth., $48,262,500; outstanding, $18,104,229 (No. 8) and $30,158,271 (No. 9). Dated June 15, 1906, and June 15, 1915; due June 15, 1921. Int. paid at Credit Lyonnais, Paris; Broad Street Station, Philadelphia, and Penn Station, New York. Redeemable at par and int. on and after June 15, 1918 on 60 days' notice. Guar. prin. and int. by Pennsylvania R.R. by endorsement. First collateral lien on marketable securities of a par value of about $50,000,000. Legal for S. B. in N. H. and R. I. Listed on Philadelphia and Paris Stock Exchanges. Normal income tax deducted from interest. Coupon, 500 and 2,500 francs, and $1,000. This loan was originally a French franc issue but in 1915 the company issued dollar bonds to take up the franc bonds, depositing the latter as security therefor. All but above amount of No. 8 have been exchanged.

10. Auth., $2,000,000; outstanding, $1,215,000. Dated May 1, 1895; due May 1, 1935. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Sinking fund: Amount equal to 1% of outstanding bonds to be used July 1 each year for purchase of these bonds at not exceeding par. Guar. prin. and int. by Pennsylvania Co. by endorsement. First lien from Marietta to Canal Dover, Ohio, 103.13 miles, and branch, 0.55 mile; total, 103.68 miles. Legal for S. B. in Me., Mich., Minn., Mo., N. H., R. I. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

11 to 15. Auth., $10,000,000; outstanding, Series A 4½s. $3,000,000; Series B 4½s, $1,561,000; Series B 3½s. $424,000; Series C 3½s, $2,665,000; Series D 3½s, $1,338,000 (closed). Dated Dec. 1, 1891; due Series A, Jan. 1, 1942; Series B, Oct. 1, 1942; Series C, Nov. 1, 1948; Series D, Aug. 1, 1950. Int. paid at Winslow, Lanier & Co., New York. Coupon, $1,000. Sinking fund: Annual amount, beg. Jan. 1, 1893, equal to 1% of bonds outstanding to be used for purchase of these bonds at not exceeding par. Guar. prin. and int. by Pennsylvania R.R. by endorsement. First lien on docks, buildings, etc., in Allegheny and Pittsburgh, and on 205.50 miles as follows: From Rochester, Pa., to Cleveland, O., 123.12 miles; from Yellow Creek to Bellaire, O., 43.44 miles; from Bayard to Rosewell, Ohio, 38.07 miles; and coal branches, aggregating 0.87 mile. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

16. Auth., $4,500,000; outstanding, $3,945,000 (closed). Dated July 1, 1890; due July 1, 1940. Int. paid at Union Trust Co., New York. Coupon, $1,000. Sinking fund: Annual amount equal to 1% of bonds outstanding to be used for their purchase at not exceeding par. Guar. prin. and int. by Pennsylvania R.R. by endorsement. First lien from Girard to New Castle, Pa., 79.56 miles; also branch to Erie Docks, 3.41 miles; total, 82.97 miles. Legal for S. B. in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Wis. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

17. Auth., $4,000,000; outstanding, $1,562,000 (closed). Dated Nov. 1, 1887; due Nov. 1, 1927. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Sinking fund: Annual amount equal to 1% of bonds outstanding to be used for purchase of these bonds at not exceeding par and int. Guar. prin. and int. by Pennsylvania Co. First lien on 122.94 miles, as follows: From Ashtabula Harbor, Ohio, to Kenwood, Pa., 98.70 miles, and from Niles to Alliance Junc., Ohio, 24.24 miles. Underlies No. 18, which provides for retirement. Legal for S. B. in Conn., Me., Mo., Mich., Minn., N. H., N. J., R. I. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

18. Auth., $15,000,000; outstanding, $2,905 000. Dated June 1, 1908; due June 1, 1948. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Sinking fund: Annual amount equal to 1% of bonds outstanding to be used for purchase of these bonds at not exceeding par and int. Guar. prin. and int. by Pennsylvania Co. First lien on 14.60 miles from Homewood to New Castle, Pa.; second lien on 122.94 miles, following No. 17. Legal for S. B. in Conn., Me., Mich., Minn., N. J., R. I., Wis. Interest paid without deduction for normal income tax.

19, 20 and 21. Auth., $4,000,000; outstanding, Series A 4½s, $1,494,000; Series B 4½s, $969,000; Series C 4s, $1.196,000. Dated July 1, 1891; due Series A, July 1, 1931; Series B, July 1, 1933; Series C, Sept. 1, 1942. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Sinking fund: Beg. Oct. 1, 1892, and annually thereafter, an amount equal to 1% of bonds outstanding to be used for purchase of these bonds at par. Guar. prin. and int. by Pennsylvania Co. by endorsement. First lien on 234.26 miles, as follows: From

Toledo to Toledo Junc., Ohio, 80.20 miles; West Loudenville to Coshocton, Ohio, 45.41 miles; Sandusky to Columbus, Ohio, 108.29 miles, and branch to Union Station, East Toledo, 0.36 mile. Legal for S.B. in Me., Mich., Minn., Mo., N. H., N. J., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

22. Auth. and outstanding, $1,800,000. Dated Mar. 1, 1887; due March 1, 1927. Int. paid March. and Sept. at Winslow, Lanier & Co., New York. Coupon, $500 and $1,000. First lien, 186.75 miles, as follows: Hudson to Columbus, 143.79 miles; Killbuck to Trinway, 33.54 miles; branches, 9.42 miles. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

23. Auth., $4,000,000; outstanding, $1,550,000. Dated Aug. 1, 1900; due Aug. 1, 1940. Int. paid Feb. and Aug. at Winslow, Lanier & Co., New York. Coupon, $1,000. Of outstanding amount, $1,023,000 are guaranteed prin. and int. by Penn. Company by endorsement. Sinking fund, 1% of bonds outstanding, retires bonds by purchase at par or less. Second lien on 186.75 miles, following No. 22, above. Those guaranteed are legal for S. B. in Minn., N. H., R. I. Interest paid without deduction for normal income tax.

24. Auth., $2,000,000; outstanding, $1,701,000. Dated Aug. 1, 1898; due Aug. 1, 1948. Int. paid Feb. and Aug. at Farmers' Loan & Trust Co., New York. Coupon, $1,000. First lien, 148.46 miles, Trinway to Morrow, Ohio. Guar. prin. and int. by Penn. Co. by endorsement. Legal for S. B. in Maine, Mich., Minn., Mo., N. H., N. J., R. I. Interest paid without deduction for normal income tax.

25. Series I, 4s; dated Nov. 1, 1907; due to Nov. 1, 1917. Int. paid quarterly at Broad Street Station, Philadelphia. Original issue, $642,036; unmatured Dec., 1915, $128,407. First lien on 533 cars. Series A, B, C, E and F, 4s; dated May 1, 1910; due to May 1, 1920. Int. paid quarterly at Broad Street Station, Philadelphia. Original issue, $4,086,275; unmatured Dec., 1915, $2,043,137. First lien on 3,500 freight cars. Series D and E of 1912, 4s; dated June 1, 1912; due to June 1, 1922. Int. paid quarterly at Broad Street Station, Philadelphia. Original issue, $1,189,480; unmatured Dec., 1915, $832,636. First lien on 1,000 cars. Series A, B, E and F of 1913, 4s; dated April 1, 1913; due to April 1, 1923. Int. paid at Broad Street Station, Philadelphia. Original issue, $3,217,-791; unmatured Dec., 1915, $2,574,233. First lien on 2,500 cars.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Cleveland & Pittsburgh gtd. stock ..... Par $50. Outstanding, $10,738,135.	7%Qu Mr	.....	$10,677	$428	84%	Very high	Very high	Aaa.
2. Cleveland & Pittsburgh betterment stock ... Par $50. Outstanding, $17,457,058.	4%Qu Mr	.....		397	84%	"	"	Aaa.
3. Erie & Pittsburgh common gtd. stock ..... Par $50. Outstanding, $2,000,000.	7%Qu Mr	.....		81	84%	"	"	Aaa.
4. Erie & Pittsburgh special gtd. stock ..... Par $50. Outstanding, $1,716,050.	7%Qu Mr	.....		70	84%	"	"	Aaa.
5. Pitts., Fort Wayne & Chic. gtd. gen. stk .... Par $100. Outstanding, $19,714,286.	7% Qu J	.....		790	84%	"	"	Aaa.
6. Pitts., Fort Wayne & Chic. gtd. special stock Par $100. Outstanding, $52,436,300.	7% Qu J	.....	8,911	2,100	72%	"	"	Aa.
7. Pitts., Youngstowu & Ash. preferred stock .. Par $100. Outstanding, $9,088,800.	7% M&S	.....		362	72%	"	"	Aa.
8. Pennsylvania Company stock ..... Par $50. Outstanding, $80,000,000.	See text	$45,506	6,449	3,641*	43%	"	"	Baa.

*For 8% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1 and 2. Cleveland & Pittsburgh R.R. Leased to Pensylvania Railroad for 999 years from Dec. 1, 1871; lease transferred to Pennsylvania Company, April 14, 1873. Rental, interest on bonds, sinking funds, 7% per annum on stock and $10,000 per annum for organization expenses. The lease provides that the lessee shall make all necessary improvements and be reimbursed in stock. No. 1 above is the original guaranteed stock, while No. 2 is the special betterment stock issued from time to time to the Pennsylvania Co. for improvements, etc. No. 1 is a preferred issue in connection with a dividend fund provided under the lease. No. 2 bears 4% dividends, guaranteed by the Pennsylvania R.R. On Dec. 31, 1915, the Pennsylvania Company owned $5,771,750 of No. 1. The issue is legal for N. H. Savings Banks. Listed on New York Stock Exchange.

3 and 4. Erie & Pittsburgh R.R. Leased to Pennsylvania R.R. for 999 years from March 1, 1870; lease transferred to Pennsylvania Company in 1873. Rental, interest, sinking funds, 7% on stock, and $2,000 per annum for organization expenses. No. 3 is the original guaranteed issue; No. 4 is stock issued under the lease to the lessee for improvements. Both issues are on a parity except that common has preference to original dividend fund. Dec. 31, 1915, the Pennsylvania Company owned $2,200 of No. 3 and $895,550 of No. 4. Legal for S. B. in N. H. Listed on New York and Pittsburgh Stock Exchanges.

5 and 6. Pittsburgh, Fort Wayne & Chicago Ry. Leased to Pennsylvania R.R. for 999 years from July 1, 1869; lease assigned to Pennsylvania Company. Rental, assumption of all obligations and guaranty of 7% dividends on stock. No. 5 is the original guaranteed stock, and No. 6 has been issued from time to time, under the terms of the lease, which requires that all betterments to the property shall be made by lessee, the latter to be paid in issues of stocks or bonds. The guaranteed special stock (No. 6) is in all respects subject to the original or general stock, and has no claim on the original dividend fund. No. 6 has been issued from time to time, as follows: From July 1, 1886, to July 1, 1907, $40,044,914; in 1908, $2,681,300; in 1909, $1,552,800; in 1910, $1,654,100; in 1911, $3,338,300; in 1912, $1,993,400; in 1913, $2,410,000. Up to end of 1916 there had been issued $52,436,300 of No. 6, with the endorsed guaranty of the Pennsylvania R.R. Penna Co. owns $48,505,200 of No. 6. Legal for S. B. in N. H. Listed on New York, Pittsburgh and Amsterdam Stock Exchanges.

7. **Pittsburgh, Youngstown & Ashtabula Ry.** Leased to Pennsylvania Company for 999 years from July 1, 1910, at rental to cover all charges, maintenance, and 7% dividends on preferred and common stock, the cost of betterments to be covered by issues of stock or bonds on terms satisfactory to the lessee. The Pennsylvania Company owns $5,775,000 of this issue and also $2,100,000 common, the total amount outstanding.

8. Auth., $80,000,000. This issue is all owned by the Pennsylvania Railroad Company. Dividends in 1911, 7%; in 1912, 7%; in years ended June 30, 1913, 7%; 1914, 7%; 1915, 3%; 1916, 8%.

Note: The Pennsylvania Company owns the entire $80,000,000 capital stock of the Toledo, Columbus & Ohio River R.R. Co., which was a consolidation in 1911 of the Cleveland & Marietta Ry. and the Toledo, Walhonding & Ohio R.R., and guarantees the bond issues of the latter companies. Also owns all the stock of the Pittsburgh, Ohio Valley & Cincinnati R.R. and the South Chicago & Southern R.R., and operates these properties. In 1916, acquired substantially all the securities of the Lorain, Ashland & Southern R.R.

COMPANIES CONTROLLED BY PENNSYLVANIA COMPANY

CHICAGO, INDIANA & EASTERN RAILWAY

Incorporated under laws of Indiana, Mar. 8, 1893; road first opened in 1900.

Location: Line of road: Converse to Muncie, Ind., 43.02 miles. Sidings, 9.27 miles. Control acquired by Pennsylvania Company In 1907, and property has since been operated by Pitts., C., C. & St. Louis Ry.

Management: OFFICERS: E. B. Taylor, Pres.; J. J. Turner, Vice-Pres.; S. H. Church, Sec.; T. H. B. McKnight, Treas.; J. W. Orr, Aud. Annual meeting, first Thursday in April. OFFICE, Pittsburgh, Pa.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$1,770,717	$1,767,202	$1,775,105	$1,767,293	$1,855,164	$1,853,788
Working assets	.....	1,722	1,724	1,724	3,550	3,557
Deferred debit items...	.....	.....	.....	.....	2,367	2,003
Profit and loss deficit..	379,833	325,367	260,045	199,104	389,757	331,553
Total	$2,150,550	$2,094,291	$2,036,874	$1,968,121	$2,250,838	$1,190,901
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	500,000	500,000	500,000	500,000	500,000	500,000
Working liabilities	633,458	577,199	519,844	458,923	537,374	477,606
Accrd. liabilities not due	4,167	4,167	4,167	4,167	4,667	4,667
Deferred debit items...	5,031	5,031	5,031	5,031	208,797	208,628
Appropriated surplus ..	7,894	7,894	7,832	.....	.....	.....
Total	$2,150,550	$2,094,291	$2,036,874	$1,968,121	$2,250,838	$1,190,901

Bonded Debt: $500,000 Chicago, Indiana & Eastern Ry. first 5s; dated May 1, 1902; due May 1, 1942. Int. paid March and Nov. 1. First lien on entire property. Coupon, $1,000. Sinking fund, 1% of outstanding bonds owned to May 1, 1926; 2% annually thereafter. All owned by Pennsylvania Company.

Capital Stock: Auth. and issued, $1,000,000. All owned by Pennsylvania Company.

THE CINCINNATI, LEBANON & NORTHERN RAILWAY

Origin: Incorporated under Ohio laws, July 14, 1885, as successor to the Cincinnati Northern Ry. Controlled by the Pennsylvania Co., which owns all the capital stock. In Jan., 1915, the Dayton Lebanon & Cincinnati R.R. & Terminal Co. was directly merged.

Location: Line of road, Cincinnati to Dayton, O.; Blue Ash to Montgomery; Middletown Junc. to Middletown, O., Hempstead to Clement, O., 76.17 miles in all. Second track, 5.30 miles. Sidings, 34.25 miles. Equipment: locomotives, 22; passenger and freight cars, 97.

Management: OFFICERS: E. B. Taylor, Pres.; J. J. Turner, Vice-Pres.; T. H. B. McKnight, Treas.; S. H. Church, Sec.; J. W. Orr, Aud.; R. C. Barnard, Supt. DIRECTORS: E. B. Taylor, J. J. Turner, D. T. McCabe, G. L. Peck, R. E. McCarty, R. C. Barnard, S. E. Sternberger. Annual meeting, third Wednesday in February. OFFICE, Cincinnati, Ohio .

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	*1912	*1911
Gross earnings	$777,586	$573,735	$571,127	$566,597	$509,634	$454,644
Maintenance of way....	120,123	110,245	79,292	85,418	99,913	92,458
Maintenance of equip..	98,174	74,748	54,150	75,324	59,834	55,330
Net earnings	$202,549	$91,664	$152,892	$167,514	$143,850	$130,409
Operating ratio ...	74%	84%	73.2%	70.4%	71.8%	70.3%
Other income	54,432	51,797	52,240	52,729	52,601	45,320
Total net income..	$256,981	$143,461	$205,132	$220,243	$196,451	$169,549
Taxes accrued	51,123	48,154	43,552	125,921	33,374	27,437
Fixed charges	93,686	55,007	77,056		94,322	85,511
Balance	$112,172	$40,300	$84,524	$94,322	$68,755	$56,601
Dividends	.....	.....	75,000	60,000	60,000	60,000
Other deductions	11,249	11,280	.....	.....	.....	.....
Balance	$100,923	$29,020	$9,524	$34,322	$8,755	(def.) $3,399

* Year ended December 31st.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $135,244; credit balance transferred from income, $100,923; delayed income credits, $24,751; miscellaneous credits, $824; total, $261,742. Contra: Credit balance carried to balance sheet, $214,573; miscellaneous debits, $47,169; total, $261,742.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$4,094,304	$3,723,052	$3,131,306	$3,037,871	$2,946,500	$2,811,048
Working assets.....	336,424	305,992	221,978	352,270	356,771	464,302
Deferred debit items...	27,403	29,206	45,508	13,642	16,719	20,654
Total	$4,458,131	$4,058,250	$3,398,792	$3,403,783	$3,319,989	$3,296,004
LIABILITIES:						
Capital stock.....	$2,100,000	$2,100,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Funded debt.....	1,682,000	1,394,000	1,406,000	1,418,000	1,430,000	1,442,000
Working liabilities.....	240,633	224,726	167,432	161,978	139,885	109,293
Accrd. liabilities not due	25,910	16,995	13,458	12,804	11,731	10,262
Deferred credit items..	11,229	14,748	.....	16,254	5	4,487
Appropriated surplus...	183,786	172,537	161,258	149,612	128,074	104,400
Profit and loss surplus.	214,573	135,244	150,644	145,135	110,294	125,562
Total	$4,458,131	$4,058,250	$3,398,792	$3,403,783	$3,319,989	$3,296,004

Bonded Debt: (1) $300,000 Dayton, Lebanon & Cincinnati R.R. & Term. Co. first 6s; dated Mar. 1, 1914; due Mar. 1, 1934; int. paid Mar. and Sept. at Fifty Third Natl. Bank, Cinn. Coupon, $500, $1,000. Callable at 105. Assumed by Cinn., Leb. & No. Ry. First lien on 30 miles as follows: Lebanon to Dayton, 25 miles; Hempstead to Lebanon Junc., 4 miles; Lambeth to Lakeland, 1 mile. Auth., $500,000. Interest paid without deduction for normal income tax. Net Rating, Aaa.

(2) $1,382,000 Cinn., Lebanon & Northern Ry. first consol. 4s; dated Nov. 1, 1902; due Nov. 1, 1942; int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Sinking fund, 1% per annum of bonds outstanding, to purchase at par or under. Guar. prin. and int. by Penn. Co. by endorsement. Auth., $1,500,000. First lien on 51.45 miles as follows: Cincinnati to Dodds, O., 35.87 miles; Blue Ash to Montgomery, 1.35 miles; Middletown Junc. to Middletown, O., 14.23 miles. Listed on New York and Cincinnati Stock Exchanges. Legal for S. B. in Me., Mich., Minn., Mo., N. H., N. J., R. I. Interest paid without deduction for normal income tax. Net Rating, Aa.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 23.

Capital Stock: Auth., $2,500,000; issued, $2,100,000; par, $100. All owned by the Pennsylvania Co. Dividends paid annually on Dec. 31, as follows: 1906, 1909 and 1910, 3% each; 1911 and 1912, 4% each; 1913, 5%; 1914, 3%; none in 1915. TRANSFER AGENT, S. H. Church, Pittsburgh, Pa.

THE CLEVELAND, AKRON & CINCINNATI RAILWAY COMPANY

Origin: Incorporated June 26, 1911, as a consolidation, effective July 1, 1911, of the Cleveland, Akron & Columbus Ry. and the Cincinnati & Muskingum Valley R.R. (See these companies in earlier editions of the Analyses.) In the consolidation the old stockholders of the Cleveland, Akron & Columbus received 137½% of new stock for 100% of the old, and stockholders of the Cincinnati & Muskingum Valley received 100% in new stock for 100% in old. By agreement with the Pennsylvania Company, the latter began operating the consolidated property from January 1, 1912, on the basis of paying the Cleveland, Akron & Cincinnati the net earnings.

Location: The directly owned lines consist of 335.21 miles, including the line from Trinway to Morrow, Ohio, 148.46 miles (the old Cincinnati & Muskingum Valley); the line from Hudson to Columbus, 143.79 miles, and branches, 42.96 miles. Mileage all in Ohio. Population of Ohio in 1890, 3,672,316; in 1900, 4,157,545; in 1910, 4,767,121. In addition to above, company holds a one-fourth interest in the Akron & Barberton Belt R.R. and a half interest in the Zanesville Terminal Ry. The Pennsylvania Company owns $7,498,487 out of $7,500,000 capital stock of the Cleveland, Akron & Cincinnati Ry., and now directly operates the property. Prior to 1912, the road was independently operated. For statistics for years prior to date, see "Moody's Analyses of Railroads for 1914."

Management: OFFICERS: J. J. Turner, Pres.; S. C. Scott, Vice-Pres.; S. H. Church, Sec.; T. H. B. McKnight, Treas.; J. W. Orr, Aud. DIRECTORS: J. J. Turner, S. C. Scott, Edward B. Taylor, N. Neff, I. W. Geer, R. E. McCarty, D. T. McCabe, G. L. Peck, F. J. Stimson MAIN OFFICE, Cleveland, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	Six mos. 1913	1912
Rental income	$864,180	$332,385	$294,013	$504,708	$1,957,493
Taxes, etc.	.....	.....	.....	.....	1,425,920
Fixed charges	225,573	230,230	234,657	243,574	157,875
Surplus	$638,607	$102,155	$59,356	$261,134	$373,698
Dividends paid	.....	.....	.....	225,000	150,000
Other deductions	48,435	50,102	18,244	16,294	198,986
Balance	$590,172	$52,053	$41,112	$18,840	$24,712

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $590.172; miscellaneous credits, $3,882; total, $549,053. Contra: Debit balance transferred to balance sheet, $287,161; miscellaneous debits, $752; debit balance at beginning of year, $306,140; total, $549,053.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$14,399,433	$13,754,743	$13,763,417	$13,411,840	$13,092,519
Working assets	.....	.....	10,162	21,244	1,164,342
Deferred debit items	63,774	125,006	247,106	329,441	488,440
Profit and loss deficit	.....	306,140	432,399	167,184	.....
Total	$14,463,207	$14,185,889	$14,453,084	$13,929,709	$14,745,601
LIABILITIES:					
Capital stock	$7,500,000	$7,500,000	$7,500,000	$7,500,000	$7,500,000
Funded debt	5,141,822	5,261,569	5,381,315	5,486,062	5,611,207
Working liabilities	310,594	248,229	357,138	54,365	486,713
Accrued liabilities not due	85,005	85,909	87,129	87,899	184,440
Deferred credit items	1,009	1,000	1,038	1,142	4,497
Appropriated surplus	1,137,616	1,089,182	1,126,464	800,241	389,304
Profit and loss surplus	287,161	.....	.....	.....	569,440
Total	$14,463,207	$14,185,889	$14,453,084	$13,929,709	$14,745,601

Bonded Debt: Total, $5,051,000. For full details, and ratings see Pennsylvania Company Bond Table, page 582.

Capital Stock: Auth., $12,000,000; outstanding, $7,500,000; par, $100. Dividends: 1911, 4%; 1912, 6%; 1913, 3%; none since. Practically all owned by Pennsylvania Company.

CLEVELAND & PITTSBURGH RAILROAD COMPANY

Origin: Incorporated under laws of Ohio, March 14, 1836, and under the laws of Pennsylvania, April 18, 1853. Leased for 999 years to Pennsylvania R.R. Co. from Dec. 1, 1871, lease assigned to Penna. Co., April 14, 1873. Rental 7% on stock, interest on bonds, sinking fund and $10,000 for organization expenses.

Location: Line of road: Rochester, Pa., to Cleveland, O., 122.21 miles; Yellow Creek to Bellaire, O., 43.44 miles; Bayard to Rosewell, O., 38.21 miles; branch, 1.28 miles. Second track, 137.58 miles; third track, 5.81 miles; fourth track, 5.81 miles; sidings, 367.66 miles. Equipment: Locomotives, 200; cars, 6,345. Of this equipment 500 box cars are held under car trusts.

Management: OFFICERS: Andrew Squire, Pres.; S. W. Croxton, Vice-Pres.; John E. Kloss, Sec. and Treas., Cleveland, Ohio. DIRECTORS: A. Squire, E. R. Grasselli, S. W. Croxton, J. D. Cox, W. G. Mather, K. V. Painter, Cleveland, Ohio; F. J. Jones, Cincinnati, Ohio; J. P. Green, Philadelphia, Pa.; E. B. Taylor, J. J. Turner, Pittsburgh, Pa.; C. Lanier, S. C. Richmond, New York, N. Y. Annual meeting, Thursday following third Wednesday in May, at Cleveland, Ohio. MAIN OFFICE, Cleveland, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Rental income	$1,827,038	$1,748,129	$1,799,954	$1,702,833	$1,688,454
Taxes	72	45	149	98	1,068
Expenses	14,035	11,094	11,331	11,989	11,414
Fixed charges	361,853	365,204	368,722	372,257	375,739
Surplus	$1,451,078	$1,371,786	$1,419,752	$1,318,489	$1,300,233
Dividends paid	1,449,495	1,369,341	1,326,293	1,271,118	1,206,106
Other deductions	.....	.....	91,508	46,031	93,332
Balance	$1,583	$2,445	$1,951	$1,340	$795

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$39,650,345	$38,072,174	$36,807,980	$35,193,505	$33,174,438	$32,100,464
Working assets	338,648	511,468	417,724	415,978	414,287	419,839
Accrued income not due	179,755	*	128,046	123,579	163,891	161,391
Deferred debit items	.....	.....	50,031	4,754	1,382	1,382
Total	$40,168,748	$38,583,642	$37,403,781	$35,737,816	$33,753,998	$32,683,076
LIABILITIES:						
Capital stock	$28,213,193	$25,808,550	$25,808,550	$24,194,250	$22,175,150	$21,101,200
Funded debt	8,988,000	9,082,000	9,180,000	9,283,000	9,382,000	9,482,000
Working liabilities	127,245	124,177	123,353	123,384	134,288	140,612
Accrd. liabilities not due	178,457	171,174	172,603	168,688	162,970	160,470
Deferred credit items	1,363,146	2,100,575	824,554	562,723	1,381	1,381
Appropriated surplus	921,086	921,085	921,085	921,085	1,426,085	1,326,085
Profit and loss surplus	377,621	376,081	373,636	484,686	472,124	471,328
Total	$40,168,748	$38,583,642	$37,403,781	$35,737,816	$33,753,998	$32,683,076

* Included in working assets.

Bonded Debt: $3,000,000 Cleveland & Pittsburgh R.R. Co. 4½s, Series A, due 1942; $1,985,000 4½s and 3½s, Series B, due 1942; $2,665,000 3½s, Series C, due 1948—and $1,338,000, 3½s Series D, due 1950. For details and ratings see Bond Table of Pennsylvania Co., page 582.

Capital Stock: Outstanding, $9,450 original 10% stock, $10,738,135 guaranteed 7% stock and $17,475,058 special betterment stock. There is also outstanding, $10,443 scrip. For details and ratings, see Stock Table of Pennsylvania Co., page 584.

ERIE & PITTSBURGH RAILROAD COMPANY

Origin: Incorporated under laws of Pennsylvania, April 1, 1858. Leased for 999 years from Mareh 1, 1870 to Pennsylvania R.R. Co. and subsequently assigned to Pennsylvania Co. Rental, 7% annually on stock, interest on bonds and $2,850 for organization expenses. Line of road: New Castle to Girard Junc., Pa., 79.56 miles; branches, 3.41 miles; trackage, 16.76 miles; second track, 24.81 miles. Total operated, 99.73 miles. Sidings, 80.06 miles.

Management: OFFICERS: Chas. H. Strong, Pres.; M. H. Taylor, Vice-Pres.; John P. Smart, Sec. and Treas., Erie, Pa.; Frank Gunnison, Gen. Counsel. DIRECTORS: C. H. Strong, M. H. Taylor, G. R. Metcalf, Erie, Pa.; J. P. Green, Philadelphia, Pa.; C. S. Fairchild, New York; E. B. Taylor, J. J. Turner, Pittsburgh, Pa. Annual meeting, second Monday in January, at Erie, Pa. OFFICE, 16 Scott Building, Erie, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1912	1911
Rental income	$421,383	$414,415	$413,566	$409,348	$405,063
Taxes	11,875	.....	11,875	15,923	15,295
Fixed charges	161,241	156,867	156,836	157,160	157,260
Surplus	$248,267	$257,548	$244,855	$236,265	$389,768
Dividends paid	247,497	256,836	243,615	235,909	231,623

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $43,447; credit balance transferred from income, $770; miscellaneous credits, $5,295; total, $49,512. Contra: Credit balance carried to balance sheet, $49,512.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$8,653,950	$8,633,543	$8,556,541	$8,546,390	$8,545,918	$8,356,808
Working assets	86,535	113,477	150,428	149,847	123,118	124,673
Deferred debit items	22,999	.....	.....	.....	26,900	25,750
Total	$8,763,484	$8,747,020	$8,706,969	$8,696,237	$8,695,936	$8,507,231
LIABILITIES:						
Capital stock	$3,716,050	$3,699,950	$3,649,850	$3,649,850	$3,649,400	$3,529,800
Funded debt	4,467,524	4,472,813	4,488,087	4,484,143	4,487,726	4,490,047
Working liabilities	92,534	71,668	94,136	94,941	95,687	97,052
Accrued income not due	20,277	42,030	20,277	20,257	20,264	20,125
Deferred credit items	21,378	20,903	20,779	20,653	20,528	20,403
Appropriated surplus	396,209	396,209	396,209	396,209	396,209	326,676
Profit and loss surplus	49,512	43,447	37,631	30,184	26,122	23,128
Total	$8,763,484	$8,747,020	$8,706,969	$8,696,237	$8,695,936	$8,507,231

Bonded Debt: (1) $3,988,000 Erie & Pittsburgh R.R. Co. general 3½s. Dated 1890, due 1940. For full details and rating see Bond Table of Pennsylvania Company, page 582.

(2) $479,506 debenture 3½s, in various denominations. The Pennsylvania R.R. Co. has arranged through the Pennsylvania Co. to provide for the sinking fund instalments required by the general mortgage, and this company agrees to deliver to the Pennsylvania R.R. Co. from time to time its 3½% debentures to cover such advances, and upon final payment of the general mortgage to issue a new mortgage in lieu thereof and exchange them for the debentures. All of this issue owned by the Pennsylvania Co.

Capital Stock: Outstanding, $1,716,050 special guaraanteed, and $2,000,000 common stock. Par, $50. Pennsylvania Company owns $911,650 of the special guaranteed stock and $2,200 of the common stock. For details and rating see Stock Table of Pennsylvania Co., page 584.

GRAND RAPIDS & INDIANA RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Michigan and Indiana in July, 1896, as successor to railroad, which was sold under foreclosure. Besides its own line, the original company operated the Cincinnati, Richmond & Fort Wayne, the Muskegon, Grand Rapids & Indiana, and the Traverse City R.R., and the new company assumed these contracts.

Location: The directly operated lines consist of 575.03 miles, classified as follows: Lines owned, including main line from Fort Wayne, Ind., to Mackinaw City, Mich., and branches, 419.03 miles; Cincinnati, Richmond & Fort Wayne R.R., Richmond to Adams, Ind., 85.77 miles; Muskegon, Grand Rapids & Indiana R.R., Muskegon Junc. to Muskegon, Mich., 36.85 miles; Traverse City R.R., Walton to Traverse City, Mich., 25.86 miles; trackage rights, 7.50 miles. Mileage mainly in Michigan. The Cincinnati, Richmond & Fort Wayne R.R. is operated by the Grand Rapids & Indiana, at a rental equaling net earnings. Of its $2,186,600 stock, Pennsylvania Company owns $1,277,000. Muskegon, Grand Rapids & Indiana is operated without lease, its earnings being applied to interest on its bonds. Traverse City R.R. is leased for net earnings. Population of this State in 1890, 2,093,889; in 1900, 2,420,982; in 1910, 2,810,173.

Control: The Pennsylvania Company owns $2,966,600 out of $5,791,700 stock of the Grand Rapids & Indiana Ry.

Management: OFFICERS: J. H. P. Hughart, Pres.; D. T. McCabe, G. L. Peck, Vice-Prests.; W. B. Wood, Gen. Mgr.; J. M. Metheany, Sec.; T. H. B. McKnight, Treas. DIRECTORS: J. J. Turner, E. B. Taylor, D. T. McCabe, W. R. Shelby, J. H. P. Hughart, G. L. Peck, C. H. Hollister. MAIN OFFICE, Grand Rapids, Mich.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907–12; June 30, 1913–16)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	9.10%	10.52%	8.95%	9.22%	10.54%	8.71%	8.29%	9.79%	11.20%	8.27%
Products of Animals	1.29	1.68	1.65	1.50	1.64	1.57	1.64	1.68	1.46	1.47
Products of Mines	32.57	34.03	33.19	34.50	33.38	32.36	32.14	30.46	32.66	35.08
Products of Forests	34.56	31.48	32.33	31.77	29.27	30.54	31.75	31.17	28.66	26.90
Manufactures	19.33	18.08	18.68	19.80	20.68*	23.67	22.77	22.01	10.23	15.46
Merchandise and Miscel.	3.15	4.21	5.24	3.21	4.49	3.15	3.41	4.89	15.79*	12.82

* Includes all L. C. I. tonnage.

Total tonnage in 1908, 3,652,786 tons; in 1909, 4,260,511 tons; 1910, 4,502,221 tons; 1911, 4,290,100 tons; 4,779,317 tons in 1912; 4,824,907 tons in year ended June 30, 1913; 4,855,132 tons in 1914; 4,658,412 tons in 1915; 5,280,336 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Aver ge Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	582	11	91	101	3,505	63%	131,575	$10,406	292	1.61	2.08c	.68c
1908 "	592	11	91	101	3,363	60	135,812	600,374	272	1.68	1.85	.73
1909 "	591	11	91	100	3,402	61	141,578	757,243	284	1.55	1.87	.67
1910 "	587	11	91	99	3,399	61	151,358	807,773	280	1.58	1.87	.66
1911 "	586	11	91	113	3,409	59	153,881	732,395	286	1.64	1.87	.69
1912 "	578	12	91	113	3,409	60	157,234	799,867	318	1.80	1.92	.71
1913 June 30	578	11	91	119	3,285	60	160,497	805,006	316	1.83	1.93	.71
1914 "	575	27	96	119	3,289	59	166,128	810,793	320	1.85	1.96	.70
1915 "	575	29	99	118	3,130	59	154,814	742,043	329	1.89	1.98	.73
1916 "	575	29	99	121	3,184	64	137,800	876,218	377	2.04	1 98	.72
10-Year Average	582	17	93	110	3,337	60	149,089	774,302	306	$1.74	1.93c	.70c

Yard tracks and sidings, 266.90 miles. Of the total mileage operated, 419.03 miles is owned, balance being otherwise controlled.

Comment: The operating record of the Grand Rapids & Indiana Railway for the year ended June 30, 1916, as reported to the Interstate Commerce Commission, was a very satisfactory one so far as the freight business of the company was concerned. It will be noted that the freight density rose to the highest figure ever reported, while there was a substantial improvement in the average freight train load. There was practically no change in average freight rates, but the company reported better train mile earnings than in recent years. As usual the freight tonnage of the property was largely diversified, high grade freight representing a large proportion of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907 Dec. 31	$8,707	$1,329	$1,533	$2,862	$3,909	$1,936	$1,974	$411	$1,563	$1,041	33 %	$522	$298
1908 "	7,357	888	1,097	1,985	3,447	1,895	1,943	400	1,543	1,100	29	443	293
1909 "	8,226	1,058	1,356	2,414	3,739	2,073	2,134	428	1,706	1,215	29	491	296
1910 "	8,771	1,179	1,556	2,735	4,340	1,696	1,767	492	1,275	1,233	3	42	198
1911 "	8,585	971	1,441	2,412	4,168	2,015	2,068	476	1,592	1,280	19	312	.....
1912 "	9,404	1,206	1,513	2,719	4,607	2,078	2,161	488	1,673	1,308	22	365	.....
1913 June 30	9,549	1,345	1,591	2,936	4,264	1,989	2,069	493	1,576	1,287	19	289	.....
1914 "	9,632	1,315	1,569	2,884	4,814	1,934	2,011	503	1,508	1,341	12	167	.....
1915 "	9,245	1,075	1,556	2,631	4,448	2,166	2,289	478	1,811	1,482	17	329	.....
1916 "	9,791	1,127	1,662	2,789	4,428	2,574	2,719	474	2,245	1,595	29	650	.....
10-Year Average	$8,928	$1,149	$1,487	$2,636	$4,256	$2,036	$2,114	$465	$1,649	$1,288	22%	$361	$109

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus remaining after deducting fixed charges. For example, in 1916 the balance for charges (per mile) was $2,245; fixed charges consumed $1,595, or 71%, leaving $650, a "margin of safety" of 29%.

Comparative Income Account, Years Ended December 31, 1911-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911
Gross revenues	$5,630,114	$5,313,259	$5,532,505	$5,519,659	$5,429,641	$5,031,661
Maintenance of way...	647,804	617,644	756,011	777,462	696,967	569,371
Maint. of equipment...	955,728	894,928	902,258	919,817	874,423	844,532
All other oper. expenses	2,546,371	2,557,619	2,767,833	2,672,782	2,662,605	2,438,876
Net oper. revenues.	$1,480,211	$1,243,068	$1,106,403	$1,149,598	$1,195,646	$1,178,882
Operating ratio ...	73.7%	76.6%	80%	79.2%	78%	76.6%
Other income	83,209	72,854	49,893	46,477	53,228	37,159
Total net income...	$1,563,420	$1,315,922	$1,156,296	$1,196,075	$1,248,874	$1,216,041
Taxes accrued	272,638	274,972	289,245	284,622	281,915	278,716
Balance for charges	$1,290,782	$1,040,950	$867,051	$911,453	$966,959	$937,325
Fixed charges	917,177	851,658	770,877	744,394	755,886	751,579
Surplus over chgs..	$373,605	$189,292	$96,174	$167,059	$211,073	$185,746
Dividends paid	.....	.....	.....	.....	.....	.....
Other deductions	255,000	90,864	46,562	63,227	50,526	35,984
Balance	$118,605	$98,428	$50,612	$103,832	$160,547	$149,762
Earned on stock.....	6.4%	3.3%	1.7%	2.9%	3.6%	3.2%

Note: Figures above include operations of all lines controlled, including Cinn., Richmond & Fort Wayne, Traverse City R.R., and Muskegon, Grand Rapids & Indiana. Fixed charges include interest, rentals, hire of equipment, etc.

Comment: Both gross and net revenues underwent substantial improvement on the Grand Rapids & Indiana Railway during the year ended June 30, 1916. The surplus available for charges was much larger than in the previous year and enabled the company to carry forward a balance equal to nearly 6½% on the outstanding stock. Conditions since June 30, 1916, have continued to be very favorable.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$9,795	36%	$18,279	64%	$3,848	$31,922	$224	$31,698	6.2%	.....	.....	$298	3%	.....	43%
1908 "	9,783	38	16,888	62	5,871	32,544	219	32,325	6	.....	.....	293	3	.....	34
1909 "	9,800	38	17,199	62	6,160	33,159	210	32,949	6.1	.....	.....	296	3	.....	41
1910 "	9,866	37	18,121	63	5,359	33,346	210	33,136	5.4	.....	.....	198	1½	.....	.....
1911 "	9,883	37	18,009	63	7,359	35,251	210	35,041	6	.....	.....	.....	.....	.....	.....
1912 "	10,020	36	18,114	64	6,911	35,045	225	34,820	6.2	.....	.....	.....	.....	.....	.....
1913 June 30	10,020	36	18,265	64	6,031	34,316	225	34,091	6.1	.....	.....	.....	.....	.....	.....
1914 "	10,073	36	18,254	64	5,511	33,838	226	33,612	6	.....	.....	.....	.....	.....	.....
1915 "	10,073	36	18,145	64	6,860	35,078	222	34,856	6.6	.....	.....	.....	.....	.....	.....
1916 "	10,073	36	18,300	64	9,070	37,443	255	37,188	7.3	.....	.....	.....	.....	.....	.....
10-Year Average	$9,939	36%	$17,958	64%	$6,298	$34,195	$222	$33,973	6.2%	.....	.....	$108	1%	.....	.....

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$17,339,212	$17,050,595	$17,096,363	$16,807,417	$16,802,701	$16,773,914
Working assets	1,367,573	1,032,645	1,281,674	1,517,365	1,311,737	1,392,046
Deferred debit items...	376,938	365,275	315,510	346,329	289,080	87,182
Total	$19,083,723	$18,448,515	$18,693,547	$18,671,111	$18,403,518	$18,253,142
Liabilities:						
Capital stock	$5,791,700	$5,791,700	$5,791,700	$5,791,700	$5,791,700	$5,791,700
Funded debt	10,523,000	10,433,595	10,496,190	10,556,785	10,470,019	10,553,464
Working liabilities	1,255,343	1,134,199	1,359,012	1,362,885	1,093,708	1,058,881
Accr'd liabilities not due	*56,628	*45,588	52,500	52,500	50,039	50,077
Deferred credit items..	87,127	39,319	72,754	62,823	2,450	2,641
Appropriated surplus ..	947,676	692,676	601,813	491,198	453,866	385,241
Profit and loss surplus.	535,505	402,614	319,578	353.220	541,736	411,138
Total	$19,083,723	$18,448,515	$18,693,547	$18,671,111	$18,403,518	$18,253,142

* Reverse entry made up of unmatured interest accrued, $52,500; tax liability (reverse entry), $109,128; total (reverse entry), $56,628.

Comment: There were practically no capitalization changes in this company for the year ended June 30, 1916. The property is lightly capitalized as measured on the mileage basis, and although it has never been a heavy earner, the company has had little difficulty in showing a fairly good net income on net capital. During the year under discussion this net income was equal to 7.3%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Grand Rapids & Ind. R. R. first extd. 4½s	J&J	Jl 1941	(1st) 332	$16,200	$1,019	$400	75%	Very high	High	Aaa.
2. Grand Rapids & Ind. R. R. first extd. 3½s	J&J	Jl 1941					75%	"	"	Aaa.
3. Grand Rapids & Ind. Ry. second 4s	A&O	O 1936	(1st) 62 (2d) 332	12,700	1,249	348	71%	"	"	Aa.
4. Cinn., Rich. & Ft. Wayne first 7s	J&D	Je 1921	(1st) 86	22,200	901	220	67%	High	"	Baa.
5. Muskegon, G. R. & Ind. first 5s	J&J	Jl 1926	(1st) 37	20,000		66	67%	Fair	Fair	B.
6. Traverse City R. R. first 3s	J&J	Ja 1933	(1st) 26	10,000		13	67%	"	"	B.

Note: Average income available is the annual average per mile for the ten years ended June 30, 1916, of surplus earnings, after deducting taxes. Interest requirements are present requirements. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1 and 2. Auth., $5,375,000; outstanding, $4,455,000 4½s, $918,000 3½s. Dated Oct. 1, 1869; due July 1, 1941. Int. paid at Winslow, Lanier & Co., New York. Coupon, $1,000. Assumed by Grand Rapids & Indiana Ry. In case of default the Pennsylvania R.R. agrees to purchase the coupons and bonds at par on 60 days' notice. This refers to the 4½s only. First lien on 332.14 miles from Bay View, Mich., to Fort Wayne, Ind. Underlies No. 3. Legal for Savings Banks in Me., Mo. Listed, 4½s, on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $5,000,000, of which Penn. Co. owns $3,487,000 and Penn. R.R. $588,000. Dated Aug. 1, 1896 due Oct. 1, 1936. Int. paid at Broad Street Station, Philadelphia. Coupon, $1,000. Guar. prin. and int. by the Pennsylvania Co. by endorsement. First lien on 62.07 miles, as follows: From Bay View to Mackinaw City, Mich., 34.49 miles; from Bay View to Harbor Springs, Mich., 5.91 miles; and from Missaukee to Michelson, Mich., 21.67 miles; second lien on 332.14 miles, following Nos. 1 to 2. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $1,800,000. Dated June 1, 1871; due June 1, 1921. Int. paid at Winslow, Lanier & Co., New York. Coupon, $1,000. Guar. as to int. jointly by the Pennsylvania Company and the P., C., C., C. & St. L. Ry. First lien on 85.77 miles, from Richmond to Adams, Ind. Listed on Cincinnati Stock Exchange. Normal income tax deducted from interest.

5. Auth. and outstanding, $750,000. Dated June 9, 1886; due July 1, 1926. Int. paid at Winslow, Lanier & Co., New York. Coupon, $1,000. First lien on 36.85 miles, from Grand Rapids to Muskegon, Mich. Not guaranteed. Legal for S. B. in Me., Mo. Listed on London Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth. and outstanding, $250,000. Dated Jan. 1, 1883; due Jan. 1, 1933. Int. paid at Winslow, Lanier & Co., New York. Coupon, $1,000. First lien from Walton to Traverse City, Mich., 25.86 miles. Underlie $190,000 Traverse City Income 5s of 1933, all of which are owned by the Grand Rapids & Indiana Ry. Not guaranteed. Legal for S. B. in Maine. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating. Equity.	Basis for Rating. Salability.	Net Rating.
Grand Rapids & Indiana Ry. stock ..... Par $100. Outstanding, $5,791,700.	See text	$10,073	$361	.....	.....	Fair	Fair	Caa.

Auth., $6,000,000. The Pennsylvania Company owns $2,966,600 of the outstanding issue. Dividends have been paid as follows: 1900, 1%; 1901, 2%; 1902 to 1909, 3%; 1910, 1½%; none since. Transfer Agent: Chas. M. Lammont, Broad Street Station, Philadelphia, Pa.

LOUISVILLE BRIDGE COMPANY

Incorporated under laws of Kentucky, March 10, 1856. Owns bridge across Ohio River from Clarksville, Ind., to Louisville, Ky. Controlled by Pennsylvania Co. through stock ownership. Operated by Pennsylvania Terminal Ry. Co.

Management: Officers: C. H. Gibson, Pres.; J. J. Turner, Vice-Pres.; J. J. Morris, Sec.; T. H. B. McKnight, Treas.; J. W. Orr, Aud.; H. E. Newcomer, Gen. Supt. Directors: C. H. Gibson, J. W. Barr, J. J. Turner, E. B. Taylor, G. L. Peck. Annual meeting, first Monday in March. Office, Louisville, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	Six Months 1911
Rental income	$247,377	$206,319	$234,249	$236,391	$188,763	$180,285
Salaries, taxes, etc.	61,137	59,907	58,374	62,110	73,093	85,787
Fixed charges	6,431	.....	.....	6,229	.....	391
Surplus	$379,809	$146,412	$175,875	$168,052	$115,670	$94,107
Dividends	60,000	120,000	.....	.....	.....	60,000
Other deductions	23,932	24,816	24,086	22,777	.....	.....
Balance	$95,877	$1,596	$151,789	$145,275	$115,670	$34,107

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,518,099	$1,511,932	$1,511,932	$1,511,932	$1,511,932	$1,511,932
Working assets	297,073	193,955	193,510	104,865	82,082	136,831
Deferred debit items	583,030	559,170	534,354	510,268	487,491	432,331
Total	$2,398,202	$2,265,057	$2,239,796	$2,127,065	$2,081,505	$2,081,094
LIABILITIES:						
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Working liabilities	18,349	5,103	6,693	6,557	8,965	54,384
Accr'd liabilities not due	22,190	22,099	21,661	24,966	25,049	.....
Appropriated surplus	595,034	571,103	546,286	522,200	499,423	444,264
Profit and loss surplus	262,629	166,752	165,156	73,342	48,068	82,446
Total	$2,398,202	$2,265,057	$2,239,796	$2,127,065	$2,081,505	$2,081,094

Capital Stock: Auth. and outstanding, $1,500,000; par, $100. The Pennsylvania Company owns $1,495,800. Dividends paid Jan. and July in Pittsburgh. In recent years: 1904, 4%; 1905, 6%; 1906, 7%; 1907 and 1908, 8%; 1909, 10%; 1910 to 1915, 8% each; 4% in 1916. TRANSFER AGENT, J. J. Morris, Sec., Louisville, Ky. Company now has no bonded debt.

OHIO RIVER & WESTERN RAILWAY

Origin: Incorporated August 29, 1902, under the laws of Ohio, a reorganization of the Bellaire, Zanesville & Cincinnati Ry. Co. Line of road: Bellaire to Mill Run, O., 110.75 miles; trackage, Mill Run to Zanesville, O., 1 mile; sidings, 12.06 miles; locomotives, 11; freight cars, 209; passenger cars, 20; service cars, 6.

Management: OFFICERS: E. B. Taylor, Pres.; G. L. Peck, Vice-Pres.; S. H. Church, Sec.; T. H. B. McKnight, Treas., Pittsburgh, Pa.; C. A. Brown, Aud., Woodsfield, Ohio; D. Y. Geddes, Gen. Supt. DIRECTORS: E. B. Taylor, G. L. Peck, C. M. South, W. C. Downing, Pittsburgh, Pa.; I. W. Geer, Toledo, Ohio; F. J. Stimson, Zanesville, Ohio; W. C. Mooney, Woodsfield, Ohio. Annual meeting, third Thursday in April, at Zanesville, Ohio. MAIN OFFICE, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$221,780	$203,476	$225,793	$216,691	$192,332	$188,611
Maintenance of way	85,149	89,065	84,136	83,169	65,159	63,603
Maint. of equipment	42.558	37,012	38,168	33,710	23,593	26,165
All other oper. expenses	94,079	85,051	85,675	66,581	64,179	64,518
Net income	*$6	*$7,652	$17,814	$33,231	$39,401	$34,325
Other income	6,616	1,072	2,303	399	.....	.....
Total net income	$6,610	*$6,580	$20,117	$33,630	$39,401	$34,325
Taxes	11,616	10,651	11.835	10,831	10,126	9,587
Fixed charges	32,519	31,635	26,966	25,652	26,868	26,112
Surplus	*$37,525	*$48,866	*$18,684	*$2,853	$2,407	*$1,374

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Donations, $1,532; miscellaneous credits, $8,363; debit balance carried to balance sheet, $46.397; total, $56,292. Contra: Debit balance at beginning of year, $16,620; debit balance transferred from income, $37,525; surplus appropriated for investment in physical property, $532; loss on retired road and equipment, $808; miscellaneous debits, $807; total, $56,292.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,359,168	$1,357,899	$1,342.802	$1,311,780	$1,320,080	$1,322,733
Working assets	74,268	53,125	56,750	65,168	50,502	36,230
Deferred debit items	56,609	55,605	60,896	3,389	.....	291
Profit and loss deficit	46,397	16,620	.....	.....	.....	.....
Total	$1,536,441	$1,483,249	$1,460,448	$1,380,337	$1,370,582	$1,359,254

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$653,900	$653,900	$653,900	$653,900	$653,900	$653,914
Funded debt	600,000	600,000	600,000	600,000	600,000	600,000
Working liabilities	244,800	197,972	130,583	17,213	15,043	71,216
Accr'd liabilities not due	17,685	16,864	17,613	30,329	29,911	15,511
Deferred credit items..	5,631	*382	9,451	11,313	5,745	16
Appropriated surplus ..	15,425	14,895	14,898	14,896	14,896	5,050
Profit and loss surplus.	.....	.....	34,003	52,686	59,078	13,547
Total	$1,536,441	$1,483,249	$1,460,448	$1,380,337	$1,370,582	$1,359,254

* Reverse item.

Bonded Debt: $600,000 Ohio River & Western Ry. 1st. s.f. 4s. Dated Sept. 1, 1902; due Sept. 1, 1952. Int. paid May and Sept. 1 at the office of the treasurer, Pittsburgh, Pa. Coupon, $1,000. Callable at 110 and interest. First lien on line of road owned and all equipment. Farmers' Loan & Trust Co., New York, Trustee. Entire issue owned by Pennsylvania Co.

Capital Stock: Auth., $1,200,000; outstanding, $653,900, of which $652,600 is owned by Pennsylvania Co. Par, $100. Secretary of company acts as TRANSFER AGENT.

PITTSBURGH, FORT WAYNE & CHICAGO RAILWAY COMPANY

Origin: Reorganized under the laws of Pennsylvania, Ohio, Indiana and Illinois, Feb. 26, 1862. A consolidation of Pittsburgh, Fort Wayne & Chicago R.R. Co., the Ohio & Pennsylvania R.R. Co., Ohio & Indiana R.R. Co. and Fort Wayne & Chicago R.R. Co., sold under foreclosure Oct. 24, 1861. Leased July 1, 1869, for 999 years to the Pennsylvania R.R. Co., and lease subsequently assigned by that company to the Pennsylvania Co. The lessee assumes all obligations and guarantees 7% on capital stock. The Massillon & Cleveland R.R. is leased to this company and operated by the Pennsylvania Co., rental being 40% of its gross earnings.

Location: Pittsburgh to Chicago, 469.50 miles; second track, 468.59 miles; third track, 100.15 miles; fourth track, 75.77 miles; sidings, 585.64 miles. Locomotives, 570; total cars, 18,197.

Management: OFFICERS: Charles Lanier, Pres.; Chas. A. Peabody, Vice-Pres.; R. M. Coleman, Sec. and Treas., New York, N. Y. DIRECTORS: E. B. Taylor, J. J. Turner, Thos. Rodd, Pittsburgh, Pa.; C. Lanier, C. A. Peabody, L. C. Ledyard, S. C. Richmond, New York; Henry Tatnall, S. Rea, J. P. Green, Philadelphia, Pa.; C. McCullough, Ft. Wayne, Ind.; J. J. Mitchell, Chicago, Ill. Annual meeting, third Wednesday in May, at Pittsburgh, Pa. OFFICE: 1013 Pennsylvania Avenue, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1912	1911
Rental income	$5,137,211	$5,107,939	$5,108,685	$5,551,825	$5,160,902
Taxes	.....	.....	.....	23,646	23,609
Fixed charges	21,189	.....	.....	425,798	366,152
Surplus	$5,116,022	$5,107,939	$5,108,685	$5,102,381	$4,771,141
Dividends paid	5,050,541	5,050,541	5,050,541	4,742,303	4,508,622
Balance	$65,481	$57,398	$58,144	$360,078	$262,519

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,334,997; credit balance transferred from income, $65,481; miscellaneous credits, $180; total, $1,400,658. Contra: Credit balance carried to balance sheet, $1,400,658.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$95,720,564	$93,850,414	$91,080,363	$88,188,672	$85,649,881	$83,656,508
Working assets	31,424	25,631	2,449,454	2,338,619	2,511,149	2,327,130
Deferred debit items...	1,286,698	1,286,738	.....	.....	12,414,625	12,107,726
Total	$97,038,686	$95,162,783	$93,529,817	$90,527,291	$100,575,655	$98,091,364
LIABILITIES:						
Capital stock	$72,150,586	$72,150,586	$72,150,586	$69,740,586	$67,747,186	$64,408,886
Funded debt	6,291,485	4,481,204	2,904,719	2,410,028	14,403,437	15,748,364
Working liabilities	1,286,698	941,737	25,029	26,172	91,178	22,106
Accr'd liabilities not due	.....	345,000	1,262,635	1,220,460	1,242,912	1,180,968
Appropriated surplus ..	15,909,259	15,909,259	15,909,259	15,909,259	3,866,398	3,866,398
Profit and loss surplus.	1,400,658	1,334,997	1,277,589	1,220,786	13,224,544	12,864,642
Total	$97,038,686	$95,162,783	$93,529,817	$90,527,291	$100,575,655	$98,091,364

Capital Stock: Authorized and outstanding, $52,436,300 guaranteed special stock and $19,714,286 regular guaranteed stock. Par, $100. On Dec. 31, 1915, the Pennsylvania Co. owned $48,505,200 of the special guaranteed stock. Listed on New York, Pittsburgh and Amsterdam Stock Exchanges. Recent dividends as follows: 1902 to 1916, inclusive, 7%. Dividends on both stocks are fixed by lease and payable on the special guaranteed stock, quarterly Jan. 1, and on the regular guaranteed stock quarterly first Tuesday following the first Monday in January. TRANSFER AGENTS, Winslow, Lanier & Co., New York. For further details and ratings, see guaranteed Stock Table of Pennsylvania Company, page 584.

LITTLE MIAMI RAILROAD

Origin: Incorporated under laws of Ohio, March 11, 1836. Main line was opened throughout in 1846. The Dayton, Xenia & Belpre R.R. was purchased at foreclosure in Jan., 1865. The Dayton & Western R.R. was leased Jan. 1, 1865, and the Columbus & Xenia Nov. 30, 1868. The Richmond & Miami Ry. was leased Jan. 1, 1865. The entire system was leased for 99 years from Dec. 1, 1869, to the Pittsburgh, Cincinnati & St. Louis Ry., now the Pittsburgh, Cincinnati, Chicago & St. Louis Ry., rental being interest on bonds, rental of leased lines, 8% dividends on stock and $5,000 for maintenance of organization. The Little Miami R.R., as lessor, receives the entire rental, and is responsible to the other companies for their proportion. The lease was amended May 1, 1889, to provide for the retirement of certain bonds which had matured, and for the acceptance by the lessee of 3½% non-convertible bonds of this company ,in lieu of 7% bonds convertible into stock of the Little Miami R.R. On April 29, 1907, the provisions of the lease were further modified, it being agreed that either bonds or special betterment stock can be issued hereafter in payment of betterments made by lessee, such bonds or betterment stock to bear interest at not exceeding 4% per annum.

Location: Line of road: Cincinnati to Springfield, O., 84.23 miles; branches, 17.86 miles; leased lines, 92.78 miles; trackage, 4.19 miles; total miles operated, 199.06; second track, 82.91 miles; third track, 1.65 miles; fourth track, 1.62 miles; sidings, 119.66.

Management: OFFICERS: F. J. Jones, Pres.; C. L. Harrison, Vice-Pres. and Asst. Treas.; C. D. Jones, Sec. and Treas.; Wm. Worthington, Gen. Counsel, Cincinnati, Ohio. DIRECTORS: S. R. Burton, C. Kruse, C. L. Harrison, L. J. Hauck, F. J. Jones, C. P. Taft, J. N. Gamble, Wm. Worthington, Cincinnati, Ohio; A. S. Frazer, Xenia, Ohio; E. B. Taylor, J. J. Turner, Pittsburgh, Pa.; G. L. Peck, Pittsburgh, Pa. Annual meeting, last Tuesday in January, at Cincinnati, Ohio. MAIN OFFICE, Fosdick Building, Cincinnati, Ohio.

Comparative Income Account, Years Ended Dec. 31

	*1916	*1915	1914	1913	1912	1911
Rental income	$793,375	$776,095	$766,822	$805,506	$777,041	$773,671
Taxes	.....	.....	.....	.....	9,246	8,766
Fixed charges	194,114	184,019	183,962	218,026	194,399	194,491
Surplus	$599,261	$592,076	$582,860	$587,480	$573,396	$570,414
Dividend paid	592,079	585,460	576,265	581,883	557,300	554,345
Balance	$7,182	$6,616	$6,595	$5,597	$16,096	$16,069

* Year ended June 30.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $920,582; credit balance transferred from income, $7,182; miscellaneous credits, $637; total, $928,401. Contra: Credit balance carried to balance sheet, $928,348; miscellaneous debits, $53; total, $928,401.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$11,267,955	$11,082,770	$10,570,292	$10,560,292	$10,357,626	$10,256,611
Working assets	29,298	601,047	800,342	796,163	787,649	772,569
Total	$11,297,253	$11,683,817	$11,370,634	$11,366,455	$11,145,275	$11,029,180
LIABILITIES:						
Capital stock	$9,328,150	$9,256,250	$8,949,750	$8,949,750	$8,742,100	$8,643,600
Funded debt	1,026,000	1,070,000	1,070,000	1,070,000	1,500,000	1,500,000
Working liabilities	7,910	6,985	6,403	8,599	8,908	7,901
Deferred credit items	6,845	.....	.....	.....	.....	.....
Appropriated surplus	.....	430,000	430,000	430,000	.....	.....
Profit and loss surplus	928,348	920,582	914,481	908,106	894,267	877,679
Total	$11,297,253	$11,683,817	$11,370,634	$11,366,455	$11,145,275	$11,029,180

Bonded Debt: $1,026,000 Little Miami R.R. general 4s.; in treasury, $40,000. Dated Nov. 1, 1912; due Nov. 1, 1962. For details and rating, see Bond Table of the Pittsburgh, Cincinnati, Chicago & St. Louis Ry., page 602.

Capital Stock: Auth., $5,000,000 original and $5,000 000 special guaranteed betterment stock. Outstanding, $4,837,300 original and $4,490,850 special guaranteed betterment stock. Par, $50. For full details and ratings, see Stock Table of Pittsburgh, Cincinnati, Chicago & St. Louis Ry., page 603.

MASSILLON & CLEVELAND RAILROAD

Incorporated under Ohio laws, Oct. 3, 1868. Line of road, Massillon Junc. to Clinton, O., 12.23 miles; sidings, 2.13 miles. Leased to Pittsburgh, Fort Wayne & Chicago Ry. for 99 years from 1869, and operated by Pennsylvania Co. Rental, 40% of gross earnings, with minimum of $20,000 per annum; latter equaling interest on bonds and 8% on stock.

Management: OFFICERS: Chas. Lanier, Pres.; Charles A. Peabody, Vice-Pres.; R. M. Coleman, Sec. and Treas. DIRECTORS: Chas. Lanier, L. C. Ledyard, Chas. A. Peabody, Stacy C. Richmond, R. M. Pettit, J. P. Green, T. Tatnall, F. W. Arnold, J. J. Turner. Annual meeting, first Tuesday in February. OFFICE, 59 Cedar Street New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$25,705	$22,409	$26,799	$25,505	$20,670	$20,851
Taxes	.....	.....	.....	.....	1,229	1,225
Fixed charges	1,209	600	925	2,747	1,850	1,850
Surplus	$24,496	$21,809	$25.874	$22.758	$17,591	$17,776
Dividends	16,000	16,000	16,000	16,000	16,000	16,000
Balance	$8,496	$5,809	$9,874	$6,758	$1,591	$1,776

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $139,974; credit balance transferred from income, $8,496; total, $148,470. Contra: Credit balance carried to balance sheet, $148,470.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$328,399	$328,399	$328,399	$328,399	$328,399	$328,399
Working assets	18,404	11,575	18,066	21,517	27,059	25,468
Deferred debit items...	1,667	12,300	.....	.....	.....	.....
Total	$348,469	$352,274	$346,465	$349,916	$355,458	$353,867
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	.....	12,000	12,000	25,000	37,000	37,000
Working liabilities	.....	300	.....	625	.....	.....
Accr'd liabilities not due	.....	.....	300	.....	.....	.....
Profit and loss surplus.	148,469	139,974	134,165	124,291	118,458	116,867
Total	$348,469	$352,274	$346,465	$349,916	$355,458	$353,867

Capital Stock: Auth. and outstanding, $200,000; par $50. Dividends, 8% per annum, payable quarterly Feb. at Winslow, Lanier & Co., New York. Net Rating, A.

PITTSBURGH, OHIO VALLEY & CINCINNATI RAILROAD

Origin: Incorporated under laws of Ohio May 8, 1871, as the Ohio Valley Ry. Co. Name changed as above Aug. 19, 1890. Operated at cost by the Pennsylvania Co. Equipment supplied by operating company as required.

Location: Line of road: Bellaire to Powhatan, O., 15.09 miles; sidings, 6.47 miles.

Management: OFFICERS: E. B. Taylor, Pres.; J. J. Turner, Vice-Pres.; T. H. B. McKnight, Treas.; S. H. Church, Sec.; J. W. Orr, Aud., Pittsburgh, Pa. DIRECTORS: J. J. Turner, E. B. Taylor, D. T. McCabe, C. M. South, W. C. Downing, Pittsburgh, Pa.; I. W. Geer, Toledo, Ohio; C. R. Robb, Powhatan, Ohio. Annual meeting, third Tuesday in April at Zanesville, Ohio. OFFICE, Pennsylvania Station, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$34,258	*$35,482	$67,755	$97,665	$75,714	$66,371
Fixed charges	14,500	14,500	14,500	14,500	14,500	14,500
Surplus	$19,758	*$49,982	$53,255	$83,165	$61,214	$51,871
Other deductions	.....	.....	267	22,237	998	863
Balance	$19,758	*$49,982	$52,988	$60,928	$60,216	$51,008

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$641,800	$641,432	$627,527	$627,259	$605,022	$604,024
Working assets	1,288	.....	2,923	10,336	8,937	6,767
Deferred debit items...	.....	.....	13,905	11,504	9,975	9,975
Profit and loss deficit..	51,368	71,126	21,103	38,776	121,941	183,109
Total	$694,456	$712,558	$665,458	$687,875	$745,875	$803,875
LIABILITIES:						
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	290,000	290,000	290,000	290,000	290,000	290,000
Working liabilities	65,250	86,976	36,250	94,250	152,250	210,250
Accr'd liabilities not due	3,625	.....	3,626	3,625	3,625	3,625
Appropriated surplus..	35,581	35,582	35,582	.....	.....	.....
Total	$694,456	$712,558	$665,458	$687,875	$745,875	$803,875

Bonded Debt: $290,000 Pittsburgh, Ohio Valley & Cincinnati R.R. 1st 5s. Dated 1890; due Oct. 1, 1920. Int. paid April and Oct. 1 at office of treasurer, Pittsburgh, Pa. Coupon, $1,000. Auth., $1,500,000. Sinking fund 1% per annum of amount outstanding if offered at par or less. Secured on entire property of the company. Fidelity Trust Co., Philadelphia, Pa., Trustee. Interest payable without deduction for normal income tax. Free of Ohio State tax. All owned by Penna. Co. Rating, Baa.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 23.

Capital Stock: Auth., $1,500,000; outstanding, $300,000; par, $50. Secretary of company acts as TRANSFER AGENT. Entire stock owned by Pennsylvania Company.

PITTSBURGH, WHEELING & KENTUCKY RAILROAD

Origin: Incorporated under West Virginia laws, Mar. 29, 1869; road fully opened in 1883. Leased at rental of net earnings to Pittsburgh, Cincinnati, Chicago & St. Louis Ry.; latter furnishing all equipment.

Location: Line of road: Wheeling Junction to Benwood, W. Va., 28.02 miles, with 21 miles of sidings; standard gauge.

Merger: In 1916, it was proposed to directly merge this property with the Pittsburgh, Cincinnati, Chicago & St. Louis Ry. For details, see latter company.

Management: OFFICERS: E. B. Taylor, Pres.; J. J. Turner, Vice-Pres.; S. H. Church, Sec.; T. H. B. McKnight, Treas.; J. W. Orr, Aud. DIRECTORS: E. B. Taylor, G. L. Peck, J. J. Turner, B. S. McLure, A. S. List, J. Speidel. Annual meeting, fourth Thursday in March. OFFICE, Pennsylvania Station, Pittsburgh, Pa.

Comparative Income Account, Years Ended Dec. 31

	1915	1914	1913	1912	1911
Gross earnings	$510,289	$505,885	$514,678	$496,864	$474,692
Maintenance of way	96,222	79,608	120,949	91,469	65,699
Maintenance of equipment	63,180	58,636	60,737	61,819	52,690
All other operating expenses and taxes	239,833	231,535	243,251	223,714	216,129
Net earnings	$111,053	$136,106	$89,741	$119,862	$140,174
Operating ratio	78.2%	73.1%	82.5%	75.9%	70.5%
Other income	24,202	25,745	24,171	25,045	11,197
Total net income	$135,255	$161,851	$113,912	$144,907	$151,371
Fixed charges	32,489	30,690	37,692	35,985	24,999
Balance	$102,766	$131,161	$76,220	$108,922	$126,378
Dividends, etc.	60,150	60,150	60,150	60,150	60,150
Surplus	$42,616	$71,011	$16,070	$48,722	$66,228

Income Account, year ended June 30, 1916: Income from lease, $171,944; charges, $723; balance after charges, $171,221; dividends, $30,375; other deductions, $24,031; surplus for year, $117,115.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $421,779; credit balance transferred from income, $117,115; miscellaneous credits, $197,874; total, $736,768. Contra: Credit balance carried to balance sheet, $79,310; dividend appropriation of surplus, $155,388; miscellaneous credits, $502,070; total, $736,768.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,081,750	$1,052,501	$1,041,510	$1,038,667	$947,332	$904,881
Working assets	172,236	244,758	296,712	289,535	326,529	288,937
Deferred debit items	.....	864	472	814	556	745
Total	$1,253,986	$1,298,123	$1,338,694	$1,329,016	$1,274,417	$1,194,563
LIABILITIES:						
Capital stock	$1,000,000	$501,250	$501,250	$501,250	$501,250	$501,250
Funded debt	.....	23,000	33,000	43,000	52,000	61,000
Working liabilities	150	3,488	990	33,427	1,560	1,830
Appropriated surplus	174,526	348,606	327,497	314,996	214,403	163,141
Profit and loss	79,310	421,779	475,957	436,343	505,204	467,342
Total	$1,253,986	$1,298,123	$1,338,694	$1,329,016	$1,274,417	$1,194,563

Capital Stock: Auth. and outstanding, $1,000,000, of which Pennsylvania Company owns $526,900. Par, $50. Dividends 12% per annum, payable April and Oct. 1. In year ended June 30, 1916, a regular dividend of 12% and an extra dividend of 31% were paid. TRANSFER AGENT, S H. Church, Pittsburgh, Pa. Net Rating, Baa.

PITTSBURGH, YOUNGSTOWN & ASHTABULA RAILWAY COMPANY

Origin: Incorporated under the laws of Ohio and Pennsylvania, Jan. 13, 1906, consolidation of the Pittsburgh, Youngstown & Ashtabula R.R. Co. and the New Castle and Beaver Valley R.R. Co. The property was originally leased to the Pennsylvania Co. from year to year, but on May 15, 1910. the stockholders voted to lease the property for 999 years from July 1, 1910, on the following general basis: Efficient operation and maintenance; maintenance of corporate organization; guaranteed rental sufficient to pay fixed charges and dividend of 7% on capital stock.

Location: Line of road: Kenwood, Pa., to Ashtabula Harbor, O., 98.70 miles; Homewood to Wampum Junc., Pa., 6.27 miles; Lawrence Junc. to New Castle, Pa., 3.29 miles; branches, 29.30 miles; second track, 65.57 miles; third track, 10.55 miles; fourth track, 10.48 miles; sidings, 183.92 miles.

Equipment: Dec. 31, 1915: locomotives, 107; cars, 5,443. Other equipment supplied by lessee as required. 2,500 coal cars are held under car trusts.

Management: OFFICERS: J. J. Turner, Pres.; E. B. Taylor, Vice-Pres.; T. H. B. McKnight, Treas.; S. H. Church, Sec.; J. W. Orr, Aud., Pittsburgh, Pa. DIRECTORS: J. J. Turner, E. B. Taylor, D. T. McCabe, G. L. Peck, B. Thaw, Pittsburgh, Pa.; W. S. Bonnell, J. G. Butler, Jr., Benjamin McKeen, Pittsburgh, Pa.; Jonathan Warner, Youngstown, Ohio; Wm. Morrison, Ashtabula, Ohio; J. D. Hancock, Franklin, Pa. MAIN OFFICE, Youngstown, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1912	1911
Rental income	$999,271	$1,015,300	$991,966	$941,019	$956,642
Taxes	.....	.....	.....	1,131	1,205
Fixed charges	216,064	202,010	183,153	156,700	172,250
Surplus	$783,207	$813.290	$808.813	$783,188	$783,187
Dividends paid	783,207	783.203	783,189	783,188	783,187
Other deductions	.....	30,087	25,624	.....	.....

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $12,489. Contra: Credit balance carried to balance sheet, $9,194; miscellaneous debits, $3,295; total, $12,489.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$21,226,070	$20,488,702	$20,139,763	$19,530,973	$18,738,665	$17,938,485
Working assets	92,234	90,824	90,401	86,514	108,916	800,511
Deferred debit items...	8,700	3,320	.....	773	773	773
Total	$21,327,004	$20,582,846	$20,230,164	$19,618,260	$18,848,354	$18,739,769
LIABILITIES:						
Capital stock	$11,199,950	$11,200,000	$11,200,000	$11,200,000	$11,200,000	$11,200,000
Funded debt	*6,120,739	4,601,000	4,974,383	4,392,365	3,639,390	3,513,700
Working liabilities	9,869	695,838	1,883	1,745	3,765	2,920
Accrd. liabilities not due	91,065	89,627	88,516	84,769	84,832	84,832
Appropriated surplus..	3,896,187	3,983,892	3,953,804	3,928,837	3,890,258	3,199,001
Profit and loss surplus.	9,194	12,489	11,576	10,544	30,109	721,306
Total	$21,327,004	$20,582,846	$20,230,164	$19,618,260	$18,848,354	$18,739,769

* Includes $1,189,739 open accounts.

Bonded Debt: (1) $1,562,000 Pittsburgh, Youngstown & Ashtabula R.R. 1st consol. mtge. 5s; due 1927.

(2) $3,369,000 Pittsburgh, Youngstown & Ashtabula Ry. 1st gen. mtge. 4s; due 1948. For details and ratings, both issues, see Bond Table of Pennsylvania Company, page 582.

Capital Stock: Outstanding, $9,088,800 preferred and $2,100,000 common. The Pennsylvanian Company owns all of the common, and $5,775,000 of the preferred. Par, $100. For details and ratings, see Stock Table, Pennsylvania Company, page 584.

TOLEDO, COLUMBUS & OHIO RIVER RAILROAD COMPANY

Origin: Incorporated under laws of Ohio, June 22, 1911, consolidation of Toledo, Walhonding Valley & Ohio R.R. Co. and the Cleveland & Marietta Ry Co. Leased to Pennsylvania Co., rental being net earnings and the guarantee of principal and interest of bonds of constituent companies.

Location: Line of road: Toledo Junc. to Toledo, O., 80.20 miles; Coshocton to W. Londonville, O., 45.41 miles; Sandusky to Columbus, O., 108.29 miles; Marietta to Canal Dover, O., 103.13 miles; Canal Dover to Harwalk, O., 7.92 miles; total, 345.31 miles; second track, 6.43 miles; sidings, 252.32 miles.

Equipment: Locomotives, 97; cars, 4,454.

Management: OFFICERS: J. J. Turner, Pres.; E. B. Taylor, Vice-Pres.; T. H. B. McKnight, Treas.; S. H. Church, Sec.; J. W. Orr, Aud., Pittsburgh, Pa. DIRECTORS: J. J. Turner, E. B. Taylor, D. T. McCabe, G. L. Peck, B. McKeen, Pittsburgh, Pa.; L. P. Gallagher, Coshocton, Ohio; R. T. Scott, Cambridge, Ohio; W. R. Pomerene, Columbus, Ohio; L. F. McVey, Walhonding, Ohio. Annual meeting, third Thursday in April at Columbus Ohio. MAIN OFFICE, Columbus, Ohio. GENERAL OFFICE, Pennsylvania Station, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1912
Rental income	$1,866,815	$825,260	$549,678	$1,086,223
Fixed charges	219,814	223,793	227,320	249,775
Surplus	$1,647,001	$601,467	$322,358	$836,448
Dividends paid	480,000	.....	.....	480,000
Other deductions	87,423	224,125	61,298	.....
Balance	$1,079,578	$377,342	$261,060	$356,448

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $307,493; credit balance transferred from income, $1,079,578; miscellaneous credits, $8,659; total, $1,395,730. Contra: Credit balance carried to balance sheet, $1,391,449; loss on road and equipment, $4,278; miscellaneous debit, $3; total, $1,395,730.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$17,514,105	$16,121,452	$14,866,005	$13,844,305	$13,393,490
Working assets	987,617	.....	57,290	787,251	1,240,456
Deferred debit items.....	69,250	69,090	12,390	.....	.....
Profit and loss (def.).....	.....	.....	378,987	.....	.....
Total	$18,570,972	$16,190,542	$15,314,672	$14,631,556	$14,634,396
LIABILITIES:					
Capital stock	$10,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000
Funded debt	4,988,000	5,039,000	5,079,000	5,129,000	5,130,000
Working liabilities	56,980	796,479	93,555	57,537	57,215
Accrued liabilities not due.....	26,755	27,204	27,624	28,055	28,068
Appropriated surplus	2,107,788	2,020,366	2,114,493	1,002,651	614,579
Profit and loss surplus.....	1,391,449	307,493	.....	414,313	804,534
Total	$18,570,972	$16,190,542	$15,314,672	$14,631,556	$14,634,396

Bonded Debt: $4,988,000 Toledo, Walhonding Valley & Ohio R.R. 1st mtge. Three series, $1,494,000 Series A 4½s; dated July 1, 1891; due July 1, 1931. $969,000 Series B 4½s; dated July 1, 1893; due July 1, 1933, and $1,298,000 Series C 4s; dated Sept. 1, 1902; due Sept. 1, 1942. For details and ratings, see Bond Table of Pennsylvania Company, page 582.

Capital Stock: Auth., $12,000,000; outstanding, $10,000,000; par, $100. All owned by the Pennsylvania Company. Dividends paid annually, Dec. 30, 1911, 1912 and 1915, 6%. Secretary of company acts as TRANSFER AGENT.

THE WHEELING TERMINAL RAILWAY

Incorporated under West Virginia and Ohio laws, June 7, 1900, as successor to Wheeling Bridge & Terminal Ry. Owns 9.65 miles of terminal tracks from Martin's Ferry, Ohio, to Benwood, W. Va., with branch at Wheeling; 14.47 miles of sidings. Controlled by Pennsylvania Company, through stock ownership. Owns 7 locomotives, 16 cars.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$75,400	$58,881	$66,086	$64,904	$62,860	$46,872
Operating expenses	75,509	48,002	54,188	47,674	50,734	35,511
Net revenue	(def.) $109	$10,879	$11,898	$17,230	$12,126	$11,361
Other income	157,989	57,770	89,908	127,557	111,461	91,760
Total net income	$157,880	$68,649	$101,806	$144,787	$123,581	$103,121
Taxes	15,421	15,595	14,153	12,353	12,044	11,494
Fixed charges	66,179	62,383	62,663	62,645	62,645	62,645
Surplus	$76,280	(def.) $9,329	$24,990	$69,789	$48,898	$28,982
Dividends paid	.....	.....	.....	40,000	40,000	.....
Other deductions	14,880	.....	.....	10,000	.....	.....
Balance	$61,400	(def.) $9,329	$24,000	$19,789	$8,898	$28,982

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $44,968; credit balance transferred from income, $61,400; miscellaneous credits, $1,128; total, $107,496. Contra: Credit balance carried to balance sheet, $107,496.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,776,676	$3,764,854	$3,768,113	$3,764,716	$3,732,043	$3,728,717
Working assets	138,549	85,540	113,715	104,737	93,733	110,732
Deferred debit items	128	125	3,904	5	5	970
Total	$3,915,353	$3,850,519	$3,885,732	$3,869,458	$3,825,781	$3,840,419
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	1,534,000	1,550,000	1,566,000	1,566,000	1,566,000	1,566,000
Working liabilities	64,904	63,051	74,159	42,548	28,126	52,094
Accrd. liabilities not due	29,830	30,279	30,006	29,662	30,087	30,586
Deferred credit items	10,768	8,746	8,842	9,513	9,622	8,691
Appropriated surplus	168,355	153,475	138,499	138,499	129,074	110,574
Profit and loss surplus	107,496	44,968	68,226	83,236	62,872	72,474
Total	$3,915,353	$3,850,519	$3,885,732	$3,869,458	$3,825,781	$3,840,419

Bonded Debt: $1,534,000 Wheeling Terminal Ry. first 4s; dated Aug. 1, 1900; due Aug. 1, 1940; int. paid Feb. and Aug. at Winslow, Lanier & Co., New York. Coupon, $1,000. Sinking fund, 1% annually of outstanding bonds to be bought at par or less. First lien on entire property. Both principal and interest guaranteed by Pennsylvania Company. Legal for S. B. in Maine, Mich., Minn., Mo., N. H. Interest payable without deduction for normal income tax. Net Rating, Aa.

Capital Stock: Auth. and issued, $2,000,000; par, $100; all owned by Pennsylvania Company.

YOUNGSTOWN & RAVENNA RAILROAD

Origin: Incorporated under laws of Ohio, Nov. 4, 1899. Line from Boanna to Niles Junc. is leased to the Pittsburgh, Youngstown & Ashtabula Ry. Co. and the line from C. & P. R.R. Junc. to M. V. W. Ry. Junc. is leased to Pennsylvania Company, operating the Cleveland & Pittsburgh Ry. Total mileage, 2.28 miles. Second track, 2.13 miles; sidings, 0.21 mile.

Management: OFFICERS: E. B. Taylor, Pres.; G. L. Peck, Vice-Pres.; J. W. Orr, Aud.; T. H. B. McKnight, Treas.; S. H. Church, Sec., Pittsburgh, Pa. OFFICE, Pennsylvania Station, Pittsburgh, Pa. Annual meeting, third Thursday in May at Youngstown, Ohio.

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1912
Rental income	$19,925	$18,129	$18,018	$13,785
Taxes	767	2,080	2,284	1,692
Surplus	$19,158	$16,049	$15,734	$12,093
Other deductions	5	7,729	.....	.....
Balance	$19,153	$8,320	$15,734	$12,093

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $152,553; credit balance transferred from income, $19,153; miscellaneous credits, $239; total, $171,945. Contra: Credit balance carried to balance sheet, $171,945.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$460,438	$460,438	$448,701	$448,701	$417,591
Working assets	39,236	147,989	130,914	115,162	74,164
Total	$499,674	$608,427	$579,615	$563,863	$491,755
LIABILITIES:					
Capital stock	$320,000	$320,000	$320,000	$320,000	$320,000
Working liabilities	.....	128,145	116,436	116,436	85,302
Appropriated surplus	7,729	7,729	17	.....	.....
Profit and loss surplus	171,945	152,553	143,162	127,427	86,453
Total	$499,674	$608,427	$579,615	$563,863	$491,755

Capital Stock: Auth., $1,000,000; outstanding, $320,000; par, $100. All owned by Pennsylvania Company. Secretary of company acts as TRANSFER AGENT. No bonds.

PITTSBURGH, CINCINNATI, CHICAGO & ST. LOUIS RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Oct. 1, 1890, under laws of Penn., West Va., Ohio, and Indiana, as a consolidation of the Chicago, St. Louis & Pittsburgh R.R., the Cincinnati & Richmond R.R., the Jeffersonville, Madison & Indianapolis, and the Pittsburgh, Cincinnati & St. Louis Ry. In 1907, the Chartiers Ry. was absorbed. In addition, the company operates the lines of the Chicago, Indiana & Eastern Ry., which is controlled by the Pennsylvania Company.

Location: The directly operated lines consisted on Dec. 31, 1915, of 1,488.98 miles, of which 1,143.68 miles were directly owned and embraced the main lines from Pittsburgh *via* Columbus to Indianapolis and Chicago, with various branches; also 278.50 miles of lines operated under contract, including the Little Miami R.R. and leased lines from Columbus to Cincinnati and branches; also 66.80 miles of trackage rights. Operated mileage chiefly in Ohio and Indiana. Population of these States in 1890, 5,864,720; in 1900, 6,674,007; in 1910, 7,467,997.

Control: The company is controlled through ownership of a majority of capital stock by the Pennsylvania Company, whose stock is in turn all owned by the Pennsylvania R.R.

Merger: In October, 1916, the stockholders approved the consolidation with the Vandalia R.R., the Pittsburgh, Wheeling & Kentucky R.R., the Chicago, Indiana & Eastern Rys., and the Anderson Belt Ry., under the name of the Pittsburgh, Cincinnati, Chicago & St. Louis R.R. The new company will assume the obligations of the merged companies. The terms of exchange of old stock, etc., for new stock are as follows: P. C. C. & St. L., $110 and $100 of new stock for $100 old pref. and $100 old common; Vandalia R.R., $85 of new stock for $100 of old; Pitts., Wheeling & Ky., $150 of new stock for $50 of old; Anderson Belt Ry., $100 in new stock for $100 of old; Chic., Ind. & East. Ry., one $100 share for entire $1,000,000 old stock, $250,000 in new stock for $500,000 old mortgage bonds. The merger, having been effected, the new company began operation Jan. 1, 1917. The consolidated company has $84,860,200 capital stock all of one class.

Management: OFFICERS: Saml. Rea, Pres.; J. J. Turner, Vice-Pres.; E. B. Taylor, Vice-Pres.; D. T. McCabe, Vice-Pres.; G. L. Peck, Vice-Pres.; A. M. Schoyer, Vice-Pres.; S. H. Church, Sec.; T. H. B. McKnight, Treas. DIRECTORS: T. B. Taylor, E. B. Morris, Samuel Rea, W. H. Barnes, Samuel S. Dennis, D. T. McCabe, J. P. Green, G. J. Peck, J. J. Turner, S. P. Bush, W. S. Rowe, C. S. Patterson, T. De Witt Cuyler. Annual meeting, second Tuesday in April. MAIN OFFICE, Pittsburgh, Pa.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907-12, June 30, 1913-16)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	5.82%	8.87 %	7.01%	6.29%	6.79%	6.10%	6.07%	6.61%	8.24%	7.42%
Products of Animals	2.55	4.00	3.11	2.54	2.74	2.57	2.42	2.59	2.66	2.35
Products of Mines	58.63	55.65	55.01	58.16	57.44	58.65	58.09	56.44	55.40	54.08
Products of Forests	4.54	4.67	5.05	5.01	4.83	4.38	4.51	5.21	4.94	4.90
Manufactures	23.66	23.28	26.16	24.70	24.88	24.04	23.95	24.49	21.60	19.91
Merchandise and Miscel.	4.80	3.53	3.66	3.30	3.32	4.26	4.96	4.66	7.16	11.24

Total revenue tonnage in 1908, 27,152,648 tons; 1909, 32,853,447 tons; 1910, 38,976,157 tons; 1911, 39,093,370 tons; 42,352,038 tons in 1912; 43,637,726 in year ended June 30, 1913; 39,356,800 in 1914; 35,159,103 in 1915; 44,649,520 in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Denaity.	Average Freight Train Load (Tons).	Train Mile Earninga.	Average Rate per Passenger per Mile. (Centa)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	1,472	527	617	455	23,598	73%	261,861	2,917,850	371	$1.98	1.88c	.63c
1908 "	1,472	630	632	453	23,633	70	248,399	2,178,300	338	1.87	1.87	.64
1909 "	1,469	634	636	453	24,415	69	268,848	2,626,027	368	2.01	1.83	.64
1910 "	1,468	743	656	479	25,947	70	294,690	3,131,804	383	2.00	1.85	.61
1911 "	1,467	780	655	484	25,176	69	295,871	2,907,749	418	2.12	1.85	.61
1912 "	1,472	791	659	484	27,684	71	288,520	3,619,837	462	2.23	1.91	.58
1913 June 30	1,472	795	659	541	28,946	71	295,747	3,661,168	475	2.28	1.93	.58
1914 "	1,472	798	712	549	30,878	68	309,655	3,150,448	474	2.33	1.92	.62
1915 "	1,479	808	777	544	30,563	68	271,861	2,798,750	508	2.46	1.98	.63
1916 "	1,489	823	774	543	30,289	70	287,706	3,620,591	585	2.77	2.07	.62
10-Year Average	1,473	733	678	499	27,113	70%	282,316	3,061,252	438	$2.21	1.91c	.62c

Yard tracks and sidings, Dec. 31, 1915, 1,017 miles. The Little Miami R.R. Co., which is leased and operated, owns or leases 77 locomotives, 56 passenger, and 718 freight and company cars. These have been included in above table since 1914.

Comment: The operating exhibit of the Pittsburgh, Cincinnati, Chicago & St. Louis for the year ended June 30, 1916, was very favorable, indeed, and equaled those of the best years of the past decade. Freight density was higher than in any recent year, except 1913, while the train load rose to a far better figure than ever before reported. Train mile earnings were also much better than in any recent year. The company's freight tonnage was widely diversified as has usually been the case, the main item of tonnage being products of mines.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907 Dec. 31	$25,575	$3,714	$4,934	$8,648	$10,130	$6,797	$7,176	$816	$6,360	$3,810	40%	$2,550	$1,671
1908 "	21,001	2,170	3,628	5,798	8,555	6,648	6,961	858	6,103	4,100	34	2,003	1,711
1909 "	24,487	3,355	4,202	7,557	9,172	7,758	7,961	963	6,998	3,262	54	3,736	1,814
1910 "	27,657	3,939	5,171	9,110	11,266	7,281	7,488	1,071	6,417	3,754	42	2,663	2,150
1911 "	26,277	3,294	4,806	8,100	10,646	7,531	7,691	1,070	6,621	3,560	46	3,061	2,175
1912 "	29,623	4,063	5,607	9,670	11,854	8,099	8,740	1,090	7,650	3,447	55	4,203	2,196
1913 June 30	30,237	5,209	6,130	11,339	12,426	6,474	7,048	1,155	5,893	3,506	41	2,387	2,196
1914 "	28,598	4,183	5,814	9,997	12,558	6,043	6,575	1,295	5,280	3,763	29	1,517	1,568
1915 "	25,972	3,462	5,141	8,603	11,097	6,272	7,008	1,310	5,698	3,877	32	1,821	465
1916 "	31,816	4,451	6,048	10,499	12,220	9,093	9,804	1,379	8,425	4,120	51	4,305	1,709
10-Year Average	$27,124	$3,784	$5,148	$8,932	$10,992	$7,200	$7,645	$1,101	$6,544	$3,720	43%	$2,824	$1,765

Comparative Income Account, Years Ended December 31, 1911-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911
Gross revenues	$47,367,603	$38,407,682	$42,087,787	$44,501,439	$43,604,082	$38,549,930
Maintenance of way	6,627,203	5,119,943	6,157,331	7,666,926	5,980,691	4,832,011
Maintenance of equip.	9,005,131	7,606,474	8,558,896	9,023,666	8,252,981	7,050,822
All other oper. expenses	18,195,561	16,412,053	18,485,559	18,291,116	17,458,840	15,629,398
Net oper. revenues	$14,539,708	$9,271,212	$8,886,001	$9,519,731	$11,911,570	$11,037,702
Operating ratio	71.4%	95.9%	78.9%	78.6%	72.7%	71.4%
Other income	1,058,392	1,093,000	792,861	854,951	953,260	244,976
Total net income	$14,598,100	$10,364,212	$9,678,862	$10,374,682	$12,864,830	$11,282,678
Taxes accrued	2,038,313	1,937,682	1,906,195	1,685,955	1,604,222	1,569,892
Balance for charges	$12,559,787	$8,426,530	$7,772,667	$8,688,727	$11,260,608	$9,712,786
Fixed charges	6,134,925	5,734,205	5,539,270	5,175,367	6,565,168	5,868,564
Surp. over charges	$6,424,862	$2,692,325	$2,233,397	$3,513,360	$4,695,440	$3,844,222
Dividends paid	2,546,876	687,270	2,308,583	3,232,720	2,232,469	3,194,985
Other deductions	960,030	897,380	872,856	2,904,669	1,400,000	649,237
Balance	$2,917,956	$1,107,675	def. $948,042	def. $2,624,029	$62,971	.....
Earned on stock: Pfd.	21.47%	9.79%	8.13%	12.79%	17.10%	13.99%
Com.	12.58%	5.00%	3.05%	5.76%	8.90%	6.65%

Note: Above figures include operation of Little Miami R.R. and all leased lines. Fixed charges include interest, rentals, sinking funds, hire of equipment, principal of equipment-trust obligations, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $1,767,027; credit balance transferred from income account, $2,917,955; profit on road and equipment sold, $59; miscellaneous credits, $824,808; total, $5,509,849. Contra: Dividend appropriation of surplus, $366; loss on retired road and equipment, $25,975; miscellaneous debits, $223,512; credit balance carried to balance sheet, $5,259,996; total, $5,509,849.

Comment: For the year ended June 30, 1916, the gross and net revenues of this property underwent very sharp improvement as compared with recent years. The total net income was during the year more than double the increased fixed charge requirements, and the final balance carried forward was therefore equal to over 21% on the outstanding preferred stock. Conditions since June 30, 1916 have continued to be most satisfactory.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$38,491	48%	$41,145	52%	$18,457	$98,093	$4,944	$93,149	7.7%	$946	5%	$725	4%	63%	55%
1908 "	38,491	49	39,696	51	14,580	92,767	3,653	89,114	7.8	946	5	765	4	53	28
1909 "	38,204	50	37,895	50	17,432	93,531	3,600	89,931	9.9	935	5	879	4½	75	68
1910 "	43,306	50	43,311	50	17,566	104,183	1,992	102,191	7.3	935	5	1,215	5	62	30
1911 "	44,068	50	43,986	50	16,124	104,178	2,248	101,930	7.5	936	5	1,241	5	69	40
1912 "	44,274	50	44,519	50	18,391	107,184	3,167	104,017	8.4	933	5	1,263	5	78	61
1913 June 30	44,274	50	43,660	50	17,721	105,655	2,588	103,067	6.8	933	5	1,263	5	61	13
1914 "	44,274	48	47,166	52	13,622	105,062	2,142	102,920	6.4	747	4	821	3½	51	....
1915 "	45,713	49	47,680	51	13,933	107,326	892	106,434	6.6	465	2½	.....	....	74	....
1916 "	45,406	50	45,846	50	16,556	107,808	1,441	106,367	9.2	1,204	6	505	2	72	84
10-Year Average	$42,650	49%	$43,490	51%	$16,438	$102,578	$2,667	$99,911	7.6%	$898	4.7%	$868	3.8%	66%	38%

Note: Stock column includes both preferred and common stock outstanding; bond column includes all direct obligations; rental column represents capitalization of leased-line obligations.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment....	$157,088,088	$154,728,463	$157,293,447	$148,842,345	$146,306,184	$140,327,765
Working assets.....	11,096,192	10,140,666	8,238,407	9,743,836	10,684,226	12,878,743
Deferred debit items...	1,084,108	838,766	2,206,033	1,540,540	1,522,181	833,175
Accrued income not due	2,121	2,121	27,246	27,219	.....	.....
Total	$169,270,509	$165,710,016	$167,765,133	$160,153,940	$158,512,591	$154,039,683
Liabilities:						
Capital stock.....	$67,608,949	$67,609,125	$65,171,875	$65,171,924	$65,171,975	$65,171,974
Funded debt.....	68,264,577	70,518,424	69,428,267	64,267,152	65,532,645	64,552,319
Working liabilities.....	6,045,850	5,142,516	12,465,586	9,146,463	4,269,682	3,865,069
Accrd. liabilities not due	2,134,740	2,084,469	2,108,942	2,536,530	2,619,728	2,656,430
Deferred credit items..	467,632	72,942	194,770	372,467	441,379	474,049
Appropriated surplus...	19,488,765	18,515,513	17,606,811	16,723,803	16,600,925	13,597,670
Profit and loss surplus.	5,259,996	1,767,027	788,882	1,935,601	3,876,257	3,722,172
Total	$169,270,509	$165,710,016	$167,765,133	$160,153,940	$158,512,591	$154,039,683

Comment: There were practically no capitalization changes in the Pittsburgh, Cincinnati, Chicago & St. Louis property during the year ended June 30, 1916. Since the latter date, however, a consolidation has taken place whereby the Vandalia and certain smaller lines have been merged into this system. This will considerably change the capitalization features of the property. As measured on the mileage basis, the net capitalization of the company appears high, but the earning power has always been substantial; even in poor years the net income on net capital has been high. During the year just ended it averaged over 9%.

Securities Owned by Pittsburgh, Cincinnati, Chicago & St. Louis Railway as Reported to Dec. 31, 1915

Stocks. Name of Company	Shares	Par Value.	Stocks. Name of Company	Shares	Par Value.
Anderson Belt. Ry. Co.....	982	$49,100.00	Tylerdale Connecting R.R. Co....	125	$12,500.00
Dayton Union Ry. Co.....	1,070	107,000.00	Union Depot Co., Columbus, O.....	2,500	250,000.00
First-Second Nat. Bank of Pittsb..	269	26,900.00	Waynesburg & Wash. R. R Co....	3,919	195,950.00
Louisiana Purchase Exposition Co.	2,000	20,000.00			
New Cumb. & Pitts. Ry. Co.....	2,009	100,450.00	Total Stocks and Bonds.....	.....	$1,231,900.00
Pitts., Chart. & Youghiogheny Ry.	9,400	470,000.00	Cost as per Balance Sheet..	.....	740,515.31

The income received from securities during the year 1915, amounted to $30,065.90, as follows: Dayton Union Ry. Co. stock, $7,490; Union Depot Co., Columbus, O., stock, $2,983.90; Waynesburg & Washington R.R. Co. stock, $19,590; Westinghouse Electric & Manufacturing Co., common stock, $2.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Chic., St. L. & Pitts. cons. 5s	A&O	O 1932	(1st) 582	$2,600	$6,544	$51	99%	Very high	Very high	Aaa.
2. Chartiers Ry. first 3½s	A&O	O 1931	(1st) 39	16,000		14	99%	"	"	Aaa.
3. Pitts., C. C. & St. L. Series A, cons. 4½s	A&O	O 1940					74%	"	"	Aaa.
4. Pitts., C. C. & St. L. Series B, cons. 4½s	A&O	Ap 1942					74%	"	"	Aaa.
5. Pitts., C. C. & St. L. Series C, cons. 4½s	M&N	N 1942					74%	"	"	Aaa.
6. Pitts., C. C. & St. L. Series D, cons. 4s	M&N	N 1945					74%	"	"	Aaa.
7. Pitts., C. C. & St. L. Series E, cons. 3½s	F&A	Ag 1949	(1st) 517 (2d) 620	53,650	6,479	1,705	74%	"	"	Aaa.
8. Pitts., C. C. & St. L. Series F, cons. 4s	J&D	D 1953					74%	"	"	Aaa.
9. Pitts., C. C. & St. L. Series G, cons. 4s	M&N	N 1957					74%	"	"	Aaa.
10 Pitts., C. C. & St L. Series H, cons. 4s	F&A	F 1960					74%	"	"	Aaa.
11 Pitts., C. C. & St. L. Series I, cons. 4½s	F&A	Ag 1963					74%	"	"	Aaa.
12. Pitts., C. C. & St. L. Series J, cons. 4½s	M&N	Ag 1964					74%	"	"	Aaa.
13. Little Miami R. R. first 4s.	M&N	N 1962	(1st) 87	12,340	4,774	30	95%	High	High	Aaa.
14. Ohio Connect. Ry. first 4s.	M&S	S 1943	(1st) 9	Bridge		52	95%	"	"	Aaa.
15. Equipment trusts	Var.	Var.	(see text)	.....		161	95%	"	"	Aaa.

Note: "Average income available" is the average net income available per mile for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $22,000,000; outstanding, $1,506,000 (closed). Dated March 31, 1883; due Oct. 1, 1932. Int. paid at Penn. R.R. office, New York, for coupon bonds and at treasurer's office in Pittsburgh for reg. bonds. Coupon and reg., $1,000. Sinking fund: On and after April 1, 1893, an annual amount equal to 1% of bonds outstanding is to be used for purchase of these bonds at not exceeding 105. Assumed by Pittsburgh, Cincinnati, Chicago & St. Louis Ry. First lien on 581.52 miles: from Columbus, Ohio, to Indianapolis, Ind., 187.30 miles; from Richmond Junc., Ind., 102.55 miles; Bradford Junc. to Chicago, Ill., 231.55 miles; Logansport to Effner, Ind., 60.34 miles. Underlie Nos. 4 to 12 inclusive, which provide for retirement. Legal for Savings Banks in Me. Listed on New York and Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $625,000. Dated Oct. 1, 1901; due Oct. 1, 1931. Int. paid at office of Pittsburgh, Cincinnati, Chicago & St. Louis Ry. Co., Pittsburgh, Pa. Coupon, $1,000. Sinking fund: Annual amount equal to 1% of bonds outstanding, together with interest on bonds already redeemed, to be used for purchase of these bonds at not exceeding par. Assumed by Pittsburgh, Cincinnati, Chicago & St. Louis Ry. First lien from Carnegie to Washington, Pa., 23.51 miles; Houston to Westland, Pa., 5.02 miles, and other branches, 10.18 miles; total, 38.71 miles. Underlie Nos. 4 to 12 inc., which provide for retirement. Legal for S. B. in Me. Interest paid without deduction for normal income tax.

3 to 12. Authorized	Series	Outstanding	Dated	Due
$10,000,000	A	$10,000,000	Oct. 1, 1890	Oct. 1, 1940
10,000,000	B	8,780,000	Apr. 1, 1892	Apr. 1, 1942
2,000,000	C	1,379,000	Nov. 1, 1892	Nov. 1, 1942
6,000,000	D	4,602,000	Nov. 1, 1895	Nov. 1, 1945
12,000,000	E	3,075,000	Aug. 1, 1899	Aug. 1, 1949
10,000,000	F	9,851,000	Dec. 1, 1903	Dec. 1, 1953
10,000,000	G	9,170,000	Nov. 1, 1907	Nov. 1, 1957
3,000,000	H	2,657,000	Feb. 1, 1910	Feb. 1, 1960
7,000,000	I	7,000,000	Aug. 1, 1913	Aug. 1, 1963
3,494,000	J	3,494,000	May 1, 1914	May 1, 1964

Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Sinking fund: Beg. Oct. 1, 1895, and annually thereafter, 1% of bonds outstanding, together with int. on such bonds as have already been redeemed, to be used for purchase of these bonds at not exceeding par. Guar. prin. and int. by the Penn. Co. by endorsement. First lien on 516.89 miles, as follows: From Pittsburgh, Pa., to Steubenville, Ohio, 41.28 miles; with branches to Chester, W. Va., 22.20 miles; Cadiz Junc. to Cadiz, O., 7.94 miles; from Richmond Junc., Ind., to Rencomb Junc., O., 63.75 miles; from Jeffersonville to New Albany, Ind., 4.61 miles; from Newark to Columbus, O., 31.18 miles; Indianapolis to Jeffersonville, Ind., 108.46 miles; from Columbus, O., to Madison, Ind., 44.95 miles; from Columbus, O., to Cambridge City, Ind., 63.02 miles; Steubenville to Newark, O., 117 miles, and on branches aggregating 11.21 miles; second lien on 620.23 miles, as follows: On 581.52 miles, following No. 1; and on 38.71 miles, following No. 2. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

13. Auth., $10,000,000; outstanding, $1,070,000. Dated Nov. 1, 1912; due Nov. 1, 1962. Int. paid May and Nov. at Farmers' Loan & Trust Co., New York. Guar. prin. and int. by Pittsburgh, C., C. & St. Louis Ry. and Penn. Co. Coupon, $1,000. First lien, 86.72 miles, Springfield to Cincinnati, Ohio; also on terminals in Hamilton county, Ohio, and on the company's leasehold rights in the Columbus & Xenia Ry. and the Dayton & Western Ry. The unissued bonds cannot be sold until after all the company's "betterment stock" has been issued (see below). Listed on New York Stock Exchange. Normal income tax deducted from interest.

14. Auth., $2,000,000; outstanding, $1,932,000. Dated Sept. 1, 1903; due Sept. 1, 1943. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Sinking fund: On and after Sept. 1, 1904, an annual amount equal to 1% of bonds outstanding to be used for purchase of these bonds at not exceeding par. Guar. prin. and int. by Penn. Co. by endorsement. First lien on bridge over the Ohio River near Pittsburgh, Pa., and approaches, 9.08 miles, lands, terminals, buildings, etc. Bridge connects the P., C., C. & St. L. Ry. and the Pittsburgh, Ft. Wayne & Chicago Ry. Legal for S. B. in Conn., Me., Mich., Minn., N. J., R. I., Wis. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

15. Equipment Trusts 4s, outstanding June 30, 1916. Series C, D and E of 1910, 810,037, maturing serially to May 1, 1920; Series A, B, C, and D, of 1912, $2,266,894, maturing serially to June 1, 1922. Series B, C, D, E, F and G of 1913, $2,904,567, maturing to April 1, 1923; total outstanding, $5,981,498.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Little Miami R.R. original stock ..... Par $50. Outstanding, $4,837,300.	8% QuMr	.....	$3,301	$260	86%	Very high	Very high	Aaa.
2. Little Miami R.R. betterment stock .... Par $50. Outstanding, $4,490,850.	4% QuMr	.....		121	86%	"	"	Aaa.
3. Columbus & Xenia R.R. stock ..... Par $50. Outstanding, $1,786,200.	8% QuMr	.....		96	86%	"	"	Aaa.
4. Pitts., Cinn., Chic. & St. Louis pfd. stock .. Par $100. Outstanding, $29,916,200.	See text	.....	2,824	1,005*	65%	"	"	Baa.*
5. Pitts., Cinn., Chic. & St. Louis common .... Par $100. Outstanding, $37,595,860.	See text	.....	1,819	1,464†	20%	"	"	B.

* For 5% dividend. † For 5% dividend.

Note: "Average Income avilable" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

1 and 2. **Little Miami R.R.** Leased to Pitts., C., C. & St. Louis Ry. for 99 years from 1869, rental being interest on bonds, rental of Little Miami leased lines, 8% on stock, and $5,000 for organization expenses. In April, 1907, lease was amended, providing for issuance of 4% betterment stock for improvements, etc. No. 1, above, is the original 8% guaranteed stock. From 1899 to 1911, inclusive, 8 2-5% was paid, the extra amount being from the original dividend fund. No. 2 is the special betterment stock, which has been issued from time to time, and which is limited to $5,000,000. The Penn. Co. owns $500 of No. 1 and $1,381,500 of No. 2.

3. **Columbus & Xenia R.R.** Leased for 99 years from 1869 to Little Miami R.R., and lease assumed by P., C., C. & St. Louis Ry. Rental, 8% on stock. Pennsylvania Co. owns $500.

4. Auth., $30,000,000. Entitled to 4% non-cumulative dividends before any dividends are paid on common. After common has received 3%, then preferred is entitled to 1% more; then common to 2%, after which both issues share alike. On Dec. 31, 1915, Pennsylvania Company owned $24,886,800. Dividends since 1900 have been as follows: 1902 to 1905, 4% each; 1906, 4½%; 1907 to 1909, 5% each; 1910, 6¼%; 1911 to 1913, 5% each; 1914, 2¾%; 1915, 2½%; 1916, 6%; Jan., 1917, 3%.

5. Auth., $45,000,000. Dividends since 1900 have been paid as follows: 1902 to 1906, 3% each; 1907 to 1909, 4% each; 1910, 6¼%; 1911 to 1913, 5% each; 1914, 2%; 1915, none; 1916, 2%; Jan., 1917, 5%. Dec. 31, 1915, Penn. Co. owned $24,169,600. Transfer Agents, Farmers' Loan & Trust Co., New York. Both issues listed on New York and Philadelphia Stock Exchanges. The new company has $84,860,200 stock all of one class.

COLUMBUS & XENIA RAILROAD

Origin: Incorporated under Ohio laws, March 12, 1844, leased Nov. 30, 1868, for 99 years (renewable forever) to Little Miami R.R. and subleased to Pittsburgh, Cincinnati, Chicago & St. Louis Ry. rental being 8% on stock and $2,500 per annum for current expenses. Payable monthly. Lease guaranteed by Pennsylvania R.R. Co.

Line of road: Columbus O., to Xenia, 54.72 miles.

Management: Officers: Rutherford H. Platt, Pres.; Henry C. Taylor, Vice-Pres.; Chas. A. Covert, Sec. and Treas., Columbus Ohio. Annual meeting, Jan. 6, 1916. Office, Hayden Bank Building, Columbus, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$154,308	$154,208	$153,588	$153,717	$153,726	$153,601
Taxes	.....	.....	.....	.....	.....	.....
Fixed charges	2,485	2,701	2,839	2,714	2,534	2,564
Surplus	$151,823	$151,507	$150,749	$151,003	$151,192	$151,037
Dividends paid	148,609	148,609	145,070	141,532	141,532	141,532
Balance	$3,214	$2,898	$5,679	$9,471	$9,660	$9,505

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $252,753; credit balance transferred from income, $3,214; total, $255,967. Contra: Credit balance carried to balance sheet, $255,967.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$2,325,620	$2,321,621	$2,137,135	$2,137,135	$2,137,135	$2,137,135
Working assets.....	1,497	2,282	201,896	195,924	186,453	176,793
Total	$2,327,117	$2,323,903	$2,339,031	$2,333,059	$2,323,588	$2,313,928
LIABILITIES:						
Capital stock.....	$1,769,150	$1,769,150	$1,786,200	$1,786,200	$1,786,200	$1,786,200
Working liabilities.....	302,000	302,000	302,000	302,000	302,000	302,000
Profit and loss surplus.	255,967	252,753	250,831	244,859	235,388	225,728
Total	$2,327,117	$2,323,903	$2,339,031	$2,333,059	$2,323,588	$2,313,928

Capital Stock: Auth., $1,800,000; outstanding, $1,769,150; in treasury, $17,050; par, $50. Dividend rate from March, 1914, 8 2-5%, payable quarterly June 10, etc.

WAYNESBURG & WASHINGTON RAILROAD

Incorporated under Penn. laws, May 18, 1875. Line of road, Waynesburg to Washington, Pa., 28.16 miles. Sidings, 5.03 miles. Controlled through stock ownership by Pitts., Cin., Chicago & St. Louis Ry. 6 locomotives, 154 cars.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$119,804	$121,644	$130,856	$135,280	$142,384	$137,612
Operating expenses	108,336	108,605	108,923	109,675	108,180	110,444
Net income	$11,468	$13,039	$21,933	$25,605	$34,204	$27,168
Other income	12,526	13,282	12,730	11,022	10,221	9,891
Total net income..	$23,994	$26,321	$34,663	$36,627	$44,425	$37,059
Taxes	2,960	3,279	3,365	3,040	2,976	3,287
Fixed charges	2,003	2,135	2,077	2,070	2,135	2,064
Surplus	$19,031	$20,907	$29,221	$31,517	$39,314	$31,708
Dividends paid	*	20,055	20,055	20,055	20,055	20,055
Other deductions	.....	.....	.....	1,688	1,036	4,680
Balance	$19,031	$852	$9,166	$9,774	$18,223	$6,973

* Dividends paid from profit and loss in 1916. (See below).

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $199,170; credit balance transferred from income, $19,031; miscellaneous credits, $5; total, $218,206. Contra: Dividend appropriations of surplus, $20,055; credit balance carried to balance sheet, $198,151; total, $218,206.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$220,485	$217,337	$221,308	$223,365	$223,365	$221,325
Working assets.....	225,186	218,604	212,946	203,687	191,852	182,284
Deferred debit items...	25	655	3,791	.....	.....	.....
Total	$445,696	$436,596	$438,045	$427,052	$415,217	$403,609
LIABILITIES:						
Capital stock.....	$200,550	$200,550	$200,550	$200,550	$200,550	$200,550
Working liabilities.....	19,547	10,952	13,110	12,596	12,022	19,152
Accr'd liabilities not due	959	945	834	720	788	851
Deferred credit items..	2,989	1,481	1,453	254	387	162
Appropriated surplus...	23,500	23,498	23,499	24,196	22,508	22,155
Profit and loss surplus.	198,151	199,170	198,599	188,736	178,962	160,739
Total	$445,696	$436,596	$438,045	$427,052	$415,217	$403,609

Capital Stock: Auth., $270,000; outstanding, $200,550; par $50. The Pitts., C., C. & St. Louis Ry. owns $195,900. Dividends in recent years: 1907, 6%; 1908, 8%; 1909 to date 10% per annum. TRANSFER AGENT, T. H. B. McKnight, Pittsburgh, Pa.

VANDALIA RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Indiana and Illinois, Jan. 1, 1905, as a consolidation of the Terre Haute & Indianapolis R.R., the St. Louis, Vandalia & Terre Haute R.R., the Terre Haute & Logansport Ry., the Logansport & Toledo Ry., and the Indianapolis & Vincennes R.R. The company leases and operates the Terre Haute & Peoria R.R.

Location: The operated lines consist of 910.05 miles, classified as follows: Lines owned, including main line from Indianapolis to St. Louis, with branches, and lines from Rockville to South Bend and Logansport to Butler, Ind., with branches; also line from Indianapolis to Vincennes and branches, 638.99 miles; Terre Haute & Peoria R.R., Farrington to Farmdale, 145.12 miles; operated under contracts and trackage rights, 133.12 miles. Mileage mainly in Illinois and Indiana. Population of these States in 1890, 6,018,755; in 1900, 7,398,012; in 1910, 8,339,467.

Control: The Pennsylvania Company owns $12,175,000 out of $14,613,950 outstanding stock of the Vandalia Railroad.

Proposed Merger: For details of proposed merger with Pittsburgh, Cincinnati, Chicago & St. Louis Ry., see latter company.

Management: OFFICERS: J. J. Turner, Pres.; Edward B. Taylor, 1st Vice-Pres.; D. T. McCabe, 2d Vice-Pres.; G. L. Peck, 3d Vice-Pres.; S. H. Church, Sec.; T. H. B. McKnight, Treas. DIRECTORS: C. H. Seybt, C. M. South, J. D. Oliver, W. H. Lee, J. J. Turner, E. B. Taylor, V. T. Malott, D. T. McCabe, J. P. Green, G. L. Peck, H. G. Veeder. MAIN OFFICE, Terre Haute, Ind.

Classification of Freight Tonnage (Years Ending Dec. 31, 1907-12, June 30, 1913-16)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	10.09%	10.41%	10.21%	9.35%	11.56%	10.99%	9.30%	9.27%	10.68%	10.74%
Products of Animals	2.94	3.77	2.97	2.31	3.25	3.07	2.90	3.11	3.22	2.97
Products of Mines	55.86	57.49	58.19	62.07	56.18	57.17	59.56	58.88	61.26	59.40
Products of Forests	8.03	6.88	6.59	6.17	6.95	6.11	6.36	6.42	5.32	5.66
Manufactures	18.35	16.45	17.05	15.93	17.58	18.20	17.67	16.43	13.02	14.74
Merchandise and Miscel.	4.73	5.00	4.99	4.17	4.48	4.46	4.21	5.89	6.50	6.49

Total revenue tonnage in 1905, 7,917,745 tons; in 1906, 8,267,144 tons; in 1907, 9,493,329 tons; in 1908, 7,869,092 tons; in 1909, 8,807,138 tons; in 1910, 10,951,902 tons; in 1911, 9,268,378 tons; 10,434,668 tons in 1912; 10,685,681 in year ended June 30, 1913; 10,404,882 tons in 1914; 10,311,277 tons in 1915; 11,644,687 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907 Dec. 31	829	22	223	149	8,081	68%	135,007	1,201,824	301	$1.76	2.07c	.68c
1908 "	829	45	221	149	8,099	63	128,866	946,712	292	1.64	2.03	.69
1909 "	827	46	216	149	8,097	65	129,171	1,077,218	313	1.72	2.04	.67
1910 "	827	69	213	151	8,541	70	140,996	1,401,622	348	1.78	2.03	.61
1911 "	827	69	234	169	9,058	61	140,554	1,174,128	341	1.81	2.08	.66
1912 "	827	69	252	169	9,059	68	136,590	1,354,638	389	1.95	2.11	.65
1913 June 30	834	71	252	165	8,911	69	136,387	1,419,709	392	1.99	2.11	.65
1914 "	910	71	252	164	8,944	67	128,488	1,275,451	382	1.92	2.14	.65
1915 "	910	71	252	161	8,682	67	120,706	1,345,993	409	1.93	2.14	.61
1916 "	917	71	252	165	8,567	69	123,325	1,526,601	478	2.22	2.16	.62
10-Year Average	854	60	237	159	8,604	67%	132,009	1,272,390	365	$1.87	2.09c	.65c

Yards, tracks and sidings, 478.28 miles.

Comment: During the year ended June 30, 1916, the freight density on the Vandalia Railroad reached a new high figure, and there was also a very substantial improvement in the average freight train load. As usual about 60% of the freight business was represented by products of mines.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907 Dec. 31	$12,122	$1,705	$2,353	$4,058	$5,209	$2,855	$2,889	$311	$2,578	$1,276	52%	$1,302	$885
1908 "	10,353	1,450	1,665	3,115	4,649	2,589	2,617	353	2,264	1,372	39	892	880
1909 "	11,048	1,637	1,903	3,540	4,710	2,798	2,835	346	2,489	1,405	44	1,084	883
1910 "	12,731	1,945	2,412	4,357	5,486	2,888	3,029	388	2,641	1,823	31	818	883
1911 "	12,056	1,718	2,271	3,992	5,439	2,625	2,733	402	2,331	1,841	22	490	486
1912 "	12,997	1,690	2,559	4,249	5,629	3,119	3,255	433	2,822	1,570	45	1,252	707
1913 June 30	13,435	1,965	2,733	4,698	5,752	2,985	3,121	443	2,678	1,575	43	1,103	701
1914 "	12,368	1,599	2,492	4,091	5,626	2,651	2,747	420	2,327	1,718	22	609	642
1915 "	12,057	1,623	2,451	4,074	5,471	2,152	2,731	433	2,298	1,864	19	434	...
1916 "	13,615	1,998	2,620	4,618	5,601	3,396	3,569	496	3,073	1,917	38	1,156	319
10-Year Average	$12,278	$1,733	$2,346	$4,079	$5,357	$2,842	$2,953	$403	$2,550	$1,636	35%	$914	$639

Comparative Income Account, Years Ended December 31, 1911-1912; June 30, 1913-1916

	1916	1915	1914	1913	1912	1911
Gross revenues	$12,485,186	$10,972,265	$11,255,235	$11,204,405	$10,748,709	$9,970,327
Maintenance of way...	1,832,009	1,476,797	1,455,383	1,638,541	1,398,004	1,419,064
Maint. of equipment...	2,402,313	2,230,987	2,267,312	2,279,910	2,116,084	1,880,471
All other oper. expenses	5,136,253	4,978,675	5,119,504	4,796,926	4,655,586	4,499,970
Net oper. revenues.	$3,114,611	$2,285,812	$2,413,036	$2,489,028	$2,579,035	$2,170,822
Operating ratio ...	75%	79.2%	78.6%	77.8%	76.1%	78.2%
Other income	154,353	199,452	86,417	114,053	112,747	87,633
Total net income...	$3,268,964	$2,485,264	$2,499,453	$2,603,081	$2,682,782	$2,258,455
Taxes accrued	449,587	394,263	381,864	369,166	357,995	332,458
Balance for charges	$2,819,377	$2,091,001	$2,117,589	$2,233,915	$2,324,787	$1,925,997
Fixed charges	1,758,275	1,696,076	1,563,439	1,313,767	1,475,199	1,521,152
Surplus	$1,061,102	$394,925	$554,150	$920,148	$858,588	$404,845
Dividends paid	292,278	.....	584,556	584,556	584,556	401,684
Other deductions	166,819	168,834	170,214	418,933	274,032	.....
Balance	$602,005	$226,091	*$200,620	*$83,341	.....	$3,161
Earned on stock.....	7.26%	2.70%	3.78%	6.28%	5.72%	2.78%

* Deficit.

Note: Above figures include operations of Terre Haute & Peoria (leased). Fixed charges include interest, rentals, hire of equipment, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $745,653; credit balance transferred from income, $602,005; donations, $1,789; miscellaneous credits, $23,741. Contra: Surplus appropriated for property, $1,790; loss on retired road and equipment, $9,508; miscellaneous debits, $22,193; credit balance at close of year, $1,339,698.

Comment: Gross and net revenues on the Vandalia Railroad reached the best figures in the history of the company during the year ended June 30, 1916. Although outside income fell off slightly, the total income available for charges was high and enabled the company to report surplus earnings equal to 7¼% on the outstanding stock. Conditions since June 30, 1916, have continued to be very favorable.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907 Dec. 31	$17,671	51%	$16,896	49%	$6,281	$40,848	.....	$40,848	6.9%	.....	.....	$885	5%	.....	32
1908 "	17,671	49	18,575	51	5,139	41,385	$416	40,969	6.5	.....	.....	880	5	.....	1
1909 "	17,714	49	18,457	51	5,436	41,607	270	41,337	6.9	.....	.....	883	5	.....	2
1910 "	17,714	42	24,179	58	6,955	48,848	369	48,479	6.2	.....	.....	883	5	.....	....
1911 "	17,714	42	23,901	58	6,151	47,766	370	47,396	5.9	.....	.....	486	2¾	.....	1
1912 "	17,714	43	23,631	57	6,090	47,435	362	47,073	6.9	.....	.....	707	4	.....	44
1913 June 30	17,565	43	23,250	57	5,575	46,390	359	46,031	6.8	.....	.....	701	4	.....	36
1914 "	16,098	43	21,069	57	4,859	42,026	339	41,687	6.6	.....	.....	642	4	.....	....
1915 "	16,098	43	20,826	57	5,272	42,196	339	41,857	6.5	.....	.....	....	....	.....	....
1916 "	15,975	44	20,420	56	6,652	43,047	339	42,708	8.4	.....	.....	319	2	.....	72
10-Year Average	$17,193	45%	$21,120	55%	$5,842	$44,155	$316	$43,839	6.7%	.....	.....	$639	3.7%	.....	30%

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

Assets:	1916	1915	1914	1913	1912	1911
Property investment...	$35,840,379	$35,079,964	$35,151,735	$34,781,673	$34,824,390	$34,372,666
Working assets	3,260,176	2,768,819	2,737,148	3,458,867	3,776,564	3,923,723
Deferred debit items...	226,065	244,669	422,235	454,437	180,979	172,126
Total	$39,326,620	$38,093,452	$38,311,118	$38,694,977	$38,781,933	$38,468,515
Liabilities:						
Capital stock	$14,649,466	$14,649,516	$14,649,516	$14,649,516	$14,649,516	$14,649,516
Funded debt	18,725,000	18,951,819	19,172,638	19,390,457	19,542,456	19,766,276
Working liabilities	1,578,289	931,213	1,455,762	1,557,681	1,471,163	1,410,494
Accr'd liabilities not due	678,724	641,289	513,389	501,754	557,504	535,318
Deferred credit items..	72,010	67,447	59,712	112,826	73,721	68,940
Appropriated surplus..	2,283,433	2,106,515	1,939,185	1,773,628	1,626,361	1,188,292
Profit and loss surplus.	1,339,698	745,653	520,916	709,115	861,212	849,679
Total	$39,326,620	$38,093,452	$38,311,118	$38,694,977	$38,781,933	$38,468,515

Comment: There was no change in the capitalization exhibit of the Vandalia Railroad during the year ended June 30, 1916. Since the latter date the company has been merged into the Pittsburgh, Cincinnati, Chicago & St. Louis, and is at the present time a part of the latter system. The basis of the merger is evidently a fair one in view of the general average earning power of the property.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Terre Haute & Ind. consol. (now first) 5s	J&J	Jl 1925	(1st) 103	$18,437	$2,550	$104	96%	Very high	High	Aa.
2. Vandalia R. R. consol. Series A, 4s	F&A	F 1955	(1st) 548 (2d) 103	25,886		430	65%	High	"	Aa.
3. Vandalia R. R. consol. Series B, 4s	M&N	N 1957			2,446	304	65%	"	"	Aa.
4. Terre Haute & Peoria first 5s	M&S	Mr 1937	(1st) 145	160		2	65%	"	"	Aa.
5. Terre Haute & Peoria first cons. 5s	M&S	S 1942	(2d) 145	15,200		120	65%	"	"	Baa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $2,200,000; outstanding, $1,899,000 (closed). Dated July 1, 1885; due July 1, 1925. Int. paid at office of Penn. R.R., New York. Coupon, $1,000. Assumed by Vandalia R.R. First lien on 103.17 miles, as follows: From Ind.-Ill. State line near Farrington to Indianapolis, Ind., 80.21 miles; from Knightsville to Centre Point, Ind., 8.6 miles; Brazil to Saline City, Ind., 11.80 miles, and Dewey Branch, 3 miles. Underlie Nos. 2 and 3, with provision by latter to retire. Legal for S.B. in Maine. Normal income tax deducted from interest.

2 and 3. Auth., $25,000,000; outstanding, Series A, $9,859,000; Series B, $6,967,000. Dated, Series A, Mar. 16, 1905; Series B, Nov. 1, 1907; due, Series A, Feb. 1, 1955; Series B, Nov. 1, 1957. Int. paid at office of Penn. R.R. Co., New York. Coupon and reg., $1,000. Sinking fund, equal to 1% annually, to purchase bonds at not exceeding par. First lien on 547.62 miles, as follows: From Ill.-Ind. State line near Farrington to E. St. Louis, 157.55 miles; from Rockville to South Bend, Ind., 160 miles; from Logansport to Butler, Ind., 93.03 miles; from Indianapolis to Vincennes, Ind., 117.99 miles; from Bushrod, Ind., to Coal Mines, 19.05 miles; a second lien on 103.17 miles following No. 1. Legal for S.B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth., $1,800,000; outstanding, $23,000 (closed). Dated March 1, 1887; due March 1, 1937. Int. paid at office of Penn. R.R., New York. Coupon, $1,000. First lien on 145.12 miles, as follows: From Farrington to Hervey City, Ill., 76.87 miles; Hervey City to Decatur, Ill. (owned jointly with the Illinois Central R.R.), 7.52 miles, and from Maroa to Farmdale, Ill., 60.37 miles. Underlies No. 5, with provision to retire. Normal income tax deducted from interest.

5. Auth., $2,500,000; outstanding, $2,207,000. Dated Sept. 1, 1892; due Sept. 1, 1942. Int. paid at office of Penn. R.R., New York. Coupon, $1,000. Guar. prin. and int. by Vandalia R.R. by endorsement. Second lien on 145.12 miles, covered by No. 4. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating. Equity.	Basis for Rating. Salability.	Net Rating.
Vandalia R.R. stock ..... Par, $100. Outstanding, $14,613,950.	See text	$15,975	$914	$638*	30%	Fair	Small	B.

For Key to Stock Ratings, see page 21. * For 4% dividend.

Note: Auth., $25,000,000. The Pennsylvania Company owns $12,175,000. Dividends have been paid as follows: 1905, 4%; 1906, 4½%; 1907 to 1910 inclusive, 5% per annum; 1911, 2¾%; 1912, 4%; 1913, 4%; 1914, 4%; none in 1915; on Feb. 15, 1916, 2% was paid; 4% in Dec., 1916. Transfer Agent, Farmers' Loan & Trust Co., New York. Listed on New York Stock Exchange.

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COMPANY CONTROLLED AND OPERATED BY VANDALIA RAILROAD

TERRE HAUTE & PEORIA RAILROAD COMPANY

Incorporated under Illinois laws, Jan. 21, 1887, as successor to the Illinois Midland R.R. Leased to Terre Haute & Indianapolis (now a part of Vandalia R.R.), for 99 years from 1892, at rental of 30% of gross earnings; the lessee guaranteeing prin. and int. of bonds. Lease was formally assumed by Vandalia R.R. in 1905. Line of road: Farrington to Hervey City and to Decatur, Ill., with branches; total operated, including trackage rights, 173.63 miles; second track, 1.88 miles; siding, 40.17 miles. Operated as part of Vandalia system, and earnings included in income statement of that company.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$298,980	$233,893	$214,648	$222,470	$258,233	$282,314
Taxes	38,137	36,923	36,307	31,429	29,070	29,428
Fixed charges	139,612	135,826	135,330	138,186	134,680	135,340
Surplus	$121,231	$61,144	$43,011	$52,855	$94,483	$117,556
Dividends paid	†	55,122	†55,122	†55,122	55,122	55,122
Other deductions	.....	3,480	46,975	46,538	23,531	57,314
Balance	$121,231	$2,542	*$59,086	*$48,805	$15,830	$5,120

* Deficit. † Dividend paid from profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $82,993; credit balance transferred from income, $121,231; miscellaneous credits, $129; total, $204,353. Contra: Dividend appropriations of surplus, $55,122; credit balance carried to balance sheet, $114,749; delayed income debits, $34,482; total, $204,353.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$6,267,319	$6,240,563	$6,237,084	$6,190,109	$6,143,571	$6,120,040
Working assets	124,237	113,541	112,038	171,514	220,859	209,254
Deferred debit items	.....	742	.....	.....	.....	.....
Total	$6,391,556	$6,354,846	$6,349,122	$6,361,623	$6,364,430	$6,329,294
LIABILITIES:						
Capital stock	$3,764,200	$3,764,200	$3,764,200	$3,764,200	$3,764,200	$3,764,200
Funded debt	2,230,000	2,230,000	2,230,622	2,230,000	2,230,000	2,230,000
Working liabilities	11,375	3,807	2,187	1,707	1,457	2,192
Accr'd liabilities not due	43,659	46,230	47,568	49,060	49,633	50,430
Deferred credit items	.....	43	.....	.....	.....	.....
Appropriated surplus	227,573	227,573	224,094	177,119	130,581	107,051
Profit and loss surplus	114,749	82,993	80,451	139,537	188,559	175,421
Total	$6,391,556	$6,354,846	$6,349,122	$6,361,623	$6,364,430	$6,329,294

Bonded Debt: (1) $23,000 Terre Haute & Peoria R.R. first 5s. Dated Mar. 1, 1887; due March 1, 1937. For details and rating see Table D of Vandalia R.R., page 607. (2) $2,207,000 Terre Haute & Peoria R.R. first Cons. 5s. Dated Sept. 1, 1892; due Sept. 1, 1942. For details and rating, see Table D of Vandalia R.R., page 607.

Capital Stock: Auth., $2,160,000 preferred and $3,240,000 common; outstanding, $1,837,400 preferred (of which Vandalia R.R. owns $646,700), and $1,926,800 common (of which Vandalia R.R. owns $1,570,400); par, $100. Dividends of 3% each, paid on preferred in 1911 to 1916, incl.

PITTSBURGH, SHAWMUT & NORTHERN RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Aug. 1, 1899, under laws of New York and Pennsylvania as a consolidation of the Mill Creek Valley R.R., Buffalo, St. Marys & Southwestern R.R., Mount Jewett, Clairmont & Northern R.R., Smethport & Olean R.R., Central New York & Western R.R., Central New York & Northern R.R., and Shawmut Connecting R.R. Company controls the Shawmut Mining Co., the Kersey Mining Co., the Kersey R.R. Co. and the Clarion River Ry. It also leases the Pittsburgh & Shawmut R.R. at a rental equal to the net earnings of the latter, plus ten cents per ton on coal delivered to the Pittsburgh, Shawmut & Northern by the Pittsburgh & Shawmut R.R. In Sept., 1916, this lease was abrogated and the Pittsburgh & Shawmut is now operated by its own officers.

Location: Operated lines consist of 299.71 miles, including main lines and branches owned, 159.97 miles from Wayland Junc., N. Y., to Hyde, Pa., etc.; 24.08 miles proprietary roads leased; 89.97 miles leased lines (including Pittsburgh & Shawmut R.R.; 79.59 miles), and 10.24 miles of trackage rights; leased lines, 15.45; total operated, 299.71; sidings, 120.61 miles.

Receivership: On Aug. 1, 1905, Frank Sullivan Smith was appointed receiver of the property. The Pittsburgh & Shawmut line, which has been under construction from 1908, was leased to the receiver, who operated it in connection with the main company until Sept., 1916, when the lease was abrogated. No plan of reorganization had been announced up to January, 1916.

Management: OFFICERS: Frank Sullivan Smith, Receiver and Acting Pres.; L. F. Wilson, Sec.; Henry S. Hastings, Aud. and Compt. DIRECTORS: F. S. Smith, F. H. Davis, C. W. Gould, Geo. B. Sheppard, F. W. Frost, L. F. Wilson, F. H. Ridgway, Geo. C. Atkins, W. W. Wilson, Edwin E. Tait, N. G. Wells, R. E. Palmer, Chas. Walters. Annual meeting, last Monday in January. MAIN OFFICE, Angelica, N. Y. NEW YORK OFFICE, 60 Wall Street.

Tonnage: Year ended June 30, 1915, total tons carried, 2,722,931, of which 80% were products of mines, 5% of forests, 10% manufactures. Year ended June 30, 1916, total tons carried, 3,783,403, of which 84% were products of mines, 3% products of forests, 10% manufactures.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	....	....	....	.....	.....	....	.....	.....	....	.....	.....	.....
1908	238	....	34	21	3,569	89%	16,010	384,689	305	$1.50	2.20c	.79c
1909	240	....	40	20	3,554	89	12,986	421,428	376	1.42	2.41	.70
1910	240	....	39	21	3,418	90	17,570	744,333	468	1.60	2.53	.58
1911	240	....	47	20	3,731	90	16,932	922,929	....	.....	2.56	.54
1912	279	....	48	21	4,177	90	14,089	799,860	496	1.87	2.59	.61
1913	282	....	53	21	5,233	93	15,899	1,225,238	553	2.03	2.47	.54
1914	291	....	64	25	5,182	92	17,987	1,225,185	538	2.00	2.50	.54
1915	294	....	70	25	5,885	92	15,882	1,013,848	584	2.06	2.56	.56
1916	298	....	68	25	5,853	94	14,723	1,463,067	708	2.43	2.59	.52
9-Year Average	267	....	51	22	4,511	91%	15,786	911,176	503*	$1.86*	2.49c	.60c

Yard tracks and sidings, 120.61 miles.

* 8 Year average.

Comment: This property which has been in the hands of receivers for a great many years, reported very substantial improvement in its freight business during the year ended June 30, 1916. The freight train load was moved up to a new high average, and train mile earnings were better than ever before. As usual the bulk of the company's business was represented by products of mines.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$3,494	$733	$1,388	$2,121	$1,525	$152*	$566	$76	$490	$490	.....	.....	.....
1909	3,485	677	1,284	1,961	1,475	49	530	86	444	814	.....	$370*	.....
1910	4,875	669	1,305	1,974	1,864	1,037	1,452	78	1,374	1,038	25%	336	.....
1911	5,549	861	1,489	2,348	2,273	928	1,583	78	1,505	1,462	3	43	.....
1912	5,701	624	1,161	1,785	2,111	1,808	2,401	68	2,336	1,624	30	712	.....
1913	7,104	1,220	1,596	2,816	2,528	1,760	2,775	68	2,707	2,015	24	692	.....
1914	7,216	1,288	1,959	3,247	2,869	1,100	2,066	67	1,999	1,985	1	14	.....
1915	6,238	1,008	1,636	2,644	2,284	1,310	1,837	67	1,770	1,801	.....	31*	.....
1916	8,073	1,290	2,037	3,327	2,735	2,010	2,867	80	2,787	2,554	8	233	.....
9-Year Average	$5,749	$930	$1,539	$2,469	$2,185	$1,095	$1,787	$74	$1,713	$1,531	11%	$182	.....

* Deficit.

Note: Above table is based on the average mileage directly operated for each year, including the Pittsburgh & Shawmut Railroad, which has been operated under lease. The fixed charges as shown above do not include interest on the defaulted bonds, and the margin of safety therefore refers to paid obligations only.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$2,405,641	$1,834,056	$2,099,974	$2,003,277	$1,482,649	$1,331,755	$1,170,025
Maintenance of way	384,488	296,229	374,875	344,025	174,249	206,773	160,648
Maintenance of equipment	607,023	481,050	570,057	449,973	321,924	356,990	313,302
All other operating expenses	815,095	671,640	835,015	712,831	516,440	555,222	446,889
Net operating revenues	$599,035	$385,137	$320,027	$496,448	$470,036	$212,770	$249,186
Operating ratio	75.1%	79.0%	84.7%	75.2%	68.3%	84%	78.7%
Other income	*225,285	155,182	281,169	286,173	203,488	167,287	99,301
Total net income	$854,320	$540,319	$601,196	$782,621	$673,524	$380,057	$348,487
Taxes accrued	23,735	19,767	19,404	19,112	18,865	18,730	18,783
Balance for charges	$830,585	$520,552	$581,792	$763,509	$654,659	$361,327	$329,704
Fixed charges	761,188	529,770	577,817	568,420	453,807	350,805	249,168
Balance	$69,397	*$9,218	$3,975	$195,089	$200,852	$10,520	$80,536

* Deficit.

Note: Fixed charges in 1916 included rentals, $570,978; interest on equipment trusts, receivers' certificates, etc., $182,784. No interest has been paid on the first 5s nor refunding 4s since Aug. 1, 1905.

Profit and Loss Account, year ended June 30, 1916: (Company) debit balance at beginning of year, $6,981,361; debit balance transferred from income, $587,684; loss on retired road and equipment, $46,889; total, $7,616,115. Contra: Debit balance carried to balance sheet, $7,616,115; total, $7,616,115.

Receivers' Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $646,064; credit balance transferred from income, $69,396; miscellaneous credits, $1,694; total, $717,154. Contra: Loss on retired road and equipment, $403; miscellaneous debits, $12,693; credit balance carried to balance sheet, $704,057; total, $717,154.

Comment: Both gross and net revenues reached new high totals on this property during the year ended June 30, 1916, and as there was also a substantial improvement in outside income, the total balance available for charges was well in excess of the enlarged requirements. No movement, however, was made to take this property out of the hands of receivers during the year.

Company's Balance Sheet, as of June 30, 1916: Assets, property investment, $29,162,777; working assets, $292; profit and loss deficit, $7,616,115; total, $36,779,184; liabilities, capital stock, $15,000,000; funded debt, $14,655,600; working liabilities, $6,307,356; accrued liabilities, not due, $244,944; deferred credit items, $571,284; total, $36,779,184.

Receivers' Balance Sheet, as of June 30, 1916: Assets, property investment, $3,055,866; working assets, $579,201; deferred debits, $731,330; total, $4,366,397; liabilities, funded debt, $2,692,927*; working liabilities, $831,484; accrued liabilities, not due, $120,853; deferred credit items, $17,076; profit and loss surplus, $704,057; total, $4,366,397.

* Excludes $510,000 of Receivers' Certificates held by respondent.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Pitts. Shawmut & Nor. receivers' certfs	Var.	1917–18	(see text)	.....	$1,713	$607	64%	High	Good	A.
2. Pitts. Shawmut & Nor. 5% equipment trusts	Var.	1917–20	"	.....		15	64%	"	"	Baa.
3. Pitts. & Shawmut R. R. first s. f. 5s	J&D	D 1959	(1st) 89	$43,500	1,091	650	40%	Fair	Fair	B.
4. Pitts. & Shawmut R.R. col.6s	M&N	My 1917	(see text)	.....	.....	See text	.....	Good	.....	Ba.
5. Pitts. & Shawmut equip.	Var.	Var.	"	.....	441	155	66%	"	Fair	Baa.
6. Pitts. Shawmut & Nor. 1st 5s	F&A	F 1949	(2d) 160	1,000	.....	28*	.....	Poor	None	Ca.
7. Pitts. Shawmut & Nor. ref. first 4s	F&A	F 1952	(3d) 172	.....	.....	341*	.....	"	"	C.

* Not paid.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

The obligations of the Pittsburgh & Shawmut R.R. are included in the above table for the reason that the property was leased and directly operated by the receiver of the Pittsburgh, Shawmut & Northern Ry. in the interests of the latter company until Sept., 1916, the only income shown by the Pittsburgh & Shawmut for year ended June 30, 1916, and prior years, being the rental received from the lessee. The lease has since been abrogated and the property is now separately operated. The Pittsburgh & Shawmut R.R. is separately described on the following page.

REFERENCE NOTES ON BOND ISSUES

1. In four series as follows: $875,000 6s, dated March 1, 1916; due March 1, 1918. Int. paid Mar. and Sept. 1 at Columbia Trust Co., New York. $525,000 5s, dated June 1, 1914; due June 1, 1917. Int. paid June and Dec. 1 at Columbia Trust Co., New York. $1,500,000 6s, dated Aug. 1, 1915; due Aug. 1, 1917. Interest paid Feb. and Aug. 1 at Columbia Trust Co., New York. $200,000 6s, dated Sept. 1, 1915; due Sept. 1, 1917. Int. paid March and Sept. 1 at Columbia Trust Co., New York. Total outstanding, $3,100,000.

All issues are coupon, $1,000; first, third and fourth issues callable at par on four weeks' notice. All are secured by direct mortgage lien on the entire properties, including the Shawmut Mining Co. and the Kersey Mining Co., being prior in lien to the first 5s, and ref. 4s of the company (Nos. 6 and 7). Normal income tax deducted from interest.

2. Series A to T, 5s; dated Nov. 1, 1910; due $11,000 each May and Nov. 1 to May 1, 1920. Original issue, $220,000; now outstanding, $88,000. Int. paid May and Nov. 1 at Columbia Trust Co., New York. Coupon, $1,000. First lien on 250 steel coal cars, originally costing $270,400. Interest paid without deduction for normal income tax. These equipment obligations have been made, by Court order, prior claims ahead of the interest of the mortgages of the company, but are not specifically secured by mortgage. Interest paid without deduction for normal income tax.

3. Auth., $12,000,000; outstanding, $3,873,000; issued and owned by company, $6,500,000. Dated Dec. 1, 1909; due Dec. 1, 1959. Int. paid at International Banking Corp., New York. Callable at 105 and int. on 60 days' notice. Sinking fund of $100,000 per annum began Dec. 1, 1914, to purchase bonds at 105 or less. Coupon and reg., $1,000. First lien on the entire mileage completed, 95.04 miles and on further mileage under construction; also secured by pledge of $58,000 of No. 6 and $11,953,000 of No. 7; by pledge of $3,607,262 capital stock of Allegheny River Mining Co., the latter company owning in fee over 22,000 acres of coal lands on or near the lines of the company. Interest paid without deduction for normal income tax.

4. Auth. and issued, $4,500,000. Dated May 1, 1914; due May 1, 1917. Int. paid at Guaranty Trust Co., New York. Coupon or reg., $1,000; interchangeable. First collateral lien on $3,000,000 first mortgage bonds of Allegheny River Mining Co., $4,000,000 of No. 3 (above); equipment valued at $600,000, and other securities valued at $2,500,000. Issued to provide funds for maturities, for improvements and additional construction. Normal income tax deducted from interest.

5. Equipment 5s, dated Nov. 1, 1912; due $10,000 each May and Nov. 1, to Nov. 1, 1922. Original amount, $200,000; now outstanding, $120,000. Int. paid May and Nov. 1, at Columbia Trust Co., New York. Coupon, $1,000. First lien on 250 coal cars, costing, $250,250. Equipment 5s, dated Nov. 1, 1913; due $23,000 each May and Nov. 1 to Nov. 1, 1923. Int. May and Nov. at Columbia Trust Co., New York. Original amount, $460,000; now outstanding, $322,000. Coupon, $1,000. First lien on 500 50-ton steel hopper bottom coal cars, costing, $578,200. Equipment 5s, dated Nov. 1, 1914; due $30,000 each May and Nov. to Nov. 1, 1924. Original issue, $600,000; now outstanding, $480,000. Cover 750 cars, costing $717,375. Int. on all issues payable without deduction for income tax.

6. Outstanding, $164,000; dated Feb. 1, 1899; due Feb. 1, 1949. Int. defaulted since Aug. 1, 1905. Original amount, $6,000,000, all but above amount having been exchanged in 1902-3 for No. 7 (below). Secured by lien on the owned lines of the company, 159.97 miles, including Wayland Junc. to Hyde, Pa., Prosser to Olean, N. Y., on 12.08 miles from Paine Junc. to Cardiff, Pa., and on the coal lands in Elk and Jefferson counties, Pa., owned by the Kersey Mining Co. Subject, however, to all of the receivers' certificates (No. 1), and, as to interest, subject to No. 2. Underlie No. 7. The Pittsburg & Shawmut R.R. owns $58,000 of the issue pledged under No. 3. Interest payable without deduction for normal income tax.

7. Auth., $15,000,000; outstanding, $14,491,600, of which $11,953,000 are owned by Pittsburgh & Shawmut R.R. and deposited under No. 3. Dated Feb. 1, 1902; due Feb. 1, 1952. Int. defaulted since Aug. 1, 1905. Coupon, $500, $1,000. Follows No. 6 on same property, being subject to Nos. 1 and 5, and, as to interest, to No. 2. Interest payable without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $15,000,000; par $100. TRANSFER AGENT, New York Trust Co., New York.

COMPANY AFFILIATED WITH THE PITTSBURGH, SHAWMUT & NORTHERN RAILROAD COMPANY

THE PITTSBURGH AND SHAWMUT RAILROAD

Origin: Incorporated under laws of Pennsylvania July 21, 1903, as the Brookville & Mahoning Railroad; name changed as above on December 27, 1909. The company owns the entire capital stock and the first mortgage bonds of the Allegheny River Mining Co.; it also owns $58,000 first 5s and $11,953,000 ref. 1st 4s of the Pittsburgh, Shawmut & Northern R.R., having issued $9,608,800 of its own stock to acquire the latter. For the stock of the Allegheny River Mining Co. it gave $216,062 in cash, and $3,291,300 of its own stock. Its advances to the Allegheny River Mining Co. for development aggregate in excess of $2,000,000 to date, for which it is now receiving first mortgage bonds of that company.

Location: Lines in operation, June 30, 1916: Erie Junc., to Cadogan, Pa., 79.59 miles; branches completed, 15.45 miles; total, 95.04 miles; still under construction, Cadogan to Freeport, Pa., 8.43 miles. Sidings, 40.17 miles. Formerly leased to the Pittsburgh, Shawmut & Northern R.R. from Feb. 1, 1908, rental being net earnings and ten cents per ton on all coal delivered by the Pittsburgh & Shawmut R.R. to the Pittsburgh, Shawmut & Northern R.R. and property was directly operated by receiver of lessee until Sept., 1916, when lease was abrogated.

Contracts: Traffic originating from Allegheny River Mining Co. as well as from any additional coal lands acquired, to be secured to the road by two contracts: With the Allegheny River Mining Co., whereby that company agrees to mine and deliver to the railroad a minimum of 1,500,000 gross tons of bituminous coal each year, from Jan. 1, 1912, to and including 1960. The Pittsburgh & Shawmut R.R. Co. receives (in addition to its proportion of the through rate) an arbitrary rate of 10 cents per gross ton on all coal originating on its line and delivered to the Pittsburgh, Shawmut & Northern R.R. The assumption of this contract by order of the Courts, is to be made a condition of the acquisition of the property of the Pittsburgh, Shawmut & Northern R.R. by any successor company.

Management: OFFICERS: E. E. Tait, Pres.; D. C. Morgan, Vice-Pres. and Gen. Mgr.; F. A. Schmidt, Sec.; A. C. Griffith, Treas. and Aud. DIRECTORS: L. G. Bonstein, R. E. Ball, H. S. Hastings, W. W. Morrison, C. L. McIntyre, C. B. Alexander, N. L. Strong, D. C. Morgan, John S. Porter, E. E. Tait, John Hubbard, S. A. Van Deveer, E. F. Searles, F. H. Davis, H. E. Huntington, T. P. Shonts, Wm. Shillaber. Annual meeting, second Monday in January. OFFICE, Kittanning, Pa. NEW YORK OFFICE, 71 Broadway.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Total net income.....	$690,603	$414,779	$565,378	$374,882	$202,565	$115,185
Taxes	12,258	9,160	8,038	1,240	1,050	406
Fixed charges	794,467	673,796	496,436	59,844	.....	.....
Surplus	*$116,122	*$268,177	$60,904	$313,798	$201,515	$114,779

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $536,317; miscellaneous credits, $46,250; total, $582,567. Contra: Debit balance transferred from income, $116,122; credit balance carried to balance sheet, $448,251; miscellaneous debits, $18,194; total, $582,567.

Note: The income as shown on the foregoing page is not the operating income, but the income from the lease to the Pittsburgh, Shawmut & Northern. This lease was abrogated in September, 1916, and hereafter a separate income statement of the Pittsburgh & Shawmut Railroad will be furnished.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$27,562,583	$27,777,943	$30,097,573	$27,557,491	$24,018,289	$21,207,576
Working assets	626,849	706,643	3,888,374	2,217,478	1,833,919	1,757,473
Deferred debit items...	570,525	606,322	665,148	494,996	850,832	525,896
Total	$28,759,957	$29,090,908	$34,651,095	$30,269,965	$26,703,040	$23,490,945
LIABILITIES:						
Capital stock	$15,000,000	$15,000,000	$15,000,000	$15,000,000	$15,000,000	$15,000,000
Funded debt	12,136,986	13,155,644	18,619,150	12,242,000	11,020,000	6,835,000
Working liabilities	675,554	71,523	129,180	2,228,595	226,179	1,406,244
Accrued liabilities	471,088	283,433	107,847	61,497	32,917	27,271
Deferred credit items..	28,078	43,991	3	129	.....	.....
Profit and loss surplus.	448,251	536,317	794,915	737,744	423,944	222,430
Total	$28,759,957	$29,090,908	$34,651,095	$30,269,965	$26,703,040	$23,490,945

Bonded Debt: See full details and ratings in Bond Table of Pittsburgh, Shawmut & Northern R.R., and notes appended on page 610.

Capital Stock: Auth. and issued, $15,000,000; par $100. TRANSFER AGENT, Columbia Trust Co., New York.

READING COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated as the Excelsior Enterprise Co., May 24, 1871, under Pennsylvania laws. On Jan. 19, 1872, the name was changed to the National Company. On Dec. 6, 1896, name was again changed to the Reading Company, and the capital stock increased from $100,000 to $40,000,000. The company then acquired practically all the capital stocks of the newly reorganized Philadelphia & Reading Railway Co. and the Philadelphia & Reading Coal & Iron Co., the capital stocks being further increased to $140,000,000. The Philadelphia & Reading Railway Co., thus acquired, was itself incorporated under Pennsylvania laws Nov. 17, 1896. The Reading Company also acquired control of the Reading Iron Company, and later, the Central Railroad of New Jersey.

Location: The directly operated lines of the Philadelphia & Reading Railway Co. consisted, June 30, 1916, of 1,127.27 miles, as follows: Main lines and branches owned, 387.19 miles. These include, besides the main stems, the Lebanon Valley branch, the Lebanon & Tremont branch, the Mahanoy & Shamokin branch, and the Schuylkill & Susquehanna branch. Leased lines, directly operated, 705.62 miles. These include the Allentown R.R., the Allentown Terminal R.R., the Catawissa R.R., the Delaware & Bound Brook R.R., the East Pennsylvania R.R., the Little Schuylkill Navigation & R.R., the Mine Hill & Schuylkill Haven R.R., the North Pennsylvania R.R., the Philadelphia, Germantown & Norristown R.R., Schuylkill & Lehigh, Shamokin, Sunbury & Lewisburg, Wilmington & Northern and other small companies. There were also 34.46 miles used under traffic rights. Other companies controlled by the Reading Company, but separately operated, are the Chester & Delaware River R.R., the Gettysburg & Harrisburg Ry., the Northeast Pennsylvania R.R., the Perkiomen R.R., the Atlantic City R.R., the Philadelphia, Newton & New York R.R., the Port Reading R.R., the Reading & Columbia R.R., etc. See on following pages.

Coal Statistics: 1899: Anthracite coal carried, 9,533,693 tons; bituminous coal, 4,201,662 tons; in 1908: Anthracite coal carried, 13,537,462 tons; bituminous coal, 10,816,439 tons; in 1911: Anthracite coal carried, 11,675,405 tons; bituminous coal carried, 13,848,189 tons; in 1912: Anthracite coal carried, 11,244,945 tons; bituminous coal carried, 14,806,222 tons; in 1913: Anthracite coal carried, 12,860,092 tons; bituminous coal, 16,115,417 tons; in 1914, 11,091,290 tons anthracite and 16,735,104 tons bituminous; in 1915: Anthracite coal carried, 10,441,944 tons; bituminous coal carried, 15,672,001 tons; in 1916: Anthracite coal carried, 11,586,742 tons; bituminous coal carried, 19,024,308 tons.

Management: OFFICERS: Edwd. T. Stotesbury, Pres.; George Ziegler, Vice-Pres.; Jay V. Hare, Sec.; H. E. Paisley, Treas.; Wm. H. White, Compt. DIRECTORS: H. P. McKean, Wm. L. Kinter, E. T. Stotesbury, H. C. Frick, Geo. F. Baker, Jos. E. Widener, Daniel Willard. A. H. Smith, Isaac Hiester. Annual meeting, second Monday in October. MAIN OFFICE, Reading Terminal Building, Philadelphia, Pa.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	.....	.....	.....	.....	.....	4.1%	3.9%
Products of Animals.....	.....	.....	.....	.....	.....	.....	.....	.....	1.6	1.3
Products of Mines.....	.....	.....	.....	.....	.....	.....	.....	.....	65.9	64.1
Products of Forests.....	.....	.....	.....	.....	.....	.....	.....	.....	2.7	2.4
Manufactures.....	.....	.....	.....	.....	.....	.....	.....	.....	14.9	16.5
Miscellaneous.....	.....	.....	.....	.....	.....	.....	.....	.....	10.8	11.8

Total revenue tonnage, year ended June 30, 1915, 51,128,990 tons; 1916, 64,034,798 tons.

Note: The Philadelphia & Reading Ry. does not furnish any details of tonnage in its annual reports. The above classification for 1915 and 1916 is that filed with the Interstate Commerce Commission.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	999	575	1,001	892	41,783	82%	403,897	4,438,524	411	$2.44	1.58c	.79c
1908	1,007	590	1,023	888	45,481	82	363,282	4,161,683	403	2.57	1.69	.77
1909	1,024	590	1,012	864	43,021	80	362,589	3,816,714	459	2.63	1.66	.79
1910	1,022	602	1,032	776	41,882	80	402,260	4,507,421	480	2.75	1.72	.77
1911	1,014	611	1,026	852	42,850	80	405,039	4,600,080	501	2.76	1.70	.79
1912	1,015	620	989	861	41,157	80	392,764	4,721,886	*	*	1.73	.80
1913	1,020	623	987	855	43,651	81	402,731	5,353,447	*	*	1.73	.95
1914	1,120	639	1,005	921	41,743	80	363,163	4,556,013	*	*	1.72	.97
1915	1,120	644	984	977	40,028	78	321,846	4,649,745	605	3.06	1.78	.70
1916	1,127	645	982	950	40,346	80	316,687	5,804,465	666	3.47	1.90	.70
10-Year Average	1,047	614	1,004	884	42,191	80%	373,426	4,660,998	504†	$2.81†	1.72c	.80c

Yard tracks and sidings, June 30, 1916, 1,106.10 miles. * Not reported. † Seven-year average.

Comment: The operating exhibit of the Philadelphia & Reading Railway System during the year ended June 30, 1916, was a very gratifying one. The freight density reached a new high figure and the average freight train load was also far better than in any recent years. It will be noted that in spite of the fact that the average freight rates continued low, the train mile earnings were well above those of 1915, or of any earlier year. As usual about two-thirds of the freight business done was represented by mining products.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$42,676	$3,606	$7,971	$11,577	$14,312	$16,787	$22,560	*	*	$10,626§	53%	$11,934	$5,606
1908	42,368	3,776	8,038	11,814	13,468	17,086	23,540	*	*	10,376§	55	13,164	5,570
1909	39,326	3,242	7,376	10,618	12,591	16,114	22,850	*	*	10,237§	55	12,613	5,468
1910	43,263	3,522	8,197	11,719	14,273	17,271	23,199	$993	$22,206	9,574	57	12,632	6,163
1911	43,753	4,001	7,992	11,996	14,019	17,738	21,805	1,096	20,709	9,420	54	11,289	6,903
1912	43,819	4,100	8,186	12,286	14,731	16,802	20,582	936	19,546	8,894	54	10,652	6,895
1913	49,571	4,596	8,267	12,863	17,085	19,623	21,243	1,275	19,968	8,115	58	11,853	7,549
1914	42,074	4,751	7,786	12,540	15,846	13,688	15,257	1,132	14,125	7,491	47	6,631	7,500
1915	41,710	4,153	7,473	11,626	16,164	13,920	14,375	1,042	13,333	7,503	44	5,830	7,500
1916	50,835	3,567	7,834	11,401	18,226	21,208	21,915	1,265	20,650	8,483	60	12,167	7,453
10-Year Average	$43,939	$3,932	$7,912	$11,844	$15,072	$17,021	$20,732	$1,105†	$18,648†	$8,498†	58%	$10,876	$6,661

* Taxes included in fixed charges. Separate data for taxes not available. † Seven-year average.
‡ Includes taxes.

Comparative Income Account of Philadelphia & Reading Railway Company, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$57,291,535	$46,708,924	$47,123,370	$50,562,717	$44,476,525	$44,365,442
Maintenance of way	4,019,699	4,651,073	5,324,868	4,687,899	4,161,751	4,072,261
Maintenance of equip.	8,829,256	8,370,290	8,720,246	8,432,953	8,308,641	8,095,783
All other oper. expenses	20,540,704	18,104,024	17,748,095	17,426,489	16,046,488	15,507,798
Net oper. revenues	$23,901,876	$15,583,537	$15,330,161	$20,015,376	$15,959,645	$16,689,600
Operating ratio	58.2%	66.6%	67.5%	60.4%	64.1%	62.4%
Outside operations	.....	.....	369,967	411,432	305,161	325,794
Other income	796,835	510,123	1,387,845	1,240,745	789,736	972,424
Total net income	$24,698,711	$16,093,660	$17,087,973	$21,667,553	$17,054,542	$17,987,818
Taxes accrued	1,426,081	1,166,688	1,267,503	1,300,478	949,776	1,112,002
Balance for charges	$23,272,630	$14,926,972	$15,820,470	$20,367,075	$16,104,766	$16,875,816
Interest, rentals, etc.	9,560,789	8,398,122	8,393,848	8,276,905	7,966,189	9,191,849
Surplus	$13,711,841	$6,528,850	$7,426,622	$12,090,170	$8,138,577	$7,683,967
Dividends paid	*	5,310,213	8,496,340	6,372,255	6,372,255	5,000,000
Additions, improv., etc.	1,043,487	1,161,691	2,024,783	2,391,562	2,629,739	3,353,559
Balance	$12,668,354	$56,957	def.$3,094,506	$3,326,353	def.$863,417	def.$669,592

* Dividends charged in profit and loss account in 1916.

The above income account covers the operations and charges of the Philadelphia & Reading Railway, and the dividend charge is the amount paid on the Philadelphia & Reading Railway Co. stock to the Reading Company. The dividend rate on the Reading Company was increased from 6% to 8% in the fall of 1912.

Profit and Loss Account, year ended June 30, 1916: Credit balance, July 1, 1915, $8,442,844; credit balance transferred from income, $12,668,354; unrefundable overcharges, $6,111; donations, $11,961; miscellaneous credits, $188,145; total, $21,317,415. Contra: Dividend appropriations of surplus, $6,372,255; loss on retired road and equipment, $49,388; miscellaneous debits, $27,932; credit balance carried to balance sheet, $14,867,840; total, $21,317,415.

Comparative Income Account of Reading Company, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross receipts	$15,427,604	$14,587,080	$16,919,118	$15,997,121	$14,457,317	$13,677,842
Expenses	92,720	104,297	102,149	104,860	110,887	102,643
Net receipts	$15,334,884	$14,482,783	$16,816,969	$15,892,261	$14,346,430	$13,575,199
Less fixed charges, taxes	5,457,672	5,421,826	5,494,907	5,258,331	5,572,375	4,866,587
Balance	$9,877,212	$9,060,957	$11,322,062	$10,633,930	$8,774,055	$8,708,612
Gen. mort. sinking-fund	426,892	447,176	499,320	502,194	508,413	459,649
Balance	$9,450,320	$8,613,781	$10.822,742	$10,131,736	$8,265,642	$8,248,963
Dividends—1st pfd stock	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000
2d pfd stock	1,680,000	1,680,000	1,680,000	1,680.000	1,680,000	1,680,000
Com. stock...	5,600,000	5,600,000	5,600,000	4,900,000	4,200,000	4,200,000
Total dividends ...	$8,400,000	$8,400,000	$8,400,000	$7,700,000	$7,000,000	$7,000,000
Surplus for year.....	1,050,320	213,781	2,422,742	2,431,736	1,265,642	1,248,963
Surplus brought forwd.	27,402,926	27,259,204	24,836,462	22,404,725	21,342,984	20,094,021
Miscel. adjustments....	*6,160	(debits) 70,059	.....	.....	.....	.....
Total sur. Read. Co.	$28,459,406	$27,402,926	$27,259,204	$24,836,461	$22,608,626	$21,342,984

* Credits.

Note: The income figures, as shown above, include the gross earnings of the Philadelphia & Reading Railway and its directly operated leased lines; the maintenance items refer to the operations of the same lines of railway, and the net earnings as shown are those of the Philadelphia & Reading Railway and directly operated leased and controlled lines; total net income includes receipts from investments, such as dividends on Central of New Jersey stock owned; net receipts from Philadelphia & Reading Coal & Iron Co., and other sources. Fixed charges include hire of equipment, and similar charges, net interest and rentals, etc., of both the railway and the holding company, and taxes in 1907, 1908 and 1909. The dividend column covers the dividends paid on the Reading Company stock. In the reports of the company certain important items representing additions and improvements have been included in operating expenses each year, but in the above table such charges are not included. The average mileage directly operated was considerably increased in 1914 by transfer to "main track mileage," 106.57 miles formerly classified as "sidings and laterals." This materially changes all the "per mile operated" figures.

Comment: During the year ended June 30, 1916, the operating results of the Philadelphia & Reading System underwent vast improvement and the net operating revenues were more than 50% higher than those of the previous year. Total net income available for charges was also 50% higher than in 1915, and although fixed charges advanced sharply, the balance carried forward was very heavy. Conditions on the property since June 30, 1916, have continued to be most favorable. The income account of the Reading Railway itself also reflected great prosperity and the surplus above the dividend requirements on the several stock issues was much higher than in 1915.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	1st and 2nd Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$140,140	44%	$176,680	56%	$63,553	$380,373	$211,753	$168,620	13.4%	$2,803	4%	$2,803	4%	77%	69%
1908.....	139,026	44	174,348	56	63,779	377,153	208,751	168,402	13.9	2,785	4	2,785	4	78	73
1909.....	136,718	43	175,620	57	63,170	375,508	206,520	168,988	13.5	2,734	4	2,734	4	78	73
1910.....	136,986	43	174,417	57	63,912	375,315	199,806	175,509	13.2	2,739	4	3,424	5	78	65
1911.....	138,068	43	179,194	57	64,490	381,752	222,407	159,345	13.8	2,761	4	4,142	5	76	51
1912.....	137,931	43	177,391	57	65,945	381,267	222,439	158,828	12.9	2,758	4	4,137	6	74	48
1913.....	137,255	44	176,241	56	56,033	369,529	223,710	145,819	13.8	2,745	4	4,804	7	77	47
1914.....	125,000	44	159,692	56	51,075	335,767	205,143	130,624	11.7	2,500	4	5,000	8	62	.....
1915.....	125,000	44	158,592	56	50,932	334,524	199,467	135,057	10.6	2,500	4	5,000	8	57	.....
1916.....	124,224	44	156,758	56	50,765	331,747	133,617	198,130	11.1	2,485	4	4,968	8	79	48
10-Year Average	$134,035	44%	$170,893	56%	$59,365	$364,293	$203,361	$160,932	12.8%	$2,681	4%	$3,980	5.9%	75%	51%

Note: The above is a "composite" exhibit of the Reading Company, Philadelphia & Reading Railway, and Philadelphia & Reading Coal & Iron Company. The stock column includes the three issues of Reading Company stock, reduced to the mileage basis of the Philadelphia & Reading Railway. The bonded debt column includes all the out-

standing bond obligations of the Reading Company, the Philadelphia & Reading Railway, and the Philadelphia & Reading Coal & Iron Co. (net). The rental column includes the leased line rentals of the Philadelphia & Reading Railway, capitalized at 5%. The investments (owned by company as per balance sheet) include the bonds and stocks held by the Reading Company and the Philadelphia & Reading Railway.

Comparative Condensed Balance Sheet (of Reading Co.), as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Equipment owned.....	$43,485,476	$45,380,038	$45,365,249	$41,103,925	$40,974,845	$38,329,417
Leased equipment, etc..	10,239,639	6,042,108	6,500,258	10,585,519	6,486,521	10,104,223
Real Estate	16,893,903	16,498,928	16,563,708	16,646,088	16,916,041	16,871,222
Bonds	44,460,686	45,348,851	45,383,373	46,414,494	46,960,730	47,465,268
Stock	103,869,893	103,893,145	103,771,965	103,795,153	103,794,153	103,622,915
P. & R Coal & Iron....	71,603,135	72,022,371	72,472,767	72,980,172	73,466,530	74,423,817
Current assets, etc.....	12,522,976	10,240,201	10,249,742	7,578,456	8,926,495	6,681,924
Total	$303,075,708	$299,425,642	$300,307,062	$299,103,807	$297,525,315	$297,498,786
LIABILITIES:						
Capital stock	$140,000,000	$140,000,000	$140,000,000	$140,000,000	$140,000,000	$140,000,000
Funded debt.....	126,212,809	127,170,331	128,357,831	129,312,659	130,216,658	131,266,950
Current liabilities	8,403,493	4,852,385	4,690,027	4,954,686	4,700,030	4,888,852
Surplus	28,459,406	27,402,926	27,259,204	24,836,462	22,608,627	21,342,984
Total	$303,075,708	$299,425,642	$300,307,062	$299,103,807	$297,525,315	$297,498,786

Note: Balance sheet is that of the Reading Company only, and is not consolidated with the Railway & Coal Co.

Comment: The financial statement of the Reading Company underwent practically no change during the year ended June 30, 1916. As measured on the mileage basis, the capitalization of the property appears very high, but the earning power is also large and the company has never had any difficulty in carrying its high net capitalization.

Miscellaneous Securities Owned by the Reading Company, June 30, 1916, were as follows:

Bonds.	Pledged Under General Mtge.	Not Held by Trus. of Gen'al Mtge.
	Par Value.	
Atl. City R.R. Co. 1st Con. Mtg..	$39,000	$26,000
Catawissa R.R. Co. 1st Con. Mtg.	185,000	.....
Central R. R. Co. of Pa.....	.....	2,500
City of Phila., 3½s 1921.....	100,000	.....
City of Phila., 3½s, 1934.....	400,000	.....
Colebrookdale R.R. Co.....	593,400	6,100
Dela. River Ferry Co. of N. J...	.....	248,896
Enterprise Coal Co.....	.....	5,400
Gett. & Har. Ry. Bonds.....	18,000	257,000
Mammoth Vein C. & I. Co., bonds	.....	46,000
Manufacturers' Water Co.....	.....	30,000
Norristown Junction R.R. Co...	.....	20,500
North Penn R.R. Co., Funding Loan	.....	17,000
Ocean City R.R. Co., Coup. Sc..	.....	21,053
People's Railway Co.....	36,000	.....
Penn. Steel Co. Col. Bonds.....	.....	250,000
Perkiomen R.R. Co.....	161,100	.....
Phila. & Chester Vy. R.R., Pfd..	25,000	.....
P. & C. Vy. R.R. Co., not Pref..	47,000	.....
Phila. & Frankford R.R. Co.....	.....	3,000
Phila., Harris. & Pitts. R.R. Co.	1,472,000	.....
Phila., Newton & N. Y. R.R.....	849,100	247,100
Phila., Read. & Pottsv. Tel. Co..	200,000	.....
Phila. & Read. R.R. Co., Gen. Mtg. Scrip of 1888.....	.....	160
Phila. & Read. R.R. Co. 1st Series, Con. Mtg.....	.....	40,000
Phila. Rapid Transit Co.....	.....	30,000
Pickering Valley R.R. Co.....	332,300	.....
Potomac Valley R.R. Co. 1st Mtg.	.....	39,000
Reading Co., Gen. Mtg.....	.....	4,448,000
Reading Co. R.R. Equip. Trust Certificates Series E.....	.....	500,000
Read. Co. Jer. Cen. Col. Gold....	.....	783,000
Read. & Col. R.R. Co. 1st Con. Mtg.	45,000	653,000
Read. & Col. R.R. Co. Debtrs., 1917	1,000,000	.....
Read. & Col. R.R. Co., Debtrs., 1962	.....	150,000
Read. Co. Pur. Money Mtg. Bds.	.....	1,200,000
Seacoast R.R. Co., "Prior Lien Bonds"	.....	42,200
Seacoast R.R. Co., Series B.....	.....	566

Stocks.	Pledged Under General Mtge.	Not Held by Trus. of Gen'al Mtge.
	Par Value.	
Allentown R.R. Co., com.....	$1,071,400	$5,000
Atlantic City R.R. Co., pref....	998,550	1,450
Atlantic City R.R. Co., com.....	2,595,000	19,922
Balt. & Cumb. Vy. R.R. Co., Ext., Com.	.....	117,850
Beaver Creek Water Co., com.	.....	25,000
Catas. & Fogels. R.R. Co., com..	251,625	2,500
Catawissa R.R. Co., 1st pref...	11,400	.....
Catawissa R.R. Co., 2d pref.....	15,500	.....
Catawissa R.R. Co., Com.....	.....	732,800
Cen. Dock & Ter. Ry. Co., com.	181,600	3,800
Central R.R. Co. of N. J., com...	.....	14,504,000
Chestnut Hill R.R. Co., com....	.....	75,000
Ches. & Del. R. R.R. Co., com...	247,500	2,500
Colebrookdale R.R. Co., com....	276,500	5,000
Danv. & Sham'n R.R. Co., com..	245,000	5,000
Del. R. Ferry Co. of N. J., com..	490,000	10,000
East Mahanoy R.R. Co., com....	280,000	3,650
East Penna. R.R. Co., com.....	1,271,450	3,850
Eastern Real Estate Co., com..	.....	1,000
Gettys. & Har. Ry. Co., com....	535,000	36,600
Longmead Iron Co., com.....	.....	240
Mid. & Hum. R.R. Co., com....	170,000	5,000
M. C. & M. H. N. & R.R. Co., com.	47,500	11,100
M. H. & S. H. RR. Co, com....	81,000	.....
Mt. C. & Pt. C. R.R. Co., com....	37,500	11,300
New York Sht. Line R.R., com..	.....	250,000
Norristown Junc. R.R. Co., com..	17,500	2,500
Norristown & Main Line Connecting R.R. Co., com.....	.....	50,000
N. E. Penna. R.R. Co., com....	315,000	3,950
North Penna. R.R. Co., com.....	128,800	605,950
People's Ry. Co., Pottsville, com.	53,500	7,520
Perkiomen R.R. Co., com.....	.....	1,500,000
Phila. Belt Line R.R. Co., pref..	78,000	500
Philadelphia Bourse, pref.....	.....	575
Philadelphia Bourse, com.....	.....	1,500
Phila. & Ches. Val. R.R., pref..	205,100	.....
Phila. & Ches. Val. R.R., com....	450,000	39,300
Phila. & Frankford R.R., com..	498,950	1,050
Phila. Grain Elev. Co., com....	.....	120
Phila. Harbor Transfer, com....	.....	40,000
Phila. H. & P. R.R. Co., com..	1,995,000	5,000
Phila. N. & N. Y. R.R., pref....	.....	375,000
Phila. N. & N. Y. R.R., com....	.....	625,600

Bonds (Con.)		
Seacoast R.R. Co., Scrip	.....	$84
Schuylkill & Lehigh R.R. Co.	$109,000	.....
Schuylkill Nav. Co., Loan, 1872.	1,685,590	6,040
Schuylkill Nav. Co., Loan, 1882.	3,940,646	2,644
Schuylkill Nav. Co., Imp. Loan, 1880	228,000	.....
Schuylkill Nav. Co., Loan, 1895.	1,181,000	6,000
S. N. Co., Boat and Car Loan	1,320,050	200
Shamokin, Sunbury & Lewisburg R.R. 1st Mtg.	.....	937,000
Southern Ry. Co. Equip.	.....	100,000
Stony Creek R.R. Co., Bonds	.....	327,500
Tam. Haz. & Nor. R.R. Co.	300,000	.....
Wash. & Franklin Ry. Co.	.....	89,000
Wildwood & Del. Bay Short Line R.R. Co.	.....	12,500
Williams Valley R.R. Co.	.....	10,000
Wilmington & Northern R.R. Co., Gen. Mtg.	.....	56,000
Wilmington & Northern R.R. Co., Debentures	.....	61,500
Totals	$14,267,187	$10,674,942

Stocks (Con.)		
Phila. R. & P. Tel. Co., com.	$18,450	$1,050
P. & R. Term. R.R. Co., com.	8,497,500	2,500
Pickering Val. R.R. Co., com.	60,000	1,750
Port Reading R.R. Co., com.	1,555,000	445,000
Pottstown Iron Co., 1st pref.	.....	4,049
Pottstown Iron Co., 2d pref.	.....	47,763
Pottsville Union Tr. Co., com.	.....	80,400
Reading Belt R.R., com.	.....	750,000
Reading Company, com.	.....	5,300
Reading Company, 1st pref.	.....	8,800
Reading Company, 2d pref.	.....	29,350
Reading & Col. R.R. Co., com.	785,000	3,200
Reading Iron Company, com.	998,000	2,000
Rup. & Blooms R.R. Co., com.	48,000	2,000
Seacoast R.R., pref.	.....	9
Seacoast R.R., com.	.....	9
Schuy. & Lehigh R.R. Co., com.	598,000	2,000
Schuy. Nav. Co., pref.	.....	3,293,450
Schuy. Nav. Co., com.	.....	648,500
Schuy. V. N. & R.R. Co., com.	61,000	41,300
Sham. Sun. & L. R.R. Co., com.	1,995,000	5,000
Slatington R.R. Co., com.	19,500	500
Stony Creek R.R. Co., com.	.....	110,900
Swedes Ford Bridge Co., com.	9,000	8,075
Tam. Haz. & No. R.R. Co., com.	295,000	5,000
Temple Iron Co, com.	.....	2,816
Wash. & Franklin Ry. Co., com.	.....	150,000
Williams Val. R.R. Co., com.	.....	48,750
Wilmgton. & Nor. R.R. Co., com.	.....	1,496,000
Totals	$27,487,825	$26,286,998

Note: In addition Reading Co. owns $42,481,700 Phila. & Reading Ry. stock, $8,000,000 Phila. & Reading Coal & Iron Co. stock and $20,000,000 Phila. & Reading Ry. bonds.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile on Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Del. River Term. P.M. 5s.	M&N	My 1942	(1st) Term.	.....		$22	95%	Very high	Very high	Aaa.
2. Del. River Term. Extn. P. M. 5s	J&J	Jl 1942	"	.....		24	95%	"	"	Aaa.
3. Phil. & Reading Extd. 5s of 1868	A&O	O 1933	(1st) 148	$18,206		120	95%	"	"	Aaa.
4. Phil. & Reading Improvement 4s	A&O	Ap 1947	(1st) 167	29,630	$19,620*	330	95%	"	"	Aaa.
5. Phil. & Reading Extd. consol. 4s	M&S	Mr 1937	(2d) 148 (cons)316	18,250		200	95%	"	"	Aaa.
6. Phil. & Reading Term. first 5s	QuF	My 1941	(Phil. Term)	.....		376	95%	"	"	Aaa.
7. P. & R.-C. & I. Co. coll. s. f. 4s	F&A	F 1932	(coll)	.....		35	95%	"	"	Aaa.
8. Reading Co. general 4s	J&J	Ja 1997	(all & coll)	.....	18,513	3,480	81%	"	"	Aaa.
9. Read. Co.-Jer. Cent. coll. 4s	A&O	Ap 1951	(N.J.C. stk)	.....		810	90%	High	"	Aa.
10. Wilm. & Northern stk. etf. 4s	QuM	(see text)	(stock coll.)	.....		46	90%	"	"	Aaa.
11. Allentown Term. first 4s	J&J	Jl 1919	(1st) 4	112,000		16	90%	Very high	"	Aaa.
12. Catawissa R. R. first con. 4s	A&O	Ap 1948	(1st) 104	21,300		76	90%	"	"	Aaa.
13. Delaware & B. B. first 3½s	F&A	Ag 1955	(1st) 31	58,000		56	90%	"	"	Aaa.
14. East Penn. R. R. first 4s	M&S	Mr 1958	(1st) 35	14,000		16	90%	"	"	Aaa.
15. New York Short Line first 4s	F&A	F 1955	(1st) 10	150,000	15,033	53	90%	"	"	Aaa.
16. Norristown & Maine Line connecting first 4s	M&S	S 1952	(1st) Bdge.	.....		9	90%	"	"	Aa.
17. North Penn. first 4s	M&N	My 1936	(1st) 87	17,250		53	90%	"	"	Aaa.
18. North Penn. gen. 3½s	J&J	Ja 1953	(2d) 67	67,200		119	90%	"	"	Aaa.
19. Phil. Harr. & Pitts. first 5s.	A&O	O 1925	(1st) 44	45,500		90	90%	"	"	Aaa.
20. Reading Belt R. R. first 4s	M&S	S 1950	(1st) 7	.....		26	90%	"	"	Aa.
21. Schuylkill & Leh. first 4s	M&N	My 1948	(1st) 48	12,500		20	90%	"	"	Aaa.
22. Shamokin, Sunbury & L. 1st 4s and 2d 6s	J&J	Jl 1925	(1st&2d) 31	32,100		90	90%	"	"	Aaa.
23. Wilm. & Nor. R. R. first 5s	J&D	D 1927	(1st) 88	4,000		16	90%	"	"	Aa.
24. Wilm. & Nor. R. R. gen. 5s.	F&A	Ag 1932	(2d) 88	4,500		20	90%	"	"	Aa.

* Note: "Average income available" is the amount per mile available for fixed charges after deducting taxes for the ten years ended June 30, 1916, allowance for taxes being approximated for the years 1907, 1908 and 1909 as separate data for taxes is not available.

Note: The ratings are based not merely on the statistical exhibits, but other factors, such as the character of the mortgage or the relative value of the mileage to the system, are all taken into consideration. In the case of the Reading Company issues, all directly assumed or guaranteed bonds of either the holding company or the railway are on very high investment plancs. For Key to Bond Ratings, see pages 19 to 21.

REEFERENCE NOTES ON BOND ISSUES

1. Auth., $700,000; outstanding, $500,000 (closed). Dated May 20, 1892; due May 20, 1942. Int. paid at Guarantee Trust & Safe Deposit Co., Philadelphia. Coupon, $1,000. First lien on certain terminal and wharf property in Philadelphia, inc. piers known as Nos. 33, 34, 35, 36, 38 and 39 South Wharves, having a frontage of about 685 feet, together with all bulkheads, franchises, and improvements. Underlies No. 8, with provision to retire. Interest paid without deduction for normal income tax.

2. Auth., $1,222,000; outstanding, $534,000 (closed). Dated July 1, 1892; due July 1, 1942. Int. paid at Guarantee Trust & Safe Deposit Co., Philadelphia. Coupon, $1,000. First lien on certain real estate located on Swanson St., Delaware Ave., Davis St., and Catherine St., in the city of Philadelphia, together with all buildings and improvements thereon. Underlies No. 8, with provision to retire. Interest paid without deduction for normal income tax.

3. Auth., $2,700,000; outstanding, $2,696,000 (closed). Dated Oct. 1, 1868; due Oct. 1, 1933. Int. paid at Reading Terminal, Philadelphia. Coupon and reg., $1,000. Assumed by Philadelphia & Reading Ry. First lien on 148.48 miles as follows: From Philadephia to Mt. Carbon, Pa., 93 miles, and from Reading to Harrisburg, Pa., 55.48 miles. Underlie Nos. 4, 5, and 8, with provision by No. 8 to retire. Legal for Savings Banks in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., R. I., Vt. Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

4. Auth., $10,000,000; outstanding, $9,363,000 (closed). Dated Oct. 1, 1873; due April 1, 1947. Int. paid at Reading Terminal, Philadelphia. Coupon and reg., $1,000. Assumed by Philadelphia & Reading Ry. Guar. prin. and int. by Reading Co. First lien on 167.13 miles, as follows: From Auburn to Rockville, Pa., and branches, 62.70 miles, and from Lehanon Junc. to Brookside, Pa.; from St. Nicholas to Locustdale, Pa., with branches to New Castle and Herndon, Pa., 104.43 miles; second lien on 148.48 miles, following No. 3. In all covers 315.61 miles; also a lien on 275.74 miles of leasehold interests. Underlie Nos. 5 and 8, with provision by latter to retire. Legal for S. B. in Conn., N. H., R. I. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth., $80,000,000; outstanding, $5,766,717 (closed). Dated Aug. 26, 1882; due March 1, 1937. Int. paid at Reading Terminal, Philadelphia. Coupon, $500 and $1,000. Assumed by Philadelphia & Reading Ry. Guar. prin. and int. by the Reading Co. First lien on certain coal and iron lands of the Philadelphia & Reading Coal & Iron Co., which now owns about 171,000 acres of land in the anthracite coal region of Pennsylvania, of which about 97,000 acres are underlaid with anthracite; second lien on 167.13 miles, following No. 4; third lien on 148.48 miles, following No. 4. Underlies No. 8, with provision to retire. Legal for S. B. in Minn., N. H., R. I. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth. and outstanding, $8,500,000. Dated May 1, 1891; due May 1, 1941. Int. paid at Provident Life & Trust Co., Philadelphia. Coupon, $1,000. Assumed by Philadelphia & Reading Railway Co. First lien on the property of the Philadelphia & Reading Terminal R.R., extending from Ninth St. and Fairmount Ave. to Twelfth and Market Streets, with a branch from Broad and Noble Streets to a connection with the Philadelphia & Reading Ry.; first collateral lien on $8,497,500 of the $8,500,000 capital stock of the Philadelphia & Reading Terminal R. R., together with real estate, buildings, etc. Underlies No. 8, with provision to retire. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

7. Auth., $2,000,000; outstanding, $990,000 (closed). Dated Feb. 1, 1892; due Feb. 1, 1932. Int. paid at Reading Terminal, Philadelphia. Coupon, $1,000. Callable at par and int. on June and Dec. 1 of each year for sinking fund. Sinking fund: $30,000 annually to be used for purchase of these bonds at not exceeding par. Assumed by Philadelphia & Reading Coal & Iron Co. Guar. prin. and int. by Reading Co. First collateral lien on $1,087,000 Preston Coal & Improvement Co. bonds; $900,000 Tremont Coal Co. bonds; $209,000 Mammoth Vein Coal & Iron Co. bonds. Underlies No. 8, with provision to retire. Interest paid without deduction for normal income tax.

8. Auth., $135,000,000; outstanding, $98,165,000. Dated Jan. 5, 1897; due Jan. 1, 1997. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000; reg., $500, $1,000, $5,000 and $10,000. Sinking fund: In any year that the company shall pay any dividend upon its preferred or common stock, it shall also pay to the trustee as a sinking fund five cents per ton on all coal mined in the preceding year from the lands owned by the Coal Co. This sum shall be used for the purchase of these bonds at not exceeding par. If not purchased at this price to be invested in securities legal for New York Savings Banks. A joint and several ohligation of the Reading Co. and Philadelphia & Reading Coal & Iron Co., and secured as follows: First collateral lien on 28.68 miles; third lien on 167.13 miles, following No. 5; fourth lien on 146.51 miles, following No. 5; second lien on the Reading Terminal, following No. 6; also on leaseholds of the Philadelphia & Reading Ry., covering about 600 miles; first lien on all the coal lands, iron ore lands, other real estate, all railroads, buildings, equipment, securities, etc., of the Philadelphia & Reading Coal & Iron Co., subject to No. 5. Of those outstanding, $1,448,000 are in treasury, of orlginal lssue, $7,855,000 have been retired by sinking fund. Balance of $28,980,000 are reserved to retire prior liens. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

9. Auth., $45,000,000; outstanding $23,000,000. Dated April 1, 1901; due April 1, 1951. Int. paid at J. P. Morgan & Co., New York. Coupon and reg., $1,000. Callable at 105 and int. on any interest date on six months' notice. First collateral lien on the following securities: $14,504,000 out of $27,436,800 outstanding capital stock of the Central R.R. of N. J., which cost $23,300,000; $1,495,000 out of $1,500,000 capital stock of the Perkiomen R.R. Co. and $440,000 out of $2,000,000 stock of the Port Reading R.R. Listed on New York and Philadelphia Stock Exchanges. Interest paid without deduction for normal income tax.

10. Auth., $1,300,000; outstanding, $1,295,000. Dated March 1, 1900. Payable when redeemed. Reg., $1,000. Callable at 105 and int. on thirty days' notice. First collateral lien on $1,496,400 out of $1,500,000 capital stock of the Wilmington & Northern R.R., upon which 3½% dividends are guaranteed by the Philadelphia & Reading Ry. Int. on these bonds is payable primarily from the dividends on said stock, which dividends are further guaranteed by the Reading Co. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

11. Auth. and outstanding, $450.000. Dated July 10, 1889; July 1, 1919. Int. paid at New York and Philadelphia. Coupon, $1,000. Guar. prin. and int. jointly and severally by the Philadelphia & Reading Ry. and the Lehigh Coal & Navigation Co. First lien from East Allentown to the main line of the Central R.R. of N. J., 3.27

miles, and second track aggregating 8.55 miles, together with all lands, buildings, etc. Legal for S. B. in Conn., Maine, Mich., Minn., N. J., Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

12. Auth. and outstanding, $2,125,000; of which Reading Company owns $185,000. Dated April 1, 1898; due April 1, 1948. Int. paid at company's office, Philadelphia. Coupon, $1,000. Guar. prin. and int. by Philadelphia & Reading Ry. First lien from Tamanend to Newbury Junc., Pa., 97.45 miles, and several small branches, 6.60 miles; total, 104.05 miles. Legal for S. B. in Maine. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

13. Auth. and outstanding, $1,800,000. Dated Aug. 1, 1905; due Aug. 1, 1955. Int. paid at Mechanics' National Bank, Trenton, N. J. Coupon, $1,000. Guar. as to int. by Philadelphia & Reading Ry. First lien from Bound Brook, N. J., to the Delaware River, 27.22 miles, and the Trenton Branch, 3.70 miles, total, 30.97 miles. Legal for S. B. in Conn., Maine, Mich., Minn., N. J., Wis. Interest paid without deduction for normal income tax.

14. Auth. and outstanding, $495,000. Dated March 1, 1888; due March 1, 1958. Int. paid at Reading Terminal, Philadelphia. Coupon, $1000. Guar. prin. and int. by Philadelphia & Reading Ry., by endorsement. First lien from Reading to Allentown, Pa., 35.38 miles. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Interest paid without deduction for normal income tax.

15. Auth. and outstanding, $1,500,000. Dated Feb. 1, 1905; due Feb. 1, 1955. Int. paid at Reading Terminal, Philadelphia. Coupon, $1,000. Guar. prin. and int. by Reading Co. First lien, 9.38 miles, Cheltenham to Neshaminy Falls, Pa. Interest paid without deduction for normal income tax.

16. Auth. and outstanding, $250,000. Dated Sept. 1, 1902; due Sept. 1, 1952. Int. paid at Reading Terminal, Philadelphia. Coupon, $1,000. Guar. prin. and int. by Reading Co. by endorsement. First lien on about .75 mile, extending from Norristown, Pa., to a connection with the main line of the Philadelphia & Reading Ry., about a mile north of Bridgeport, including bridge over the Schuylkill River. Legal for S. B. in Maine, Mich., Minn., N. J., Wis. Interest paid without deduction for normal income tax.

17. Auth. and outstanding, $1,500,000. Dated June 1, 1866; due May 1, 1936. Int. paid at 240 South Third Street, Philadelphia. Coupon, $500 and $1,000. Guar. as to int. by Philadelphia & Reading Ry. First lien from Willow Street, Philadelphia, to Bethlehem, Pa., 56.56 miles; Jenkintown, Pa., to Delaware River, 20.58 miles; and Lansdale to Doylestown, Pa., 10.09 miles; total, 87.23 miles. Underlies No. 18. Legal for S. B. in Conn., Maine, Mich., Minn., N. J., Wis. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

18. Auth., $6,000,000; outstanding, $4,500,000 (closed). Dated Oct. 2, 1872; due Jan. 1, 1953. Int. paid at 240 South Third Street, Philadelphia. Coupon, $1,000; reg., $500 and $1,000. Guar. as to int. by Philadelphia & Reading Ry. Second lien from Philadelphia to Bethlehem, Pa., 56.56 miles; Lansdale to Doylestown, Pa., 10.09 miles; total, 66.65 miles. Listed on Philadelphia Stock Exchange. Followed by $408,000 thirty-year funding 4s, due Nov. 1, 1928, on which int. is paid by P. & R. Ry., M. and N. 1. Interest paid without deduction for normal income tax.

19. Auth. and outstanding, $2,000,000. Dated Oct. 15, 1890; due Oct. 15, 1925. Int. paid at Reading Terminal, Philadelphia. Coupon and reg., $1,000. Guar. prin. and int. by Philadelphia & Reading Ry. by endorsement. First lien from Harrisburg to Shippensburg, Pa., 41.02 miles, and branches aggregating 3.49 miles; total, 44.51 miles. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Reading company owns $1,472,000 of this issue. Interest paid without deduction for normal income tax.

20. Auth. and outstanding, $750,000. Dated Sept. 1, 1900; due Sept. 1, 1950. Int. paid at Reading Terminal, Philadelphia. Coupon, $1,000. Guar. prin. and int. by Reading Co. by endorsement. First lien on a belt line around the City of Reading, about 7.5 miles. Legal for S. B. in Conn., Maine, Mich., Minn., N. J., Wis. Interest paid without deduction for normal income tax.

21. Auth. and outstanding, $600,000. Dated May 2, 1898; due May 1, 1948. Int. paid at Reading Terminal, Philadelphia. Coupon, $1,000. Guar. prin. and int. by Reading Co. by endorsement. First lien from Highs Farm, Reading, to Slatington, Pa., 43.19 miles, and branches, 5.44 miles; total, 48.63 miles. Legal for S. B. in Maine. Reading Company owns $109,000. Interest paid without deduction for normal income tax.

22. Auth. and outstanding, $1,000,000 first 4s, and $1,000,000 second 6s. First 4s are dated May 1, 1882; due July 1, 1925. Sinking fund: Amount equal to 1% of bonds outstanding annually, to be used for purchase of these bonds at not exceeding par. Guar. prin. and int. by Reading Company by endorsement; also guar. as to int. by Philadelphia & Reading Ry. First lien from Shamokin to West Milton, Pa., 31.29 miles. Reading Company owns $937,000 of this issue. Legal for S. B. in Conn., Maine, Mich., Minn., N. J., Wis. Listed on Philadelphia Stock Exchange. $1,000,000 second 6s are dated July 1, 1890; due July 1, 1925. Int. paid at Reading Terminal, Philadelphia. Guar. as to int. by Philadelphia & Reading Ry. Second lien from Shamokin to West Milton, Pa., 31.29 miles, following the first 4s. Listed on Philadelphia Stock Exchange. Coupon, $1,000. Interest paid without deduction for normal income tax.

23. Auth., $1,000,0000; outstanding, $354,000. Dated Dec. 1, 1887; due Dec. 1, 1927. Int. paid at Reading Terminal, Philadelphia. Reg., $500. Guar. as to int. by Philadelphia & Reading Ry. First lien from Wilmington, Del., to Reading, Pa., 70.73 miles, and branches aggregating 17.69 miles; total, 88.42 miles. Underlies No. 24, which provides for retirement. Legal for S. B. in Maine. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax.

24. Auth., $1,000,000; outstanding, $462,000. Dated Aug. 1, 1892; due Aug. 1, 1932. Int. paid at Reading Terminal, Philadelphia. Reg., $1,000. Guar. as to int. by Philadelphia & Reading Ry. Second lien on 88.42 miles, following No. 23. Listed on Philadelphia Stock Exchange. Reading Company owns $56,000 of this issue. Interest paid without deduction for normal income tax.

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TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Allentown Term. R.R. gtd. stock. Par $50. Outstanding, $450,000.	5% J&J	.....		$20	88%	Very high	High	Aaa.
2. Catawissa R.R. gtd. pfd. stock. Par $50. Outstanding (see text).	5% M&N	.....		144	88%	"	"	Aaa.
3. Chestnut Hill R.R. gtd. stock. Par $50. Outstanding, $195,650.	6% QuM	.....		10	88%	"	"	Aaa.
4. Delaware & Bound Brook gtd. stock. Par $100. Outstanding, $1,800,000.	8% QuF	.....		127	88%	"	"	Aaa.
5. East Mahanoy R.R. gtd. stock. Par $50. Outstanding, $497,750.	5% J&D	.....		22	88%	"	"	Aaa.
6. East Penna. R.R. gtd. stock. Par $50. Outstanding, $2,126,900.	6% J&J	.....		113	88%	"	"	Aaa.
7. Little Schuyl. Nav. R. & C. gtd. stock. Par $50. Outstanding, $2,487,850.	5% J&J	.....	$12,321	110	88%	"	"	Aaa.
8. Mill Creek & Mine Hill N. & R. gtd. stock. Par $25. Outstanding, $323,375.	10% J&D	.....		30	88%	"	"	Aaa.
9. Mine Hill & Schuylkill Haven gtd. stock. Par $50. Outstanding, $4,210,200.	5½% J&D	.....		200	88%	"	"	Aaa.
10. Mount Carb. & P. C. gtd. stock. Par $50. Outstanding, $282,350.	5% J&J	.....		13	88%	"	"	Aaa.
11. No. Penna. R.R. gtd. stock. Par $50. Outstanding, $5,405,950.	8% QuF [15	.....		390	88%	"	"	Aaa.
12. Phila. Ger. & Norristown gtd. stock. Par $50. Outstanding, $2,246,900.	12% QuM	.....		240	88%	"	"	Aaa.
13. Schuyl. Val. Nav. & R.R. gtd. stock. Par $50. Outstanding, $576,050.	5% J&J	.....		26	88%	"	"	Aaa.
14. Reading Company first preferred stock. Par $50. Outstanding, $28,000,000.	4% M&S	$25,000	10,876	1,000	91%	"	"	Aaa.
15. Reading Company second pfd. stock. Par $50 Outstanding, $42,000,000.	4% M&N	37,500	9,876	1,500	85%	"	"	Aaa.
16. Reading Company common stock. Par $50. Outstanding, $70,000,000.	8% F&A	62,500	8,376	5,000*	40%	"	"	Aa.*

* For 8% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. ALLENTOWN TERMINAL R.R.: Road leased for 999 years from July 10, 1889, to Philadelphia & Reading Ry. and Central R.R. of New Jersey at rental covering taxes, interest on bonds, and 5% on stock. Bonds carry guaranty of P. & R. Ry. and Lehigh Coal & Nav. Co.

2. CATAWISSA R.R.: Road leased for 999 years from Dec. 7, 1896, to Philadelphia & Reading Ry., at rental of guaranty of bonds, $8,000 per annum for expenses, and 5% dividends on preferred stock. There is outstanding $2,200,000 first preferred, $1,000,000 second preferred, and $1,159,500 common. Holders of preferred issues elect a majority of board of directors.

3. CHESTNUT HILL R.R.: Road leased for 999 years from Dec. 1, 1870, to Philadelphia & Reading Ry., rental equivalent to 6% on stock and $300 for organization expenses. Reading Company owns $75,000 of issue.

4. DELAWARE & BOUND BROOK R.R.: Road leased for 999 years from May 1, 1879, to Philadelphia & Reading Ry., at rental covering interest on bonds, maintenance expenses, and 8% on stock.

5. EAST MAHANOY R.R.: Road leased for 999 years from Dec. 1, 1896, to Philadelphia & Reading Ry., at rental equaling expenses and taxes, and 5% on stock. The Reading Company owns $283,650 of the stock issue.

6. EAST PENNSYLVANIA R.R.: Road leased for 999 years from May 1, 1869, to Philadelphia & Reading Ry., at rental equaling taxes, interest on bonds, and 6% on stock. Reading Company owns $1,275,300 of the stock issue.

7. LITTLE SCHUYLKILL NAVIGATION R.R. & COAL CO.: Road leased for 999 years from Dec. 1, 1896, to Philadelphia & Reading Ry., rental being taxes and $129,393 per annum. Dividends usually 5% per annum; occasionally 5½%.

8. MILL CREEK & MINE HILL NAVIGATION & R.R.: Road leased for 999 years from July 25, 1861, to Philadelphia & Reading Ry.; rental, $33,000 per annum and taxes. Dividends, 10% per annum from rental. Reading Co. owns $58,600 of stock issue.

9. MINE HILL & SCHUYLKILL HAVEN R.R.: Road leased for 999 years from May 12, 1864, to Philadelphia & Reading Ry.; rental, 6% per annum on stock. The present rate, however, is but 5½%. Reading Company owns $81,000.

10. MOUNT CARBON & PORT CARBON R.R.: Road leased for 999 years from March 10, 1910, to Philadelphia & Reading Ry., at rental covering taxes and 5% on $282,350 stock. Reading Company owns $48,800.

11. NORTH PENNSYLVANIA R.R.: Road leased for 999 years from May 1, 1879, to Philadelphia & Reading Ry., at rental equaling interest, taxes, organization expenses, and 8% on stock. Reading Company owns $734,750 of stock issue.

12. PHILADELPHIA, GERMANTOWN & NORRISTOWN R.R.: Road leased for 999 years from Dec. 1, 1870, to Philadelphia & Reading Ry., rental being $8,000 for organization expenses and $269,623 per annum. Dividends of 12% are paid on the outstanding stock.

13. SCHUYLKILL VALLEY NAVIGATION & R.R.: Road leased for 999 years from July 25, 1861, to Philadelphia & Reading Ry., at annual rental of $29,450 and taxes. Dividends of 5% per annum are regularly paid from rental. Reading Company owns $102,300.

14, 15, and 16. First preferred has preference to 4% non-cumulative dividends; then second preferred is entitled to 4%, after which common receives all further dividends. Both first and second preferred are subject to call at par. Company may, at its option, convert the second preferred stock, one-half into first preferred and one-half into common. No additional mortgage can be placed on the property without the consent of a majority of the first and second preferred and common, each class of stock voting separately. Dividends on the common stock are now paid at rate of 8% per annum. TRANSFER OFFICE, Reading Terminal, Philadelphia, Pa.

Note: The total outstanding stock of Philadelphia & Reading Railway is $42,481,700; par, $50; all owned by Reading Company. Dividends since 1904: 1905, 20%; 1906 to 1908, 30% each; 1909 to 1911, 25% each; 1911 to 1913, 30%; 1914, 20%; 1915, 12½%; 1916, 15%.

COMPANIES CONTROLLED BY READING COMPANY, BUT SEPARATELY OPERATED

ATLANTIC CITY RAILROAD COMPANY

Origin: Incorporated May 24, 1901, under New Jersey laws, as a consolidation of the Atlantic City R.R. Co., the Camden County R.R. Co., Seacoast R.R. Co., and the Ocean City R.R. Co. Controlled by the Reading Co. through ownership of a majority of the capital stock.

Location: Line of road: Camden to Atlantic City, with branches to Cape May, Ocean City, Sea Isle City, etc. Total milcage operated, 170.19 miles; second track, 87.89 miles; sidings, 50.79 miles. Equipment owned: Locomotives, 13; passenger and freight cars, 138.

Management: OFFICERS: Agnew T. Dice, Pres.; John F. Auch, Vice-Pres. and Traffic Mgr.; C. H. Ewing, Gen. Mgr.; Chas. Heebner, Gen. Solicitor; Geo. Ziegler, Sec.; H. E. Paisley, Treas.; W. H. White, Compt., Philadelphia. DIRECTORS: Wm. Brocklehurst, Laurel Springs, N. J.; W. G. Brown, A. T. Dice, H. P. McKean, Richd. McAllister, Chas. H. Ewing, John F. Auch, Philadelphia, Pa.; Walter J. Buzby, Atlantic City, N. J.; Henry D. Moore, Haddonfield, N. J.; H. C. Felton, Camden, N. J.; Herbert B. Garwood, Williamstown, N. J.; Frank Bateman, Grenloch, N. J.; J. T. Dorrance, Camden, N. J. OFFICE, Reading Terminal, Philadelphia, Pa. Annual meeting, second Monday in October, at Camden, N. J.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$2,477,137	$2,356,915	$2,362,004	$2,205,125	$2,126,756	$2,020,598
Operating expenses	1,889,518	1,969,275	1,823,604	1,754,450	1,595,803	1,556,924
Net oper. revenues	$587,619	$387,640	$538,400	$470,675	$530,953	$463,674
Operating ratio	76.3%	83.6%	77.2%	78.7%	75%	77.1%
Other income	64,298	52,649	45,748	42,809	45,424	44,746
Total net income	$651,917	$440,289	$584,148	$513,484	$576,377	$508,420
Taxes accrued	118,706	168,500	149,000	110,702	106,960	80,072
Fixed charges, etc	492,877	582,074	632,475	519,868	530,131	515,593
Balance	sur.$40,334	def.$310,285	def.$197,327	def.$117,086	def.$60,714	def.$87,245

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $40,334; unrefundable overcharges, $453; donations, $489; miscellaneous credits, $6,907; debit balance carried to balance sheet, $1,898,769; total, $1,946.952. Contra: Debit balance at beginning of year, $1,946,275; loss on retired road and equipment, $623; miscellaneous debits, $54; total, $1,946,952.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$9,033,173	$9,011,254	$8,979,845	$8,922,627	$8,863,723	$8,842,249
Working assets	568,230	231,168	438,739	348,307	338,411	402,584
Deferred debit items	148,753	148,323	7,873	36,557	38,851	.....
Profit and loss	1,898,769	1,946,275	1,635,219	935,275	891,871	884,507
Total	$11,648,925	$11,467,020	$11,061,676	$10,242,766	$10,132,856	$10,129,340
LIABILITIES:						
Capital stock	$3,625,000	$3,625,000	$3,625,000	$3,625,000	$3,625,000	$3,625,000
Funded debt	4,504,500	4,504,500	4,504,500	4,504,500	4,537,600	4,537,200
Working liabilities	2,679,062	2,550,202	2,323,504	2,089,107	1,877,458	1,875,858
Accrd. liabilities not due	82,706	82,703	28,045	24,159	24,171	25,516
Deferred credit items	90,674	84,847	80,153	.....	68,627	65,766
Appropriated surplus	666,983	619,768	500,474	.....	.....	.....
Total	$11,648,925	$11,467,020	$11,061,676	$10,242,766	$10,132,856	$10,129,340

Bonded Debt: (1) $2,200,000 Atlantic City R.R. 1st 5s, dated May 1, 1889; due May 1, 1919. Int. paid May 1 and Nov. 1, at Reading Terminal, Philadelphia, Pa. Coupon bonds, $1,000. First lien, Camden to Atlantic City, N. J., 54.54 miles; Camden to Mount Ephraim, N. J., 4.20 miles; Kaighn's Pt. in Camden to the Camden, Gloucester & Mt. Ephraim R.R., 0.5 mile; Atco to Mullica Hill, N. J., 22.69 miles; Glassboro to the Williamstown & Delaware River R.R., 0.49 mile; other lines, 0.51 mile: total, 82.93 miles. Issued to discharge indebtedness of the Philadelphia & Atlantic City R.R. Co., Williamstown & Delaware River R.R. Co., Glassboro R.R. Co., the Camden & Mt. Ephraim R.R. Co., and the Kaighn's Point Terminal R.R. Co., which were merged with the Atlantic City R.R. Co. Underlie No. 2, which provides for retirement. Interest paid without deduction for normal income tax. Listed on Philadelphia Stock Exchange. Tax-free in New Jersey. Legal for S. B. in Maine. Net Rating, Aa.

(2) $1,851,000 Atlantic City R.R. 1st consol. 4s, dated July 1, 1901; due July 1, 1951. Int. paid Jan. 1 and July 1, at Reading Terminal, Philadelphia, Pa. Coupon bonds, $1,000, each registerable as to principal. Auth., $4,500,000 of which $2,650,000 are reserved to retire Nos. 1, 3, 4 and 5. Guar. as to prin. and int. by Reading Company, the guaranty being endorsed. Secured upon the entire property of the company, following Nos. 1, 3 and 5, prior liens and being a first mortgage on 20.90 miles, second lien on 82.93 miles; third lien on 66.33 miles. TRUSTEE, Girard Trust Co., Philadelphia, Pa. Listed on Philadelphia and New York Stock Exchanges. Tax-free in New Jersey. Interest paid without deduction for normal income tax. Legal for S. B. in Maine. Net Rating, Aa.

(3) $350,000 Seacoast R.R. Co. prior lien 5s, dated Apr. 30, 1898; due April 1, 1948. Int. April 1 and Oct. 1, at Reading Terminal, Philadelphia, Pa. Coupon bonds, $100 and $1,000; registerable both as to principal and interest. Secured upon the road from Winslow Junction to Cape May, and from Tuckahoe to Sea Isle City, N. J., total 66 miles. Trustee: Girard Trust Co., Philadelphia, Pa. Interest paid without deduction for normal income tax. Tax-free in New Jersey. Legal for S. B. in Maine. Net Rating, Aa.

(4) $22,800 Seacoast R.R. Series A, and $1,200 Seaoast R.R. Series B gold 5s; due April 1, 1948. Int. April 1 and Oct. 1, at Reading Terminal, Philadelphia, Pa. Secured upon the road from Winslow Junction to Cape May and from Tuckahoe to Sea Isle City, N. J., as 2d and 3d mortgages, respectively, total 66 miles. Trustee, Girard Trust Co., Philadelphia, Pa. Interest paid without deduction for normal income tax. Tax-free in New Jersey. Net Rating, Aa.

(5) $75,000 Atlantic City R.R. real estate purchase money 4½s; dated April 1, 1900; due April 1, 1930. Int. April and Oct 1, at Reading Terminal, Phila. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding ($1,000,000 preferred and $2,625,000 common), $3,625,000. Shares, $50. The Reading Company owns all the preferred stock and $2,614,922 of the common stock. Registrar and TRANSFER AGENT, Geo. Ziegler, secretary of the company, Philadelphia, Pa.

CATASAUQUA & FOGELSVILLE RAILROAD

Origin: Incorporated under laws of Pennsylvania, Anril 5, 1853. Road opened for operation in July, 1857. Controlled by the Reading Company through ownership of majority of outstanding stock.

Location: Line of road Catasauqua to Rittenhouse Gap, Pa., with branches, 31.72 miles; sidings, 13.75 miles. Equipment: 200 cars.

Management: OFFICERS: Agnew T. Dice, Pres.; John F. Auch, Vice-Pres.; H. E. Paisley, Treas.; Geo. Ziegler, Sec.; W. H. White, Compt., Philadelphia, Pa.; C. H. Ewing, Gen. Mgr.; J. E. Turk, Gen. Supt., Reading, Pa. DIRECTORS: W. S. Pilling, E. F. Smith, W. H. White, John F. Auch, Charles H. Ewing, Philadelphia, Pa.; Leonard Peckitt, Edwin Thomas, Catasauqua, Pa.; F. R. Drake, R. H. Sweetser, Easton, Pa.; J. S. Krause, Bethlehem, Pa. OFFICE, Reading Terminal, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$252,299	$204,596	$213,080	$254,484	$200,948	$245,443	$269,059
Operating expenses	117,189	118,987	125,987	109,488	100,347	94,439	72,646
Net operating revenues	$135,110	$85,609	$87,093	$144,996	$100,601	$151,004	$196,413
Operating ratio	46.5%	58%	59%	43%	50%	38.5%	27%
Other Income	23,805	21,442	7,648	6,132	4,730	5,995	6,815
Total net income	$158,915	$107,051	$94,741	$151,128	$105,331	$156,999	$203,228
Taxes accrued	6,958	8,080	7,740	8,100	7,200	6,210	6,146
Fixed charges, etc	12,722	16,145	21,086	18,048	20,917	59,708	44,705
Surplus	$139,235	$82,826	$65,915	$124,980	$77,214	$91,081	$152,377
Dividends paid	†	85,380	42,690	42,690	42,690	42,690	42,690
Balance earned on stock	$139,235	*$2,434	$23,225	$82,290	$34,523	$48,391	$109,687

* Deficit. † Dividend paid from profit and loss (see below).

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $560,598; credit balance transferred from income, $139,235; unrefundable overcharges, $5; miscellaneous credits, $64. Total, $699,902. Contra: Credit balance carried to balance sheet, $630,822; dividend appropriations of surplus, $64,035; loss on retired road and equipment, $3,364; miscellaneous debits, $1,681; total, $699,902.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$801,665	$810,506	$818,300	$819,646	$833,332	$838,158
Working assets	558,079	488,040	486,722	442,475	336,711	276,024
Accrued income not due	22	104	.....	.....	.....	.....
Total	$1,359,766	$1,298,650	$1,305,022	$1,262,121	$1,170,043	$1,114,182
LIABILITIES:						
Capital stock	$426,900	$426,900	$426,900	$426,900	$426,900	$426,900
Funded debt	135,000	135,000	135,000	135,000	135,000	135,000
Working liabilities	67,658	82,390	93,689	87,917	80,654	69,418
Accr'd liabilities not due	10,752	10,641	9,722	8,878	7,396	6,845
Deferred credit items	514	577	.....	.....	.....	.....
Appropriated surplus	88,120	82,544	75,944	62,874	61,832	51,916
Profit and loss	630,822	560,598	563,767	540,552	458,261	424,103
Total	$1,359,766	$1,298,650	$1,305,022	$1,262,121	$1,170,043	$1,114,182

Bonded Debt: $135,000, Catasauqua & Fogelsville R.R. 1st gold 4s, dated July 1, 1898; due July 1, 1928; int. Jan. and July 1 at Reading Terminal, Philadelphia. Coupon, $1,000; registerable as to prin. First lien on entire property. Secured upon the entire property, consisting of 31.72 miles, Catasauqua to Rittenhouse Gap, Pa. TRUSTEE, Pennsylvania Co. for Ins. on Lives and Granting Annuities, Philadelphia. Legal for S. B. in Conn., Maine, Mich., Minn., N. H., N. J., R. I., Wis. Interest paid without deduction for normal income tax. Net Rating, Aa.

Capital Stock: Outstanding, $426,900, of which the Reading Company owned $254,125. Shares $25. Dividends May and Nov. at Philadelphia, Pa. Dividends paid in 1905, 7%; 1906 to 1909, inclusive, 8% each; 1910 to 1914, inclusive, 10% each; 1915, 20%; 1916, 15%. TRANSFER AGENT: Frederick Reel, Reading Terminal, Philadelphia, Pa. Annual meeting, first Monday in November, at Philadelphia.

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

NOTE: The analysis is based on official documents of the company, including the annual reports for the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Feb. 22, 1849, under New Jersey laws, as a consolidation of the Elizabeth & Somerville R.R. and the Somerville & Easton R.R. Main line opened from Elizabeth to Phillipsburg, N. J., in 1852; extension to Jersey City opened in 1864; branch to Newark in 1872. From time to time the company acquired additional lines by lease or otherwise, including a one-half interest in the New York & Long Branch R.R. The company also owns $8,439,650 out of $9,212,500 stock of the Lehigh & Wilkes-Barre Coal Co. (See Public Utility and Industrial Section.)

Location: The total mileage operated consisted, June 30, 1916, of 683.93 miles, classified as follows: Lines owned in fee, 156.63 miles; lines controlled by ownership of capital stocks, 227.79 miles; lines operated under leases or agreements, 253.68 miles; trackage rights, 45.83 miles. The above includes the mileage of the New York & Long Branch R.R., which is leased jointly with the Penn. R.R. Mileage confined to New Jersey and Pennsylvania. Population of these States in 1890, 6,702,947; in 1900, 8,185,784; in 1910, 10,222,278.

Control: The Central Railroad of New Jersey is controlled by the Reading Company, which owns $14,504,000 out of $27,436,800 capital stock, this stock being deposited under the Reading Company-Jersey Central coll. 4s.

Government Suit: In Oct., 1915, the United States District Court at Philadelphia ordered the company to dispose of its interest in the Lehigh & Wilkes-Barre Coal Co. on the ground that the union of the latter company with the Philadelphia & Reading Coal & Iron Co. through the instrumentality of the Reading Co. was a combination in restraint of trade. The Court further enjoined the Lehigh & Wilkes-Barre Coal Co. from paying and the Central Railroad of New Jersey from receiving any dividends on its holdings of the former company's stock. The case has been appealed and the matter is now pending.

Management: OFFICERS: Geo. F. Baker, Chairman; Wm. G. Besler, Pres. and Gen. Mgr.; Robert W. de Forest, Vice-Pres. and Gen. Counsel; Tilghman B. Koons, Vice-Pres. and Freight Traffic Mgr.; G. O. Waterman, Sec. and Treas. DIRECTORS: Danl. Willard, Howard W. Maxwell, Geo. F. Baker, R. W. de Forest, E. B. Thomas, Ernest R. Ackerman, Henry Graves, Jr., E. T. Stotesbury, W. G. Besler. Annual meeting, Friday following third Monday in September. MAIN OFFICE, 143 Liberty Street, New York.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	.....	.....	.....	.....	1.72%	1.66%
Products of Animals	.....	.....	.....	.....	.....	.....	.....	.....	.87	.74
Products of Mines	.....	.....	.....	.....	.....	.....	.....	.....	56.27	53.55
Products of Forests	.....	.....	.....	.....	.....	.....	.....	.....	2.01	2.11
Manufactures	.....	.....	.....	.....	.....	.....	.....	.....	14.69	15.35
Miscellaneous	.....	.....	.....	.....	.....	.....	.....	.....	24.44	26.59

Total revenue tonnage, years ended June 30: 1916, 37,382,697 tons; 1915, 31,515,349 tons; 1914, 32,596,891 tons.

Character of Freight Traffic: The reports of the Central Railroad of New Jersey are in many respects incomplete and unsatisfactory. No table of tonnage transported is furnished, and the above figures for 1915 and 1916 are those filed with the Interstate Commerce Commission. In 1914, anthracite coal tonnage represented about 34% of the total gross business (passenger and freight). Merchandise freight represented about 42% of the total business and 58½% was mineral products.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	610	296	481	571	22,099	78%	480,868	3,462,722	528	$2.83	1.45c	.84c
1908	610	296	479	604	21,842	77	496,638	3,391,298	522	2.84	1.41	.84
1909	610	296	479	604	20,755	76	496,492	3,240,677	517	2.83	1.41	.84
1910	631	296	477	626	22,683	75	503,500	3,386,619	517	2.91	1.42	.89
1911	634	296	488	639	22,581	76	513,630	3,482,504	542	3.01	1.45	.85
1912	669	334	490	657	22,783	77	552,527	3,301,764	514	2.91	1.48	.86
1913	676	334	509	660	24,725	77	556,960	3,672,024	547	3.11	1.49	.88
1914	678	334	523	696	24,644	76	557,533	3,500,294	555	3.04	1.47	.88
1915	681	333	518	720	24,576	74	558,757	3,309,181	566	3.32	1.44	.95
1916	684	333	520	770	26,687	75	588,416	3,875,905	571	3.56	1.46	.95
10-Year Average	648	315	496	655	23,338	76%	530,532	3,462,299	538	$3.04	1.45c	.88c

Yard tracks and sidings, June 30, 1916, 811 miles. The above operated mileage includes 38 miles operated by the company jointly with the Pennsylvania for the New York & Long Branch R.R.

Comment: During the year ended June 30, 1916, the freight density of the Central Railroad of New Jersey reached a new high figure, and the average freight train load was also moderately improved. There were practically no changes in the average passenger and freight rates, but train mile earnings averaged better than in recent years. It will be noted that the proportion of high grade freight was larger than during the year 1915, while products of mines tended to fall off considerably.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Othe Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$37,332	$3,145	$4,517	$7,662	$11,779	$17,891	$20,818	$1,824	$18,994	$9,514	50%	$9,480	$3,598
1908	37,073	3,939	5,960	9,899	11,669	15,505	18,939	1,747	17,192	9,285	46	7,907	3,598
1909	36,178	3,535	6,027	9,562	11,029	15,589	17,927	1,750	16,177	8,738	46	7,439	3,598
1910	37,800	3,343	6,115	9,458	11,570	16,772	24,224	1,862	22,362	7,934	64	14,428	5,219
1911	39,118	3,861	5,891	9,752	12,647	16,719	20,736	1,214	19,522	8,247	58	11,275	5,193
1912	38,700	3,981	5,727	9,711	13,245	15,744	19,048	2,246	16,802	7,820	54	8,982	4,922
1913	42,020	4,121	6,243	10,364	13,903	17,753	20,999	2,450	18,549	7,701	58	10,848	4,871
1914	40,372	4,888	6,940	11,828	14,400	14,144	18,580	1,976	16,604	8,162	51	8,442	4,856
1915	42,206	3,745	7,852	11,597	16,231	14,378	19,791	2,233	17,561	9,760	44	7,801	4,834
1916	48,921	4,058	7,970	12,028	18,864	18,030	19,936	2,870	17,066	8,334	51	8,732	4,813
10-Year Average	$30,972	$3,862	$6,324	$10,186	$13,537	$16,252	$20,100	$2,017	$18,083	$8,550	52%	$9,533	$4,550

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting all fixed charges. For exapmle, in 1916, the balance for charges (per mile) was $17,066; fixed charges consumed, $8,334 per mile, or 49%, leaving $8,732, a "margin of safety" of 51%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$33,462,167	$28,742,216	$27,292,293	$28,340,146	$25,890,094	$24,789,234
Maintenance of way	2,775,739	2,550,456	3,314,272	2,785,817	2,665,082	2,498,265
Maint. of equipment	5,451,510	5,347,465	4,705,571	4,220,746	3,831,110	3,733,032
All other oper. expenses	12,902,647	11,053,380	9,763,202	9,398,297	8,850,795	7,698,107
Net operating revenues	$12,332,271	$9,790,909	$9,509,248	$11,935,286	$10,543,107	$10,869,831
Operating ratio	63.1%	65.9%	65.2%	57.8%	59.3%	57%
Other income	1,303,786	3,688,768	3,087,772	2,259,846	2,200,128	2,276,890
Total net income	$13,636,057	$13,479,677	$12,597,020	$14,195,132	$12,743,235	$13,146,721
Taxes accrued	1,963,855	1,520,581	1,339,454	1,656,189	1,502,671	769,681
Balance for charges	$11,672,202	$11,959,096	$11,257,566	$12,538,943	$11,240,564	$12,377,040
Fixed charges	5,699,630	6,642,919	5,533,631	5,206,060	5,231,492	5,228,939
Surplus over ch'ges	$5,972,572	$5,312,177	$5,723,935	$7,332,883	$6,009,072	$7,148,101
Dividends paid	3,292,416	3,292,416	3,292,416	3,292,416	3,292,416	3,292,416
Approp. for imp., etc.	.....	.....	2,584,667	4,040,467	2,000,000	3,000,000
Balance	$2,680,156	$2,019,761	*$153,148	.....	$716,656	$855,685
Earned on stock	21.77%	19.38%	20.86%	26.73%	21.90%	26.06%

* Deficit.

Note: Fixed charges, as shown above, include taxes, interest on bonds and guarantees, and rentals of leased lines. Interest on funded debt, amounted to $2,196,200 in 1916; rentals of leased lines, $2,663,529. The dividends paid amounted to 12%, of which 8% was paid from operation of railroad property and 4% from dividends received from Lehigh & Wilkes-Barre Coal Co.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $15,232,283; credit balance transferred from income, $2,680,157, donations, $4,293; miscellaneous credits, $4,044,905; total, $21,961,637. Contra: Surplus appropriated for investment in physical property, $5,195,984; loss on retired road and equipment, $386,951; miscellaneous debits, $3,603,018; credit balance carried to balance sheet, $12,775,685; total, $21,961,637.

Comment: Both gross and net revenues underwent sharp advances on the Central Railroad of New Jersey during the year ended June 30, 1916. There was, however, a sharp decline in outside income and therefore the final net income available for charges was practically no higher than in previous years. Fixed charges, however, also tended to decline with the result that surplus above charges increased substantially and equalled over 21¾% on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$44,978	33%	$88,951	67%	$90,662	$224,591	$41,857	$182,734	11.4%	.....	.....	$3,598	8%	.....	66%
1908	44,978	34	86,641	66	87,529	219,148	40,735	178,413	10.6	.....	.....	3,598	8	.....	54
1909	44,978	35	84,379	65	81,804	211,161	33,698	177,463	10.1	.....	.....	3,598	8	.....	52
1910	43,481	36	79,578	64	68,698	191,757	27,785	163,972	13.6	.....	.....	5,219	12	.....	64
1911	43,290	36	78,954	64	79,844	202,088	32,990	169,098	12.3	.....	.....	5,193	12	.....	54
1912	41,011	37	71,507	63	77,149	189,667	25,029	164,638	11.5	.....	.....	4,922	12	.....	45
1913	40,587	37	69,351	63	79,816	189,754	26,005	163,749	12.8	.....	.....	4,871	12	.....	55
1914	40,467	37	68,246	63	78,886	187,599	15,741	171,858	10.8	.....	.....	4,856	12	.....	42
1915	40,289	38	67,050	62	76,525	183,864	14,932	168,932	11.7	.....	.....	4,834	10	.....	38
1916	40,112	36	70,469	64	77,881	188,462	17,418	171,044	11.7	.....	.....	4,813	12	.....	46
10-Year Average	$42,417	36%	$76,512	64%	$79,879	$198,808	$27,619	$171,189	11.7%	.....	.....	$4,550	11%	.....	52%

Note: Net income on net capital is the percentage of total net income shown before deducting taxes, on the net capitalization of the company, per company, as given in the table.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$106,274,649	$104,907,725	$94,092,328	$89,458,911	$83,492,019	$81,448,199
Working assets	15,242,570	10,017,398	19,604,928	24,154,766	25,405,792	25,556,873
Deferred debit items...	4,479,055	2,884,954	4,420,652	5,613,142	4,555,451	3,569,373
Accrued income not due	107,620	90,595	96,189	119,359	118,512	108,981
Total	$126,103,894	$117,900,672	$118,214,097	$119,346,178	$113,571,774	$110,683,426
Liabilities:						
Capital stock	$27,436,800	$27,436,800	$27,436,800	$27,436,800	$27,436,800	$27,436,800
Funded debt	48,201,000	45,661,000	46,271,000	46,881,000	47,848,000	49,058,000
Working liabilities	5,936,507	4,080,313	6,808,793	8,772,294	5,471,956	3,870,708
Accr'd liabilities not due	1,801,693	1,444,960	1,467,685	1,513,885	2,154,766	2,048,337
Deferred credit items..	3,564,477	2,852,018	1,987,583	2,634,211	2,038,896	1,748,345
Appropriated surplus ..	26,387,733	21,193,298	19,990,701	17,970,131	14,651,478	13,001,602
Profit and loss surplus.	12,775,684	15,232,283	14,251,535	14,137,857	13,969,878	13,519,634
Total	$126,103,894	$117,900,672	$118,214,097	$119,346,178	$113,571,774	$110,683,426

Note: In 1916, the total book value of securities owned amounted to $25,207,118, and the par value, $32,336,691. Property investment, 1915 and 1916, includes securities formerly carried as "current assets." In working assets, $1,988,020 cash is included.

Comment: There was a slight increase in the funded debt of the company during the year ended June 30, 1916. As measured on the mileage basis the capitalization of the property is high, but the earning power is also heavy and the company has had no difficulty in carrying the capitalization as is shown by the high percentage of net income on net capital.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Cent. R. R. of N. J. gen. 5s..	J&J	Jl 1987	(see text)	$118,710	$18,083	$3,210	80%	Very high	Very high	Aaa.
2. Amer. Dock & Imp. first 5s..	J&J	Jl 1921	(1st) Term.	.....		364	80%	"	"	Aaa.
3. N. Y. & Long. Br. gen. 4-5s.	M&S	S 1941	(1st) 38	65,789		149	80%	"	"	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $50,000,000; outstanding, $45,091,000. of which $1,167,000 are in treasury. Dated July 1, 1887; due July 1, 1987. Int. paid at Liberty National Bank, New York. Coupon, $1,000; reg., $500, $1,000, $5,000, etc. First lien on 156.63 miles of road and 96.16 miles of second track, lands, buildings, terminals at Jersey City, leaseholds, etc., etc., mileage being as follows: From Jersey City to Phillipsburg, N. J., 72.30 miles, and branches from Elizabethport to Brills, N. J., 5.51 miles; Elizabethport to Perth Amboy, N. J., 12.13 miles; Communipaw to Newark, N. J., with spurs, 6.22 miles; Somerville to Flemington, N. J., 15.78 miles; from High Bridge to Wharton, N. J., 25.17 miles, with branches to Chester, 4.51 miles, and from Hopatcong Junc. to Nolan's Point, N. J., 5.56 miles, and other branches aggregating 9.45 miles; first collateral lien on the stocks of the following companies, aggre-

gating $18,855,200 par value and covering 213.38 miles in New Jersey. Stock and mileage as follows: Buena Vista R.R. ($21,400), from Greenwich to Cohansey Creek, 1.03 miles; Carteret Extn. R.R. ($23,600), from Carteret to Staten Island Sound, 1.82 miles; Cartaret & Sewaren R.R. ($24,800), from Liebigs to Port Reading, 1.25 miles; Cumberland & Maurice Extn. R.R. ($16,200), Bridgeton Junc. to Bridgeton, 1.23 miles; Dover & Rockaway R.R. ($45,000) Wharton to Rockaway, 5.12 miles; Cumberland & Maurice River R.R. ($249,700 common and $2,900 preferred), from Bridgeton to Bivalve, 21.20 miles; Elizabeth Extn. R.R. ($30,000), from Great Island Junc. to Terminus, 1.62 miles; Freehold & Atlantic Highlands R.R. ($650,000), Freehold to Atlantic Highlands and Stone Church, 22.75 miles; Lafayette R.R. ($61,800), Pacific Ave. Junc. to Griffing Iron Works, 0.55 mile; Manufacturers' Extn. R.R. ($53,700), from Albert St., Newark, to Maples Wks., 1.23 miles; Middle Valley R.R. ($9,900), Middle Valley to Quarry, 1.38 miles; Navesink R.R. ($701,900), Atlantic Highland Pier to Highland Beach, 4.66 miles; New Jersey Southern R.R. ($1,000,000 common and $1,590,600 preferred), from Long Branch to Atsion, 59.22 miles; from Highland Beach to Long Branch, 6.19 miles; from Eatontown to Belford, 8.21 miles; Raritan North Shore R.R. ($65,600), Perth Amboy to Raritan Brick Wks., 1.75 miles; Sound Shore R.R. ($149,200), from Broadway, Elizabethport, to Cartaret, inc. spurs, 6.17 miles; Toms River & Barnegat R.R. ($75,300), from Toms River to Barnegat, 14.71 miles; Toms River R.R. ($240,000), from Lakehurst to Toms River, 7.57 miles; Vineland R.R. ($600,000), from Atsion to Bayside, 46.82 miles; West End R.R. ($43,700), from Long Branch to West End, 1.36 miles; West Side Connecting R.R. ($124,900), from West Side Ave. to Danforth Ave., Jersey City, 0.94 mile; also including Allentown Terminal R.R. ($225,000); American Dock & Improvement Co. ($3,000,000); Dover & Rockaway R.R. ($45,000); Lehigh & Wilkes-Barre Coal Co. ($7,850,000); New York & Long Branch R.R. ($2,000,000). Legal for Savings Banks in Cal., Conn., Me., Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth., $5,000,000; outstanding, $4,987,000. Dated July 1, 1881; due July 1, 1921. Int. paid at Liberty National Bank, New York. Coupon, $1,000. Redeemable at 110 and int. Guar. prin. and int. by Central R.R. of N. J. by endorsement. First lien on three large tracts of improved waterfront and dock property, one tract being at Caven Point, Jersey City, another lying immediately south of the terminal yards of the Central R.R. of N. J. at Communipaw, and the other immediately north of the terminal yards of the Central R.R. of N. J. Legal for S. B. in Conn., N. H. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $2,500,000; outstanding, $2,308,000 4s; $192,000 5s. (Central R.R. of N. J. owns $451,000 4s.) Dated Sept. 1, 1891; due Sept. 1, 1941. Int. paid at Liberty National Bank, New York. Coupon, $1,000. Guar. as to int. jointly by the Penn. R.R. and the Central R.R. of N. J. First lien from Perth Amboy, via Long Branch to Bay Head, N. J., 38.04 miles. Legal for S. B. in Conn., Me., Mich., Minn., N. J., Wis. $1,500,000 4s are listed on New York Stock Exchange. The stock of this company is all owned by the Central R.R. of N. J., and the company is jointly leased for 99 years from 1888 to Central R.R. of N. J. and Penn. R.R. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Dover & Rockaway R.R. gtd. stock. Par $100. Outstanding, $150,000.	6% A&O	$30,000	$9,588	$13	99%	Very high	Very high	Aaa.
2. Hibernia Mine R.R. gtd. stock. Par $100. Outstanding, $200,000.	3% A&O	20,000		9	99%	"	"	Aaa.
3. Ogden Mine R.R. gtd. stock. Par $100. Outstanding, $450,000.	5% J&J	45,000		33	99%	"	"	Aaa.
4. Central Railroad of N. J. stock. Par $100. Outstanding, $27,436,800.	12% QuF*	40,112	9,533	4,813*	50%	"	"	Aaa.

* For 12% dividend. The rate paid within the past five years has been 8%, with 4% extra, making 12% in all.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. DOVER & ROCKAWAY R.R.: Wharton to Rockaway, N. J., 5.12 miles. Leased for 999 years from 1881 to Central R.R. of New Jersey, rental being all expenses, interest and 6% guaranteed dividends on stock. The C. R. R. of N. J. owns $75,000 of the stock, of which $45,000 is deposited under its general mortgage.

2. HIBERNIA MINE R.R.: Rockaway to Hibernia Mine, N. J., 4.2 miles. Road leased for twenty years from Sept. 30, 1910, to Central R.R. of New Jersey, at rental of 3% per annum on stock.

3. OGDEN MINE R.R.: Nolan's Point to Edison, N. J., 9.86 miles. Leased for 999 years from 1882 to Central R.R. of New Jersey, rental being 5% per annum on stock. The C. R.R. of N. J. owns $20,000 of the stock.

4. Authorized, $30,000,000; outstanding, $27,436,800, of which the Reading Company owns $14,504,000 (which is deposited under the latter's "Reading-Jersey Central 4% collateral mortgage"—see Reading Co.), leaving $12,932,800 outstanding in hands of public; par, $100.

Dividends during past ten years have been paid as follows: 1904 to 1908, inclusive, 8% per annum; 1909 to date, 8% regular and 4% extra, making 12% in all. From organization in 1849 to 1916, inc., company had paid total cash dividends aggregating $77,765,322. TRANSFER OFFICE, 143 Liberty St., New York. Listed on New York and Philadelphia Stock Exchanges.

THE GETTYSBURG & HARRISBURG RAILWAY COMPANY

Origin: Incorporated under laws of Pennsylvania, July 16, 1891, as successor to the original company of the same name. The property is controlled by the Reading Co. through ownership of the majority of the capital stock.

Location: Line of road: Carlisle Jct. to Gettysburg, Pa., Gettysburg to Round Top, and Hunter's Run to Pine Grove Furnace, Pa., 41.60 miles; sidings, 14.6 miles. Equipment owned: 1 combination car.

Management: OFFICERS: Agnew T. Dice, Pres.; John F. Auch, Vice-Pres.; H. E. Paisley, Treas.; Geo. Ziegler, Sec.; Jay V. Hare, Asst. Sec.; W. H. White, Compt., Philadelphia, Pa.; C. H. Ewing, Gen. Mgr.; J. E. Turk, Gen. Supt., Reading, Pa. DIRECTORS: E. F. Smith, W. G. Brown, Jas. M. Landis, C. K. Klink, H. E. Paisley, Chas. H. Ewing, Philadelphia, Pa. Annual meeting, second Monday in January. OFFICE, Reading Terminal, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$246,953	$228,136	$269,150	$255,755	$231,874	$238,611	$205,683
Operating expenses	182,873	175,028	196,647	248,168	180,236	169,527	152,420
Net operating revenues	$64,080	$53,108	$72,513	$7,588	$51,638	$69,084	$53,263
Operating ratio	74%	76.7%	73.1%	97%	77.7%	71%	74.1%
Other income	997	677	554	726	1,632	2,402	2,500
Total net income	$65,077	$53,785	$73,067	$8,314	$53,270	$71,486	$55,763
Taxes accrued	2,530	2,490	2,501	74,530	3,229	3,229	2,933
Fixed charges, etc	52,455	72,159	53,479		65,091	56,945	68,042
Balance	$10,092	†$20,864	$17,087	†$66,216	†$15,121	$11,312	†$15,212

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $10,092; unrefundable overcharges, $17; donations, $453; miscellaneous credits. $60; debit balance carried to balance sheet, $89,163; total, $99,785. Contra: Debit balance at beginning of year, $99,768; miscellaneous debits, $17; total, $99,785.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,321,393	$1,319,162	$1,314,078	$1,333,333	$1,225,473	$1,235,937
Working assets	52,254	26,779	31,214	40,040	68,729	98,986
Deferred debit items	100	115	.....	.....	.....	.....
Profit and loss	89,163	99,768	78,828	.....	.....	.....
Total	$1,462,910	$1,445,824	$1,424,120	$1,373,373	$1,294,202	$1,334,923
LIABILITIES:						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	565,000	565,000	565,000	565,000	565,000	565,000
Working liabilities	163,367	150,297	135,130	164,073	17,290	44,277
Accr'd liabilities not due	9,720	9,632	9,519	9,735	11,131	10,887
Deferred credit items	130	1,284	.....	.....	.....	.....
Appropriated surplus	124,693	119,611	114,471	.....	15,783	14,640
Profit and loss	.....	.....	.....	34,565	84,998	100,119
Total	$1,462,910	$1,445,824	$1,424,120	$1,373,373	$1,294,202	$1,334,923

Bonded Debt: $565.000 Gettysburg & Harrisburg Ry. 1st 5s, dated Oct. 1, 1891; due Oct. 1, 1926. Int. April and Oct. 1, at Reading Terminal, Philadelphia, Pa. Coupon bonds, $1,000 each; registerable as to prin. $215,000 guar., prin. and int., by the Philadelphia & Reading Ry. Co. Secured on entire property of the company, consisting of 41.60 miles of road. TRUSTEE: Guarantee Trust & Safe Deposit Co., Philadelphia, Pa. Reading Co. owns $275,000 of this issue. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax. Tax-free in Pennsylvania.

Capital Stock: Auth. and outstanding, $600,000, of which $571,600 is owned by the Reading Co. Par, $50. REGISTRAR AND TRANSFER AGENT, F. Reel, Philadelphia, Pa. No dividends.

THE NORTH EAST PENNSYLVANIA RAILROAD COMPANY

Origin: Incorporated under laws of Pennsylvania, Dec. 4, 1870. Opened for traffic throughout in April, 1891. Controlled by the Reading Company through ownership of majority of capital stock.

Location: Glenside to New Hope, Pa., 25.64 miles; second track, 1.99 miles; sidings, 5.42 miles.

Management: OFFICERS: Agnew T. Dice, Pres.; John F. Auch. Vice-Pres. and Traf. Mgr.; C. H. Ewing, Gen. Mgr.; H. E. Paisley, Treas.; Geo. Ziegler, Sec.; Jay V. Hare, Asst. Sec.; W. H. White, Compt., Philadelphia, Pa. DIRECTORS: Chas. H. Ewing, S. S. Thompson, H. D. Paxon, E. F. Smith. R. N. Fell, W. G. Brown, J. F. Auch, E. E. Paxon, E. L. Fell, Philadelphia, Pa.; Samuel T. Wagner. OFFICE, Reading Terminal, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$128,538	$126,428	$138.732	$143,520	$132,752	$137,876	$139,628
Operating expenses	126,632	136,014	139,239	114,782	120,897	113,368	100,715
Net operating revenues	$1,906	*$9,586	*$507	$28,737	$11,855	$24,508	$38,913
Operating ratio	98.5%	107.6%	100%	80%	91.1%	82.2%	72.1%
Other income	723	1,103	1,188	828	736	407	1,088
Total net income	$2,629	*$8,483	$681	$29,565	$12,591	$24,915	$40,001
Taxes accrued	2,199	2,317	2,275	48,249	2,258	2,450	2,478
Fixed charges, etc	40,005	50,639	58,148		40,314	44,393	43,322
Balance (deficit)	$39,575	$61,439	$59,742	$18,684	$35,982	$21,928	$5,799

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$808,179	$800,969	$795,468	$785,076	$784,718	$780,993
Working assets	25,876	1,139	7,543	5,369	1,875	19,659
Profit and loss.....	585,245	545,670	484,681	412,188	393,504	361,247
Total	$1,419,300	$1,347,778	$1,287,692	$1,202,633	$1,180,097	$1,161,899
LIABILITIES:						
Capital stock	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
Funded debt	441,874	441,874	400,000	400,000	400,000	400,000
Working liabilities	534,537	470,175	457,461	394,852	372,921	354,508
Accr'd liabilities not due	7,222	7,184	7,187	7,781	7,176	7,391
Appropriated surplus ..	35,667	28,545	23,044	.....	.....	.....
Total	$1,419,300	$1,347,778	$1,287,692	$1,202,633	$1,180,097	$1,161,899

Bonded Debt: $400,000 North East Penn R.R., first 5s, dated April 1, 1890; due April 1, 1920; int. April 1 and Oct. 1, at Reading Terminal, Philadelphia, Pa. Coupon, $1,000, registerable as to principal. Secured on the line from Glenside to New Hope, Pa., 25.64 miles. Interest payable without deduction for normal income tax.

Net Rating, Ba.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 23.

Capital Stock: Auth. and outstanding, $400,000, of which the Reading Company owned $318,950. Par, $50. TRANSFER AGENT, F. Reel, Philadelphia, Pa. Annual meeting, second Monday in January, at Reading Terminal, Philadelphia, Pa. No dividends.

PERKIOMEN RAILROAD COMPANY

Origin: Incorporated under laws of Pennsylvania, March 23, 1865. Road opened throughout in 1875. Controlled by the Reading Company through ownership of entire capital stock.

Location: Perklomen Junction to Emaus Junction, Pa., 38.23 miles. At Emaus Junction the road connects with the East Pennsylvania R.R., which extends to East Penn Junction.

Management: OFFICERS: A. T. Dice, Pres.; John F. Auch, Vice-Pres. and Traffic Mgr.; C. H Ewing, Gen. Mgr.; H. E. Paisley, Treas.; Geo. Ziegler, Sec.; Jay V. Hare, Asst. Sec.; W. H. White, Compt., Philadelphia, Pa.; J. E. Turn, Gen. Supt., Reading, Pa. DIRECTORS: C. H. Ewing, W. G. Brown, E. F. Smith, J. M. Landis, J. F. Auch, Wm. F. Dannehower, D. K. Graber, C. M. Reed, J. P. Hillegas, Philadelphia, Pa. Annual meeting, second Monday in January. OFFICE, Reading Terminal, Philadelphia, Pa.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	14.38%	14.14%	13.48%	22.67%	18.97%	21.90%	28.72%	28.70%	33.2%	33.5%
Products of Animals.....	2.83	2.85	3.28	1.87	1.71	1.99	1.73	2.17	1.6	1.5
Products of Mines.....	35.57	30.98	31.30	30.51	28.76	27.79	27.47	24.77	21.4	16.4
Products of Forests.....	6.14	6.07	6.02	2.13	2.64	2.82	2.64	2.83	2.8	4.0
Manufactures.....	27.74	32.39	35.03	34.13	36.48	31.38	27.89	29.28	28.1	31.1
Merchandise and Miscel...	13.34	13.57	10.89	8.69	11.44	14.12	11.55	12.25	12.9	13.5

Total tonnage in 1907, 1,545,979 tons; in 1908, 1,463,534 tons; in 1909, 1,281,003 tons; in 1910, 1,489,230 tons; in 1911, 1,621,274 tons; in 1912, 1,688,597 tons; in 1913, 1,970,512 tons; in 1914, 1,585,166 tons; in 1915, 1,582,416 tons; in 1916, 1,930,578 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track	Locomotives Owned.*	Passenger Cars Owned.*	Freight and Company Cars.*	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.. ...	38	....	.....	.....	1	87%	82,255	1,363,074	239	$1.96	2.16c	.95c
1908.....	38	....	.....	.....	1	83	85,905	1,257,795	226	1.83	2.05	.91
1909.....	38	....	.....	.....	1	80	92,077	1,127,996	233	1.77	1.93	.85
1910	38	....	.....	.....	1	83	92,925	1,414,893	278	2.18	2.17	.91
1911	42	....	.....	.....	1	85	88,849	1,414,014	347	2.56	2.07	.95
1912	42	....	.....	.....	1	84	93,211	1,479,835	335	2.39	2.44	.90
1913.....	42	....	.....	.....	1	85	93,550	1,769,456	401	2.58	2.02	.82
1914.....	42	....	.....	.....	1	83	94,614	1,400,307	350	2.38	2.01	.90
1915.....	42	....	.....	.....	1	84	86,175	1,425,139	394	2.34	2.06	.89
1916.....	42	....	.....	.....	1	86	80,914	1,772,655	441	2.65	2.21	.89
10-Year Average	40	....	.....	.....	1	84%	89,048	1,412,516	324	$2.26	2.11c	.90c

* Equipment obtained through "equipment interchange."

Yard tracks and sidings, on June 30, 1916, 16.35 miles.

Comment: This is one of the subsidiary properties of the Reading Co., but is separately operated. The company has reported a steady growth in its freight density in recent years, and has practically doubled its average freight train load since 1907. Train mile earnings are also better today than in earlier years. The tonnage of this property is widely diversified, and the proportion of high grade freight is unusually heavy. Average freight rates, however, are low.

The foregoing table does not include any equipment statistics, as all equipment used on the road is owned by the Reading Company.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$15,000	$993	$184	$1,177	$3,596	$10,227	$10,257	$316	$9,941	$3,586	**64%**	$6,355	$2,763
1908	13,791	1,745	382	2,127	4,100	7,564	7,605	349	7,256	3,736	**49**	3,520	2,763
1909	11,990	1,351	38	1,389	3,785	6,816	6,863	326	6,539	3,880	**41**	2,657	2,763
1910	15,434	1,101	59	1,160	3,999	10,275	10,314	368	9,946	3,742	**62**	6,204	2,763
1911	15,802	2,341	63	2,404	4,972	8,426	8,454	380	8,074	3,455	**57**	4,619	2,500
1912	15,772	1,398	91	1,489	4,816	9,467	9,511	363	9,148	3,470	**62**	5,678	2,500
1913	16,936	1,953	43	1,996	5,245	9,695	9,774	423	9,351	3,579	**62**	5,772	2,500
1914	15,026	1,945	81	2,026	5,773	7,227	7,315	382	6,933	3,609	**48**	3,324	2,500
1915	15,003	1,800	251	2,051	5,386	7,566	7,617	365	7,252	3,521	**51**	3,731	15,000
1916	18,115	1,452	884	2,336	6,075	9,704	9,751	380	9,371	2,905	**69**	6,466	9,643
10-Year Average	$15,287	$1,608	$208	$1,816	$4,774	$8,697	$8,746	$365	$8,381	$3,548	**57%**	$4,833	$4,570

Note: The above table is based on the average mileage directly operated, whether owned or leased. "Margin of safety" is the proportion of surplus left after providing for all fixed charges. For example, in 1916 the "balance for charges" (per mile) was $9,371; fixed charges consumed $2,905, or 31%, leaving $6,466, a "margin of safety" of 69%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$760,826	$630,110	$631,113	$711,329	$662,412	$663,673	$586,474
Maintenance of way	60,970	75,620	81,722	82,018	58,698	98,307	41,827
Maintenance of equipment	37,156	10,528	3,396	1,827	3,830	2,652	2,264
All other operating expenses	255,125	226,205	242,456	220,286	202,270	208,819	151,958
Net operating revenues	$407,575	$317,757	$303,539	$407,198	$397,614	$353,895	$390,425
Operating ratio	46.4%	49.6%	52%	42.7%	40%	46.68%	33.43%
Other income	1,974	2,143	3,676	3,292	1,832	1,187	1,512
Total net income	$409,549	$319,900	$307,215	$410,490	$399,446	$355,082	$391,937
Taxes accrued	15,952	15,331	16,062	17,750	15,266	15,950	13,987
Balance for charges	$393,597	$304,569	$291,153	$392,740	$384,180	$339,132	$377,950
Fixed charges	122,021	147,873	151,583	150,305	145,752	145,095	142,199
Surplus over charges	$271,576	$156,696	$139,570	$242,435	$238,428	$194,037	$235,751
Dividends	*	*	*	105,000	*	*	*
Other deductions	10,385	8,763	22,623	15,330	†2,109	†33,273	117,324
Balance	$261,191	$147,933	$116,947	$122,105	$240,537	$227,310	$118,427
Earned on stock	18.1%	10.4%	9.3%	16.1%	15.8%	12.9%	15.7%

* Dividends $405,000 charged to profit and loss in 1916; $630,000 in 1915, and $105,000 each in 1912, 1911, and 1910.

† Reverse item.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $577,582; credit balance transferred from income, $261,191; unrefundable overcharges, $41; miscellaneous credits, $95; total, $838,909. Contra: Dividend appropriations of surplus, $405,000; miscellaneous debits, $252; credit balance carried to balance sheet, $433,657; total, $838,909.

Comment: The gross revenues on this property showed considerable improvement in 1916 and the net receipts were better than in recent years. The fixed charges are relatively light and therefore the company has usually reported a very substantial surplus on its stock. During the year just closed, this surplus was equal to over 18%.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.	Bonds Outstanding and Per Cent of Whole.	Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$39,474 44%	$50,647 56%	.....	$90,121	.....	$90,121*	11.4%	.....	.....	$2,763	7%	.....	57%
1908	39,474 44	50,647 56	.....	90,121	.....	90,121	8.4	.....	.....	2,763	7	.....	22
1909	39,474 44	50,647 56	.....	90,121	$66	90,055	7.6	.....	.....	2,763	7	.....	.....
1910	39,474 44	50,647 56	.....	90,121	66	90,055	11.5	.....	.....	2,763	7	.....	55
1911	35,714 44	45,824 56	.....	$1,538	60	$1,478	10.4	.....	.....	2,500	7	.....	46
1912	35,714 44	45,824 56	.....	$1,538	60	$1,478	11.7	.....	.....	2,500	7	.....	54
1913	35,714 44	45,824 56	.....	$1,538	60	$1,478	11.9	.....	.....	2,500	7	.....	57
1914	35,714 44	45,824 56	.....	$1,538	60	$1,478	9	.....	.....	2,500	7	.....	25
1915	35,714 44	45,824 56	.....	$1,538	69	$1,469	9.4	.....	.....	15,000	42	.....	.....
1916	35,714 44	45,764 56	.....	$1,478	69	$1,409	12	.....	.....	9,643	27	.....	.....
10-Year Average	$37,218 44%	$47,747 56%	.....	$84,965	$51	$84,914	10%	.....	.....	$4,570	12.5%	.....	....

Note: The above table is based on the average mileage directly operated whether owned or leased.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$3,603,500	$3,593,145	$3,584,412	$3,561,820	$3,546,521	$3,548,661
Working assets	482,610	613,799	1,100,176	1,084,816	957,905	827,926
Accrued income not due	144	.....	.....	.....	2,500	.....
Deferred credit items	103	66	.....	395	.....	.....
Total	$4,086,357	$4,207,010	$4,684,588	$4,647,031	$4,506,926	$4,376,587
Liabilities:						
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Funded debt	1,922,100	1,924,600	1,924,600	1,924,600	1,924,600	1,924,600
Working liabilities	68,341	28,849	32,899	29,924	28,484	25,444
Accrued liabilities	20,300	44,371	44,013	43,386	41,516	41,095
Deferred credit items	.....	34	.....	.....	.....	.....
Appropriated surplus	141,959	131,574	122,811	100,187	84,858	86,967
Profit and loss	433,657	577,582	1,060,265	1,048,934	927,468	798,481
Total	$4,086,357	$4,207,010	$4,684,588	$4,647,031	$4,506,926	$4,376,587

Comment: There were no capitalization changes on this property during the year ended June 30, 1916. The property is not heavily capitalized in view of its earning power, and it will be noted that during the past ten years the net income on net capital has invariably ranged at a high rate. The capital stock is all owned by the Reading Company, and in the past two years unusually heavy dividends have been paid to the latter company.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Perkiomen R. R. first 5s	QuJa	Ja 1918	(1st) 38	$21,060	$8,381	$711	92%	Very high	High	Aa.
2. Perkiomen R. R. second 5s	QuJa	Ja 1918	(2d) 38	30,000	7,670	1,340	83%	"	.....	A.

Note: Average income available is the annual average surplus per mile, after deducting taxes, for the ten years ended June 30, 1916. Interest requirements are present requirements. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $800,000; outstanding, $797,100. Dated Jan. 1, 1888; due Jan. 1, 1918. Int. Jan. 1, April 1, July 1 and Oct. 1, at Reading Terminal, Philadelphia, Pa. Coupon, $100, $500, and $1,000 each; registerable as to principal. First lien on the line from Perkiomen Junc. to Emaus Junc., Pa., 38.23 miles. Trustee: Pennsylvania Co. for Ins. on Lives and Granting Annuities, Philadelphia, Pa. Listed on Philadelphia Stock Exchange. Interest paid without deduction for normal income tax. Tax-free in Pennsylvania. Legal for S.B. in Maine.

2. Auth., $1,450,000; outstanding, $1,125,000. Dated Jan. 1, 1888; due Jan. 1, 1918. Int. Jan. 1, April 1, July 1, and Oct. 1, at office of the trustee, Pennsylvania Co. for Ins. on Lives and Granting Annuities, Philadelphia, Pa. Coupon, $1,000 each; registerable as to principal. Second lien on line from Perkiomen Junc. to Emas Junc., 38.23 miles, following No. 1. Listed on Philadelphia and London Stock Exchanges. Interest paid without deduction for normal income tax. Tax-free in Pennsylvania.

Capital Stock: Auth. and outstanding, $1,500,000, all owned by the Reading Company, and except the shares reserved to qualify directors, is pledged under the Reading's Jersey Central collateral trust deed. Dividends paid, 7% per annum. In 1915, an extra dividend of 35% was paid out of surplus. In 1916 20% extra was paid from surplus. Par, $50. REGISTRAR AND TRANSFER AGENT, Frederick Reel, Philadelphia.

THE PHILADELPHIA & CHESTER VALLEY RAILROAD COMPANY

Origin: Incorporated under laws of Pennsylvania, March 7, 1888, as successor to the Chester Valley R.R. Co. Controlled by Reading Company through ownership of majority of capital stock.

Location: Bridgeport to Downingtown, Pa., with branch to Cedar Hollow, 23.96 miles; sidings, 4.84 miles.

Management: OFFICERS: Agnew T. Dice, Pres.; John F. Auch, Vice-Pres.; H. E. Paisley, Treas.; Geo. Ziegler, Sec., Philadelphia, Pa. DIRECTORS: James M. Landis, Charles Heebner, Chas. H. Ewing, Edwin F. Smith, John F. Auch, W. H. White, Philadelphia. OFFICE, Reading Terminal, Philadelphia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$95,770	$83,296	$83,434	$85,823	$82,690	$83,028	$83,679
Operating expenses	77,001	73,716	62,982	63,782	54,396	50,846	53,952
Net operating revenues	$18,769	$9,580	$20,452	$22,041	$28,294	$32,182	$29,727
Operating ratio	80.6%	88.5%	75.5%	74.3%	65.8%	61.3%	64.5%
Other income	163	752	580	622	116	201	164
Total net income	$18,932	$10,332	$21,032	$22,663	$28,410	$32,383	$29,891
Taxes accrued	1,512	1,750	1,448	1,650	1,549	1,415	1,619
Fixed charges, etc.	27,550	38,475	33,083	30,812	27,200	28,381	29,420
Balance	def.$10,130	def.$29,893	def. $13,499	def.$9,798	def.$338	$2,587	def.$1,148

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $99,759. Contra: Debit balance at beginning of year, $88,108; debit balance transferred from income, $10,130; loss on retired road and equipment, $1,521; total, $99,759

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,117,051	$1,115.045	$1,104,635	$1,104,655	$1,104,156	$1,104,138
Working assets	.....	.....	.....	.....	4,092	4,552
Deferred debit items	14	.....	29	.....	.....	.....
Profit and loss	99,759	88,108	57,536	42,789	32,991	32,670
Total	$1,216,824	$1,203,153	$1,161,500	$1,147,444	$1,141,239	$1,141,360
LIABILITIES:						
Capital stock	$755,100	$755,100	$755,100	$755,100	$755,100	$755,100
Funded debt	380,510	380,510	380,510	380,510	380,510	380,510
Working liabilities	62,967	51,229	547	667	628	688
Accrd. liabilities not due	5,131	5,205	25,343	3,555	5,001	5,062
Appropriated surplus	13,116	11,109	.....	7,612	.....	.....
Total	$1,216,824	$1,203,153	$1,161,500	$1,147,444	$1,141,239	$1,141,360

Bonded Debt: (1) $280,510 preferred 1st 4s, dated April 2, 1888; due April 1, 1938; int. April 1 and Oct. 1, at Reading Terminal, Philadelphia, Pa. Coupon, $500 each; fully registered. Guar. prin. and int. by the Reading Co., which owns $25,000 of the bonds, secured by first liens on the lines shown above, 23.96 miles. These bonds are prior in lien to the non-preferred. TRUSTEE, Pennsylvania Co. for Ins. on Lives and Granting Annuities, Philadelphia, Pa. Interest paid without deduction for normal income tax. Tax-free in Pennsylvania. Legal for S. B. in Maine. Net Rating, Aa.

(2) $100,000 non-preferred 1st 3s, dated April 2, 1888; due April 1, 1938; int. April and Oct. 1, at Reading Terminal, Philadelphia, Pa. Coupon, $500 each; fully registered. Guar. prin. and int. by the Reading Co., which owns $47,000 of the bonds. Secured subject to preferred bonds on the lines shown above, 23.96 miles. TRUSTEE, Pennsylvania Co. for Ins. on Lives and Granting Annuities. Interest paid without deduction for normal income tax. Tax-free in Pennsylvania. Net Rating, A.

Capital Stock: Outstanding: preferred, $205,100; common, $550,000—total, $755,100, of which the Reading Company owns all the preferred stock and $489,300 of the common stock. Shares, $50: TRANSFER OFFICE, Reading Terminal.

THE PHILADELPHIA, NEWTOWN & NEW YORK RAILROAD COMPANY

Origin: Incorporated under laws of Pennsylvania, Jan. 29, 1873. Road opened for traffic to Newtown in 1878. In 1892 it acquired the lines of the Philadelphia & Newtown Connecting R.R. Co. Controlled by Reading Company through ownership of majority of capital stock.

Location: Line of road: Philadelphia to Newtown, Pa., 22.22 miles; second track, 3.5 miles; third track, 2.16 miles; siding, 4.87 miles.

Management: OFFICERS: Agnew T. Dice, Pres.; John F. Auch, Vice-Pres.; H. E. Paisley, Treas.; Geo. Ziegler, Sec.; W. H. White, Compt., Philadelphia, Pa.; C. H. Ewing, Gen. Mgr.; J. E. Turk, Gen. Supt., Reading, Pa. DIRECTORS: Smith Harper, Jas. M. Landis, E. T. Stotesbury, J. E. Widener, E. F. Smith, C. H. Ewing, J. F. Auch, Philadelphia, Pa.; E. B. Crosley. OFFICE, Reading Terminal, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$178,620	$165,883	$166,345	$160,350	$155,681	$149,762	$149,940
Operating expenses	175,019	170,813	191,455	170,623	132,675	126,547	112,174
Net operating revenues	$3,601	def.$4,930	def. $25,110	def.$10,273	$23,006	$23,215	$37,766
Operating ratio	98%	103.0%	115.1%	106.4%	85.2%	84.5%	74.8%
Other income	28,913	30,116	28,654	18,667	28,972	28,371	28,580
Total net income	$32,514	$25,186	$3,544	$18,394	$51,978	$51,586	$66,346
Taxes accrued	3,392	3,796	3,696	113,519	3,337	3,282	4,570
Fixed charges, etc	103,839	203,586	232,922		108,818	94,312	97,435
Balance	def.$74,717	def.$182,196	def.$233,074	def.$95,125	def.$60,177	def.$46,008	def.$35,659

Profit and Loss Account, year ended June 30, 1916: Unrefundable overcharges, $12; donations, $1,122; miscellaneous credits, $3; debit balance carried to balance sheet, $1,372,823; total, $1,373,960. Contra: Debit balance at beginning of year, $1,299,199; debit balance transferred from income, $74,717; loss on retired road and equipment, $44; total, $1,373,960.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,624,008	$3,595,437	$3,490,576	$3,346,186	$3,329,856	$3,312,365
Working assets	40,262	50,774	39,529	51,071	31,058	37,948
Deferred debit items	2,760	74	.....	.....	.....	.....
Profit and loss	1,372,823	1,299,199	1,121,775	825,701	746,908	704,240
Total	$5,039,853	$4,945,484	$4,651,880	$4,222,958	$4,107,822	$4,054,553
LIABILITIES:						
Capital stock	$1,625,000	$1,625,000	$1,625,000	$1,625,000	$1,625,000	$1,625,000
Funded debt	1,599,000	1,599,700	1,599,000	1,599,000	1,600,000	1,600,000
Working liabilities	1,478,323	1,399,958	1,211,873	978,119	861,996	808,624
Accrd. liabilities not due	20,962	21,029	20,872	20,839	20,826	20,929
Deferred credit items	8	11	.....	.....	.....	.....
Appropriated surplus	316,560	299,786	195,135	.....	.....	.....
Total	$5,039,853	$4,945,484	$4,651,880	$4,222,958	$4,107,822	$4,054,553

Bonded Debt: $1,599,000 Philadelphia, Newtown & N. Y. R.R. 1st 5s and 3s, dated Oct. 1, 1892; due Oct. 1, 1942; int. April 1 and Oct. 1, at Reading Terminal, Philadelphia, Pa. Issued as 5% bonds, but the rate has been reduced to 3% on $507,000, and these reduced interest bonds are guaranteed, principal and interest, by Reading Company, besides being preferred as to interest. The remaining $1,092,000 are 5% bonds, unguaranteed. Coupon bonds, $1,000 each; registerable as to principal. The Reading Company owns $1,096,200 of the bonds of which $849,100 are pledged under its general mortgage. Listed on Philadelphia Stock Exchange. Interest payable without deduction for normal income tax. Tax-free in Pennsylvania. Net Rating, (3s) Aa. (5s) Ba.

Capital Stock: Outstanding: preferred, $400,000; common, $1,225,000—total, $1,625,000, of which the Reading Company owns $375,000 of the preferred, and $625,600 of the common stock. Shares, $50. REGISTRAR OF STOCK AND TRANSFER AGENT, F. Reel. Annual meeting, second Monday in October, at Philadelphia, Pa. Listed on Philadelphia Stock Exchange.

THE PORT READING RAILROAD COMPANY

Origin: Incorporated under the laws of New Jersey, Nov. 5, 1890. Road opened for traffic in September, 1892. Controlled by the Reading Company through ownership of entire capital stock.

Location: Port Reading Junction near Bound Brook to Port Reading, N. J., with branch to Woodbridge, 21.16 miles; sidings, 50.2 miles.

Management: OFFICERS: Agnew T. Dice, Pres.; J. F. Auch, Vice-Pres.; H. E. Paisley, Treas.; Geo. Ziegler, Sec.; J. V. Hare, Asst. Sec.; W. H. White, Compt., Philadelphia, Pa. DIRECTORS: W. H. White, R. L. Russell, A. T. Dice, J. M. Landis, W. G. Brown, J. F. Auch, Philadelphia, Pa.; Frank Bateman, Grenloch, N. J.; Nathan Francis, H. C. Felton, Camden, N. J.; Wm. I. Brocklehurst, Laurel Springs, N. J.; Chas. H. Ewing, Philadelphia, Pa.; H. B. Garwood, Williamstown, N. J.; J. F. Dorrance, Camden, N. J. OFFICE, Camden, N. J.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,804,075	$1,517,847	$1,335,956	$1,606,037	$1,337,023	$1,264,243	$1,166,253
Operating expenses	997,449	742,766	625,390	560,712	514,689	438,452	415,286
Net operating revenues	$806,626	$775,081	$710,566	$1,045,325	$822,334	$825,791	$750,967
Operating ratio	55.3%	48.9%	46.8%	34.9%	38.5%	34.7%	35.6%
Outside operations	.....	.....	55,049	82,496	50,910	64,924	47,487
Other income	123,438	17,923		15,616	12,181		120
Total net income	$930,064	$793,004	$765,615	$1,147,213	$885,425	$890,715	$798,574
Taxes accrued	110,000	132,000	174,000	121,497	91,800	43,703	33,000
Fixed charges	*619482	*525,318	508,267	446,650	422,277	387,216	338,063
Dividends paid	*	*	240,000	240,000	240,000	240,000	240,000
Balance	$200,582	$135,686	df $156,652	$339,056	$131,343	$219,796	$187,511

* Includes appropriations for property. Dividends of $640,000 paid from surplus in 1915, and $400,000 in 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $812,127; credit balance transferred from income, $200,582; donations, $115; miscellaneous credits, $2,268; total, $1,015,092. Contra: Dividend appropriations of surplus, $400,000; credit balance carried to balance sheet, $615,092; total, $1,015,092.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$4,087,303	$4,018,568	$3,969,594	$3,888,805	$3,869,116	$3,840,268
Working assets	514,679	617,965	1,105,935	1,286,048	1,001,204	835,164
Deferred debit items...	1,717	843	.....	19,103	.....	.....
Total	$4,603,699	$4,637,376	$5,075,529	$5,193,956	$4,870,320	$4,675,432
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Working liabilities	100,986	38,366	38,366	38,366	38,366	38,366
Accrd. liabilities not due	91,984	59,981	42,794	.....	35,908	1,211
Deferred credit items..	.....	.....	.....	.....	250	250
Appropriated surplus...	295,637	226,902	177,928	95,189	74,449	45,601
Profit and loss.....	615,092	812,127	1,316,441	1,560,401	1,221,347	1,090,004
Total	$4,603,699	$4,637,376	$5,075,529	$5,193,956	$4,870,320	$4,675,432

Bonded Debt: $1,500,000 Port Reading R.R. 1st 5s, dated Jan. 1, 1891; due Jan. 1, 1941; int. Jan. 1 and July 1, at Reading Terminal, Philadelphia, Pa. Coupon, $1,000; registerable. Trustee: Pennsylvania Co. for Ins. on Lives and Granting Annuities, Philadelphia, Pa. Secured on 21.16 miles of road. Listed on Philadelphia Stock Exchange. Interest payable without deduction for normal income tax. Tax-free in New Jersey. Legal for S. B. in Maine.
Net Rating, Aa.

Capital Stock: Auth. and outstanding, $2,000,000, all owned by the Reading Company. Shares, $100. TRANSFER AGENT, Frederick Reel, Reading Terminal, Philadelphia, Pa. Annual meeting, second Monday in October, at Camden, N. J. Books do not close in advance. Dividends 12% per annum paid in fiscal years 1909 to 1915, inclusive; extra dividend of 20% paid out of surplus in 1915. Regular dividend of 10% and extra dividend of 10% paid out of surplus in 1916.

READING & COLUMBIA RAILROAD COMPANY

Origin: Incorporated under laws of Pennsylvania, May 19, 1857. Road opened for traffic in April, 1864. Company controls the Reading, Marietta & Hanover R.R. Co. through stock ownership. Controlled by Reading Company through ownership of majority of the capital stock.

Location: Columbia to Sinking Springs, Pa., with branches to Lancaster, Mount Hope, Chickies, Pa., etc., 60.19 miles; sidings, 18.5 miles. Equipment: locomotives, 1; cars, 6.

Management: OFFICERS: Agnew T. Dice, Pres.; John F. Auch, Vice-Pres.; H. E. Paisley, Treas.; Geo. Ziegler, Sec.; W. H. White, Compt., Philadelphia, Pa.; C. H. Ewing, Gen. Mgr.; J. E. Turk, Gen. Supt., Reading, Pa. DIRECTORS: C. H. Ewing, E. F. Smith, J. F. Auch, E. J. Weeks, John J. Evans, Philadelphia, Pa.; B. F. Hiestand, Marietta, Pa.; Wm. N. Appel, Lancaster, Pa.; H. L. Haldemann, Chickies, Pa.; Geo. D. Horst. OFFICE, Reading Terminal, Philadelphia, Pa .

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$426,302	$367,791	$387,609	$390,780	$361,570	$352,871
Operating expenses....	345,658	314,673	323,056	281,546	262,206	263,424
Net oper. revenues.	$80,644	$53,118	$64,553	$109,234	$99,364	$89,447
Operating ratio	81%	85.6%	83.4%	72%	72.5%	74.7%
Other income	3,301	*3,824	2,010	3,348	2,488	709
Total net income...	$83,945	$49,294	$66.563	$112,582	$101,852	$90,156
Taxes accrued	3,872	3,415	3,366	176,607	5,293	4,928
Fixed charges, etc.....	171,471	155,446	184,562	.....	172,318	175,332
Balance	def.$91,398	def.$109,567	def.$121,365	def.$64,025	def.$75,790	def.$90,105

* Debit item.

Profit and Loss Account, year ended June 30, 1916: Donations, $278; miscellaneous credits, $736; debit balance carried to balance sheet, $2,629,881; total, $2,630,895. Contra: Debit balance at beginning of year, $2,537,610; debit balance transferred from income, $91,398; loss on retired road and equipment, $1,053; miscellaneous debits, $834; total, $2,630,895.

Comparative Condensed Ba'ance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$2,485,826	$2,476,456	$2,478,360	$2,451,064	$2,438,405	$2,414,404
Working assets	69,796	100,850	44,648	32,148	25,859	20,515
Deferred debit items...	63	.....	.....	.....	.....	9,765
Profit and loss.....	2,629,881	2,537,610	2,424,973	2,232,900	2,182,017	2,122,243
Total	$5,185,566	$5,114,916	$4,947,981	$4,716,112	$4,646,281	$4,566,927

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$958,373	$958,373	$958,373	$958,373	$958,373	$958,373
Funded debt	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Working liabilities	2,099,495	2,046,775	1,886,723	1,736,719	1,668,854	1,579,867
Accrd. liabilities not due	21,560	21,292	21,310	21,020	19,054	23,687
Appropriated surplus..	106,138	88,476	81,575	.....	.....	.....
Total	$5,185,566	$5,114,916	$4,947,981	$4,716,112	$4,646,281	$4,566,927

Bonded Debt: $850,000 Reading & Columbia R.R. 1st cons. 4s, dated Mar. 1, 1912; due Mar. 1, 1962. Int. paid Mar. 1 and Sept. 1, at Reading Terminal, Philadelphia, Pa. Coupon, $1,000 each; registerable as to principal only. Secured on the line from Sinking Springs to Lancaster, Pa., 54.03 miles. Guar. prin. and int. by Reading Company, by endorsement. Trustee: Pennsylvania Co. for Ins. on Lives and Granting Annuities, Philadelphia. Interest payable without deduction for normal income tax. Tax-free in Pennsylvania. The Reading Company owns $698,000 of issue. Net Rating, Aa.

Capital Stock: Outstanding, $958,373, of which the Reading Company owned $788,200. Shares, $50. TRANSFER AGENT, secretary of the company. Annual meeting, second Monday in January, at Philadelphia, Pa. Books do not close in advance. No dividends.

STONY CREEK RAILROAD COMPANY

Origin: Incorporated under laws of Pennsylvania, April 14, 1868, and opened for traffic in 1874. Controlled by Reading Company through ownership of capital stock.

Location: Line of road: Norristown to Lansdale, Pa., 10.22 miles; sidings, 3.92 miles.

Management: OFFICERS: A. T. Dice, Pres.; J. F. Auch, Vice-Pres.; H. E. Paisley, Treas.; Geo. Ziegler, Sec.; W. H. White, Compt., Philadelphia, Pa.; C. H. Ewing, Gen. Mgr.; J. E. Turk, Gen. Supt., Reading, Pa. DIRECTORS: E. F. Smith, C. H. Ewing, J. M. Landis, R. J. Montgomery, J. F. Auch, E. J. Weeks, Philadelphia, Pa.; J. P. H. Jenkins, W. H. Slingluff, Montgomery Evans, Norristown, Pa.; O. G. Morris, Line Lexington, Pa. OFFICE, Reading Terminal, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$75,941	$61,524	$68,652	$82,923	$82,044	$91,070	$86,844
Operating expenses	57,100	44,659	52,780	43,749	43,423	48,139	45,296
Net operating revenues...	$18,841	$16,865	$15,872	$39,174	$38,621	$42,931	$41,548
Operating ratio	75%	72.6%	65%	52.7%	52.9%	52.9%	52.2%
Other income	1,592	1,275	1,978	1,482	1,957	907	1,865
Total net income.....	$20,433	$18,140	$17,850	$40,656	$40,578	$43,838	$43,413
Taxes accrued	1,016	1,098	1,016	24,968	1,233	1,234	1,277
Fixed charges, etc.....	28,275	28,495	26,746	.....	27,125	27,919	26,845
Balance	*$8,858	*$11,453	*$9,912	$15,688	$12,220	$14,685	$15,292

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $565,705; unrefundable overcharges, $16; total, $565,721. Contra: Debit balance at beginning of year, $556,840; debit balance transferred from income, $8,858; miscellaneous debits, $23; total, $565,721.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$553,451	$542,244	$536,712	$542,375	$542,113	$540,233
Working assets.....	15,648	16,245	9,937	32,324	23,072	18,993
Deferred debit items...	150	8	.....	.....	.....	.....
Profit and loss.....	565,705	556,840	545,392	529,881	545,569	559,668
Total	$1,134,954	$1,115,337	$1,092,041	$1,104,580	$1,110,754	$1,118,894
LIABILITIES:						
Capital stock.....	$176,985	$176,985	$176,985	$176,985	$176,985	$176,985
Funded debt.....	353,000	353,000	353,000	353,000	353,000	353,000
Working liabilities.....	578,700	570,576	557,856	573,888	576,552	584,652
Accrd. liabilities not due	4,486	4,193	4,200	707	4,217	4,257
Deferred credit items..	8	15	.....	.....	.....	.....
Appropriated surplus...	21,775	10,568	.....	.....	.....	.....
Total	$1,134,954	$1,115,337	$1,092,041	$1,104,580	$1,110,754	$1,118,894

Bonded Debt: $350,000 Stony Creek R.R. 1st 4s, dated Oct. 2, 1872; due Oct. 1, 1907, extended to Oct. 1, 1957, at 4% per annum; int. payable April 1 and Oct. 1, at Reading Terminal, Philadelphia, Pa. Guar. prin. and int. by the Phila. & Reading R.R. Reading Co. owns $327,500 of the bonds. First lien on 10.22 miles as above. TRUSTEE, Fidelity Trust Co., Philadelphia, Pa. Interest payable without deduction for normal income tax. Tax-free in all States. Legal for S. B. in Maine. Net Rating, Aa.

Capital Stock: Auth., $300,000; outstanding, $176,985, of which the Reading Co. owns $110,900. Shares, $50. No dividends. TRANSFER AGENT, F. Reel. Annual meeting, third Monday in Jan., at Philadelphia, Pa.; books do not close in advance.

THE WILLIAMS VALLEY RAILROAD COMPANY

Origin: Incorporated under laws of Pennsylvania, Sept. 18, 1891. Road opened for traffic in July, 1892. Controlled by Reading Company through ownership of majority of capital stock.

Location: Williams Valley Junc. to Lykens, Pa., 11.04 miles; sidings, 1.07 miles.

Management: OFFICERS: A. T. Dice, Pres.; John F. Auch, Vice-Pres., Philadelphia, Pa.; H. E. Paisley, Treas.; Geo. Ziegler, Sec.; W. H. White, Compt., Philadelphia, Pa.; C. H. Ewing, Gen. Mgr.; J. E. Turk, Gen. Supt., Reading Pa. DIRECTORS: W. J. Durkin, Williamstown, Pa.; Isaac Mossop, Wisconisco, Pa.; Edward Lebo, Lykens, Pa.; C. M. Kaufman, Tower City, Pa.; R. L. Russell, E. F. Smith, C. K. Klink, C. H. Ewing, Philadelphia, Pa. OFFICE, Reading Terminal, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$39.017	$34,138	$36.390	$34.614	$29.183	$29.365	$32.588
Operating expenses	34,564	27,278	28,313	25,133	23,372	22,218	20,559
Net operating revenues	$4.453	$6.860	$8.077	$9,481	$5,811	$7,147	$12,031
Operating ratio	88.7%	79.9%	77.8%	72.9%	80.1%	75.6%	63.1%
Other income	492	514	252	228	220	229	220
Total net income	$4,945	$7,374	$8,329	$9,709	$6,031	$7,367	$12.251
Taxes accrued	670	550	550 }	9,997	587 }	660	660
Fixed charges	9,351	12,123	10,411 }		9,591 }	9,963	12,050
Balance (deficit)	$5,076	$5,299	$2,632	$288	$4,148	$3,256	$459

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $37,695; miscellaneous credits, $10; total, $37,705. Contra: Debit balance at beginning of year, $32,629; debit balance transferred from income, $5,076; total, $37,705.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$207.969	$211.569	$211,750	$211,526	$211,433	$211,313
Working assets	6,948	5,548	9,485	4,550	4,302	3,350
Deferred debit items	18	12	.....	.....	.....	.....
Profit and loss	37,695	32,629	27,330	21,420	21,408	17,806
Total	$252,630	$249,758	$248,565	$237,496	$237,143	$232,469
LIABILITIES:						
Capital stock	$89.900	$89.900	$89.900	$89.900	$89.900	$89.900
Funded debt	120.000	120.000	120.000	120.000	120.000	120.000
Working liabilities	37.780	35.072	33.811	26.826	25.937	21.259
Accrd. liabilities not due	1.131	1.103	1.171	770	1,306	1,310
Appropriated surplus	3,819	3,683	3,683	.....	.....	.....
Total	$252,630	$249,758	$248,565	$237,496	$237,143	$232,469

Bonded Debt: $120.000 Williams Valley R.R. gen. 5s, dated Dec. 1, 1904; due Dec. 1, 1924; int. June 1 and Dec. 1, at Tower City National Bank, Tower City, Pa. Coupon, $500. Trustee, United Security, Life Insurance and Trust Co., Philadelphia, Pa. Reading Co. owns $10,000 of these bonds. Interest payable without deduction for normal income tax. Tax-free in Pennsylvania. Rating, B.

Capital Stock: Auth., $120,000; outstanding, $89,900, of which the Reading Co. owns $48,750. Shares, $50. No dividends. TRANSFER AGENT, F. Reel, Philadelphia, Pa. Annual meeting, second Monday in January, at Tower City, Pa.; books do not close in advance.

Other Companies Controlled: In addition to the foregoing, the Reading Company controls a number of other small independently operated companies, practically all the securities of which it holds. Among these are the Chester & Delaware River R.R., 5.72 miles; Middletown and Hummelstown R.R., 6.56 miles; Pickering Valley R.R., 11.15 miles; Rupert & Bloomsburg R.R., 1.65 miles; Tamaqua, Hazleton & Northern R.R., 10.40 miles. Also owns all the stock of the Reading Iron Company.

RICHMOND-WASHINGTON COMPANY

Origin: Incorporated under laws of New Jersey, Sept. 5, 1901. Company is a holding corporation, and controls a majority of the voting capital stock of the Richmond, Fredericksburg & Potomac R.R., and all of the capital stock of the Washington-Southern Ry. These properties embrace the so-called Union Line between Washington, D. C., and Richmond, Va., the stock of the company being equally owned by the Pennsylvania R.R., the Baltimore & Ohio R.R., the Atlantic Coast Line R.R., Southern Ry., Seaboard Air Line Ry., and Chesapeake & Ohio Ry.

Management: Samuel Rea, Pres.; A. J. County, Sec.; H. P. Conner, Treas., Philadelphia, Pa. DIRECTORS: Samuel Rea, Philadelphia; R. H. Groff, Berlin, N. J.; Henry Walters, New York; Fairfax Harrison, Washington, D. C.; W. J. Harahan, Norfolk, Va.; Daniel Willard, Baltimore, Md.; G. W. Stevens, Richmond, Va. OFFICE, 26 Exchange Place, Jersey City, N. J.

Comparative Income Account, Years Ended December 31

	1915	1914	1913	1912	1911	1910
Gross revenues	$671,161	$423,461	$456,118	$440.237	$476.891	$514.718
Chrgs., inc. taxes & div.	517,089	406,470	407,446	386,463	491,503	493,797
Balance	$154,072	$16,991	$48,672	$53,774	def. $14,612	$20,921

Bonded Debt: $10,000,000 Richmond-Washington Co. guaranteed collateral trust mortgage gold 4s, due June 1, 1943, int. June and Dec. 1, at office of trustee, New York Trust Co., New York, N. Y.; the bonds are dated as follows: Series A, Aug. 15, 1903, and Nov. 16, 1903; Series B, June 1, 1904; Series C, June 1, 1905; Series D, Dec. 1, 1906, and Series E, Dec. 1, 1912. Coupon, $1,000, registered, $1,000 and multiples. Interchangeable. Auth., $11,000,000 to be secured by deposit of stocks and bonds of a total par value of $12,447,200, as follows: $947,200 of the capital stock and $3,500,000 of the gen. mtge. 3½s of the Richmond, Fredericksburg & Potomac R.R. Co.; $4,000,000 capital stock and $4,000,000 1st mtge. 4s of the Washington-Southern Ry. Co. The $10,000,000 of outstanding bonds are secured by deposit of $947,200 capital stock, dividend obligations amounting to $828,800 and $2,680,000 gen. mtge. bonds of the Richmond, Fredericksburg & Potomac R.R. Co.; and $4,000,000 capital stock and $4,000,000 1st mtge. bonds of the Washington-Southern Ry. Co. The remaining $1,000,000 of the bonds may be issued at any time, when the rest of the collateral provided for in the deed of trust must be deposited with the trustee. The $10,000,000 issue, of which $4,000,000 are Series A, $2,500,000 series B, $2,000,000 series C, $1,000,000 series D, and $500,000 series E are redeemable on any interest day at 105 and interest. The remaining $1,000,000 maye be issued in series at such rate of interest as the directors may determine, and the bonds will be redeemable five years after their date, or on any subsequent interest day, at 105 and interest. Guar. as to prin. and int., by indorsement, by the six proprietary companies, jointly and severally. Interest payable without deduction for normal income tax.
Net Rating, Aaa.

Capital Stock: Auth., $3,000,000; paid in, $2,670,000. Shares, $100. Dividends are payable at Philadelphia, Pa. Dividends have been paid as follows: 1902, 3%; 1903 to 1905, inclusive, 4% each; 1906 and 1907, none; 1908 to date, 4% each year. Stock is owned equally by six companies mentioned above. TRANSFER AGENT, C. T. Mason, Jersey City, N. J. Annual meeting, third Monday in February, at Jersey City, N. J.

RICHMOND, FREDERICKSBURG & POTOMAC RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definition and Key to Ratings, see pages 19-26.

Origin: Incorporated June 20, 1834, under laws of Virginia, and first opened for traffic in 1871. The company owns the terminal in the city of Richmond jointly with the Atlantic Coast Line R.R., and its branch from Acca, Va., to the James River is also owned partly by the Atlantic Coast Line R.R. The company leases the "Richmond, Fredericksburg & Potomac and Richmond & Petersburg Railroad Connection Co," which it operates. Connects with the Washington Southern Ry. at Quantico June.

Location: The directly operated lines of the Richmond, Fredericksburg & Potomac R.R. Co. consist of 87.68 miles, as follows: Maine line, Richmond, Va., to Quantico, Va., 78.65 miles; James River branch, 3.27 miles; operated under lease and traffic rights, 5.76 miles. At Quantico the Washington Southern Ry. connects and thus forms remainder of line to Washington. Population of Virginia in 1890, 1,665,980; in 1900, 1,854,184; in 1910, 2,061,612.

Control: The company is controlled by the Richmond-Washington Company, which owns $947,200 out of $1,316,000 voting common stock of the company, and also all the stock of the Washington Southern Ry.

Management: OFFICERS: W. H. White, Pres.; W. D. Duke, Asst. to Pres.; Norman Call, Sec. and Asst. Treas.; D. K. Kellogg, Treas. and Asst. Sec. DIRECTORS: Henry Walters, L. T. Myers, J. Taylor Ellyson, Geo. W. Stevens, W. J. Harahan, Samuel Rea, Wm. H. White, Daniel Willard. Annual meeting, third Monday in November. MAIN OFFICE, Richmond, Va.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	16.61%	22.14%	23.74%	22.46%	22.54%	21.00%	20.67%	21.93%	24.61%	20.20%
Products of Animals	.81	1.23	1.48	1.20	1.78	1.51	1.39	1.63	1.67	1.58
Products of Mines	7.22	10.39	14.54	15.73	14.56	17.70	19.18	18.17	24.02	22.18
Products of Forests	29.41	30.15	27.18	25.20	24.97	22.11	26.13	23.72	21.02	23.52
Manufactures	15.25	14.27	11.28	13.05	14.44	15.96	15.77	16.40	17.60	21.52
Merchandise and Miscel	30.64	21.82	21.78	22.36	21.71	21.72	16.86	18.15	11.08	11.00

Total revenue tonnage, year ended June 30, 1909, 1,685,132 tons; 1910, 1,900,776 tons; 1911, 1,814,781 tons; 1912 2,040,988 tons; 2,436,194 tons in 1913; 2,453,991 tons in 1914; 2,408,170 tons in 1915; 2,772,310 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	83	78	46	57	266	56%	348,134	1,518,714	231	$1.91	2.30c	.91c
1908	83	78	52	55	571	53	376,352	1,342,582	223	1.94	2.30	.96
1909	83	78	52	54	568	55	384,200	1,437,149	232	2.01	2.20	.93
1910	83	78	50	56	562	56	417,165	1,597,118	242	2.04	2.25	.97
1911	88	78	49	60	564	52	451,752	1,536,492	221	1.97	2.28	.96
1912	88	80	49	60	593	51	481,287	1,707,586	246	1.98	2.36	.94
1913	88	80	54	61	631	55	500,012	1,910,599	287	2.20	2.32	.95
1914	88	79	51	47	681	53	508,426	1,938,734	286	2.18	2.31	.94
1915	88	79	52	46	651	52	462,816	1,845,428	294	2.27	2.42	.94
1916	88	79	55	52	745	53	561,201	2,202,701	334	2.52	2.26	.92
10-Year Average	86	79	51	55	584	54%	449,138	1,703,710	260	$2.10	2.30c	.94c

Yard tracks and sidings, June 30, 1916, 75.81 miles.

Comment: Both freight and passenger density underwent sharp increases on this property during the year ended June 30, 1916. The average freight train load was also far higher than previously, and there was some improvement in the train mile earnings. It will be noted that the freight tonnage of this property is very widely diversified, the company not depending primarily on any particular type of business for its tonnage. During the year just closed the high grade freight, such as manufactures and miscellaneous articles represented nearly 33% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$23,877	$2,990	$3,072	$6,062	$10,241	$7,574	$7,635	$30	$7,605	$1,278	83%	$6,327	$3,523
1908	24,134	3,820	3,953	7,773	9,418	6,943	6,943	34	6,909	2,037	70	4,872	3,916
1909	24,413	3,482	3,068	6,550	9,082	8,781	8,781	37	8,744	1,652	80	7,092	3,916
1910	28,091	4,145	3,105	7,250	9,815	11,026	11,072	43	11,029	3,085	81	8,944	3,916
1911	27,115	3,503	2,964	6,467	10,359	10,289	10,377	196	10,181	2,105	79	8,076	3,697
1912	29,211	3,759	3,520	7,279	11,704	10,228	10,367	116	10,251	2,748	74	7,503	3,694
1913	33,734	3,703	3,667	7,370	13,221	13,143	13,333	560	12,773	3,592	72	9,181	3,760
1914	33,830	3,616	3,885	7,501	14,046	12,283	12,358	1,039	11,319	3,893	66	7,426	3,694
1915	33,043	2,944	4,215	7,159	13,895	11,989	13,981	1,058	12,923	5,740	56	7,183	3,298
1916	37,788	2,789	4,179	6,968	13,929	16,891	18,770	1,272	17,498	5,858	66	11,640	24,741
10-Year Average	$29,524	$3,475	$3,563	$7,038	$11,571	$10,915	$11,362	$439	$10,923	$3,199	73%	$7,824	$5,816

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after providing for all fixed charges. For example, in 1916 the "balance for charges" (per mile) was $17,498; fixed charges consumed $5,858, or 34%, leaving $11,640, a "margin of safety" of 66%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,325,324	$2,907,625	$2,961,822	$2,965,178	$2,575,535	$2,386,616	$2,331,548
Maintenance of way	245,391	259,106	318,251	325,857	330,850	308,243	344,042
Maintenance of equipment	367,745	370,905	341,844	322,697	309,670	260,887	257,735
All other operating expenses	1,225,776	1,222,752	1,236,028	1,163,447	1,034,800	912,264	814,615
Net operating revenues	$1,486,412	$1,054,862	$1,065,699	$1,153,177	$900,215	$905,222	$915,156
Operating ratio	55.3%	63.72%	64%	61%	65%	62%	61%
Other income	165,345	175,435	21,788	20,163	11,197	7,869	3,797
Total net income	$1,651,757	$1,230,297	$1,087,487	$1,173,340	$911,412	$913,091	$918,953
Taxes accrued	111,926	93,067	91,430	49,309	10,184	17,222	3,529
Balance for charges	$1,539,831	$1,137,230	$996,057	$1,124,031	$901,228	$895,869	$915,424
Fixed charges	515,462	505,161	342,590	316,034	243,815	185,291	173,043
Surplus over charges	$1,024,369	$632,069	$653,467	$807,997	$657,413	$710,578	$742,381
Dividends paid	*	290,209	325,044	330,850	325,044	325,044	325,044
Other deductions	430,167	201,919	220,880	270,614	204,213	204,396	301,211
Balance	$594,202	$139,941	$107,543	$206,533	$128,156	$181,138	$116,126
Earned on stock (all issues)	18.9%	17.5%	18.1%	22.4%	18.2%	19.7%	20.5%

* Dividends paid from surplus in 1916.

Fixed charges include rentals, interest, etc. Dividends include 9% on all the classes of stock. This includes $1,316,900 of voting common; $3,600,100 of non-voting; $481,100 guaranteed 7% stock, and $19,300 guaranteed 6% stock. Payments have been made at equal rate on all classes for many years.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $1,193,377; credit balance transferred from income, $594,202; unrefundable overcharges, $516; miscellaneous credits, $999,460; total, $2,787,555. Contra: Dividend appropriations of surplus, $2,177,184; miscellaneous debits, $729; credit balance carried to balance sheet, $609,642; total, $2,787,555.

Comment: Both gross and net revenues underwent substantial improvement on this road during the year ended June 30, 1916. The balance available for charges was far in excess of that reported in any earlier year, and the surplus after payment of charges was equal to nearly 19% on the increased outstanding stock. The company paid during the year dividends of 9% regular and 50% in scrip.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.	Bonds Outstanding and Per Cent of Whole.	Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$43,513 53%	$38,313 47%	.....	$81,826	.....	$81,826*	9.3%	.....	.....	$3,523	8%	.....	44%
1908	43,513 53	38,313 47	.....	81,826	.....	81,826	8.4	.....	.....	3,916	9	.....	20
1909	43,513 53	38,313 47	.....	81,826	.....	81,826	10.7	.....	.....	3,916	9	.....	45
1910	43,513 53	38,313 47	.....	81,826	.....	81,826	13.5	.....	.....	3,916	9	.....	56
1911	41,045 53	36,138 47	.....	77,183	.....	77,183	13.4	.....	.....	3,697	9	.....	54
1912	41,045 53	36,138 47	.....	77,183	$1,294	75,889	13.5	.....	.....	3,694	9	.....	51
1913	41,045 53	36,138 47	$927	78,110	1,294	76,816	17.4	.....	.....	3,760	9	.....	59
1914	41,041 53	36,136 47	852	78,029	1,294	76,735	16.1	.....	.....	3,694	9	.....	50
1915	41,041 53	36,136 47	903	78,080	1,294	76,786	18.2	.....	.....	3,298	8	.....	54
1916	61,557 63	36,136 37	9,903	107,596	3,453	104,143	17.8	.....	.....	24,741	9*	.....	.....
10-Year Average	$44,083 54%	$37,007 46%	.....	$82,349	.. ..	$82,349	.....	.....	.....	$5,816	8.8%	.....	26%

* In addition to regular dividend of 9%, a scrip dividend of 50% was paid on $3,611,600 stock.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment....	$8,963,396	$8,391,087	$8,406,286	$8,229,838	$8,024,161	$7,661,544
Working assets.....	1,746,836	1,684,423	1,752,170	1,332,491	1,299,714	1,088,051
Deferred debit items...	123,414	79,163	117,913	173,486	155,462	103,480
Accrued income not due	2,847	2,847	.....	279	120	.....
Total	$10,836,493	$10,157,520	$10,276,369	$9,736,094	$9,479,457	$8,853,075
Liabilities:						
Capital stock.....	$5,417,400	$3,611,600	$3,611,600	$3,611,600	$3,611,600	$3,611,600
Funded debt.....	3,180,000	3,180,000	3,180,000	3,180,000	3,180,000	3,180,000
Working liabilities.....	659,953	637,919	1,088,556	872,734	821,692	525,208
Accrd. liabilities not due	99,011	84,487	81,720	80,215	34,090	29,075
Deferred credit items..	57,976	69,250	33,732	27,503	1,253	10,294
Appropriated surplus...	812,511	1,380,887	1,188,218	978,802	1,052,245	848,219
Profit and loss surplus.	609,642	1,193,377	1,092,543	985,240	778,577	648,679
Total	$10,836,493	$10,157,520	$10,276,369	$9,736,094	$9,479,457	$8,853,075

The above statement includes three issues of capital stock: $481,100 being guaranteed 7 per cent. stock; $19,300 guaranteed 6 per cent. stock; $1,316,900 voting common stock, and $3,600,100 non-voting "dividend" obligations. All stocks, including the "dividend obligations," stand on an equal footing as regards dividends, and all pay the full 9 per cent. per annum.

Comment: There were no capitalization changes of importance on this property during the year ended June 30, 1916, except a substantial increase in the outstanding stock which resulted from the payment during the year of a 50% stock dividend. The net capitalization of the property now appears to be unusually heavy. However, the earning power of the company is so great that this increased capitalization is carried without any difficulty whatever, and in the year just closed the net income on net capital equaled nearly 18%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Rich. Fred. & P. cons. 4½s .	A&O	Ap 1940	(2d) 82	$6,000	$10,923	$256	98%	Very high	Very high	Aaa.
2. Rich. Fred. & P. gen'l 3½s..	A&O	Ap 1943	(3d) 82	32,440	10,667	1,066	90%	High	"	Aaa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $2,000,000; outstanding, $500,000 (closed). Dated April 1, 1890; due April 1, 1940. Int. paid New York, Philadelphia, or Richmond. Second lien on 81.92 miles from Richmond to Quantico, Va., and James River Branch, terminals in Richmond, etc., following first lien of the 6% and 7% guaranteed stocks. Underlies No. 2, with provision to retire. All deposited under the Richmond-Washington col. 4s of 1943. Coupon, $1,000. Listed on Richmond Stock Exchange.

2. Auth., $4,000,000; outstanding, $2,680,000. Dated April 1, 1903; due April 1, 1943. Follows No. 1 on same property. Entire issue owned by Richmond-Washington Co., and pledged under that company's coll. trust mortgage.

Capital Stock: Outstanding, $1,316,900 "voting" common, $3,600,100 non-voting dividend obligations, $481,100 7% guaranteed and $19,300 6% guaranteed. The guaranteed stocks are secured by a first mortgage (ahead of the bonds) on the 81.92 miles owned by the company. Although called "6% and 7%," they receive the same dividend rate as the common stock, which is now 9%. Dividends have been paid in recent years as follows: 1895 and 1896, 7%; 1897, 6½%; 1898 and 1899, 7%; 1900 to 1904 inclusive, 8%; 1905 to date, 9% per annum. In 1907, 25% extra was paid in scrip. In 1916 paid 50% extra dividend in scrip. The Richmond-Washington Co. owns $947,200 of the "voting" common stock. TRANSFER AGENT, D. K. Kellogg, Richmond, Va. Legal for S. B. in N. H. Net Rating, Aa.

RICHMOND, FREDERICKSBURG & POTOMAC AND RICHMOND & PETERSBURG RAILROAD CONNECTION COMPANY

Origin: Incorporated under laws of Virginia, July 13, 1866. Road opened for traffic in 1867. Operated by the Richmond, Fredericksburg & Potomac R.R. Co. under a lease made to that company and the Richmond & Petersburg Railroad jointly in 1866 and 1867, the lessees agreeing to pay as rental an amount which shall equal 8% on the paid up value of stock of the company. Road is located entirely in Richmond.

Management: J. Jordan Leake, Pres.; Frank W. Duke, Sec. and Treas.; D. K. Kellogg, Aud., Asst. Sec. and Asst. Treas., Richmond, Va. DIRECTORS: J. Jordan Leake, F. W. Scott, E. A. Palmer, A. H. Wright, L. T. Meyers, S. C. Leake, Richmond, Va. Annual meeting, third Monday in November. OFFICE, Richmond, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$57,408	$48,503	$45,418	$44,389	$41,923	$37,052
Taxes	1,327	1,442	778	790	2,241	1,886
Fixed charges	1,971	1,798	15	15	.....	.....
Surplus	$54,110	$45,263	$44,625	$43,584	$39,682	$35,166
Dividends paid	20,000	20,000	20,000	20,000	20,000	20,000
Balance	$34,110	$25,263	$24,625	$23,584	$19,682	$15,166

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $184,417; credit balance transferred from income, $34,110; miscellaneous credits, $575; total, $219,102. Contra: Credit balance carried to balance sheet, $218,227; miscellaneous debits, $875; total, $219,102.

Note: The above income statement represents the rental items received from the lessee, and also incidental income. In recent years the surplus income has ranged far above the fixed dividend requirement.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$264,357	$280,682	$150.009	$150.009	$148,233	$145.766
Working assets	91,072	34,776	140,746	116,475	100,908	81,972
Accrued income not due	5,807	9,640	8,786	7,626	1,380	1,180
Deferred debit items	60,000	60,000	60,000	60,000	60,000	60,000
Total	$421,236	$385,098	$359,541	$334,110	$310,521	$288,918
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Working liabilities	.....	.....	63	24	20	40
Accrd. liabilities not due	1,009	681	324	.....	.....	.....
Profit and loss surplus.	218,227	184,417	159,154	134,086	110,501	88,878
Total	$421,236	$385,098	$359,541	$334,110	$310,521	$288,918

Capital Stock: Auth., $500.000; outstanding, $200,000. Par, $100. $70 paid. TRANSFER AGENT, F. W. Duke, treasurer of the company. Dividends (payable May and Nov. 1, at Richmond, Va.) were formerly 8% per annum, but were increased to 10% beginning with 1907. Stock transfer books close about ten days before either dividend payments or annual meeting. Annual meeting, third Monday in November at Richmond, Va. Listed on Richmond (Va) Stock Exchange.

WASHINGTON SOUTHERN RAILWAY COMPANY

Origin: Incorporated under Virginia laws, March 26, 1890, as a consolidation of the Alexandria & Fredericksburg Ry. and the Alexandria & Washington Ry. Prior to 1901 was operated by the Phila., Baltimore & Washington Ry.

Location: Operates 35.57 miles, from Quantico to Washington, thus forming part of the through line from Washington to Richmond. Of total mileage, 31.04 miles is owned, 1.10 miles leased, and 3.43 miles used under trackage rights. Controlled through stock ownership, by Richmond-Washington Company. Second track, 35.57 miles; third track, 3.02; fourth track, 3.02; sidings, 69.89; total, 147.07 miles. Owns 29 locomotives, 12 passenger cars, 34 freight cars and 37 service cars; also 1 pile driver.

Management: OFFICERS: Wm. H. White, Pres.; Norman Call, Sec. and Asst. Treas.; D. K. Kellogg, Treas. and Asst. Sec. DIRECTORS: J. T. Ellyson, G. W. Stevens, Wm. H. White, Daniel Willard, W. J. Harahan, Henry Walters, A. J. County, Samuel Rea. Annual meeting, third Monday in November. OFFICE, Richmond, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$1,611,288	$1,263,194	$1,297,291	$1,318,390	$1,181,470	$1,140,010	$1,057,733
Net earnings	659,438	357,390	369,925	421,252	366,799	416,612	437,265
Total net income	915,345	587,685	492,469	546,635	374,173	430,933	454,625
Fixed charges	* 545,964	495,769	406,704	401,750	292,678	307,907	251,443
Surplus	$369,381	$91,916	$85,705	$144,885	$81,495	$123,026	$203,182
Dividends paid	†	50,000	55,000	106,000	38,800	116,400	155,200
Other deductions	7,694	1,738	.....	.....	.....	.....	.....
Balance	$361,687	$40,178	$30,705	$38,885	$42,695	$6,627	$47,982

* Includes taxes. † Paid from surplus.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $402,025; credit balance transferred from income, $361,687; profit on road and equipment sold, $1,519; unrefundable overcharges, $220; miscellaneous credits, $247; total, $765,698. Contra: Dividend appropriations of surplus, $137,000; credit balance carried to balance sheet, $627,666; loss on retired road and equipment, $937; miscellaneous debits, $95; total, $765,698.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$8,429,000	$8,431,566	$8,241,322	$8,174,931	$8,041,946	$7,984,810
Working assets	614,945	486,982	559,497	777,608	436,501	433,447
Deferred debit items	112,138	155,857	5,293	2,827	14,287	1,119
Total	$9,156,083	$9,074,405	$8,806,112	$8,955,366	$8,492,734	$8,419,376
LIABILITIES:						
Capital stock	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$3,880,000	$3,880,000
Funded debt	4,000,000	4,000,000	4,000,000	4,000,000	3,880,000	3,880,000
Working liabilities	348,246	507,918	316,463	513,200	303,512	216,801
Accrd. liabilities not due	41,554	35,528	34,082	32,616	30,260	90,533
Deferred credit items	11,547	9,557	7,390	.....	1,300	4,605
Appropriated surplus	127,070	119,377	117,639	112,787	106,336	70,507
Profit and loss	627,666	402,025	330,538	296,763	291,326	276,929
Total	$9,156,083	$9,074,405	$8,806,112	$8,955,366	$8,492,734	$8,419,376

Bonded Debt: $4,000,000 Washington Southern Ry. first 4s; dated June 1, 1903; due June 1, 1943; int. paid June and Dec. 1. Callable at 105 and int. First lien on entire property owned. Entire issue is owned by the Richmond-Washington Co. and deposited under that company's collateral mortgage. Net Rating, Aaa.

Capital Stock: Auth., $4,000,000; outstanding, $4,000,000; par $50. Dividends: 1902, 3%; 1903, 4%; 1905, 4%; 1906, 2%; 1909, 3½%; 1910, 4%; 1911, 3%; 1912, 1%; 1913, 2.65%; 1914, 1.38%; 1915, 1¼%; 1916, 3.425%; A dividend of 4 2-5% in addition was paid out of surplus. All owned by Richmond-Washington Co., and deposited under that company's collateral mortgage.

SAN ANTONIO & ARANSAS PASS RAILWAY COMPANY

Origin: Incorporated under the laws of Texas, August 28, 1884, as the successor of a former company of the same name. The company was formerly controlled by the Southern Pacific Company, which owned the majority of the capital stock, but this control was declared illegal, and, since 1903, the property has been independently controlled and operated. In 1903, under the ruling of the Railroad Commission of Texas, the company reduced its capital stock outstanding from $5,000,000 to $1,000,000, and bought in and canceled $1,356,000 of its first mortgage bonds.

Location: The lines of road operated on June 30, 1916, consisted of 724.40 miles, of which all was owned, with the exception of 0.60 mile, which was operated under traffic rights. The main line extends from San Antonio to Houston, Texas, 238 miles, and the branches radiating throughout this same territory consist of 485.80 miles. Sidings, 174.53 miles.

Management: OFFICERS: Wm. H. McIntyre, Pres.; J. S. Peter, First Vice-Pres. and Gen. Mgr.; R. J. Boyle, Second Vice-Pres.; H. F. Smith, Treas.; J. W. Terry, Sec. DIRECTORS: W. H. McIntyre, G. E. Chamberlain, J. S. Peter, Geo. Heuermann, R. J. Boyle, J. W. Terry, H. H. Shear, Chas. Schreiner, W. W. Green. Annual meeting, first Wednesday in October. OFFICE, San Antonio, Tex.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	34.10%	26.04%	29.41%	25.03%	28.95%	30.76%	28.40%	25.94%	25.04%	24.52%
Products of Animals	9.72	9.73	7.62	6.68	6.61	7.40	6.29	6.24	5.32	5.83
Products of Mines	13.13	19.38	24.64	27.57	20.94	20.88	22.02	28.98	36.69	33.81
Products of Forests	14.37	17.37	15.43	16.01	16.60	14.69	16.83	13.19	9.35	9.56
Manufactures	15.00	15.13	12.29	13.90	15.10	14.65	15.60	14.20	12.80	11.72
Merchandise and Miscel.	13.68	12.35	10.61	10.81	11.80	11.62	10.86	11.45	10.80	14.56

Total revenue tonnage, 961,072 tons in 1907; 891,013 tons in 1908; 1,115,935 tons in 1909; 1,165,982 tons in 1910; 1,173,241 tons in 1911; 1,293,653 tons in 1912; 1,470,534 tons in 1913; 1,396,367 tons in 1914; 1,244,339 tons in 1915; 1,355,718 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	727	....	59	64	1,788	72%	50,133	212,547	143	$1.90	2.23c	1.71c
1908.....	730	....	59	64	1,788	68	49,505	201,748	147	1.76	2.26	1.47
1909.....	730	....	67	74	1,776	72	54,026	244,619	159	1.89	2.24	1.51
1910.....	730	....	76	77	2,315	69	60,400	248,961	165	1.93	2.26	1.50
1911.....	730	....	78	83	2,198	68	65,188	238,708	169	2.05	2.31	1.63
1912.....	730	....	89	89	2,119	69	69,700	268,856	176	2.10	2.36	1.62
1913.....	727	....	89	100	3,037	68	77,609	290,735	192	2.27	2.50	1.64
1914.....	727	....	94	103	2,974	66	76,254	261,143	197	2.18	2.42	1.61
1915.....	727	....	93	103	2,675	66	56,375	213,759	187	1.99	2.48	1.61
1916.....	724	....	86	103	2,759	68	52,979	245,087	192	2.00	2.47	1.49
10-Year Average	728	....	79	86	2,343	69%	61,217	242,616	173	$2.01	2.35c	1.58c

Comment: The operating exhibits of this company have shown little or no improvement in recent years. It will be noted that both passenger and freight density are light, while the train load is now only slightly larger than it was ten years ago. The amount of tonnage carried was heavier than usual in 1916, but did not show increase enough to make the operations profitable.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$5,023	$725	$400	$1,125	$1,700	$2,198	$2,198	$131	$2,067	$1,962	5%	$105	.....
1908.....	4,326	742	469	1,211	1,857	1,258	1,288	176	1,112	1,273	....	161*	.....
1909.....	5,163	769	622	1,391	2,260	1,512	1,540	143	1,397	1,358	3	39	.....
1910.....	5,392	895	778	1,673	2,252	1,467	1,492	153	1,339	1,334	....	5	.....
1911.....	5,705	1,236	715	1,951	2,406	1,348	1,370	182	1,188	1,355	....	167*	.....
1912.....	6,328	1,128	834	1,962	2,703	1,663	1,689	197	1,492	1,422	4	70	.....
1913.....	7,028	1,243	909	2,152	3,042	1,834	1,869	192	1,677	1,400	16	277	.....
1914.....	6,394	1,410	997	2,407	3,074	913	930	221	709	1,245	....	536*	.....
1915.....	5,223	1,140	1,006	2,146	2,833	244	274	221	53	1,238	....	1,185*	.....
1916.....	5,334	1,070	877	1,947	2,755	632	728	254	474	1,303	....	829*	.....
10-Year Average	$5,592	$1,036	$761	$1,797	$2,488	$1,307	$1,338	$187	$1,151	$1,389	.....	$238*	.....

* Deficit.

Note: Above table is based on average mileage operated in each year. Margin of safety is the proportion of surplus remaining after deducting fixed charges. In recent years, the "balance for charges" has ranged far below fixed charge requirements and there has been no margin of safety whatever.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,861,918	$3,796,190	$4,468,197	$5,109,279	$4,619,503	$4,164,436	$3,936,286
Maintenance of way.....	775,192	827,302	1,025,608	903,450	823,139	902,524	653,262
Maintenance of equipment.....	635,071	731,511	724,607	660,992	608,967	521,448	567,976
All other operating expenses..	1,994,331	2,061,191	2,234,541	2,211,214	1,973,502	1,756,589	1,644,072
Net operating revenues...	$457,324	$176,186	$663,441	$1,333,622	$1,213,895	$983,875	$1,070,976
Operating ratio	88.14%	95.34%	85.73%	73.90%	73.72%	76.37%	72.79%
Other income	69,923	21,543	12,214	24,920	19,097	16,108	17,959
Total net income.....	$527,247	$197,729	$675,655	$1,358,542	$1,232,992	$999,983	$1,088,935
Taxes accrued	184,168	159,979	160,563	139,719	144,032	132,985	111,163
Balance for charges.....	$343,079	$37,750	$515,092	$1,218,823	$1,088,960	$866,998	$977,772
Fixed charges	943,550	899,621	904,992	1,017,655	1,037,632	989,109	973,944
Surplus over charges.....	* $600,471	* $861,871	* $389,900	$201,168	$51,328	* $122,111	$3,828

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance, June 30, 1915, $3,834,997; debit balance transferred from income, $600,471; loss on retired road and equipment, $66,064; miscellaneous debits, $12,882; total, $4,514,414. Contra: Profit on road and equipment sold, $4,776; donations, $1,169; miscellaneous credits, $16,772; debit balance carried to balance sheet, $4,491,697; total, $4,514,414.

Comment: This property, which was formerly operated by the Southern Pacific Company, but a good many years ago was separated from the latter, has made a very poor showing in recent years. It will be noted that even in 1916 there was only a nominal recovery in the gross revenues, although the net operating receipts in this latter year were much better than in 1915. The balance available for charges is to-day ranging at low figures, and the company has now been reporting a deficit for three years. The only reason why the company has not defaulted on its outstanding bonds is that the latter are guaranteed principal and interest by the Southern Pacific Company. Evidently there is not very much future for this road.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin Safety Common.
1907	$1,376	5%	$24,244	95%	.....	$25,620	.....	$25,620	8.6%	.....	.....	.....	.....	.....	.....
1908	1,370	4	31,109	96	.....	32,479	.....	32,479	4	.....	.....	.....	.....	.....	.....
1909	1,370	4	31,437	96	.....	32,807	.....	32,807	4.7	.....	.....	.....	.....	.....	.....
1910	1,370	4	31,407	96	.....	32,777	.....	32,777	4.4	.....	.....	.....	.....	.....	.....
1911	1,370	4	31,340	96	.....	32,710	.....	32,710	4.2	.....	.....	.....	.....	.....	.....
1912	1,370	4	31,254	96	.....	32,624	.....	32,624	5.2	.....	.....	.....	.....	.....	.....
1913	1,376	4	34,105	96	.....	35,481	.....	35,481	5.3	.....	.....	.....	.....	.....	.....
1914	1,376	4	33,975	96	.....	35,351	.....	35,351	2.6	.....	.....	.....	.....	.....	.....
1915	1,376	4	35,211	96	.....	36,587	.....	36,587	.7	.....	.....	.....	.....	.....	.....
1916	1,381	4	35,979	96	.....	37,360	.....	37,360	1.9	.....	.....	.....	.....	.....	.....
10-Year Average	$1,374	4%	$32,006	96%	.....	$33,380	.....	$33,380	4%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$23,551,149	$23,606,361	$23,558,403	$23,319,032	$22,224,080	$21,973,346
Working assets	709,104	760,549	908,450	1,548,554	1,203,040	1,008,364
Deferred debit items	60,428	69,876	79,619	78,912	74,838	68,195
Profit and loss deficit	4,491,697	3,834,997	2,356,352	1,935,761	2,616,938	2,658,925
Total	$28,812,378	$28,271,783	$26,902,824	$26,882,259	$26,118,896	$25,708,830
Liabilities:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	26,048,600	25,598,313	24,699,719	24,794,309	22,815,553	22,877,969
Working liabilities	1,058,088	938,765	868,690	915,548	2,045,611	1,578,460
Accrd. liabilities not due	70,966	100,473	81,683	82,450	229,936	220,918
Deferred credit items	35,667	35,205	252,732	89,952	27,796	31,483
Appropriated surplus	599,027	599,027	.....	.....	.....	.....
Total	$28,812,378	$28,271,783	$26,902,824	$26,882,259	$26,118,896	$25,708,830

Comment: There were no important changes in the San Antonio & Aransas Pass property in 1916. It will be noted that the capital stock is very small, but there is an unusually heavy outstanding bonded debt as compared with the average earning power of the property. In recent years the company has reported a very low net income on net capital.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. San. Ant. & Aran. Pass first 4s	J&J	Ja 1943	(1st) 724	$24,232	$1,151	$970	16%	Fair	Fair	Ba.

Note: Average income available is the annual average surplus per mile for the ten years ended June 30, 1916. Interest requirement is present requirement. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $21,600,000; outstanding, $17,544,000. Dated Dec. 20, 1892; due Jan. 1, 1943; int. January and July, at Central Trust Co., New York. Coupon and reg., $1,000. Auth., $21,600,000, of which $2,700,000 are reserved for extension at $27,000 per mile, equipped. Guar. prin. and int. by the Southern Pacific Co., by endorsement. First lien on 723.80 miles, as follows: Corpus Christi to San Antonio, Tex., 151.60 miles; Waco to Yoakum, Tex. 171 miles; Lockhart to Shiner, Tex., 53.80 miles; San Antonio to Kerrville, Tex., 70.50 miles; Kenedy to Houston, Tex., 176.30 miles; Gregory to Rockport, Tex., 21.20 miles; Skidmore to Alice, Tex., 43 miles; Alice to Falfurrios, Tex., 36.40 miles. Listed on New York Stock Exchange. Normal income tax deducted from interest.

Equipment Notes: $403,398 Amer. Car & Foundry 5s; dated Apr. 1, 1913; due semi-annually to April 1, 1920; int., April and Oct. 1, in New York, $34,000.

Note Issues: (A) $3,898,000 4s; dated July 1, 1905; due July 1, 1920. Int. paid Jan. 1. Issued to Southern Pacific Co. for former advances.
(B) $1,200,000 4s; dated June 15, 1910; due June 15, 1915. Int. paid June 15. Issued to W. H. McIntyre.
(C) $2,470,597 5s; dated July 1, 1915; due July 1, 1917. Int. paid Dec. 31 and June 30. Issued to Southern Pacific Co.
(D) $1,235,245 5s; dated Jan. 1, 1916; due Jan. 1, 1918. Int. paid Dec. 31 and June 30. Issued to Southern Pacific Co.
(E) $338,251 4½s; dated April 1, 1915; due April 1, 1920. Int. paid monthly. Issued to Houston & Texas Central R.R. Co. Total, $8,142,093.

Capital Stock: Auth. and issued, $1,000,000; par, $100. No dividends.

ST. LOUIS SOUTHWESTERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Jan. 12, 1891, under Missouri laws, as successor to the St. Louis, Arkansas & Texas Ry. The system is divided into two companies, known as the St. Louis Southwestern Ry. Co. and the St. Louis Southwestern Ry. Co. of Texas, this division being necessary in order to conform to Texas laws. The company owns the entire stock of the Gray's Point Terminal Ry. and of the Eastern Texas R.R.; it owns a majority of the stock of the Shreveport Bridge & Terminal Co. and of the Paragould Southeastern Ry. Co. and all the stock and bonds of the Pine Bluff Arkansas River Ry. and of the Dallas Terminal & Union Depot Co. It owns the Southern Illinois and Missouri Bridge Co. jointly with five other companies; also owns one-fifteenth of the capital stock of the Terminal Railroad Association of St. Louis. In April, 1910, the entire capital stock of the Stephenville North & South Texas R.R. was acquired, and in July, 1910, the Central Arkansas & Eastern R.R. was acquired by a thirty-year lease, under which the latter company's bonds are guaranteed by the St. Louis Southwestern Ry. On Jan. 1, 1914, the Paragould Southeastern Ry. was leased and its bonds guaranteed.

Location: The directly operated lines of the system consisted, June 30, 1916, of $1,753.8 miles, the average mileage operated during the year being 1,754. The mileage is classified as follows: Maine lines, Delta to Texarkana, Cairo branch, New Madrid branch, Gray's Point Terminal Ry., etc., 616.2 miles; Central Arkansas & Eastern (leased), Stuttgart, Little Rock & Shreveport branches, and other leased lines, 200.9 miles; trackage rights, 241.5 miles; St. Louis Southwestern Ry. of Texas, including main lines and branches, 695.2 miles. Mileage mainly in Missouri, Arkansas, and Texas. Population of these States in 1890, 6,042,886; in 1900, 7,466,929; in 1910, 8,764,326.

Management: OFFICERS: Edwin Gould, Chairman and Pres.; J. M. Herbert, Vice-Pres.; Nelson B. Burr, Vice-Pres.; D. H. Morris, Vice-Pres.; A. J. Trussell, Sec.; G. K. Warner, Treas. DIRECTORS: Edwin Gould, J. M. Herbert, D. H. Morris, A. J. Hemphill, Winslow S. Pierce, David H. Taylor, Geo. H. Macy, Murray Carleton, Tom Randolph. Annual meeting, first Tuesday in October. TRANSFER OFFICE, 165 Broadway, New York. MAIN OFFICE, St. Louis, Mo.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	21.71%	18.83%	20.64%	18.83%	19.66%	24.44%	22.83%	21.75%	22.85%	21.71%
Products of Animals.....	1.77	1.70	1.91	2.00	1.80	2.26	2.54	2.62	2.10	2.04
Products of Mines.....	9.95	12.35	9.09	9.91	13.38	10.18	10.68	13.51	15.30	14.87
Products of Forests.....	47.62	48.86	48.67	47.34	42.00	39.14	39.28	37.06	37.35	37.42
M'f's, Mdse. and Miscel...	18.95	18.26	19.69	21.92	23.16	23.98	24.67	25.06	22.40	23.96

Total revenue tonnage, year ended June 30, 1900, 2,101,048 tons; 1909, 2,946,126 tons; 1910, 3,062,042 tons; 1911, 3,356,722 tons; 1912, 3,408,053 tons; 3,726,299 tons in 1913; 3,495,537 tons in 1914; 3,181,267 tons in 1915; 3,745,130 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	1,452	....	202	162	10,433	74%	57,344	507,336	281	$2.25	2.44c	1.07c
1908.....	1,464	....	202	159	10,251	75	59,104	484,231	262	2.03	2.19	1.01
1909.....	1,470	....	228	188	9,970	75	59,817	487,514	261	2.24	2.34	1.08
1910.....	1,473	....	222	188	10,177	75	56,998	540,698	283	2.33	2.58	1.04
1911.....	1,487	....	228	213	11,825	75	63,482	554,302	268	2.38	2.54	1.08
1912.....	1,548	....	222	212	12,470	75	56,647	539,803	292	2.46	2.62	1.07
1913.....	1,609	110	242	235	12,445	74	62,245	541,842	300	2.63	2.61	1.13
1914.....	1,735	118	251	235	12,678	73	65,463	478,430	294	2.50	2.34	1.12
1915.....	1,753	125	250	244	14,679	74	50,411	426,203	304	2.18	2.29	1.06
1916.....	1,753	125	244	245	14,473	75	49,182	508,099	344	2.39	2.56	1.03
10-Year Average	1,574	....	229	208	11,940	74%	58,069	506,846	289	$2.34	2.45c	1.07c

Yard tracks and sidings, 580 miles.

Comment: During the year ended June 30, 1916, a sharp recovery was reflected by the operating results of the St. Louis Southwestern Railway. While the freight density is still light as compared with earlier years of the decade, yet it is showing steady improvement and the average freight train load has been substantially advanced. The company's freight tonnage is widely diversified, and the company is now depending less on forest products for its tonnage than in earlier years.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$7,267	$1,180	$953	$2,133	$2,823	$2,312	$2,456	$168	$2,288	$1,108	52%	$1,180	$90
1908	6,547	1,230	1,082	2,312	2,803	1,432	1,872	201	1,671	1,364	18	307	'89
1909	7,021	1,287	1,270	2,557	2,740	1,724	2,049	183	1,866	1,373	26	493	358
1910	7,459	1,460	1,261	2,721	2,809	1,929	2,299	251	2,048	1,411	31	637	770
1911	7,995	1,210	1,389	2,599	3,179	2,217	2,573	248	2,325	1,507	35	818	610
1912	7,779	954	1,403	2,357	3,081	2,341	2,912	296	2,616	1,492	43	1,124	643
1913	8,264	1,181	1,379	2,560	3,168	2,536	3,178	291	2,887	1,639	43	1,248	694
1914	7,346	1,107	1,519	2,626	3,004	1,716	2,281	347	1,934	1,740	10	194	287
1915	6,063	905	1,184	2,089	2,681	1,293	1,991	332	1,659	1,750	....	91*	170
1916	6,972	795	1,294	2,089	2,707	2,176	2,906	342	2,564	1,841	28	723	170
10-Year Average	$7,271	$1,131	$1,273	$2,404	$2,900	$1,968	$2,452	$266	$2,186	$1,522	29%	$663	$368

* Deficit.

Note: Above table is based on average mileage directly operated for each year, including leased lines, trackage rights, etc. Margin of safety is the proportion of surplus left over after deducting all charges. For example, in 1916, "balance for charges" (per mile) was $2,564; fixed charges consumed $1,841 per mile, leaving $723, a "margin of safety" of 28%. Included in dividend column are interest payments on income bonds. No dividends paid on stock in 1915 and 1916.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$12,221,115	$10,625,673	$12,725,821	$13,284,311	$12,042,542	$11,888,036
Maintenance of way	1,393,106	1,585,884	1,920,035	1,899,484	1,477,069	1,799,916
Maintenance of equip.	2,268,904	2,076,048	2,635,700	2,219,390	2,172,269	2,064,045
All other oper. expenses	4,744,776	4,699,221	5,211,982	5,096,923	4,784,721	4,724,664
Net oper. revenues	$3,814,329	$2,264,520	$2,958,104	$4,068,514	$3,608,583	$3,299,411
Operating ratio	68.7%	74.9%	76.6%	69.3%	69.9%	72.1%
Other income	1,279,633	1,226,423	998,668	1,044,324	897,843	526,884
Total net income	$5,093,962	$3,490,943	$3,956,772	$5,112,838	$4,506,426	$3,826,295
Taxes accrued	599,076	581,778	601,886	468,697	458,512	369,292
Balance for charges	$4,494,886	$2,909,165	$3,354,886	$4,644,141	$4,047,914	$3,457,003
Fixed charges	3,227,432	3,190,158	3,019,115	2,757,950	2,430,295	2,241,180
Surp. over charges	$1,267,454	* $280,993	$335,771	$1,886,191	$1,617,619	$1,215,823
Dividends paid	.....	.....	497,341	994,682	895,214	795,746
Additions and imprvms.	.....	.....	.....	163,111	.....	.....
Balance	$1,267,454	* $280,993	* $161,570	$728,398	$722,405	$420,077
Earned on stock: Pref.	6.37%	.....	1,68%	9.48%	8.13%	6.11%
Com.	.....	.....	.....	5.45	4.41	1.35

* Deficit.

Note: Other income in 1916 included $857,308 from rental of equipment, $241,923 from rental of joint facilities, as well as receipts from investments, etc. Fixed charges included lease rentals, $277,154; joint-facility rents, $447,040; interest on bonds, $2,348,907, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,409,524; credit balance transferred from income, $1,267,455; unrefundable overcharges, $635; donations, $7,117; miscellaneous credits, $61,333; total, $4,746,065. Contra: Surplus appropriated for investment in physical property, $13,035; funded debt discount extinguished through surplus, $1,101; loss on retired road and equipment, $157,189; delayed income debits, $39,573; miscellaneous debits, $30,538; credit balance carried to general balance sheet, $4,504,629; total, $4,746,065.

Comment: Both net and gross revenues underwent sharp advances on this property during the year ended June 30, 1916, the net revenues being better than those of any year since 1913. Fixed charges tended to advance moderately, but nevertheless the company was able to report a very substantial surplus, which equaled more than 6½% on the outstanding stock. Since the close of the fiscal year, the results have continued to be very favorable.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Income Dividend. Amt. per Mile.	Income Dividend. Rate.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Margin of Safety Incomes.	Margin of Safety Preferred.
1907	$27,383	49%	$28,915	51%	.....	$56,298	$3,110	$53,188	4.6%	$90	4%	.....	.....	.....	.....
1908	27,158	48	29,403	52	.....	56,561	3,968	52,593	3.6	89	4	.....	.....	.....	.....
1909	26,900	47	29,272	53	.....	56,172	3.158	53,014	3.9	86	4	$272	2%	.....	.....
1910	26,845	47	29,645	53	Nom.	56,490	1,629	54,861	4.2	83	4	687	5	.....	.....
1911	25,805	46	30,425	54	"	56,230	1,610	54,620	4.7	75	4	535	4	.....	.....
1912	25,370	44	32,375	56	$896	58,641	450	58,191	5	78	4	565	4½	.....	43%
1913	24,420	44	31,661	56	1,308	57,389	493	56,896	5.6	76	4	618	5	.....	44
1914	22,647	42	30,834	58	2,989	56,470	674	55,796	4.1	70	4	217	2½	.....	.....
1915	22,414	43	30,318	57	3,151	55,883	.....	55,883	3.6	70	4	.....	.....	.....	.....
1916	22,414	43	30,318	57	3,162	55,894	.....	55,894	5.2	70	4	.....	.....	.....	.....
10-Year Average	$25,136	45%	$30,317	55%	$1,151	$56,603	$1,507	$55,094	4.5%	$79	4%	$289	2.3%	.....	.....

Note: In the above comparative exhibit, the outstanding income bonds are included in the stock column and not the bond column, and the interest payments on these incomes are shown as "income dividends." The original amount of these incomes was $10,000,000, but all but $3,042,500 have now been deposited under the St. Louis Southwestern 4% consolidated mortgage. The stock column of course includes only those which are still outstanding in the hands of the public. The actual investment position of these incomes is a strong one, as shown in the Table D exhibit on the following page. They have steadily paid the full 4% throughout the entire decade.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$124,349,991	$125,464,785	$104,546,611	$102,706,263	$100,767,848	$97,259,868
Working assets	6,297,633	4,156,342	7,334,101	6,234,029	6,970,480	6,626,111
Deferred debit items	1,448,835	1,020,160	3,073,944	2,464,579	1,666,791	2,725,495
Accrued income not due	56,772	439,491	56,105	38,726	46,811	172,246
Total	$132,153,231	$131,080,778	$115,010,761	$111,443,597	$109,451,930	$106,783,720
Liabilities:						
Capital stock	$36,500,000	$36,500,000	$36,500,000	$36,500,000	$36,500,000	$36,500,000
Funded debt	87,300,083	86,827,083	71,799,583	67,454,583	65,913,583	60,789,741
Working liabilities	2,960,935	3,480,058	2,014,919	1,545,359	1,556,904	2,449,224
Accrd. liabilities not due	556,754	534,075	529.181	698,177	938,446	846,781
Deferred credit items	154,685	166,927	164,058	208,828	140,412	1,087,255
Appropriated surplus	176,145	163,111	163,111	163,111	.....	.....
Profit and loss surplus.	4,504,629	3,409,524	3,839,909	4,873,539	4,402,585	5,110,719
Total	$132,153,231	$131,080,778	$115,010,761	$111,443,597	$109,451,930	$106,783,720

Note: The funded debt of the company was increased in 1914 chiefly by the issue of additional equipment trusts. The securities owned by the company on June 30, 1915, amounted to $16,212,333 in par value and $15,434,931 in book value. Most of these securities were pledged. In this condensed balance sheet the income bonds are included in the funded-debt item.

Comment: There were only slight capitalization changes on the property during the year ended June 30, 1916. The company's net capitalization has shown no tendency to increase during the past few years, but on the other hand has shown a decline as measured on a mileage basis. Net income on net capital for 1916 was better than that for any year during the decade except 1913. The payment of dividends was not resumed on the preferred stock during the year, but in view of more recent results seems now justified.

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TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. St. Louis Southwestern first 4 per cent ctfs	M&N	N 1989	(see text)	$16,300	$2,186	$457	79%	High	High	Aa.
2. St. Louis Southwestern second inc. 4 per cent ctfs	J&J	N 1989	"	2,500		70	64%	"	"	Ba.
3. Gray's Point Term. first 5s	J&D	D 1947	(1st) 13	29,400		14	64%	"	"	Aa.
4. Shreveport Bge. & Term. first 5s	F&A	Ag 1955	(1st) Br&Tr	.....	1,729	13	64%	"	"	Baa.
5. St Louis Southwestern first con. 4s	J&D	Je 1932	(con.) 1,375	16,190		516	64%	Good	"	Ba.
6. Cent. Ark. & Eastern first 5s	J&J	Jl 1940	(1st) 45	24,000		31	64%	"	Fair	Ba.
7. Stephenv. N. & S. Texas first 5s	J&J	Jl 1940	(1st) 105	23,000	1,116	70	64%	"	"	B.
8. St. Louis Southwestern first term. & unifg. 5s	J&J	Ja 1952	(see text)	.....		233	64%	"	"	B.
9. Equipment trusts	Var.	Var.	"	.....		68	64%	"	"	Baa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $20,000,000. Dated Nov. 1, 1890; due Nov. 1, 1989. Int. paid at Central Trust Co., New York. Coupon, $1,000. First collateral lien on 586.56 miles; from Delta, Mo., to Texarkana, Tex., 412.43 miles; Bird's Point to Malden, Mo., 57.32 miles; New Madrid to Lilbourn, Mo., 6.09 miles; Altheimer to Argenta, Ark., 43.02 miles; McNeil to Magnolia, Ark., 6.40 miles; and Lewisville, Ark., to Shreveport, La., 61.30 miles; also first collateral lien on 642.03 miles, as follows: Texarkana to Gatesville, Tex., 305.88 miles; Mt. Pleasant to Fort Worth, Tex., 154.37 miles; Commerce to Sherman, Tex., 52.28 miles; Corsicana to Hillsboro, Tex., 40.20 miles; Tyler to Lufkin, Tex., 89.30 miles; first collateral lien on all the capital stock of the St. L. Southwestern Ry. of Texas and of the Tyler S. E. Ry. Underlie Nos. 2, 5 and 8. Legal for Savings Banks in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $10,000,000; outstanding, $3,042,500. Dated Nov. 1, 1890; due Nov. 1, 1989. Int. paid at Bankers' Trust Co., if earned. Coupon, $500 and $1,000. Second collateral lien on 1,228.59 miles, following No. 1; second collateral lien on all the capital stocks of the Tyler S. E. Ry. and the St. L. S. W. Ry. of Tex., both of which issues are deposited under No. 1. Underlies Nos. 5 and 8. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $500,000. Dated Dec. 1, 1897; due Dec. 1, 1947. Int. paid at Equitable Trust Co., New York, and at St. Louis Union Trust Co., St. Louis. Coupon, $1,000. Guar. prin. and int. by the St. Louis Southwestern Ry. by endorsement. First lien from Delta to Gray's Point, Mo., 13.24 miles of main track and 36.25 miles of side track. Underlies 1st and Ref. 5s of the Gray's Point Terminal Ry., which provide for retirement of this issue. Of latter, which is limited to $4,000,000, $811,000 are isued and deposited under No. 8. Legal for S B. in Maine, Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

4. Auth., $500,000; outstanding, $450,000. Dated Aug. 1, 1905; due Aug. 1, 1955. Int. paid at St. Louis Union Trust Co., St. Louis. Coupon, $1,000. Guar. prin. and int. by St. Louis Southwestern Ry. by endorsement. First lien on the bridge over the Red River at Shreveport, La., about 0.36 mile, inc. approaches, certain equipment, terminal property, etc. Interest paid without deduction for normal income tax.

5. Auth., $25,000,000; outstanding, $22,261,750 (closed). Dated June 1, 1902; due June 1, 1932. Int. paid at Equitable Trust Co., New York. Coupon, $1,000. First lien on 35.47 miles from Stuttgart to Gillet, Ark.; first collateral lien on 111.34 miles as follows: on 12.13 miles from Addison to Dallas, Tex.; on 41.61 miles from Lufkin to White City, Tex.; 25.40 miles from Rob Roy to Reydel, Ark.; 1.90 miles in the city of Dallas, Tex.; 30.30 miles from Lufkin to Kennard, Tex.; third mortgage lien on 587.07 miles, following No. 2 and described in No. 1; third collateral lien on 24,955 shares (total issue) capital stock of the St. L. S. W. Ry. of Texas, and 2,455 shares of capital stock of the Tyler S. E. Ry., both issues being deposited under No. 1; first collateral lien on $6,957,500 Second Mortgage Inc. 4% Bond Ctfs. (par value); on $199,500 (total issue) Pine Bluff, Ark., River Ry.; and $9,300 (total issue) capital stock of the Dallas Terminal Ry. & Union Depot Co.; a third collateral lien on 642.03 miles. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth., $3,000,000; outstanding, $1,085,000. Dated July 1, 1910; due July 1, 1940. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. Callable at 105 and int. on any int. date on 72 days' notice. Guar. prin. and int. by the St. Louis Southwestern Ry. by endorsement. First lien from Stuttgart to England, Ark., and from Rice Junc. to Hazen, Ark., making a total of 45 miles. Refunding: An equal amount of No. 8 is reserved to retire this issue. Interest paid without deduction for normal income tax.

7. Auth., $10,000,000; outstanding, $2,423,000; limited to $25,000 per mile. Dated July 1, 1910; due July 1, 1940. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien on entire property, 105 miles; Stephenville to Gatesville, Tex., and Edson to Comache. Guar. prin. and int. by St. Louis Southwestern Ry. by endorsement; the latter owns all the stock of the company. Callable at 105, on 90 days' notice. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

8. Auth., $100,000,000; outstanding, $8,155,000. Dated Jan. 1, 1912; due Jan. 1, 1952. Int. paid at New York, London, etc. Coupon and reg., $1,000; interchangeable. Covers by direct or collateral lien, 1,375.40 miles of road, as follows: First lien on terminals at St. Louis and Fort Worth; second lien on 35.47 miles, following No. 5; second collateral lien on 111.34 miles, following No. 5; fourth mortgage on 586.56 miles, following No. 1; fourth collateral mortgage on 642.03 miles which are covered by No. 1 by first collateral lien; first lien on practically the entire stocks of the Gray's Point Terminal Ry., the Shreveport Bridge & Terminal Co., the Central Arkansas & Eastern Ry. and the Stephenville North & South Texas Ry. Further secured upon $838,000 of Gray's Point Terminal ref. and ext. bonds and $184,000 Stephenville, North & South Texas first 5s (No. 7). Of authorized issue, $3,114,000 are held in treasury, $36,880,000 are reserved for underlying liens, and $51,851,000 for future extensions, improvements and betterments. Interest paid without deduction for normal income tax.

9. In several series, as follows: Series of 1909, 5s; dated April 1, 1909; due $34,000 each April 1 to April 1, 1919. Original issue, $340,000; now unredeemed, $102,000. Int. paid April and Oct. 1 at Penn. Co. for Ins. on Lives, etc. Coupon, $1,000. First lien on 31 locomotives, costing $409,155. Interest paid without deduction for normal income tax. Series A, 5s, dated April 1, 1910; due $46,000 each April 1 to April 1, 1920. Original issue, $460,000; now outstanding, $184,000. Int. paid April and Oct. 1 at United States Mortgage & Trust Co., New York. Coupon, $1,000. First lien on 16 locomotives, 14 passenger cars, 6 chair cars and 3 parlor cars, costing $541,278. Interest paid without deduction for normal income tax. Series of 1913, 5s; dated June 1, 1913; due $33,000 semi-annually on June and Dec. 1 to June 1, 1923. Original issue, $660,000; now outstanding, $429,000. Int. paid June and Dec. 1 at Philadelphia Trust, Safe Deposit & Ins. Co., Philadelphia. Coupon, $1,000. First lien on 20 locomotives, 200 steel underframe coal cars, 2 steel parlor cars and 2 steel dining cars, all costing $782,250. Normal income tax deducted from interest. Series E of 1914, 5s; dated April 1, 1914; due $85,000 each April and Oct. 1 to April 1, 1924. Original issue, $1,700,000; now outstanding, $1,275,000. Int. paid April and Oct. 1 at Guaranty Trust Co., New York. Coupon, $1,000. First lien on 400 steel underframe flat cars and 100 steel underframe service cars, all costing $1,900,000. Normal income tax deducted from interest. Series F, 4½s; dated Sept. 1, 1916; due $21,000 each Mar. and Sept. 15. Original issue, $420,000; now outstanding, $420,000. Int. Mar. and Sept. 15 at Guaranty Trust Co., New York. Coupon, $1,000. First lien on 20 locomotives costing $516,600. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
St. Louis Southwestern preferred stock ..... Par $100. Outstanding, $19,893,650.	See text	$11,350	$663	.....	60%	Fair	High	B.
St. Louis Southwestern common stock ..... Par $100. Outstanding, $16,356,100.	.....	9,290	444	.....	.....	Small	Fair	Ca.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

Note: Auth., $20,000,000 preferred and $110,000,000 common. On preferred stock 2% was paid in July, 1909; Jan., 1910, 5%; in 1911, 4%; in 1912, 5%; 1913, 5%; Oct., 1913, 1%; Jan., 1914, 1%; April, 1914, ½%; none since to Jan., 1917. No dividends on common. Transfer Office, G. W. Bastedo, 165 Broadway, New York.

COMPANIES CONTROLLED BY ST. LOUIS SOUTHWESTERN RAILWAY, BUT SEPARATELY OPERATED

DALLAS TERMINAL RAILWAY & UNION DEPOT COMPANY

Incorporated under laws of Texas, Dec. 10, 1894. Owns terminal properties at Dallas, Texas, consisting of 5.27 miles of main track and 6.92 miles of sidings, connecting all roads entering the city; also owns Union Depot. Controlled by St. Louis Southwestern Railway through ownership of a majority of stock.

Management: Officers: W. C. Connor, Pres.; J. W. Everman, Vice-Pres.; H. T. Allen, Sec. and Aud.; E. M. Reardon, Treas. Directors: W. C. Connor, Alex. Sanger, E. B. Perkins, W. O. Connor, E. M. Reardon, J. W. Everman, F. H. Britton. Annual meeting, second Tuesday in October. Office, Dallas, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Net rental	$64,151	$62,349	$64,623	$56,617	$52,079	$47,643
Taxes	12,925	11,551	14,137	8,603	9,655	7,165
Fixed carges	51,226	50,798	40,586	48,014	42,424	40,478

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$942,981	$941,482	$941,167	$940,112	$786,429	$783.346
Working assets	55,382	49,076	20,918	23,350	35,733	30,059
Deferred debit items...	1,360	2,544	10,779	2,477	4,586	617
Total	$999,723	$993,102	$972,864	$965,939	$826,748	$814,022

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
Funded debt	938,372	936,745	935,308	931,345	777,780	774,202
Working liabilities	66,051	31,089	12,484	11,535	25,922	18,089
Deferred credit item...	412	412	.....	.....	.....	.....
Accr'd liabilities not due	14,888	14,856	15,072	13,059	13,076	11,731
Total	$999,723	$993,102	$972,864	$965,939	$826,748	$814,022

Bonded Debt: $731,000 Dallas Terminal Ry. & Depot Co. first 5s; dated April 1, 1903; due Oct. 1, 1933. Int. paid April and Oct. 1. Coupon, $1,000. Auth., $2,000,000. First lien on entire property. All owned by St. Louis Southwestern Ry. and deposited under its first consolidated mortgage.

Capital Stock: Auth., $500,000; outstanding, $10,000; par, $100. No dividends. St. Louis Southwestern owns nearly all the stock, which is deposited under its first consolidated mortgage.

GRAY'S POINT TERMINAL RAILWAY

Incorporated under laws of Missouri, May 23, 1896. Line of road, Delta to Gray's Point, Mo., 13.2 miles. Leased to St. Louis Southwestern Railway for 50 years from Dec. 1, 1897, rental being guaranty of principal and interest on bonds.

Management: OFFICERS: J. M. Herbert, Pres.; G. K. Warner, Sec. and Treas. Annual meeting, first Tuesday in October. OFFICE, St. Louis, Mo.

Bonded Debt: (1) $500,000 Gray's Point Terminal Ry. first 5s; dated Dec. 1, 1897; due Dec. 1, 1947. Int. paid June and Dec. 1 at St. Louis Union Trust Co., St. Louis, Mo. First lien on entire property. For details and rating, see Bond Table of St. Louis Southwestern Ry., page 645. (2) $834,000 Gray's Point Terminal Ry. first ref. and extension 5s; dated Aug. 1, 1906; due Aug. 1, 1956. Int. paid April and Oct. at Equitable Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by St. Louis Southwestern Ry. Auth., $4,000,000, of which $500,000 are reserved for No. 1 (above), $600,000 to acquire the first mortgage bonds of the Southern Illinois & Missouri Bridge Co., and balance for improvements. Follows No. 1 on same property. Those now outstanding are all deposited under the St. Louis Southwestern Ry. first terminal and unifying mortgage. Normal income tax deducted from interest.

Capital Stock: Auth. and outstanding, $500,000; par, $100; all but five shares owned by St. Louis Southwestern Ry. and deposited under its first terminal and unifying mortgage.

Other Companies Controlled: The St. Louis Southwestern Railway also controls the Eastern Texas Railroad, operating 30.3 miles, Lufkin to Kennard, Texas, and owns practically its entire capital stock. There are no bonds. The St. Louis Southwestern Ry. Co. of Texas, the Stephenville, North & South Texas and the Central Arkansas & Eastern Railroads are also controlled and directly operated as part of the system.

PARAGOULD SOUTHEASTERN RAILWAY

Incorporated under laws of Arkansas, Aug. 19, 1893, as successor to Paragould and Buffalo Island R.R. Line of road, Paragould to Blythesville, Ark., 37.26 miles; sidings, 6.17 miles. Leased to St. Louis Southwestern Railway, rental being guarantee of principal and interest on bonds.

Management: OFFICERS: J. M. Herbert, Pres.; G. K. Warner, Sec. and Treas.; S. C. Johnson, Aud. DIRECTORS: W. C. Hasty, J. D. Block, J. M. Herbert, E. Richards, Edwin Gould. Annual meeting, Thursday after first Tuesday in October. OFFICE, St. Louis, Mo.

Profit and Loss Account, year ended June 30, 1916: Donations, $1,427; debit balance carried to balance sheet, $94,609; total, $96,036. Contra: Debit balance at beginning of year, $94,609; surplus appropriated for investment in physical property, $1,427; total, $96,036.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$519,616	$518,148	$516,446	$479,516	$475,161	$476,864
Working assets	12,775	12,775	.....	15,330	13,020	13,685
Deferred debit items...	.....	.....	12,775	37,264	255	447
Profit and loss deficit...	94,609	94,609	94,609	148,443	103,938	35,144
Total	$627,000	$625,532	$623,830	$680,553	$592,374	$526,140
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	512,799	512,758	511,000	103,000	300,461	300,184
Working liabilities	12,775	12,774	12,830	7,035	189,896	124,162
Accr'd liabilities not due	.....	.....	.....	.....	1,824	1,752
Deferred credit items..	.....	.....	.....	470,518	193	40
Appropriated surplus .	1,426	.....	.....	.....	.....	.....
Total	$627,000	$625,532	$623,830	$680,553	$592,374	$526,140

Bonded Debt: $511,000 Paragould Southeastern Railway first and ref. 5s; dated Jan. 1, 1914; due Jan. 1, 1944. Int. paid Jan. and July 1, at Guaranty Trust Co., New York. Coupon, $1,000. Auth., $5,000,000. Guar. prin. and int. by St. Louis Southwestern Railway, which owns entire issue. First lien on entire property.

Capital Stock: Auth., $134,000; outstanding, $100,000; all owned by St. Louis Southwestern Ry. Par, $100.

PINE BLUFF ARKANSAS RIVER RAILWAY

Incorporated under laws of Arkansas, Jan. 6, 1898, as successor to Pine Bluff & Eastern Railroad. Line of road, Rob Roy to Waldstein, Tex., with 7.5 miles of trackage; total, 33.20 miles; sidings, 2.78 miles. Controlled through stock ownership by St. Louis Southwestern Railway.

Management: OFFICERS: J. M. Herbert, Pres.; G. K. Warner, Sec. and Treas. DIRECTORS: W. D. Hearn, W. T. Woolbridge, E. Richards, J. M. Herbert, Edwin Gould. Annual meeting, first Friday after first Tuesday in October. OFFICE, St. Louis, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$48,090	$43,600	$54,050	$49,614	$39,785	$44,182
Operating expenses	42,002	44,870	39,182	46,192	39,148	38,950
Net income	$6,088	*$1,270	$14,868	$3,422	$636	$5,232
Other income	29	75	.....	.....	.....	.....
Total net income	$6,117	*$1,195	$14,873	$3,422	$636	$5,232
Taxes	3,022	2,885	.....	1,853	2,095	2,000
Fixed charges	23,208	21,515	25,605	20,996	16,872	16,075
Surplus	*$20,113	*$25,595	*$10,732	*$19,427	*$18,331	*$12,843
Dividends	.....	.....	.....	.....	.....	.....
Other deductions	.....	.....	.....	.....	.....	.....
Balance	*$20,113	*$25,595	*$10,732	*$19,427	*$18,331	*$12,843

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$351,498	$352,655	$347,057	$345,046	$346,144	$323,979
Working assets	4,450	3,574	7,259	14,257	6,382	11,792
Deferred debit items	63	58	226	.....	743	82
Profit and loss deficit	153,980	133,904	108,350	97,650	77,492	58,422
Total	$509,991	$490,191	$462,892	$456,953	$430,761	$394,275
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	156,373	155,174	126,000	126,000	126,000	126.000
Working liabilities	149,500	131,029	135,325	5,529	101,093	64,606
Accr'd liabilities not due	4,107	3,974	.....	.....	3,668	3.669
Deferred credit items	11	14	1,567	125,424	.....	.....
Total	$509,991	$490,191	$462,892	$456,953	$430,761	$394,275

Bonded Debt: $126,000 Pine Bluff Arkansas River Ry. 1st 5s; dated Feb. 1, 1898; due Feb. 1, 1928. Int. paid Feb. and Aug. 1 at St. Louis Union Trust Co., St. Louis, Mo. Coupon, $1,000. Auth., $200,000. First lien on 25.70 miles, Rob Roy to Waldstein, Ark. All owned by St. Louis Southwestern Ry. and deposited under its first consolidated mortgage.

Capital Stock: Auth. and issued, $200,000; par, $100. Nearly all owned by St. Louis Southwestern Railway and deposited under its first consolidated mortgage.

SHREVEPORT BRIDGE & TERMINAL COMPANY

Incorporated under laws of Louisiana, Dec. 27, 1897. Owns bridge, terminals and approaches at Shreveport, La. St. Louis Southwestern Ry. has rights to use the bridge for 50 years, in consideration of which it guarantees the bonds, both principal and interest.

Management: OFFICERS: F. H. Britton, Pres.; T. Alexander, Vice-Pres.; J. D. Wilkinson, Sec.; G. K. Warner, Treas. DIRECTORS: F. H. Britton, T. Alexander, T. C. Barret, J. D. Wilkinson, J. D. Ferguson. Annual meeting, second Monday in January. OFFICE, St. Louis, Mo.

Comparative Income Account, Years Ended June 30

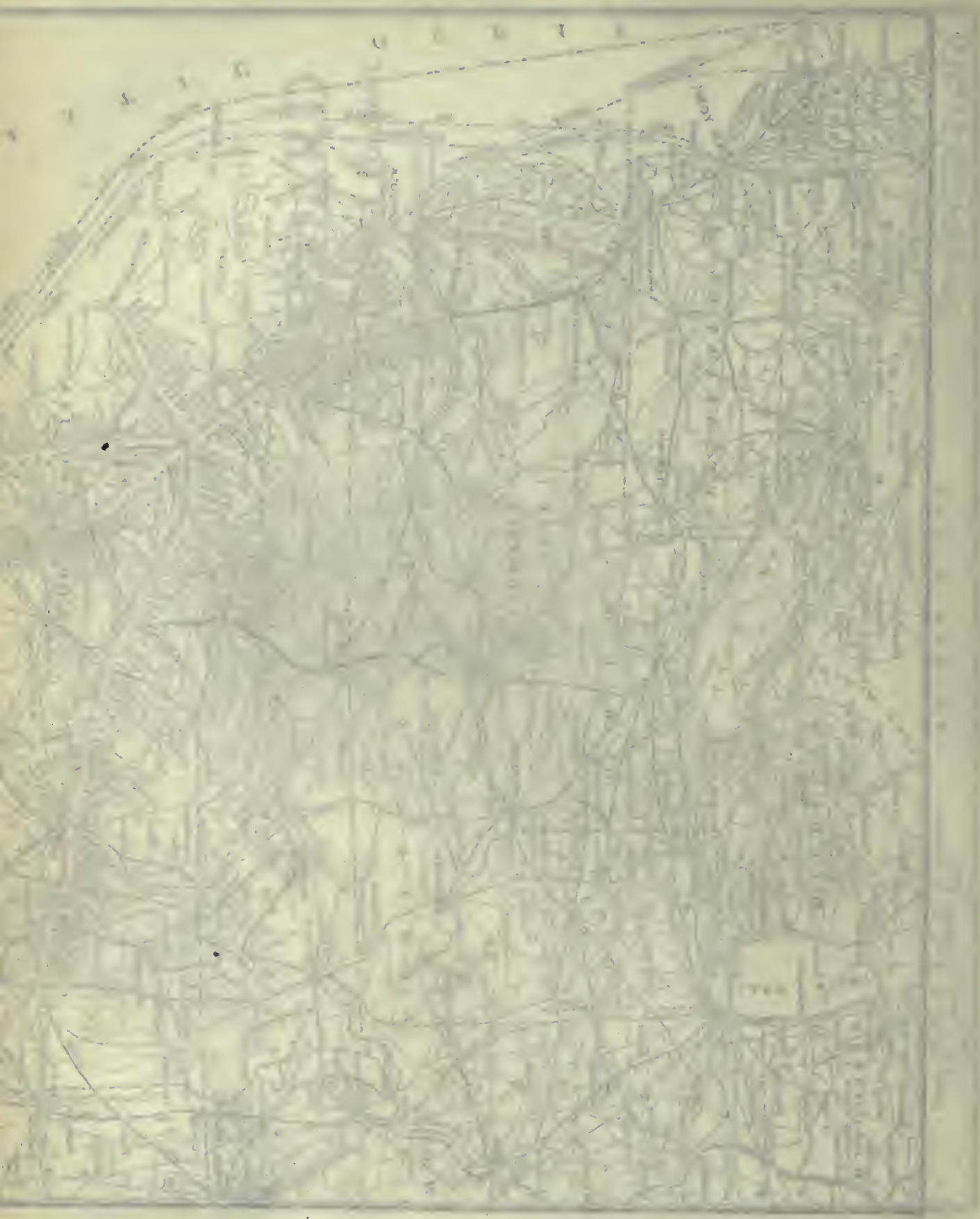
	1916	1915	1914	1913	1912	1911
Net rental	$74,770	$53,386	$47,997	$46,287	$39,748	$40.124
Taxes	6,529	5,297	5,773	5,049	4,647	3,818
Fixed charges	25,924	25,270	28,340	22,511	22,500	22,517
Surplus	$42,317	$22,819	$19,657	$18,727	$12,601	$13,789

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $87,593; credit balance transferred from income, $42,317; total, $129,910. Contra: Credit balance carried to balance sheet, $129,910.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$450,348	$450,348	$450,348	$450,348	$450,348	$450,348
Working assets	145,123	106.495	79,182	59,585	40,080	29,410
Deferred debit items	47,528	47,695	47,861	47,528	47,694	47,861
Total	$642,999	$604,538	$577,391	$557,461	$538,122	$527,619

SEABOARD
MAP OF THE
AIR LINE RAILWAY COMPANY
AND CONNECTIONS



LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	450,000	450,000	450,000	450,000	450,000	450,000
Working liabilities	733	4,928	621	700	245	2,487
Accr'd liabilities not due	12,303	11,964	11,940	11,643	11,487	11,343
Deferred credit items..	53	53	56	.....	.....	.....
Profit and loss surplus.	129,910	87,593	64,774	45,118	26,390	13,789
Total	$642,999	$604,538	$577,391	$557,461	$538,122	$527,619

Bonded Debt: $450,000 Shreveport Bridge & Terminal first 5s; due Aug. 1, 1955. For details and rating, see Bond Table of St. Louis Southwestern Ry., page 645.

Capital Stock: Auth. and issued, $50,000; par, $100. The St. Louis Southwestern Railway owns $47,500, which is deposited under its first terminal and unifying mortgage.

THE SEABOARD AIR LINE RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of South Carolina in October, 1915, as a consolidation of the Carolina, Atlantic & Western with the Seaboard Air Line Railway (see "Consolidation" below). The latter company was incorporated under Virginia laws, April 10, 1900, as successor to the Richmond, Petersburg & Carolina R.R., the latter operating a line from Richmond, Va., to Norlina, N. C., about 102 miles. Additional properties, which were known as parts of the "Seaboard Air Line" were then acquired, including the Seaboard & Roanoke R.R., the Carolina Central R.R., the Georgia, Carolina & Northern R.R., the Durham & Northern Ry., the Raleigh & Augusta Air Line R.R., and the Raleigh & Gaston R.R. These latter companies together formed a through line from Portsmouth, Va., to Atlanta, Ga., with branches from Wilmington to Rutherfordson, N. C., and aggregated about 960 miles in all. A line was then constructed from Cheraw to Camden, S. C.; the lines of the Florida Central & Peninsula R.R. and the Georgia & Alabama R.R. were absorbed in November, 1901. In 1903, a traffic contract was arranged with the Savannah & Statesboro Ry., and the bonds of this company were guaranteed. In the year 1908, the company, on its own application, was placed in receivers' hands, and its finances underwent reorganization and readjustment without foreclosure. In September, 1909, the Atlanta & Birmingham Air Line Ry., the Florida West Shore Ry., the Catawba Valley Ry., the Arcadia & Gulf Ry. and the Tallahassee, Perry & Southeastern Ry. were merged into the Seaboard Air Line Ry. In 1910 the property of the Atlantic, Suwannee & Gulf Ry. was acquired. The company also holds an interest in the Macon, Dublin & Savannah R.R., and in the Old Dominion Steamship Co., and controls through stock ownership the Baltimore Steam Packet Co. The Chesterfield & Lancaster R.R. is also controlled by stock ownership. In the fiscal year 1912, the Roanoke & Tar River R.R. was merged, and the company also acquired all the capital stock of the Raleigh & Charleston R.R. and the Tampa Northern R.R.

Location: The directly operated lines of The Seaboard Air Line Railway Company now embrace 3,449.29 miles of which 3,369.67 miles are owned, 57.65 leased and 79.62 operated under trackage rights. The system forms a direct line from Richmond, Va., to Tampa, Fla., with branches radiating throughout the States of North and South Carolina, Florida, and Georgia and west to Birmingham, Ala. Over the lines of the Richmond-Washington Co. it makes through connection with the latter city, Baltimore, Philadelphia, and New York, and has its direct water line to Baltimore, etc. Mileage mainly in States of Virginia, North and South Carolina, Georgia, and Florida. Population of these States in 1890, 6,653,891; in 1900, 7,833,183; in 1910, 9,145,039.

Dissolution of Seaboard Company: Prior to 1912 a majority of the stocks of the Seaboard Air Line Ry. was owned by the Seaboard Company, a New Jersey "holding corporation" formed in 1905. In 1912, however, the Seaboard Company was dissolved and the holdings of the railway stock distributed to the stockholders of the company. At the same time, Baltimore & New York interests acquired $12,000,000 common and $9,000,000 preferred stock of the Seaboard Air Line Ry. from the Cumberland Corporation, thus obtaining a dominating interest.

Consolidation: In October, 1915, a new company was formed by the direct consolidation of Seaboard Air Line Railway and The Carolina, Atlantic & Western Railway Co., the property of the latter embracing about 416 miles not heretofore directly included in the system. In this merger the stocks of the old Seaboard Air Line were exchanged share for share, and a new general 6% mortgage was created. See details in notes on stocks and bonds on following pages.

Management: OFFICERS: S. Davies Warfield, Chairman of the Board and of the Executive Committee, Baltimore, Md.; W. J. Harahan, Pres.; C. R. Capps, Vice-Pres., Norfolk, Va.; W. R. Bonsal, Vice-Pres., Hamlet, N. C.; W. L. Seddon, Vice-Pres., Norfolk, Va.; D. C. Porteous, Sec., New York; R. L. Nutt, Treas.; H. W. MacKenzie, Comptroller, Portsmouth, Va. DIRECTORS: Milton E. Ailes, James A. Blair, Franklin Q. Brown, C. R. Capps, Jas. C. Colgate, Samuel L. Fuller, W. J. Harahan, Wilson S. Kinnear, Mills B. Lane, L. F. Loree, S. Davies Warfield, W. R. Bonsal, F. N. B. Close. Annual meeting, second Thursday in November. GENERAL OFFICES, Portsmouth, Va. NEW YORK OFFICE, 24 Broad Street.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	15.97%	16.90%	15.91%	15.06%	15.49%	14.08%	14.30%	16.87%	13.86%
Products of Animals.....	.....	1.33	1.40	1.32	1.23	1.18	1.17	1.19	1.19	1.10
Products of Mines.....	.....	18.84	17.63	19.09	24.57	26.02	24.60	26.35	23.24	24.28
Products of Forests.....	.....	32.03	34.14	32.61	28.68	24.59	27.86	24.79	25.75	25.91
Manfrs. and Miscel.....	.....	29.93	31.83	31.07	30.46	32.71	32.29	33.37	32.95	34.85

Total revenue tonnage in 1909, 6,517,564 tons; in 1910, 8,131,402 tons; in 1911, 8,982,181 tons; in 1912, 9,406,877 tons; 10,409,242 tons in 1913; 10,410,986 tons in 1914; 8,478,585 tons in 1915; 9,721,400 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	2,611	....	398	333	13,026	70%	61,391	391,999	207	$1.79	2.36c	1.12c
1908.....	2,611	....	422	330	14,772	70	64,469	358,595	186	1.70	2.22	1.12
1909.....	2,609	....	427	341	14,860	70	62,071	385,675	207	1.79	2.16	1.12
1910.....	2,997	....	448	349	15,642	69	65,711	408,744	223	1.91	2.16	1.13
1911.....	3,037	....	450	347	15,641	66	72,787	420,031	220	1.99	2.14	1.16
1912.....	3,059	....	471	349	16,756	70	75,590	454,771	237	2.02	2.18	1.11
1913.....	3,074	....	488	364	17,779	68	77,247	500,539	245	2.05	2.20	1.09
1914.....	3,084	13	525	365	18,584	68	80,309	510,668	259	2.09	2.19	1.10
1915.....	3,106	22	550	404	18,834	67	68,196	431,505	282	2.02	2.16	1.07
1916.....	3,313	22	571	426	18,541	69	69,112	506,617	330	2.18	2.15	1.00
10-Year Average	2,950	6	475	361	16,444	69%	69,688	436,914	240	$1.95	2.19c	1.10c

Yard tracks and sidings on June 30, 1916, 934 miles.

Comment: Operating results on the Seaboard Air Line during the year ended June 30, 1916, underwent substantial improvement and the freight density was restored to the high figures of a few years ago. Average freight trainload was also better than at any previous time, while train mile earnings reached a new high figure. As usual the tonnage was well diversified, the proportion of high grade freight being 35% of the business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$6,292	$845	$887	$1,732	$3,227	$1,333	$1,398	$198	$1,200	$1,317	.....	$117*	.....
1908.....	6,004	822	924	1,746	2,839	1,419	1,434	230	1,204	1,466	.....	262*	.....
1909.....	6,306	904	910	1,814	2,573	1,919	1,978	239	1,739	1,552	11%	187	.....
1910.....	6,696	912	920	1,832	2,557	2,307	2,349	250	2,099	1,520	29	597	.....
1911.....	7,187	934	950	1,884	2,899	2,404	2,452	269	2,183	1,621	26	562	.....
1912.....	7,493	1,094	1,050	2,144	3,178	2,171	2,220	300	1,920	1,655	14	265	.....
1913.....	7,979	981	1,086	2,067	3,374	2,538	2,601	311	2,290	1,725	25	565	.....
1914.....	8,201	1,003	1,104	2,107	3,506	2,588	2,678	324	2,354	1,911	19	443	$232
1915.....	6,849	777	1,023	1,800	3,005	2,044	2,200	342	1,858	1,847	1	11	77
1916.....	7,280	867	1,044	1,911	2,941	2,428	2,615	347	2,268	1,924	15	344	.....
10-Year Average	$7,029	$914	$990	$1,904	$3,014	$2,115	$2,193	$281	$1,912	$1,654	13%	$258	$31

Note: Above table is based on average mileage directly operated for each year, whether such lines be owned, leased, or otherwise controlled or used. Margin of safety is the proportion of total net income left over after deducting all charges including taxes. For example, in 1916 the "balance for charges" (per mile) was $2,268; fixed charges consumed 85% or $1,924 per mile, leaving $344, a "margin of safety" of 15%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$24,119,522	$21,271,560	$25,271,397	$24,501,551	$22,921,904	$21,782,004
Maintenance of way...	2,871,679	2,414,866	3,094,200	3,014,957	3,347,359	2,836,577
Maintenance of equip..	3,458,915	3,175,642	3,404,470	3,338,542	3,212,278	2,884,953
All other oper. expenses	9,745,036	9,332,026	10,812,724	10,372,114	9,270,450	8,759,037
Net oper. revenues.	$8,043,892	$6,349,026	$7,960,003	$7,775,938	$6,641,817	$7,301,437
Operating ratio ...	66.6%	70.1%	68.5%	68.1%	71%	66.4%
Other income	620,467	485,076	298,996	220,064	150,541	145,953
Total net income..	$8,664,359	$6,834,102	$8,258,999	$7,996,002	$6,792,358	$7,447,390
Taxes accrued	1,150,826	1,062,247	999,000	956,000	917,000	818,000
Balance for charges	$7,513,533	$5,771,855	$7,259,999	$7,040,002	$5,875,358	$6,629,390
Fixed charges	6,375,411	5,738,280	5,893,908	5,304,148	5,061,572	4,921,425
Surplus over ch'ges	$1,138,122	$33,575	$1,366,091	$1,735,854	$813,786	$1,707,965
Dividends paid	.....	.....	716,823	.....	.....	.....
Balance	$1,138,122	$33.575	$649,268	$1,735,854	$813,786	$1,707,965
Earned on stock: Pref.	4.55%	.....	5.46%	6.94%	3.39%	7.10%

Note: Fixed charges in 1916 included interest on bonds and equipment trusts, $4,325,598; leased-line rentals, $51,000; joint-facility rents, $122,047; interest on adjustment bonds, $1,250,000, etc. The above income statement for 1916 covers the income account of the Seaboard Air Line Ry. from July 1, 1915 to Nov. 30, 1915, and the Seaboard Air Line Ry. Co. from Dec. 1, 1915 to June 30, 1916.

Profit and Loss Account of the reorganized company for the seven months Dec. 1, 1915 to June 30, 1916: Credit balance Dec. 1, 1915, $6,618,714; credit balance transferred from income, $1,040,118; profit on road and equipment sold, $2,870; unrefundable overcharges, $33; donations, $9,885; miscellaneous credits, $1,516,611; total, $9,188,231. Contra: Surplus appropriated for investment in physical property, $10,421; debt discount extinguished through surplus, $666,338; miscellaneous appropriations of surplus, $7,082; loss on retired road and equipment, $5,448; miscellaneous debits, $451,917; credit balance carried to balance sheet, $8,047,025; total, $9,188,231.

Comment: Gross revenues on the Seaboard Air Line in the year ended June 30, 1916, were nearly up to the high figures of 1913, while net revenues were far higher than ever bfore. Although the fixed charges advanced substantially, it will be noted that a heavy surplus was finally carried forward which equalled no less than 4½% on the preferred stock. Since the close of the fiscal year results have been even better and the current outlook for the property is of a most favorable character.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1906	$23,324	45%	$28,184	55%	Nom.	$51,508	$2,422	$49,086	3.7%	.....	.....	.....	.....	.....	.....
1907	23,331	43	31,164	57	"	54,495	2,588	51,907	2.7	.....	.....	.....	.....	.....	.....
1909	23,348	42	33,602	58	"	56,950	2,240	54,710	3.6	.....	.....	.....	.....	.....	.....
1910	20,325	39	31,852	61	"	52,177	1,321	50,856	4.5	.....	.....	.....	.....	.....	.....
1911	20,585	37	33,003	63	"	53,588	1,373	52,215	4.6	.....	.....	.....	.....	.....	.....
1912	20,803	37	33,761	63	"	54,564	845	53,719	4.1	.....	.....	.....	.....	.....	.....
1913	20,337	36	35,770	64	"	56,107	1,006	55,101	4.7	.....	.....	.....	.....	.....	.....
1914	20,271	36	36,244	64	"	56,515	1,058	55,457	4.8	$232	3%	.....	.....	48%	.....
1915	20,128	36	35,976	64	"	56,104	3,244	52,860	4.2	77	1	.....	.....	.....	.....
1916	20,318	35	37,791	65	"	58,109	1,837	56,272	4.6	.....	.....	.....	.....	.....	.....
10-Year Average	$21,277	39%	$33,735	61%	Nom.	$55,012	$1,793	$53,219	4.2%	$31	.....	.....	.....	.....	.....

Note: Figures cannot be furnished for 1908, as road was in receivers' hands that year and no report was issued to stockholders covering capitalization figures. Net income on net capital is the percentage of total net income before deducting taxes on the net capitalization as shown.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$183,469,454	$169,239,230	$166,660,986	$164,081,837	$160,122,391	$156,327,274
Working assets	10,545,638	5,740,388	8,286,248	8,152,321	4,323,487	4,816,698
Deferred debit items...	12,517,522	12,155,294	11,932,285	11,981,876	11,510,910	10,840,779
Accrued income not due	25,510	47,397	.....	.....	.....	.....
Total	$206,558,124	$187,182,309	$186,879,519	$184,216,034	$175,956,788	$171,984,751
Liabilities:						
Capital stock	$67,314,100	$62,516,000	$62,516,000	$62,516,000	$62,516,000	$62,516,000
Funded debt	125,200,102	111,742,000	111,775,000	109,963,000	103,310,000	99,276,290
Working liabilities	3,158,404	3,315,347	2,700,229	2,893,084	2,945,450	3,789,693
Acer'd liabilities not due	2,223,406	1,903,467	1,879,132	1,846,923	1,718,037	1,667,867
Deferred credit items..	574,000	642,224	697,341	594,403	518,261	622,568
Appropriated surplus ..	41,087	.....	50,065	.....	.....	.....
Profit and loss surplus.	8,047,025	7,063,271	7,261,752	6,402,624	4,949,040	4,112,333
Total	$206,558,124	$187,182,309	$186,879,519	$184,216,034	$175,956,788	$171,984,751

Note: Working assets in 1916 included, $3,452,084 cash.

Comment: There was a substantial increase in the funded debt of the Seaboard Air Line Company during the year ended June 30, 1916, but as measured on a mileage basis the increase was not heavy. The net capitalization of the property is practically no heavier today than it was a few years ago, when measured by the mile, and the company has recently reported a net income on net capital fully up to the average of the decade. During the year the company added substantially to its surplus accounts.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Seaboard & Roanoke first 5s	J&J	Jl 1926	(1st) 81	$30,000		$38	84%	High	High	Aaa.
2 Seaboard & Roanoke reg. deben. 6s	F&A	After 1916	(see text)	.....		5	84%	"	Fair	Aaa.
3. Raleigh & Gaston first 5s	J&J	Ja 1947	(1st) 99	12,000		18	84%	"	High	Aaa.
4. Roanoke & Tar Riv. first 6s	A&O	Ap 1917	(1st) 32	1,719		1	84%	"	Fair	Aaa.
5 Durham & Nor. first 6s	M&N	N 1928	(1st) 41	2,439	$1,912	2	84%	"	"	Aaa.
6. Ral. & Augusta A. L. 6s	J&J	Ja 1926	(1st) 97	10,000		18	84%	"	High	Aaa.
7. Carolina Cent. first con. 4s	J&J	Ja 1949	(1st) 271	11,000		36	84%	"	"	Aa.
8. Georgia, Car. & Nor. first 5s	J&J	Jl 1929	(1st) 266	20,000		81	84%	"	"	Aa.
9. Georgia & Ala. first con. 5s.	J&J	O 1945	(1st) 399	15,250		92	84%	"	"	Aa.
10. Georgia & Ala. Term. first 5s	J&D	D 1948	(1st) Term	.....		15	84%	"	"	Aa.
11. Florida Cent. & Penin. first 5s	J&J	Jl 1918	(1st) 574	5,217		45	81%	"	"	Aaa.
12. Florida Cent. & Penin. first ext. 5s	J&J	Ja 1930	(1st) 96 (2d) 574	600		6	81%	"	Fair	Aa.
13. Florida Cent. & Penin. first consol. 5s	J&J	Ja 1943	(1st) 141 (2d) 96 (3d) 574	5,390	1,606	66	81%	"	"	Aa.
14. South Bound R. R. first 5s.	A&O	Ap 1941	(1st) 139	14,626		31	81%	"	"	Aaa.
15. Seaboard Air Line first 4s	A&O	Ap 1950	(see text)	.....		154	81%	Good	Good	Aa.
16. Seaboard Air Line Atla. & Birm. first 4s	M&S	My 1933	(1st) 218	27,110		71	75%	"	Fair	A.
17. Florida West Shore first 5s	J&J	Ja 1934	(1st) 66	11,450	1,304	11	75%	"	"	A.
18. Seaboard Air Line ref. 4s	A&O	O 1959	(see text)	.....		241	75%	"	High	Ba.
19. Seaboard Air Line first and con. 6s	M&S	S 1945	416 (coll)	Gen.		487	(see text)	"	"	Ba.
20. Seaboard Air Line adj. 5s	F&A	O 1949	(see text)	.....	981	377	"	"	"	B.
21. Equipment trusts, see text	Var.	Var.	.....	.....		77	High	High	"	Aa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $2,500,000. Dated July 1, 1886; due July 1, 1926. Int. paid at Blair & Co., 24 Broad Street, New York. Coupon and reg., $1,000. Assumed by Seaboard Air Line Ry. First lien from Portsmouth, Va., to Weldon, N. C., and branches, 81.30 miles. Underlies Nos. 2, 15, 18, 19 and 20. No. 19 provides for retirement. Listed on New York and Baltimore Stock Exchanges. Normal income tax deducted from interest.

2. Auth., $690,000; outstanding, $285,000 (closed). Dated Aug. 3, 1886; due after July 1, 1916, as a whole or in ten annual instalments. Reg., $100. Checks for interest mailed. Now a second lien on 81.30 miles, following No. 1. Refunding: No. 19 provides for retirement of these bonds. Listed on Baltimore Stock Exchange. Normal income tax deducted from interest.

3. Auth., $1,500,000; outstanding, $1,200,000 (closed). Dated Jan. 1, 1897; due Jan. 1, 1947. Int. paid at Continental Trust Co., Baltimore. Coupon, $1,000. Assumed by Seaboard Air Line Railway. First lien from Weldon to Raleigh, N. C., 96.20 miles; and Roanoke Junc. to Roanoke Rapids, 2.54 miles; total, 98.74 miles. Underlie Nos. 15, 18, 19 and 20, with provision by No. 19 to retire. Normal income tax deducted from interest.

4. Auth., $8,000 per mile; outstanding, $55,000 (closed). Dated April 1, 1887; due April 1, 1917. Int. paid at Mercantile Trust & Deposit Co., Baltimore. Coupon, $1,000. First lien from Boykins to Lewiston, N. C., 32.30 miles. Underlies Nos. 15, 18, 19 and 20, with provision by No. 19 to retire. Normal income tax deducted from interest.

5. Auth., $252,000; outstanding, $100,000 (closed). Dated Nov. 8, 1888; due Nov. 1, 1928. Int. paid at Mercantile Trust & Deposit Co., Baltimore. Coupon, $1,000. Assumed by Seaboard Air Line Railway. First lien from Durham to Henderson, N. C., 41.40 miles. Underlie Nos. 15, 18, 19 and 20, with provision by No. 19 to retire. Normal income tax deducted from interest.

6. Auth. and outstanding, $1,000,000. Dated Dec. 3, 1885; due Jan. 1, 1926. Int. paid at Baltimore Trust Co., Baltimore. Coupon, $1,000. Assumed by Seaboard Air Line Railway. First lien on 96.60 miles from Hamlet to Gibson, N. C. Underlie Nos. 15, 18, 19 and 20, with provision by No. 19 to retire. Listed on Baltimore Stock Exchange. Normal income tax deducted from interest.

7. Auth. and outstanding, $3,000,000. Dated Sept. 1, 1898; due Jan. 1, 1949. Int. paid at Blair & Co., 24 Broad Street, New York. Coupon, $1,000. Assumed by Seaboard Air Line Railway. Guar. prin. and int. by Seaboard & Roanoke R.R. and Raleigh & Gaston R.R. jointly and severally by endorsement. First lien on 271.03 miles from Wilmington to Rutherfordton, N. C., and branches. Underlie Nos. 15, 18, 19 and 20, with provision by No. 19 to retire. Listed on New York Stock Exchange. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

8. Auth. and outstanding, $5,360,000. Dated May 24, 1889; due July 1, 1929. Int. paid at Blair & Co., 24 Broad Street, New York, and in Baltimore. Coupon, $1,000. Assumed by Seaboard Air Line Railway. First lien from Monroe, N. C., to Belt Junc. (near Atlanta), Ga., 261.10 miles; Belt Junc. to Inman Park, Ga., 5 miles; total, 266.10 miles. Underlie Nos. 15, 18, 19 and 20, with provision by No. 19 to retire. Listed on New York, Baltimore and Richmond Stock Exchanges. Normal income tax deducted from interest.

9. Auth., $10,000,000; outstanding, $6,085,000 (closed). Dated Oct. 1, 1895; due Oct. 1, 1945. Int. paid at 24 Broad Street, New York. Coupon, $1,000. Assumed by Seaboard Air Line Railway. First lien on 398.78 miles, as follows: From Lyons, Ga., to Montgomery, Ala., 262.99 miles; Meldrim to Savannah, Ga., 16.99 miles; Columbus to Albany, Ga., 88 miles; Abberville to Ocilla, Ga., 30.80 miles; also a lien on lease of 57.65 miles, Meldrim to Lyons, Ga. Underlie Nos. 15, 18, 19 and 20, with provision by No. 19 to retire. Listed on New York, Baltimore and Richmond Stock Exchanges. Interest paid without deduction for normal income tax.

10. Auth. and outstanding, $1,000,000. Dated Dec. 1, 1898; due Dec. 1, 1948. Int. paid at Blair & Co., 24 Broad Street, New York. Coupon, $1,000. Callable at 110 and int. on any int. date on ninety days' notice. Guar. prin. and int. by Seaboard Air Line Railway. First lien on 2.08 miles of main line on Hutchinson's Island, opposite Savannah, connecting with the Georgia & Alabama Ry.; and on about 1,200 acres on said island, including more than three miles of water front, with wharves, piers, warehouses, etc. Underlie Nos. 15, 18, 19 and 20, with provision by No. 19 to retire. Interest paid without deduction for normal income tax.

11. Auth. and outstanding, $3,000,000. Dated July 12, 1888; due July 1, 1918. Int. paid at Blair & Co., 24 Broad Street, New York. Coupon, $1,000. First lien on 574.35 miles, as follows: Fernandina to Cedar Keys, 155.70 miles; Jacksonville to River Junc., 209.06 miles; Yulee to Jacksonville, 25.60 miles; Waldo to Plant City, 132.94 miles; Drifton to Monticello, 4.38 miles; Tallahassee to St. Marks, 20.35 miles; Wildwood to Tavares, 22.19 miles; and branches, 4.13 miles; all in Florida. Underlie Nos. 12, 13, 15, 18, 19 and 20, with provision by No. 19, to retire. Listed on New York and Amsterdam Stock Exchanges. Normal income tax deducted from interest.

12. Auth., $500,000; outstanding, $392,000 (closed). Dated Jan. 2, 1890; due Jan. 1, 1930. Int. paid at Blair & Co., 24 Broad Street, New York. Coupon, $1,000. Sinking fund: Proceeds from sales of land to be used for purchase of these bonds at their market price. First lien from Plant City to Tampa, Fla., 22.50 miles; Archer to Early Bird, 28.75 miles; Tavares to Orlando, 32 miles; Turkey Creek to Durant, Fla., 4.33 miles: Early Bird Spur, .60 mile; branches, 7.37 miles; total, 95.55 miles; second lien on 574.35 miles, following No. 11. Underlie Nos. 13, 15, 18, 19 and 20, with provision by No. 19 to retire. Listed on New York and Amsterdam Stock Exchanges. Normal income tax deducted from interest.

13. Auth., $7,800,000; outstanding, $4,372,000 (closed). Dated Jan. 2, 1893; due Jan. 1, 1943. Int. paid at Blair & Co., 24 Broad Street, New York. Coupon, $1,000. First lien from Savannah, Ga., to Yulee, Fla., 113.36 miles; Orlando to Lake Charm, Fla., 16.16 miles; Summerfield to Lake Weir, Fla., 7.65 miles; branches, 4.20 miles; total, 141.37 miles; second lien on 95.55 miles, following No. 12; third lien on 574.35 miles, following No. 12. Underlie Nos. 15, 18, 19 and 20, with provision by No. 19 to retire. Listed on New York and Amsterdam Stock Exchanges. Normal income tax deducted from interest.

14. Auth., $2,250,000; outstanding, $2,033,000 (closed). Dated May 1, 1891; due April 1, 1941. Int. paid at Continental Trust Co., Baltimore. Coupon, $1,000. Assumed by Seaboard Air Line Railway. First lien from Savannah, Ga., to Columbia, S. C., 138.55 miles. Underlie Nso. 15, 18, 19 and 20, with provision by No. 19 to retire. Listed on Richmond Stock Exchange. Normal income tax deducted from interest.

15. Auth., $75,000,000; outstanding, $12,775,000; deposited under No. 18, $27,000,000 (closed). Dated April 1, 1900; due April 1, 1950. Int .paid at Blair & Co., 24 Broad Street, New York. Coupon and reg., $1,000. Callable on any interest date at par and int., on three months' notice. First lien on 247.61 miles: Richmond, Va., to Norlina, N. C., 102.10 miles; Hamlet, N. C., to Columbia, S. C., 105.90 miles; branches, 39.61 miles; second lien on 1,568.25 miles, as follows: On the 271.03 miles, following No. 7; on the 41.40 miles, following No. 5; on the 398.78 miles, following No. 9; on the 266.10 miles following No. 8; on the 96.60 miles, following No. 6; on the 98.74 miles, following No. 3; on the 138.55 miles, following No. 14; on the 141.37 miles, following No. 13; on 32.30 miles, following No. 4; on 2.08 miles, following No. 10; on the 81.30 miles, following No. 1; third lien on 95.40 miles, following No. 13; fourth lien on 574.35 miles following No. 13; first collateral lien on $205,000 of No. 4, $50,000 of No. 5; also entire capital stock ($300,000) of the Georgia & Alabama Terminal Co.; also $405,000 out of a total issue of $690,000 of No. 2, and $445,000 capital stock of Richmond-Washington Co. Underlie Nos. 18, 19 and 20, with provision by No. 19 to retire. Listed on New York, Philadelphia, Baltimore and Richmond Stock Exchanges. Interest paid without deduction for normal income tax.

16. Auth., $10,000,000; outstanding, $5,910,000 (closed). Dated May 1, 1903; due May 1, 1933. Int. paid at 24 Broad Street, New York. Coupon, $1,000. First lien from Howell, Ga. (near Atlanta), to Birmingham, Ala., 163.27 miles; Rockmart to Carterville, Ga., 22.84 miles; and branches, 31.46 miles; total, 217.57 miles; trackage rights to Atlanta and terminal rights in Atlanta. Underlie Nos. 18, 19 and 20, with provision by No. 19 to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

17. Auth., $2,000,000; outstanding, $755,000 (closed). Dated Jan. 1, 1904; due Jan. 1, 1934. Int. paid at Blair & Co., 24 Broad Street, New York. Coupon, $1,000. Callable at 105 and int. on any interest date. Guar. prin. and int. by Seaboard Air Line Railway, and now assumed. First lien on about 66.02 miles from Durant to Sarasota and branches, all in Florida. Underlie Nos. 18, 19 and 20, with provision by No. 19 to retire. Interest paid without deduction for normal income tax.

18. Auth., $125,000,000; outstanding, $20,004,000; deposited under No. 19, $24,667,000; any further issues must be pledged under No. 19. Dated Oct. 1, 1909; due Oct. 1, 1959. Int. paid at Blair & Co., New York. Coupon, $100, $500 and $1,000; reg., $1,000, $5,000, etc. Callable as whole on any interest date at 105 and int. upon ninety days' notice. First lien on 278.22 miles, as follows: From Dickinson to Oxford, N. C., 4.51 miles; Spence to Great Falls, S. C., 21.43 miles; Tallahassee to Covington, Fla., 38.83 miles; Plant City to Welcome, Fla., and spur, 18.88 miles; and Stark to Wanee, Fla., and spur, 60.49 miles, and other mileage in Florida; second lien on 531.20 miles, as follows: On the 247.61 miles, following No. 15; on the 217.57 miles, following No. 16; on the 66.02 miles, following No. 17; third lien on 1,568.25 miles, following No. 15; fourth lien on 95.40 miles, following No. 15; fifth lien on 574.35 miles, following No. 15; first lien on $27,000,000 of No. 15, and upon the shares of numerous terminal, steamship, and transportation companies; second lien on securities, deposited under No. 15. Underlie Nos. 19 and 20, with provision by No. 19 to retire. Listed on New York, London and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

19. Auth., $300,000,000; outstanding, $26,909,500. Dated Sept. 1, 1915; due Sept. 1, 1945. Interest paid at Guaranty Trust Co., New York. Coupon, $100, $500, $1,000; reg., $1,000, etc. Callable at 107½ on 60 days' notice. First lien on about 416 miles of road, including the main track lines between Hamlet and Savannah, *via* Charleston, Lane and Georgetown, S. C., and on the lines extending from McBee to Florence, Poston, Sumter and Timmonsville, S. C. Further secured by deposit of $24,667,000 of No. 18, by all the stock owned of the Tampa Northern R.R. and the Raleigh & Charleston R.R. and one-third of the outstanding stock of the Tampa Union Station Co. Further, all additional issues of No. 18 must be deposited under this mortgage. Of the unissued bonds sufficient are reserved to retire all outstanding amounts of Nos. 1 to 18, the balance being reserved for improvements, extensions, equipment, etc. Additional amounts may be issued at lower rates of interest, may have a different maturity, may carry a convertible feature, etc. In above table "factor of safety" not shown, as figures are based on old mileage before merger. Normal income tax deducted from interest.

20. Auth. and outstanding, $25,000,000. Dated Oct. 1, 1909; due Oct. 1, 1949. Int. paid at Blair & Co., 24 Broad Street, New York. Coupon, $1,000. Cumulative and not to exceed 5%; to be payable in instalments of not less than 1¼% out of surplus net earnings of company; full 5% paid to Feb. 1, 1917. Callable as whole at par and int. on any interest date on ninety days' notice. Follows No. 18 on same property and securities; junior in position to No. 19. Listed on New York, Baltimore, London and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

21. In series, all coupon, $1,000; described as follows: Series D, 5s; dated Nov. 1, 1897; due $15,000 annually to Nov. 1, 1917. Original issue, $300,000; now unmatured, $15,000. Int. paid M. and N. 1, at Mercantile Trust & Deposit Co., Baltimore. First lien on equipment costing $300,000. Series I, 5s; dated May 16, 1907; due $65,000 s.a. to May 1, 1917. Original issue, $1,300,000; now unmatured, $65,000. Int. paid M. and N. 1, at Prov. Life & Trust Co., Philadelphia. First lien on equipment costing $1,719,502. Series J, 5s; dated June 1, 1907; due $45.000 s.a. to June 1, 1917. Original issue, $900,000; now unmatured, $45,000. Int. paid J. and D. 1, at New York Trust Co., New York. First lien on equipment costing $1,138,750. Series K, 5s; dated July 1, 1907; due $15,000 s.a. to July 1, 1917. Original issue, $300,000; now unmatured, $15.000. Int. paid J. and J. 1, at Philadelphia Tr. S. D. & Ins. Co., Philadelphia. First lien on equipment costing $393,000. Series L, 5s; dated Dec. 15, 1909; due $69,000 s.a. to Dec. 15, 1919. Original issue, $1,380,000; now unmatured, $414,000. Int. paid J. and D. 15, at Blair & Co., New York. First lien on equipment costing $1,564,210. Series N, 4½s; dated Sept. 6, 1911; due $75,000 s.a. to Aug. 15, 1921. Original issue, $1,500,000; now unmatured, $750,000. Int. paid F. and A. 15, at Blair & Co., New York. First lien on equipment costing $1,775,650. Series O, 4½s; dated July 15, 1912; due $103,000 s.a. to July 15, 1922. Original issue, $2,060,000; now unmatured, $1,133,000. Int. paid J. and J. 15, at Blair & Co., New York. First lien on equipment costing $2,300,581. Series P, 5s; dated Aug. 15, 1913; due $95,000 s.a. to Aug. 15, 1923. Original issue, $1,900,000; now unmatured, $1,330,000. Int. paid F. and A. 15, at Blair & Co., New York. First lien on equipment costing $2,373,228. Interest paid without deduction for normal income tax on above issues. Series Q, 5s; dated July 1, 1914; due $72,000 s.a. to July 1, 1924. Original issue, $1,440,000; now unmatured, $1,080,000. Int. paid J. and J. 1, at Girard Trust Co., Philadelphia. First lien on equipment costing $1,600,044. Normal income tax deducted from interest. Series R, 4½s; dated July 1, 1916; due $25,000 each Jan. 1 and $26.000 each July 1 to July 1, 1926. Int. paid J. and J. 1, at Girard Trust Co., Philadelphia. Original issues, $510,000; now outstanding, $485,000. First lien on equipment costing $609,890. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Seaboard Air Line Ry. pfd. Par, $100. Outstanding, $24,944,700.	See text	$7,530	$258	.....	.....	Fair	Good	Caa.
2. Seaboard Air Line Ry. common. Par, $100. Outstanding, $38,919,400.	None	11,747	.....	.....	.....	Small	"	C.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. The total authorized stock of the company is $100,000,000; par, $100. Preferred stock authorized, $50,000,000; issued, $25,000,000 4-2% non-cumulative preferred and $2,273,100 6% non-cumulative preferred. Of the 4-2% preferred $1,105,900 is in treasury, and of the 6% preferred $1,205,000 is pledged and $17,500 in treasury. The 4-2% preferred was issued in exchange for the preferred stock of the old Seaboard Air Line Railway, and is entitled to 4% non-cumulative dividends, and after the common stock receives 4%, to an additional 2%, making 6% in all. The 6% preferred is entitled to a straight 6%, but with the following conversion-right: An option will be given holders of the 4-2% preferred stock from July 1, 1916, to July 1, 1921, to convert each share of said preferred stock into two-thirds of a share of 6% preferred stock and one-third of a share of common stock; or, to convert each share of 4-2% preferred into one share of preferred entitled to 5% non-cumulative dividends only. The present 6% non-cumulative preferred ($2,280,000) was issued in exchange for Carolina, Atlantic & Western Railway refunding 5% bonds. Dividends on old Seaboard Air Line preferred were paid at rate of 1% quarterly from Nov., 1913, to Aug., 1914; none since. Present issue of 4-2% preferred is listed on New York Stock Exchange.

2. Common stock authorized, $50,000,000; now outstanding, $40,041,000; of which $1,121,600 is held in treasury; par, $100. Of this amount, $37,516,000 was exchanged for a like amount of old Seaboard Air Line Railway stock, and $2.525,000 for a like amount of Carolina, Atlantic & Western Railway stock. Listed on New York Stock Exchange. Majority of stock held in 5-year voting trust, expiring in 1922. Voting trustees, S. Davies Warfield, S. L. Fuller, R. F. Maddox, C. H. Sabin, C. S. Shepard, F. A. Vanderlip, C. W. Watson, G. W. Watts, A. H. Wiggin.

RAILROADS CONTROLLED BY OR AFFILIATED IN INTEREST WITH THE SEABOARD AIR LINE RAILWAY COMPANY

CHESTERFIELD & LANCASTER RAILROAD

Origin: Incorporated under South Carolina laws in 1896; line of road, Cheraw to Croburk, S. C., 38 miles. Equipment: 3 locomotives; 5 passenger and freight cars.

Management: OFFICERS: W. J. Harahan, Pres.; R. L. Nutt, Sec. and Treas. DIRECTORS: W. F. Stevenson, M. W. Duvall, J. A. Watson, A. G. Meiklejohn, C. E. Exum, D. H. McGregor, H. E. Wells, M. R. Wilkinson, W. J. Harahan, F. J. Lisman, I. G. Tinsley, Edwin Malloy. Annual meeting, second Wednesday in July. OFFICE, Cheraw, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$52,734	$44,659	$64,523	$67,105	$67,589	$82,179	$70,984
Operating expenses	42,261	46,058	53,926	40,834	40,966	36,913	37,118
Net earnings	*$10,473	*$1,399	$10,597	$26,271	$26,622	$45,266	$37,866
Fixed charges, including taxes.	21,691	21,008	24,433	23,761	22,436	24,509	22,292
Surplus	*$11,218	*$22,407	*$13,837	$2,509	$4,185	$20,757	*$11,574

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$775,466	$776,049	$777,825	$772,960	$773,134	$769,596
Working assets	8,993	3,232	9,911	17,290	12,043	11,651
Deferred debit items	1,734	2,040	1,966	2,087	1,830	906
Profit and loss	24,606	12,429	.....	.....	.....	.....
Total	$810,799	$794,750	$786,702	$792,337	$787,007	$782,154
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	260,639	253,000	253,000	253,000	253,000	253,000
Working liabilities	42,795	34,428	16,910	7,136	4,296	5,731
Accrd. liabilities not due	7,365	7,322	7,868	5,717	6,938	6,797
Deferred credit items	.....	.....	.....	3,728	2,526	1,479
Profit and loss	.....	.....	8,924	22,756	20,247	15,147
Total	$810,799	$794,750	$786,702	$792,337	$787,007	$782,154

Bonded Debt: $186,000 Chesterfield & Lancaster R.R. first 5s; dated Aug. 1, 1905; due Aug. 1, 1955. Int. paid F. and A., at Columbia Trust Co., New York. First lien, 38 miles, Cheraw to Croburk, S. C. Auth., $750,000. The issue is not guaranteed. It is followed by $67,000 second 6s; due 1918, of which the Seaboard Air Line Ry. Co. owns $47,000. Coupon, $1,000. Interest paid without deduction for normal income txa. Net Rating, B.

Capital Stock: Auth. and outstanding, $500,000; par, $25. No dividends. The Seaboard Air Line Ry Co. owns $300,000.

MACON, DUBLIN & SAVANNAH RAILROAD

Origin: Incorporated under the laws of Georgia, Aug. 6, 1885, but not completely opened for traffic until Mar., 1902. The lines of the company make connection at Vidalia, Ga., with the Seaboard Air Line, and at Macon, Ga., with the Southern Ry., and the Seaboard Air Line holds a minority stock interest in the company, but does not completely control the property.

Location: The total mileage operated consists of 92.26 miles, of which 91.28 miles, extending from Macon to Vidalia, Ga., is owned, and the balance is operated under contract. Equiment consisted on June 30, 1916, of 12 locomotives and 202 passenger, freight, and service cars.

Management: OFFICERS: J. A. Blair, Jr., Pres., New York; W. W. Seddon, Vice-Pres.; J. R. Frink, Sec. and Treas., Macon, Ga. DIRECTORS: M. B. Wellborn, Anniston, Ala.; R. J. Taylor, A. E. Chappell, W. J. Massee, Macon, Ga.; E. T. Brown, Atlanta, Ga.; W. J. Harahan, Norfolk, Va.; J. E. Smith, Jr., Izzie Bashinski, Dublin, Ga.; J. A. Blair, Jr., W. T. Rosen, New York, N. Y. Annual meeting, second Wednesday in March. OFFICE, Macon, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$468,603	$451,023	$541,192	$490,225	$530,464	$468,011	$418,463
Operating expenses	322,475	343,475	411,266	415,298	367,927	330,266	280,895
Net earnings	$146,128	$107,548	$129,926	$74,927	$162,537	$137,745	$137,568
Operating ratio	68.75%	76.2%	76%	84.7%	69.4%	70.6%	67.1%
Total net income	150,452	110,264	131,243	76,388	165,254	140,290	139,551
Taxes accrued	21,166	16,545	20,472	16,862	17,348	13,269	11,542
Fixed charges	11,772	105,652	161,086	98,228	96,978	87,266	81,586
Surplus for year	$17,514	*$11,933	*$5,315	*$38,702	$50,928	$39,755	$46,423

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $3,742; debit discount extinguished through surplus, $1,920; loss on retired road and equipment, $10,559; miscellaneous debits, $47; credit balance carried to balance sheet, $3,476; total, $19,744. Contra: Credit balance transferred from income, $17,514; miscellaneous credits, $2,230; total, $19,744.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$3,628,848	$3,629,335	$3,661,801	$3,637,092	$3,466,322	$3,348,684
Working assets	99,731	91,595	111,233	130,789	146,826	149,982
Deferred debit items...	51,216	50,274	15,013	13,577	17,354	15,103
Profit and loss.....	.....	3,742	.....	.....	.....	.....
Total	$3,779,795	$3,774,946	$3,788,047	$3,781,458	$3,630,502	$3,513,769
LIABILITIES:						
Capital stock	$2,040,000	$2,040,000	$2,040,000	$2,040,000	$2,040,000	$2,040,000
Funded debt	1,529,000	1,505,000	1,505,000	1,511,000	1,396,000	1,346,000
Working liabilities	176,990	206,894	202,150	189,916	87,576	70,520
Accrd. liabilities not due	14,694	21,894	16,711	6,064	6,064	6,064
Deferred credit items..	15,635	1,158	854	671	340	185
Profit and loss.....	3,476	.....	2,232	33,807	100,522	51,000
Total	$3,779,795	$3,774,946	$3,788,047	$3,781,458	$3,630,502	$3,513,769

Bonded Debt: $1,529,000 Macon, Dublin & Savannah first 5s. Dated Jan. 3, 1907; due Jan. 1, 1947. Int. paid at New York Trust Co., New York. Coupon, $1,000. Registered as to principal. Guar. prin. and int. by The Seaboard Air Line Ry Co. First lien from Macon to Vidalia, Ga., 91.28 miles. The road connects with the Seaboard Air Line at Vidalia and with the Southern Railway at Macon. Refunding: Seaboard Air Line Ry. Co. cons. mtge. 6s may be issued to retire these bonds. Auth., $1,840,000. Listed on the Baltimore Stock Exchange. Interest paid without deduction for normal income tax, except on bonds numbered 1505 to 1529, inc. Net Ratings, Baa.

Capital Stock: Auth., $3,200,000; outstanding, $2,040,000; par, $100. The Seaboard Air Line Ry. Co. owned $940,000 on June 30, 1916. No dividends.

RALEIGH & CHARLESTON RAILROAD

Origin: Incorporated under North and South Carolina laws in 1905, as successor to the Carolina Northern R.R. Line of road: Lumberton, N. C., to Libby, S. C., 43 miles. In Dec., 1911, the Seaboard Air Line Ry. acquired the entire capital stock. Equipment: locomotives, 4; cars. 14. The company controls the Marion & Southern R.R., operating 12 miles from West Marion to connection with this property and the Atlantic Coast Line.

Management: OFFICERS: W. J. Harahan, Pres.; C. R. Capps, Vice-Pres.; R. L. Nutt, Sec. and Treas. DIRECTORS: R. L. Nutt, C. R. Capps, W. J. Harahan, F. Sitterding, Geo. F. Armstrong, G. B. McLeod, W. Stackhouse, E. C. Bagwell, D. O. Anderson. Annual meeting, second Monday in January. OFFICE, Marion, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$84,695	$75,594	$97,476	$92,375	$86,278	$90,001	$81,523
Operating expenses	53,540	52,422	60,306	61,194	56,979	61,889	56,659
Net earnings	$31,155	$23,172	$37,170	$31,181	$29,299	$28,112	$24,864
Operating ratio	63.1%	69.3%	61.9%	66.2%	66%	68.8%	69.5%
Total net income.....	31,165	23,707	37,170	31,181	29,489	28,292	25,044
Taxes accrued	2,785	3,018	3,018	2,801	2,784	2,204	1,989
Charges	34,467	33,104	35,774	34,679	33,199	23,862	21,028
Balance	* $6,087	* $12,415	* $1,622	* $6,299	* $6,494	$2,226	$2,027

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$1,222,242	$1,174,694	$1,176,902	$1,173,928	$1,170,799	$1,189,367
Working assets.....	29,254	20,924	294,162	339,072	287,213	364,646
Deferred debit items...	2,660	57,101	62,331	500	24,498	46
Total	$1,254,156	$1,252,719	$1,533,395	$1,513,500	$1,482,510	$1,554,059
LIABILITIES:						
Capital stock.....	$574,500	$574,500	$850,000	$850,000	$850,000	$850,000
Funded debt.....	550,000	550,000	550,000	550,000	550,000	562,000
Working liabilities.....	99,588	91,951	83,670	66,453	27,086	134,859
Accrd. liabilities not due	10,624	10,553	10,562	10,079	8,957	.....
Deferred credit items..	.....	.....	.....	.....	3,199	.....
Profit and loss.....	19,444	25,715	39,163	36,968	43,268	7,200
Total	$1,254,156	$1,252,719	$1,533,395	$1,513,500	$1,482,510	$1,554,059

Bonded Debt: (1) $350,000 Raleigh & Charleston R.R. first prior lien 4s; date Feb. 1, 1900; due Feb. 1, 1956. Int. paid at Baltimore Trust Co., Baltimore. Callable at par on three months' notice. Guar. prin. and int. by Seaboard Air Line Ry. First lien, 43 miles, Lumberton, N. C., to Libby, S. C. Provided for by consol. 4s (below), which they underlie. Coupon, $200 and $1,000. Int. paid without deduction for normal income tax. Net Rating, Baa.

(2) $200,000 Raleigh & Charleston R.R. consol. 4s; dated Feb. 1, 1906; due Feb. 1, 1956. Int. paid Feb. and Aug. 1, at Baltimore Trust Co., Baltimore. Coupon, $200 and $1,000. Auth., $1,000,000, of which $350,000 provide for No. 1. Follow No. 1 on same property. Callable at par and int. Guar. prin. and int. by The Seaboard Air Line Ry. Co. Interest paid without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth., $850,000; outstanding, $574,500; all owned by The Seaboard Air Line Ry. Co. Par, $100.

SAVANNAH & STATESBORO RAILWAY

Origin: Incorporated under Georgia laws in 1892, and operates 35 miles; from Statesboro to Cuyler, 32.6 miles, and thence to Savannah, Ga. over the Seaboard Air Line Ry. for passenger trains. Has traffic agreement with Seaboard Air Line Ry., whereby the latter becomes the preferential connection with this property, and in consideration therefor, guarantees both prin. and int. on the first mortgage bonds. Equipment: Locomotives, 4; cars, 11.

Management: OFFICERS: J. R. Anderson, Pres. and Treas.; T. F. Walsh, Sec. DIRECTORS: J. R. Anderson, Jos. M. Lang, M. M. Stewart, G. F. Tennille, Chas. Ellis, W. V. Davis, R. Simmons, J. G. Blitch, J. A. McDougald, Brooks Simmons, W. B. Williams. Annual meeting, third Tuesday in November. OFFICE, Statesboro, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$62,221	$123,089	$150,558	$133,771	$102,462	$77,905	$71,017
Net earnings	8,828	34,581	40,253	39,247	26,770	35,767	30,717
Fixed charges, inc. taxes	18,633	32,505	35,673	36,450	24,167	13,937	14,609
Other deductions	45,845	53,927	70,050	55,286	49,022	6,371	.....
Surplus	(def.) $9,805	$2,076	$4,580	$2,788	$2,603	$21,830	$15,691

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$480,622	$479,201	$475,388	$472,971	$468,277	$459,002
Working assets	14,449	17,719	25,679	24,863	18,086	11,583
Deferred debit items	1,189	1,742	2,546	2,727	2,063	1,056
Profit and loss	.....	.....	.....	2,732	.....	.....
Total	$496,260	$498,662	$503,613	$503,293	$488,426	$471,641
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	185,000	185,000	185,000	185,000	185,000	185,000
Working liabilties	35,362	26,525	34,341	34,507	24,776	12,349
Accrd. liabilities not due	1,464	2,907	2,018	2,906	2,990	1,491
Apropriated surplus	.....	.....	.....	.....	.....	30,990
Profit and loss	74,434	84,230	82,254	80,880	75,660	41,811
Total	$496,260	$498,662	$503,613	$503,293	$488,426	$471,641

Bonded Debt: $185,000 Savannah & Statesboro Ry. first 5s. Dated Jan. 1, 1903; due Jan. 1, 1953. Int. paid Jan. and July at Savannah Trust Co., Savannah, Ga. Guar. prin. and int. under a traffic agreement, by the Seaboard Air Line Ry., by endorsement. First lien, 32.60 miles, Cuyler to Statesboro, Ga. Auth., $500,000. Callable at 110 and int. on any interest date. Coupon, $1,000. Interest paid without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth. and outstanding, $200,000; par, $100. No dividends.

TAMPA NORTHERN RAILROAD

Origin: Incorporated under Florida laws in May, 1906, to construct a line from Tampa to Jacksonville. Line from Tampa to Brooksville has been completed and in operation for some years. This line, with branches, embraces 62.69 miles. It is planned to extend the lines to Dunnellon, Fla., making a total of 85 miles. Equipment: locomotives, 4; cars, 146.

Management: OFFICERS: W. J. Harahan, Pres.; C. R. Capps, Vice-Pres.; R. L. Nutt, Sec. and Treas. DIRECTORS: W. J. Harahan, P. O. Knight, W. F. Warnock, W. R. Fuller, E. M. Hendry, J. F. Cocowitch, E. W. Lane, F. C. Armstrong, S. E. Mays, H. L. Higel, L. B. Varn, C. G. Memminger, T. J. Baehman. Annual meeting, third Tuesday in February. OFFICE, Tampa, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross earnings	$109,654	$112,021	$180,453	$190,908	$162,199	$143,850
Net earnings	* 1,660	* 34,363	58,239	70,373	31,227	32,342
Operating ratio	108.11%	130.7%	67.7%	63.2%	80.7%	77.5%
Total net income	* 15,369	* 17,274	71,271	73,253	47,913	38,702
Taxes accrued	22,916	20,760	21,303	14,488	12,023	10,604
Fixed charges	87,569	85,057	80,117	81,743	71,270	55,323
Surplus	* $95,115	* $123,091	* $30,149	* $22,978	* $35,380	* $27,225

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $253,848; debit balance transferred from Income, $95,115; miscellaneous debits, $357; total, $349,320. Contra: Miscellaneous credits, $355; debit balance carried to balance sheet, $348,965; total, $349,320.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$1,966,526	$1,970,154	$2,032,679	$2,045,907	$2,131,040	$2,085,281
Working assets.....	41,765	30,040	64,467	81,634	62,893	35,788
Accrued income not due	.....	.....	432	169	.....	.....
Deferred debit items...	105,717	110,157	76,372	79,893	22,769	9,554
Profit and loss.....	348,965	253,848	130,754	100,852	68,742	21,226
Total	$2,462,973	$2,364,199	$2,304,704	$2,318,455	$2,285,444	$2,151,849
LIABILITIES:						
Capital stock.....	$750,000	$750,000	$750,000	$750,000	$750,000	$750,000
Funded debt.....	1,287,535	1,258,000	1,458,000	1,458,000	1,458,000	1,182,000
Working liabilities.....	396,955	341,060	85,911	97,714	68,598	207,709
Accrd. liabilities not due	20,671	13,932	10,043	7,521	6,691	4,228
Deferred credit items..	7,812	1,207	750	5,220	2,155	7,912
Total	$2,462,973	$2,364,199	$2,304,704	$2,318,455	$2,285,444	$2,151,849

Bonded Debt: (1) $1,258,000 Tampa Northern R.R. first 5s; dated July 1, 1906; due July 1, 1936. Int. paid Jan. and July at Old Colony Trust Co., Boston. Callable at 106 and interest. Authorized, $5,000,000. First lien, 58.74 miles, Tampa to Brooksville, and branch to Tooke Lake, Fla. Coupon, $1,000. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Auth. and outstanding, $250,000 preferred and $500,000 common; par, $100. All owned by the Seaboard Air Line Ry. Co. and deposited under its consolidated mortgage.

SOUTHERN PACIFIC COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated March 17, 1884, under special charter from the State of Kentucky, authorizing the company to acquire and hold stocks, bonds, and other securities of corporations, and to make contracts and agreements covering the leasing, maintenance, or operation of railroads, public utilities, steamship lines, and other properties. The company was one of the earliest of "holding" corporations. On March 1, 1885, the so-called "Omnibus lease" went into effect. This lease embraced nearly all the lines forming the "Sunset" route between San Francisco and New Orleans by rail, and thence to New York by steamer, including the many branches. The Southern Pacific Co. agreed to maintain said roads, to pay all fixed and other charges, and to divide the surplus profits between the parties to the agreement on the following basis: Southern Pacific R.R. of Cal., 44%; Southern Pacific R.R. of Ariz., 10%; Southern Pacific R.R. of New Mexico, 6%; Louisiana Western R.R., 7%; Morgan's Louisiana & Texas R.R. and Steamship Co., 23%; Southern Pacific Co., 10%. This lease was for 99 years. On July 1, 1889, in conformity with the laws of Texas, all leases of railroads in that State were canceled, and the properties have since been operated by their own officers. On Dec. 31, 1901, the lease of Morgan's Louisiana & Texas R.R. and S.S. Co. was also terminated. The Southern Pacific Co., however, continued to control these Texas companies through stock ownership. In April, 1898, the California Pacific R.R., the Northern Ry. of Cal., and the Northern California Ry. were merged into the Southern Pacific R.R. Co. of California, but this consolidation did not annul the original leases. The property of the Central Pacific Railway was leased to the Southern Pacific on Feb. 17, 1885, and modified Jan. 1, 1888. On Jan. 1, 1894, the old lease was canceled, and a new one for 90 years entered into. By the terms of this new lease, the Southern Pacific Co. was to pay from net earnings all charges and any surplus up to 6% on the stock of the Central Pacific to the latter, but any further surplus to be divided.

The "Omnibus lease" was abrogated Dec. 31, 1901, and the railroads embraced in it are now operated chiefly as proprietary lines. Other lines aside from those in the lease have been acquired from time to time.

Location: On June 30, 1916, the lines embraced in the Southern Pacific Co. system included 10,956.49 miles of first main track, 551.62 miles of extra main track, and 3,982.07 miles of sidings; the average mileage operated during the year was 10.554.24 miles. The main track mileage (less 43.41 miles leased to other companies) is classified as follows: (1) Mileage of lines belonging to companies whose capital stocks are principally owned by the Southern Pacific Co.: Central Pacific Ry., 2,267.82 miles; Oregon & California R.R., 1,101.10 miles; Southern Pacific R.R. Co., 3,489.80 miles; South Pacific Coast Ry., 106.69 miles; Morgan's Louisiana & Texas R.R. and S.S. Co., 400.67 miles; Louisiana Western R.R., 207.74 miles; Lake Charles & Northern R.R., 71.52 miles; Texas & New Orleans R.R., 468.14 miles; Galveston, Harrisburg & San Antonio Ry., 1,360.95 miles; Houston East & West Texas Ry., 190.94 miles; Houston & Shreveport R.R., 40.72 miles; Houston & Texas Central R.R., 894.63 miles; Ariz. Eastern R.R., 377.74 miles; (2) lines whose stock is principally owned by Morgan's L. & T. R.R. & S.S. Co.: Iberia & Vermillion R.R., 21.44 miles. Rail lines extend west from Ogden, Utah, to San Francisco, north to Portland, Ore., south to Los Angeles, and east to New Orleans, La. Mileage chiefly in California, Oregon, Nevada, Arizona, New Mexico, Texas, and Louisiana. Population of these States and Territories in 1890, 5,134,983; in 1900, 6,689,540; in 1910, 9,216,774.

Litigation on Title to Oil Lands: On June 22, 1914, the Supreme Court of the United States decided in favor of the defendants the suit of Edmund Burke and others against the Southern Pacific R.R. Co. and the Kern Trading & Oil Co. The object of this suit was to recover some 3,200 acres of the oil lands of defendants in California, on the ground that, by reason of the provision in the Act of Congress containing the land grant excepting mineral lands, and especially by reason of a so-called mineral reservation clause in the railroad company's patents, the subsequent discovery of oil under the lands made the patents inoperative and defeated the railroad company's title to the lands. In deciding against claimant, the Supreme Court decided that the subsequent discovery of oil did not cause the lands to revert to the Government, and that the mineral reservation in the patents was unauthorized and inoperative. The Court, in effect, held that the patents could be avoided only by proving that they had been fraudulently obtained, and that suit to set aside such patents must be brought within six years from date of issuance of the patents. Litigation still continues. For all current news consult our Special Service.

Litigation on Oregon and California Land Grant: In 1908 the United States brought suit against the Oregon and California Railroad Company and the Southern Pacific Company, to forfeit to the Government the unsold portion of the lands granted by act of Congress to aid in the construction of the Oregon and California Railroad. The ground of forfeiture mainly relied on was that some of the lands included in the grant had been sold in disregard of the requirements of the granting act, namely, that the lands should be sold to actual settlers only, for not more than $2.50 per acre, and in quantities not exceeding 160 acres. The quantity of land involved amounted to about 2,300,000 acres. The lower court decided in favor of the Government but the U. S. Supreme Court reversed the decision and referred the matter to Congress for legislation empowering the railroad to dispose of lands unsuitable for settlement purposes for their timber value. Congress, however, passed a law revesting title to unsold lands in the Government on payment to company of $2.50 per acre. The company maintains that this law is inconsistent with the Supreme Court decision in that the company has the right to sell timber apart from the land. The litigation is still pending.

Relations with Union Pacific Railroad Co.: Under the decree of the United States Supreme Court in Dec. 1912, the Union Pacific R.R. was obliged to dispose of its stock interest in the Southern Pacific Co. Under the modified plan approved by the United States District Court, June 30, 1913, the Union Pacific exchanged $38.292.400 of its Southern Pacific stock for the entire holdings of the Pennsylvania R.R. in Baltimore & Ohio stock ($42,547,200, of which one-half was preferred). The remaining $88,357,600 Southern Pacific stock owned by the Union Pacific was deposited with the Central Trust Company of New York, as trustee, which issued "certificates of interest" in the stock. Certificate holders have no voting rights and receive no dividends until their certificates are converted into stock, and such conversion can only be made upon affidavit that the owner owns no Union Pacific stock, and is not acting for or in behalf of any stockholder thereof or in concert, agreement or understanding with any one seeking to control the Southern Pacific Co. in the interest of the Union Pacific. The Southern Pacific stock thus held can be voted by the trustee only under the direction of the Court. If, by Jan. 1, 1916, any certificates remain outstanding, the Court may direct the trustee to sell the stock represented thereby and pay the proceeds to the lawful owners.

In carrying out this dissolution plan the, Union Pacific stockholders were offered the right to subscribe for $84,426,700 out of $88,357,600 of these certificates at 92, the offer being underwritten. In January, 1916, practically all of the certificates had been exchanged for stock. See, for further details, Union Pacific Railroad.

Relations with Central Pacific: On February 11, 1914, suit was brought by the United States Government to compel the Southern Pacific Company to dispose of its control of the Central Pacific Ry. The main line of the Central Pacific extends from the connection with the Union Pacific at Ogden, Utah, to San Francisco, Cal., but in addition a large system of branches is owned or otherwise controlled. Total mileage, 2,168 miles. At present, the Central Pacific is leased to the Southern Pacific Co. from Mar. 1, 1894, to Jan. 1, 1984 (except certain branches recently absorbed), the lessee to pay from the earnings thereof, all operating expenses, taxes, and other charges, including sinking funds and $10,000 per year for organization expenses, and surplus up to 6% on the preferred and common stock to be paid over to the Central Pacific Ry.; but the lessee is to retain one-half of any surplus in excess of 6% on the stock issues. All of the stock of the Central Pacific (both preferred and common) is owned by the Southern Pacific, all but $1,300 being pledged under the latter's 4% C. P. collateral mortgage. See Central Pacific R.R. under its own heading.

Interest in Other Companies: The Southern Pacific Co. owns a half interest in the stocks of the Northwestern Pacific R.R. and the Sunset Ry.; also owns the entire capital stock of the Pacific Electric Ry., and other properties in California. Also did own a majority of the stock of Pacific Mail Steamship Co., which has since been sold and company reorganized. Still owns an interest in the Associated Oil Co. and other industrial properties. See "Moody's Analyses of Public Utilities and Industrials."

Management: OFFICERS: William Sproule, Pres.; Wm. F. Herrin, Vice-Pres.; A. D. McDonald, Vice-Pres.; W. A. Worthington, Vice-Pres.; E. O. McCormick, Vice-Pres.; W. R. Scott, Vice-Pres. and Gen. Mgr.; Hugh Neill, Sec.; A. K. Van Deventer, Treas. DIRECTORS: J. Kruttschnitt, Chairman Exec. Committee; Walter P. Bliss, Henry W. deForest, Robert Goelet, J. H. Harding, H. E. Huntington, J. N. Jarvie, Ogden Mills, L. J. Spence, Wm. Sproule, E. P. Swenson, E. S. Harkness, L. F. Loree, W. B. Scott, H. E. Huntington, F. D. Underwood. Annual meeting, Wednesday following first Monday in April. GENERAL OFFICES: 165 Broadway, New York; Flood Building, San Francisco; Poydras and Camp Street, New Orleans.

Oil Land Suits: In April, 1908, the United States Government began a series of suits to recover various petroleum-bearing lands alleged to have been improperly patented by this company. The area involved was about 2,273,000 acres, out of a total of something like 9,000,000 acres held by the company and subsidiaries. The original suits were based upon the so-called "mineral reservation clause," which provided that mineral-bearing lands could not be patented by a railroad. In this contention the government lost, the result of which was that it could regain title to none of the Southern Pacific lands except through alleging and proving fraud. At the end of 1913, there were said to be in all six suits pending, four of which, involving 7,500 acres, were based upon the allegation of fraud. The total area involved was stated to be 89,500 acres.

On June 10, 1915, Judge Bean, in the United States District Court of Los Angeles, held that about ten sections, amounting to about 6,400 acres in Kern County, Cal., had been fraudulently patented. The government contended that this parcel of land was worth over $15,000,000. Probably this valuation was exaggerated, and while accurate information is not available its true value has been estimated at $6,500,000. Kern County is a big oil producer, and first-class oil lands there are very valuable. Some such lands in the State of California sell as high as $3,000 per acre, while other lands can be had for $500.

Canal Competition: Aside from the oil land suits, the difficulty of the company which most appeals to the imagination is the competition with the Panama Canal. Thus far, there is no means of learning just how much this competition will amount to. Traffic through the canal began practically at the beginning of the fiscal year 1915, but it is by no means to be assumed that the company's $10,000,000 loss in gross business was due to this competition. Some of the principal articles which are going *via* canal are: Cotton, fuel oil, sugar, general merchandise, canned goods, dried fruits, iron and steel, agricultural implements, castings and machinery and lumber.

Southern Pacific's loss in lumber traffic should not be very large. This traffic amounts to nearly 6,000,000 tons per annum, or about 18 per cent. of the total traffic. But much of this moves north and south along the Pacific Coast, and much of the balance moves locally between points in Texas and Louisiana, where it is not subject to competition. It should lose none at all of its petroleum traffic; but this point is insignificant, since petroleum represents only about 1.5 per cent. of the total traffic. In fruit and vegetables—which are rather important—it should lose but little, because most of these will not stand the delay of canal transportation.

In manufactures and merchandise, however, the losses due to the canal are likely to amount to something. Quite a considerable proportion of this traffic is likely to be diverted to the canal, and the traffic is important. Manufactures, in 1914, represented 14.88 per cent. of the total traffic, and merchandise and miscellaneous represented 8.98 per cent.

The canal traffic has not yet become developed enough to show just what it is going to do, but upon the basis of the incomplete data available I am inclined to think that during 1916 or 1917 the canal may take from the Southern Pacific a tonnage sufficient to be equivalent to about 3.6 per cent. of the company's freight earnings of 1914. This would mean a gross business of $1,457,500, whereas the company's total gross earnings from railroad and other property in 1914 were $138,520,259. According to this estimate, then, the canal competition will reduce gross earnings by only a little over 1 per cent.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture...	20.81%	20.20%	21.59%	19.83%	21.89%	22.22%	18.43%	18.16%	21.78%	20.43%
Products of Animals.....	3.61	3.96	4.46	4.02	4.07	3.72	3.34	3.35	3.02	3.64
Products of Mines.....	29.26	29.96	26.52	27.68	27.79	27.04	34.57	36.74	37.35	34.35
Products of Forests.....	19.14	18.89	20.14	21.12	19.94	19.72	18.68	17.89	15.80	16.11
Manufactures.....	16.64	16.17	16.19	17.17	16.32	16.99	16.16	14.88	14.24	17.24
Merchandise and Miscel...	10.54	10.82	11.10	10.18	9.99	10.31	8.82	8.98	7.81	8.23

Total revenue tonnage in 1909, 22,713,143 tons; in 1910, 25,962,704 tons; in 1911, 26,145,241 tons; in 1912, 26,950,150 tons; 31,642,587 tons in 1913; 31,959,625 tons in 1914; 31,857,039 tons in 1915; 37,322,383 tons in 1916.

The freight tonnage of the company is well diversified on this system although in recent years the property has been depending to a larger extent on mining products for its tonnage. Agricultural products range at approximately the same figures shown throughout the decade, while forest products also indicate little change.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density. *	Average Freight Train Load (Tons). *	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	9,401	175	1,759	1,707	48,274	65%	147,959	735,168	380	$2.94	2.11c	1.10c
1908.....	9,506	222	1,874	1,758	48,705	64	163,045	824,851	403	2.94	2.17	1.10
1909.....	9,626	229	1,837	1,771	49,976	63	151,432	749,394	460	3.18	2.19	1.15
1910.....	9,752	233	1,821	1,958	51,516	61	177,165	816,477	476	3.22	2.19	1.16
1911.....	9,895	272	1,872	2,206	55,044	60	175,332	755,166	474	3.03	2.21	1.18
1912.....	9,970	384	1,887	2,279	53,779	60	173,322	734,797	456	2.87	2.21	1.17
1913.....	10,311	423	2,054	2,292	56,254	56	172,055	807,811	461	2.90	2.25	1.12
1914.....	10,422	507	2,025	2,511	59,512	57	167,822	792,942	471	2.80	2.25	1.12
1915.....	10,554	552	2,046	2,487	56,107	62	157,528	724,250	464	2.78	2.17	1.10
1916.....	10,956	552	1,996	2,451	52,362	65	157,576	949,283	526	2.82	2.07	.98
10-Year Average	10,039	355	1,917	2,142	53,153	61%	164,324	789,014	457	$2.95	2.18c	1.12c

Yard tracks and sidings, 3,982 miles. * All freight.

Comment: During the year ended June 30, 1916, the freight density of the Southern Pacific Company rose to far higher figures than have ever before been reported. The average freight train load was also well above earlier years, while the train mile earnings were held up at the recent averages. This exhibit was a satisfactory one in view of the substantial value in the average freight and passenger rates. The freight tonnage of the company was well diversified during the year, and there was a substantial increase in the proportion of high grade freight.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$12,481	$1,705	$1,597	$3,302	$4,530	$4,649	$5,224	$308	$4,916	$1,840	63%	$3,076	$1,395
1908.....	11,983	1,782	1,574	3,356	4,644	3,983	4,418	416	4,002	1,975	51	2,027	1,799
1909.....	12,520	1,510	1,494	3,004	4,860	4,646	5,193	394	4,799	2,007	58	2,792	1,801
1910.....	12,769	1,651	1,621	3,272	4,266	5,231	5,396	463	5,473	2,200	60	3,273	1,768
1911.....	12,325	1,606	1,549	3,155	4,358	4,812	5,479	490	4,989	2,352	53	2,637	1,653
1912.....	12,080	1,450	1,637	3,087	4,476	4,517	5,405	564	4,841	2,673	45	2,168	1,641
1913.....	12,642	1,512	1,871	3,383	4,419	4,840	5,979	553	5,426	2,820	48	2,606	1,587
1914.....	12,149	1,541	1,817	3,358	4,587	4,204	5,657	687	4,970	3,008	40	1,962	1,570
1915.....	12,305	1,455	1,878	3,333	4,982	3,990	5,671	695	4,976	3,027	39	1,949	1,550
1916.....	13,934	1,676	1,996	3,672	5,222	5,040	6,153	758	5,395	2,576	52	2,819	1,493
10-Year Average	$12,519	$1,589	$1,703	$3,292	$4,634	$4,593	$5,512	$533	$4,979	$2,448	51%	$2,531	$1,626

Note: Above table is based on the average mileage directly operated for each year, including owned lines, lines of proprietary companies where operations are included in general income account, leased lines directly operated, lines used under traffic rights. Fixed charges in above table include rentals and all interest on bonds charged in general income account, etc.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$152,656,955	$129,814,729	$126,614,537	$130,353,693	$120,433,056	$121,911,028	$124,523,905
Maintenance of way	18,367,137	15,356,356	16,064,457	15,589,027	14,464,205	15,889,130	16,098,705
Maintenance of equip.	21,866,636	19,815,974	18,934,335	19,295,725	16,318,141	15,312,206	15,808,391
All other oper. expenses	57,209,885	52,581,512	47,801,275	45,563,646	44,615,583	43,094,366	40,859,050
Net oper. revenues	$55,213,297	$42,060,887	$43,814,470	$49,905,295	$45,034,127	$47,615,326	$51,757,759
Operating ratio	63.8%	67.6%	65.4%	61.7%	62.5%	61.1%	58.4%
Outside operations, net	.....	.....	1,043,522	.....	.....	.....	.....
Other income	12,203,035	17,791,564	14,103,691	11,742,172	8,852,720	6,740,402	10,709,180
Total net income	$67,416,332	$59,852,451	$58,961,683	$61,647,467	$53,886,847	$54,355,728	$62,566,939
Taxes accrued	8,303,716	7,336,660	7,162,625	5,697,286	5,621,239	4,850,348	4,519,374
Balance for chrgs.	$59,112,616	$52,515,791	$51,799,058	$55,950,181	$48,265,608	$49,505,380	$58,047,565
Fixed charges	28,227,362	31,945,471	31,346,842	29,082,374	26,662,455	23,388,173	22,072,558
Surp. over charges.	$30,885,254	$20,570,320	$20,452,216	$26,867,807	$21,603.153	$26,117,207	$35,975,037
Dividends paid	*	16,360,984	16,361,088	16,360,932	16,361,187	16,361,426	17,238,347
Other deductions	934,838	939,725	.....	.....	.....	.....	511,820
Balance	$29,950,416	$3,269,611	$4,091,128	$10,506,875	$5,241,966	$9,755,781	$18,224,870
Earned on stock	11.3%	7.5%	7.5%	9.8%	7.96%	9.6%	13.2%

* Dividends of $16,361,086 (6%) charged in profit and loss account in 1916.

Note: In above exhibit, prior to 1914, the net profit in "outside operations" is added to the net earnings, but the gross receipts and expenses are disregarded. Fixed charges include, in 1914, interest on bonds of parent company, of directly operated proprietary companies, and of guaranteed securities; also sinking fund payments, etc.; less net profit on accounts representing lease of joint tracks, yards, other roads, etc. The fixed charges do include, however, taxes of the holding company itself, which amounted to $464,300 in 1914 with expenses; in 1914, there was also included in fixed charges, $1,024,221 for depreciation of rolling stock leased to other companies.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915 (Southern Pacific Co., $112,926,447; proprietary companies, $35,239,080), $148,165,527; credit balance from income, $29,950,416; profit on road and equipment sold, $142,477; delayed income credits, $1,348,906; unrefundable overcharges, $80,230; donations, $111,569; miscellaneous credits, $589,685; total, $180,388,810. Contra: Surplus applied to sinking and other reserve funds, $621,291; dividend appropriations, $16,361,086; surplus appropriated for investment in physical property, $161,913; debt discount extinguished through surplus, $2,342; loss on retired road and equipment, $351,045; delayed income debits, $999,734; miscellaneous debits, $2,112,905; credit balance carried to balance sheet (Southern Pacific Co., $117,219,274; proprietary companies, $42,559,220), $159,778,494; total, $180,388,810.

Comment: Gross revenues on the Southern Pacific System underwent a very sharp advance during the year ended June 30, 1916, and there was also a very heavy increase in the net operating revenues. This increase, however, was offset to some extent by a sharp fall in the outside income, and therefore the total net income while heavy, did not show the same proportionate increase as that of operating revenues. Nevertheless, the balance carried forward after deducting fixed charges was 50% greater than in the previous year and equaled no less than 11.3% on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$29,009	43%	$38,746	57%	.....	$67,755	$12,384	$55,371	9.4%	$294	7%	$1,101	5%	90%	60%
1908	28,677	41	36,461	59	.....	65,141	13,840	51,301	8.6	551	7	1,248	6	75	24
1909	28,313	38	45,697	62	.....	74,010	23,459	50,551	10.3	518	7	1,283	6	82	43
1910	27,963	36	50,049	64	.....	78,012	33,787	44,225	14.1	.....	.....	1,768	6	.....	46
1911	27,505	36	50,500	64	.....	78,005	34,679	43,326	12.7	.....	.....	1,653	6	.....	37
1912	27,350	32	57,929	68	.....	85,279	37,974	47,305	11.4	.....	.....	1,611	6	.....	24
1913	26,445	31	59,337	69	.....	85,782	38,766	47,016	12.7	.....	.....	1,587	6	.....	39
1914	26,163	30	60,669	70	.....	86,832	39,235	47,597	11.9	.....	.....	1,570	6	.....	20
1915	25,836	29	62,835	71	.....	88,671	40,517	48,154	11.8	....	.....	1,550	6	.....	20
1916	24,888	29	60,138	71	.....	85,026	39,396	45,630	13.5	.....	.....	1,493	6	.....	23
10-Year Average	$27,215	34%	$52,236	66%	.....	$79,451	$31,404	$48,047	10.2%	$136	2.1%	$1,489	5.9%	.....	36%

Note: In the above exhibit, the stock column covers the Southern Pacific Co. stock only; the bond column, however, includes the direct bonded debt and all the outstanding debt of the many "proprietary" lines which are directly operated; rental charges are nominal, and therefore are disregarded. The investments include all stocks and bonds owned by the Southern Pacific Co., including, in recent years, those pledged, as the proprietary debts are fully included, whether owned by the parent company or otherwise. The balance-sheet of the company was completely reconstructed in 1914, as shown below, but for comparative purposes, the figures are presented above in the usual form.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$689,916,653	$672,993,654	$651,879,723	$569,761,546	$544,230,600	$523,173,310
Working assets	34,973,428	33,855,202	42,421,923	39,888,859	54,416,463	56,893,173
	.....	.....		2,490,517	.....	461,075
Deferred debit items...	10,763,407	11,775,159	10,687,497	21,909,211	17,164,268	16,853,441
Accrued income not due	2,802,792	2,608,827		7,650,702	6,274,562	6,285,556
Total	$738,456,280	$721,232,842	$704,989,143	$641,700,835	$622,085,893	$603,666,555
LIABILITIES:						
Capital stock	$272,677,906	$272,674,406	$272,672,406	$272,672,406	$272,675,730	$272,675,730
Funded debt	283,817,340	276,900,693	272,035,894	165,581,910	140,587,410	129,143,410
Working liabilities	13,479,453	12,303,984	18,819,322	29,180,087	36,799,456	43,804,894
Accr'd liabilities not due	7,109,275	6,990,916	35,111,562	4,280,511	1,180,645	631,799
Deferred credit items..	44,121,038	39,411,789		75,238.708	87,144,163	78,454,282
Appropriated surplus...	31,994	24,607	5,445	18,798,510	16,859,292	14,819,242
Profit and loss surplus.	117,219,274	112,926,447	106,344,178	75,948,703	66,839,197	64,137,198
Total	$738,456,280	$721,232,842	$704,989,143	$641,700,835	$622,085,893	$603,666,555

Note: Changes in balance sheet in 1914, as shown above, involving the large addition to "funded debt," are due chiefly to a revision of bookkeeping methods, and the inclusion of a net amount of "non-negotiable debt to affiliated companies." This item amounted to $68.809,558 in 1914; $70,724.783 in 1915; $78,982,230 in 1916. The company's own direct debt in 1916 was $204,835,110 as compared with $206,175,910 in 1915, and $203,226,336 in 1914, and $165,581,910 in 1913.

Comment: There was a further moderate increase in the funded debt of the Southern Pacific Company during the year ended June 30, 1916. The capitalization of the property, however, as figured on a mileage basis is not unusually high, and the net capitalization in the year just closed was considerable lower than in recent years. Net income on net capital rose to 13½%, which was higher than any year in the past decade, except 1910.

Stocks Owned by Southern Pacific Company, June 30, 1916

NAME OF ISSUING CO. AND DESCRIPTION OF STOCKS	Total Outstanding	Total Owned	Pledged	Unpledged
Proprietary Companies:				
Arizona Eastern R.R. Co.....	$9,000.000	$8.999.100	.....	$8,999,100
Central Pacific Ry. Co.—Common.....	67,275.500	67,275.500	$67.274.200	1,300
Central Pacific Ry. Co.—Preferred.....	17,400,000	17,400,000	17,400,000	.....
Direct Navigation Co.....(a)	50,700	100	.....	100
Galveston, Harrisburg & San Antonio Ry. Co.....	27,084.400	27,055,900	27,005,600	50,300
Houston, East & West Texas Ry. Co.....	1,920.000	1,919,100	1,919,000	100
Houston & Shreveport R.R. Co.....	400.000	397,600	.....	397,600
Houston & Texas Central R.R. Co.....	10,000.000	9,998.400	9,998,300	100
Lake Charles & Northern R.R. Co.....	95,000	95,000	.....	95,000
Louisiana Western R.R. Co.....	3.360 000	3.360.000	3,310.000	50.000
Morgan's Louisiana & Texas R.R. & S.S. Co.....	15.000.000	15.000.000	14.994.000	6.000
Oregon & California R.R. Co.—Common.....	7,000,000	6,962,000	6,900,000	62,000
Oregon & California R.R. Co.—Preferred.....	12.000 000	11.991.000	11,991,000	.....
South Pacific Coast Ry. Co.....	6,000.000	6.000.000	.....	6,000,000
Southern Pacific R.R. Co.....	160.000 000	160.000.000	159.671.861	328,139
Southern Pacific Terminal Co.....	2,000.000	1,999,600	1,999.500	100
Texas & New Orleans R.R. Co.....	5,000,000	4,999,100	4,997,500	1,600
Total Proprietary Companies.....	.....	$344,452,400	$327,460,961	$15,991,439
Affiliated Companies:				
Albion Lumber Co.....	$300.000	$300,000	.....	$300.000
Associated Pipe Line Co.....	7,000.000	3,500.000	.....	3.500.000
Associated Oil Co.....	39,757,081	20,069,000	.....	20,069,000
Beaver Hill Coal Co.....	500.000	500,000	.....	500,000
Beaverton & Willsburg R.R. Co.....	750.000	750,000	.....	750.000
Coast Line Ry. Co.....	1,000.000	1,000,000	.....	1,000,000
Colusa & Hamilton R.R. Co.....	61,000	61,000	.....	61.000
East Coast Oil Co. ($100,000.00 Mex.).....	50.000	50.000	.....	50,000
Fresno City Ry. Co.....	500.000	498.500	.....	498,500
Fresno Traction Co.....	5,000.000	5,000.000	.....	5,000,000
Hanford & Summit Lake Ry. Co.....	50.000	50,000	.....	50,000
Inter-California Ry. Co.....	2,500.000	2,500.000	.....	2,500.000
Independence & Monmouth Ry. Co.....	25.000	12,750	.....	12,750
Kern Trading & Oil Co.....	7,000.000	7,000.000	.....	7,000.000
Lincoln Northern Ry. Co.....	11,200	11,200	.....	11,200
Mojave & Bakersfield R.R. Co.....	85.000	85.000	.....	85,000
Northwestern Pacific R.R. Co.....	35,000.000	17,500.000	.....	17,500.000
Oroville & Nelson R.R. Co.....	13.000	13,000	.....	13,000
Pacific Electric Ry. Co.....	74,000,000	74,000,000	.....	74,000,000
Pacific Fruit Express Co.....	10.800.000	5.400.000	.....	5.400.000
Peninsular Ry. Co.....	12,000,000	12,000,000	.....	12,000,000
Phoenix & Eastern R.R. Co.....	2,381.500	2,381.500	.....	2,381.500
Porterville Northeastern Ry. Co.....	300,000	300,000	.....	300,000

Stocks of Affiliated Companies (Continued):	Outstanding	Owned	Pledged	Unpledged
Rifled Pipe Co.	$155,000	$155,000	.....	$155,000
Rockaway Pacific Corporation	25,000	25,000	.....	25,000
Rio Bravo Oil Co.	850,000	849,400	.....	849,400
San Jose Railroads	5,000,000	5,000,000	.....	5,000,000
San Jose & Santa Clara County R.R. Co.	5,000,000	5,000,000	.....	5,000,000
Southern Pacific Land Co.	5,000,000	5,000,000	.....	5,000,000
Southern Pacific R.R. Co. of Mexico	75,000,000	75,000,000	.....	75,000,000
Southern Pacific Building Co.	400,000	399,500	.....	399,500
Stockton Electric R.R. Co.	500,000	500,000	.....	500,000
Sunset Ry. Co.	1,000,000	500,000	.....	500,000
Sunset Development Co. ($1,000.00 Mex.)	500	500	.....	500
Texas Town Lot Co.	20,000	19,700	.....	19,700
Tucson & Nogales R.R. Co.	66,000	66,000	.....	66,000
Visalia Electric R.R. Co.	24,000	24,000	.....	24,000
Nile Steamship Co. (Hong Kong Currency) (b)	1,000,000	997,000	.....	997,000
Stocks of other Affiliated Companies	500,000	500,000	.....	500,000
Total Affiliated Companies	.....	$246,021,050	.....	$246,021,050
Total Proprietary and Affiliated Companies	.....	$589,473,450	$327,460,961	$262,012,489

Other Companies:	Total Outstanding	Total Owned	Pledged	Unpledged
Anaheim Union Water Co.	.....	$100	.....	$100
Cucamonga Water Co.	.....	4,000	.....	4,000
Dallas Hospital Inc., Dallas, Ore.	.....	250	.....	250
Huntington Land and Townsite Co.	.....	3,333	.....	3,333
Imperial Water Co.	.....	1,800	.....	1,800
Louisiana Sugar Exchange	.....	100	.....	100
Meeks & Daley Water Co.	.....	200	.....	200
New Orleans Board of Trade, Ltd.	.....	100	.....	100
New Orleans Steamship Association	.....	100	.....	100
North Truckee Ditch Co.	.....	1,097	.....	1,097
United States Rail Co.—Preferred	.....	635	.....	635
Stocks of other companies	.....	64,444	.....	64,444
Total Other Companies	.....	$76,159	.....	$76,159
Total All Companies—par value	.....	$589,549,609	$327,460,961	$262,088,648

(a) $50,000 par value owned by Morgan's Louisiana & Texas Railroad & Steamship Co. (b) Not included in footing.

Bonds Owned by Southern Pacific Company, June 30, 1916

NAME OF ISSUING COMPANY AND DESCRIPTION OF BONDS

Proprietary Companies:	Rate Per Cent.	Total Outstanding	Total Owned	Pledged	Unpledged
Arizona Eastern R.R. 1st and Ref. Mtge.	5	$9,155,000	$4,042,000	.....	$4,042,000
Burr's Ferry, Browndell & Chester Ry. 1st Mtge.	6	165,000	165,000	.....	165,000
Central California Ry. 1st Mtge.*	6	3,000,000	3,000,000	.....	3,000,000
Central Pacific Ry. Co. Extension Purchase Notes	6	10,139,349	10,139,349	.....	10,139,349
Central Pacific Ry. Co. European Loan of 1911	4	48,262,548	21,923,262	.....	21,923,262
Chic. & Northern R.R. 1st Mtge.*	4	1,000,000	1,000,000	.....	1,000,000
Galveston, Harris. & San Ant. Ry. Equip. S. "A".	6	1,558,000	1,558,000	.....	1,558,000
Galveston, Harrisburg & San Ant. Ry. 2nd Mtge.—M. & P. Extension	5	2,539,000	444,000	.....	444,000
Galveston, Harrisburg & San Ant. Ry. 1st Mtge. Eastern Division	6	4,728,000	4,728,000	4,728,000	.....
Galveston, Harrisburg & San Ant. Ry. 2nd Mtge. Eastern Division	6	1,000,000	1,000,000	1,000,000	.....
Galveston, Harrisburg & San Ant. Ry. 1st Mtge. Galveston-Victoria Division	6	9,022,000	9,022,000	.....	9,022,000
Houston & Shreveport R.R. 1st Mtge.	6	150,000	150,000	.....	150,000
Hous. & Tex. Cent. R.R. Lampasas Ext. 1st Mtge.	5	450,000	450,000	450,000	.....
Houston & Texas Central R.R. Cut-Off 1st Mtge.	6	2,383,000	2,383,000	.....	2,383,000
Houston & Texas Central R.R. Gen. Mtge.	4	4,161,000	70,000	.....	70,000
Houston & Texas Central R.R. Pur. Money Note.	6	50,000	50,000	.....	50,000
Nevada & California Ry. 1st Mtge.*	6	8,500,000	8,500,000	.....	8,500,000
Oregon & California R.R. 1st Mtge.	5	17,745,000	6,000	.....	6,000
Oregon Eastern Ry. 1st Mtge.*	6	5,000,000	5,000,000	.....	5,000,000
Sacramento Southern R.R. 1st Mtge.*	6	2,500,000	2,500,000	.....	2,500,000
Southern Pacific R.R. Co. 1st Ref. Mtge.	4	143,873,500	6,420,500	.....	6,420,500
South. Pac. R.R. (of Cal.) 1st Con. Mtge. of 1893	5	4,127,500	250,000	.....	250,000
South Pacific Coast Ry. 1st Mtge.	4	4,655,000	120,000	.....	120,000
Texas & New Orleans R.R. Equip. Series "A"	6	204,000	204,000	.....	204,000
Texas & New Orleans R.R. 1st Mtge.—Main Line.	6	862,000	557,000	.....	557,000
Texas & New Orleans R.R. 1st Mtge.—Dallas Div.	4	3,997,000	696,000	.....	696,000
Texas & New Orleans R.R. 1st Mtge.—Sabine Div.	6	2,575,000	2,575,000	.....	2,575,000
Total Proprietary Companies	..	.....	$86,903,112	$6,178,000	$ 80,725,112

* Assumed by Central Pacific Railway Co.

Bonds of Affiliated Companies:	Rate Per Cent.	Total Outstanding	Total Owned	Pledged	Unpledged
Associated Oil Co. 1st Ref. Mtge	5	$10,460,000	$9,628,000	.....	$9,628,000
Beaverton & Willsburg R.R. 1st Mtge	6	750,000	750,000	.....	750,000
Coast Line Ry. 1st Mtge	6	700,000	700,000	.....	700,000
Fresno Traction Co. 1st Mtge	5	719,000	700,000	.....	700,000
Inter-California Ry. 1st Mtge	6	850,000	850,000	.....	850,000
Kern Trading & Oil Co. Debenture	6	5,500,000	5,500,000	.....	5,500,000
Los Angeles & Pasadena Elec. Ry. 1st Mtge	5	950,000	107,000	.....	107,000
Los Angeles & Redondo Ry. 1st Mtge	5	480,000	89,000	.....	89,000
Los Angeles Pacific Co. 1st Ref. Mtge	4	8,298,000	2.487,000	.....	2,487,000
Los Angeles Pacific Co. Gen. Con. Mtge	5	1,218,000	828,000	.....	828,000
Northern Pacific Terminal Co. 1st Mtge	6	2,968,000	10,000	.....	10,000
Northwestern Pac. R.R. 1st and Ref. Mtge	4½	23,196,000	23,032,000	.....	23,032,000
Ontario & San Antonio Heights R.R. 1st Mtge	6	233,000	133,000	.....	133,000
Pacific Electric Ry. Co. Ref. Mtge	5	31,965,000	23,642,000	.....	23,642,000
Pacific Electric Ry. Co. 1st Mtge	5	8,419,000	29,000	.....	29,000
Porterville Northeastern Ry. 1st Mtge	6	300,000	300,000	.....	300,000
Redlands Central Ry. 1st Mtge	5	66,000	17,000	.....	17,000
Riverside & Arlington Ry. 1st Mtge	4	200,000	140,000	.....	140,000
San Bernardino Vy. Trac. Co. 1st & Ref. Mtge	5	789,000	79,000	.....	79,000
San Jose & Alum Rock R.R. 1st Mtge	6	50,000	50,000	.....	50,000
San Jose-Los Gatos Interurban Ry 1st Mtge	5	500,000	379,000	.....	379,000
San Jose & Santa Clara Co., R.R., 1st & Ref. Mtge.	4½	1,166,000	14,000	.....	14,000
San Jose & Santa Clara Co., R.R. 1st Mtge	6	200,000	200,000	.....	200,000
San Jose Railroads 1st Mtge	5	1,396,000	1,396,000	.....	1,396,000
Southern Pacific Building Co., 1st Mtge	6	400,000	400,000	.....	400,000
Sunset R.R. 1st Mtge	4	290,000	146,000	.....	146,000
Sunset Western Ry. 1st Mtge	5	316,000	158,000	.....	158,000
Bonds of Other Affiliated Companies	5	.....	251,600	.....	251,600
Total Affiliated Companies	..	.....	$72,015,600	.....	$72,015,600
Total Proprietary and Affiliated Companies	..	.....	$158,918,712	$6,178,000	$152,740,712
Other Companies.					
San Antonio & Aransas Pass Ry. Notes	..	.....	$3,905,842	.....	$3,905,842
San Antonio & Aransas Pass Ry. Income Bonds	4	.....	3,898,000	.....	3,898,000
Santa Cruz Beach Hotel Co. 1st Mtge	6	.....	100,000	.....	100,000
Santa Maria Valley R.R. Co. 1st Mtge	6	.....	91,000	.....	91,000
U. S. Mexico Con. Public Debt ($12,300 Mex.)	3	.....	6,150	.....	6,150
U. S. Mexico Red. Internal Debt ($4,903,100 Mex.)	5	.....	2,451,550	.....	2,451,550
Bonds of other companies	6	.....	3,969,704	.....	3,969,704
Notes of other companies	..	.....	713,348	.....	713,348
Total Other Companies	..	.....	$15,135,594	.....	$15,135,594
Total All Companies—Par Value	..	.....	$174,054,306	$6,178,000	$167,876,306

SUMMARY:

	Pledged	Unpledged
Total proprietary company stocks	$327,460,961	$15,991,439
Total affiliated company stocks	.....	246,021,050
Total other company stocks	.....	76,160
Total proprietary company bonds	6,178,000	80,725,112
Total affiliated company bonds	.....	72,015,600
Total other company bonds and notes	.....	15,135,594
Grand totals, stocks, bonds and notes	$333,638,961	$423,964,955

Note: The foregoing represents the holdings of the Southern Pacific Company itself, but in addition to these holdings, further securities of important amount are owned by certain of the proprietary companies. A list of the latter, as reported by the main company on June 30, 1916, is as follows:

Securities Owned by the Proprietary Companies of the Southern Pacific Co. on June 30, 1916. Held in the Treasury

	Bonds.	Stocks.
Arizona Eastern R.R. Co.:		
Miscellaneous stocks	.....	$318
Central Pacific Ry Co.:		
Ogden U. Ry. & Dep. Co. 1st Mtg. 5% bonds	$163,000	.....
Ogden U. Ry. & D. Co., cap. stk.	.....	$150,000
Sacramento Transpt. Co., cap. stk.	.....	160,000
Coos Bay, Ore. Coal Co., stk.	.....	3,449,500
Rubicon Wtr. & Pwr. Co. stk.	.....	500,500
So. Pac. Br. Ry. 1st 6s	*25,000	.....
Total	$188,000	$4,260,000

	Bonds.	Stocks.
Iberia & Vermil'n R.R. Co. cap. st.	.....	†$299,500
Tex. Transpor. Co. 1st mtg. 5s.	$350,000	.....
Citizens' Bank & Trust of N. O., La., capital stock	.....	$11,900
Miscellaneous stocks	.....	4,020
Miscelaneous bonds	12,000	.....
Southern Pacific R.R. Co.:		
Dallas Div. 4s	$953,000	.....
Tex. & N. Or. R.R. Co. cons. m. 5s.	181,000	.....
Houst. E. & W. T. Ry. Co. 1st mtg. 5% bonds	161,000	.....

† Pledged under first main line 7% mtge.

SECURITIES OWNED BY PROPRIETARY COMPANIES (Continued)

Gal., Har. & San Ant. Ry. Co.:		
El Paso Un. Dep. Co., cap. stk...	.....	$14,800
Houston & Texas Cent. R.R. Co.:		
Bryan & Cen. Tex. Int. Ry. 1st 6s.	$211,500	.....
Ft. W. U. Pass. Sta., cap. stk....	.....	$45,400
Union Terminal Co., cap. stk....	.....	6,000
Oregon & Cal. R.R.:		
Ore. & Cal. Land Co., cap. stk....	.....	$5,000
Morgan's L. & T. R.R. & S.S. Co.:		
Direct Nav. Co. 5% note.....	$100,000	.....
Direct Nav. Co., cap stk.....	.....	†$50,000
Oreg. & Cal. R.R. 1st mtg. 5s....	$894,000	.....
San Antonio & Aran. Pass Ry. Co. 1st mtg. 4s.....	21,000	.....
Houst. & Tex. C. R.R. gen. m. 4s.	386,000	.....
Ft. W. & N. Or. Ry. 1st mtg. 6s..	161,000	.....
Total	$2,757,000	
Summary:		
Total unpledged	$3,593,500	$4,357,977
Total pledged	25,000	349,500
Total par value.....	$3,618,500	$4,707,477

* Pledged against C. P. R.R. 50-year 6% bonds, due Oct 1, 1936.
† Pledged under first main line 7% mtge.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Cent. Pcl. R.R. 50-yr. 5s..	A&O	Ap 1939	(see text)	.. ..			99%	Very high	Very high	Aaa.
2. Cent. Pcf. R.R. 50-yr. 6s..	A&O	O 1936	"	.. ..			99%	"	"	Aaa.
3. C. P. R. Cal. & Oreg. div. Series A, 5s	J&J	Ja 1918	"	.. ..	$1,979	3	99%	"	"	Aaa.
4. C. P. R. Cal. & Oreg. div. Series B, 5s	J&J	Ja 1918	"	.. ..			99%	"	"	Aaa.
5. Cent. Pcl. first ref. 4s	F&A	Ag 1949	(1st) 1,344	$73,570	4,976	361	93%	"	"	Aaa.
6. Cent. Pcf. 30-yr. 3½s	J&D	Ag 1929	(coll) 1,344	7,025		29	96%	"	"	Aaa.
7. Cent. Pcl. Through Short Line first 4s	A&O	O 1954	(1st) 103	93,600	4,615	35	96%	"	"	Aaa.
8. Cent. Pcf. Eur. loans 4s ..	M&S	Mr 1946	.. ..	.. ..		98	96%	"	"	Aaa.
9. Austin & Nor. W. first 5s.	J&J	Jl 1941	(1st) 100	15,300		7	84%	"	"	Aaa.
10. Houston E. & W. Texas first 5s	M&N	My 1933	(1st) 191	15,707		14	84%	"	High	Aaa.
11. Oregon & Cal. first 5s ..	J&J	Jl 1927	(1st) 680	20,100		81	84%	"	"	Aaa.
12. South. Pcl. Coast Ry. first 4s	J&J	Jl 1937	(1st) 97	48,100		17	84%	"	"	Aaa.
13. Southern Pcl. Branch first 6s	A&O	Ap 1937	(1st) 240	14,721	4,453	19	81%	"	"	Aaa.
14. Southern Pcf. R. R. first cons. 5s	M&N	N 1937	(cons) 2,175	1,807		19	81%	"	"	Aaa.
15. Northern Ry. first cons. 5s	A&O	O 1938	(1st) 378	12,536		21	84%	"	"	Aaa.
16. Nor. Calif. Ry. first 5s ..	J&D	Je 1929	(1st) 51	19,889		5	81%	"	"	Aaa.
17. Southern Pcl. R. R. first ref. 4s... . .	J&J	Ja 1955	(cons) 3,330	43,205		525	81%	"	Very high	Aaa.
18. Gila Val., Globe & Nor. first 5s.	M&N	N 1924	(1st) 130	11,476		7	84%	"	"	Aa.
19. So. Pac. Co. San. Fran. Terminal first 4s	A&O	Ap 1950	(see text)	.....		91	90%	High	"	Aa.
20. Houston & Texas Central first 5s	J&J	Jl 1937	(1st) 453	3,128		6	90%	"	"	Aaa.
21 Houston & Texas Central gen. 4s	A&O	Ap 1921	(2d) 453	9,185		15	90%	"	"	Aa.
22. Waco & Nor. W. first 6s..	M&N	My 1930	(1st) 55	20,091		6	90%	"	"	Aa.
23. Gal. Harris. & San Ant. Mex & Pcl. ext. first 5s	M&N	My 1931	(1st) 659	18,800		56	90%	"	"	Aaa.
24. Gal. Harris. & San Ant. Mex. & Pcf. ext. 2d 5s..	J&J	Jl 1931	(2d) 659	3,853		12	90%	"	"	Aa.
25. Ft. Worth & N. O. first 6s.	J&D	D 1925	(1st) 41	17,300	3,738	4	90%	"	"	Aa.
26. Louisiana Western first 6s	J&J	Jl 1921	(1st) 208	10,770		12	90%	"	"	Aa.
27. Morgan's La. & Tex. S. S. Main Line 7s	A&O	Ap 1918	(1st) 94	52,500		32	90%	"	"	Aa.
28. Morgan's La. & Tex. S. S. Alex. ext. first 6s	J&J	Jl 1920	(1st) 127	11,700		8	90%	"	"	Aa.
29. Texas & N. O. cons. 5s.....	J&J	Jl 1943	(2d) 208	7,788		7	90%	"	"	Aa.
30. Texas & N. O. Dallas div. first 4s	F&A	Ag 1930	(1st) 210	18,420		15	90%	"	"	Aa.
31. Southern Pcl. Co. C. P. stock coll. 4s.....	J&D	Ag 1949	(2d) 7 (stk. coll.)	.. ....		125	90%	"	"	Aaa.
32. Southern Pcl. Co. conv. 4s.	M&S	Je 1929	.. ..	.. ...		296	82%	"	"	A.
33. Southern Pcl. Co. deb. 4½s.	J&J	Jl 1929	....	.. ....		1	82%	"	"	Aa.
34. Southern Pcl. Co. conv. 5s	J&D	Je 1934	.. ....	.. ....		249	82%	"	"	A.
35. Southern Pcl. Co. equips .	Var.	Var.	.. ....	(see text)	3,349	39	82%	"	"	Aa.
36. Arizona East. first ref. 5s...	M&N	My 1950	(1st) 155 (2d) 130	32,100		1	82%	"	"	A.

For Reference Notes on Bond Issues, see next page.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

Note: In the preceding table, the bond issues are arbitrarily arranged in accordance with the relative position and security, so far as can be done in view of the magnitude of the system, the multiplicity of issues, etc. Those of the original Central Pacific Lines are given first preferenee; the mortgage issues which are fully guaranteed as to both principal and interest by the Southern Pacific Company are placed next; then follow mortgage issues of proprietary companies guaranteed as to interest only; then follow the unguaranteed issues of proprietary companies, then follow the direct obligations of the Southern Pacific Company. Interest or sinking fund payments on all the above issues are charged in the general income account of the Southern Pacific Company. No issues on which interest is not charged (even though they may be guaranteed) are here included. For all such, see the separate statements of the companies.

In the "interest requirement per mile" in above table, only the interest on the amounts not held by the Southern Pacific Company are considered. While full interest is charged in the income account, that on securities owned comes back as "other income."

1. Outstanding, $78,000 (closed). Dated April 1, 1889; due April 1, 1939. Int. paid by Southern Pacific Co., New York. First lien on original line of Central Pacific R.R. On June 30, 1898, there were outstanding $12,283,000 of these bonds; all but above outstanding amount were exchanged for Central Pacific Railway ref. 4s and 30-year 3½s (Nos. 5 and 6 below) on the following basis: For each $1,000 par value, holder received $500 of No. 5 and $800 of No. 6, and $41.67, per bond in cash. Assumed by Central Pacifie Railway. Normal income tax deducted from interest.

2. Outstanding, $25,000 (closed). Dated Oct. 1, 1886; due Oct. 1, 1936. Int. paid by Southern Pacific Co., New York. First lien with No. 1 on original line of Central Pacifie R.R. All of original issue except above outstanding amount were exchanged for Central Pacific Railway ref. 4s and 30-year 3½s (Nos. 5 and 6 below) on the following basis: For each $1,000 par value, holder received $500 in No. 5 and $900 of No. 6, with $50 per bond in eash. Assumed by Central Pacific Railway. Normal ineome tax deducted from interest.

3 and 4. Outstanding, $448,000 Series A (No. 3), and $41,000 series B (No. 4). Series A, dated Jan. 1, 1868; Series B, dated Jan. 1, 1872; both series due Jan. 1, 1918. Int. paid by Southern Pacific Co., New York. On June 30, 1898, there were outstanding, $5,892,000 of Series A and $4.358,000 of Series B; all but above outstanding amounts were exchanged for Nos. 5 and 6 on the following basis: For each $1,000 par value, holder received $1,000 of No. 5 and $200 of No. 6; also $29.17 in cash. First lien on old California & Oregon division of Central Pacific R.R. Assumed by Central Pacifie Railway. These four issues underlie Nos. 5 and 6, which are guaranteed principal and interest by Southern Pacific Co. Normal income tax deducted from interest.

5. Auth., $100,000,000; outstanding, $98,877.000 (closed). Dated Aug. 1, 1899; due Aug. 1, 1949. Int. paid at 165 Broadway, New York. Coupon, $500 and $1,000; reg. $1,000, etc. Sinking Fund: $25,000 annually to be used for purchase of these bonds at lowest prices offered. Retired to June 30, 1916, $410,000. Guar. prin. and int. by Southern Pacific Co. by endorsement. First lien on 1,343.79 miles, terminals, wharves, ferries, etc., mileage being as follows: from Sacramento to near Ogden, Utah, 731.92 miles; Oakland to Niles, Cal., 25.63 miles; San Jose to Brighton, Cal. 121,84 miles; Roseville, Cal., to Cal.-Oregon State line, 296.57 miles; Lathrop to Goshen, Cal., 146.45 miles; and branches aggregating 21.38 miles. Underlies No. 6. Legal for savings Banks in Conn., Maine, Mich., Minn., Mo., N. H., N. J., R. I., Wis. Listed on New York, London, Berlin, Hamburg, Frankfort and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

6. Auth., $25,000,000; outstanding, $9,441,325 (closed). Dated Aug. 1, 1899; due Aug. 1, 1929. Int. paid at 165 Broadway, New York. Coupon, $500 and $1,000; reg. $1,000, etc. Sinking Fund: $25,000 out of net earnings to be used for purchase of these bonds at lowest price offered. Retired by fund to June 30, 1916, $15,558.675. Guar. prin. and int. by Southern Pacific Co. by endorsement. First lien on all the land grants of the company, of which there remained unsold June 30, 1916, 7,117,987 acres; also first lien on all the securities held in any Sinking Fund of the Central Pacific R.R., or by any divisional company, by consolidation of which it was formed; these securities up to June 30, 1916, had an aggregate par value of $4,729.000; second lien on 1,343.79 miles, following No. 5. Listed on New York, London and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

7. Auth., $10,000,000; outstanding, $9,640,000. Dated Oct. 1, 1904; due Oct. 1, 1954. Int. paid at 165 Broadway, New York. Coupon and reg., $1,000. Callable at 107½ and int. on 60 days' notice. Guar. prin. and int. by Southern Pacific Co., by endorsement. First lien from Umbria across the Great Salt Lake to Cecil. Utah, known as the "Ogden-Lucin Cut-off," 102.94 mile. Legal for S. B. in Maine, Minn., Mich., Mo., N. J., R. I., Wis. Listed on New York and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

8. Auth., $48,262,548.26 (250,000,000 francs); outstanding, $26,339,286; balance reacquired and held in treasury. Dated March 1, 1911; due March 1. 1946. Int. paid at Banque de Paris et des Pays-Bas and Societe Generale, Paris, or in London, Belgium or Switzerland. Coupon, 500 francs. Callable at par and int., March 1, 1921. or on any interest date thereafter. Prin. and int. guaranteed by Southern Pacific Company, the following securities being pledged with U. S. Trust Co., New York, as security for this guaranty: $1.999,500 S. P. Terminal Co stock; $4,728,-000 Galv., Harrisburg & San. Ant. Eastern division 1st 6s and $1,000,000 2d 6s; $450.000 Houston & Texas Central Lampasas Ex. 1st 5s; $1,919,000 Houston East & West Texas R.R. stock; $9.998,300 Houston & Texas Central R.R. stock; $10.000,000 Morgan's Louisiana & Texas, R.R. & S.S. stock; $6.900,000 common and $11,991,000 preferred stock of Oregon & California R.R., and $35.000,000 Southern Pacific Railroad of Cal. stock. Interest paid without deduction for normal income tax.

9. Auth., $20.000 per mile; outstanding, $1,920,000, of which $300.000 are pledged under No. 6. Dated July 1, 1891; due July 1. 1941. Int. paid at 165 Broadway, New York. Coupon, $1,000. Guar. prin. and int. by Southern Pacific Co. by endorsement. First lien on 106.08 miles as follows: from Austin to Llano, Tex., 99.68 miles, and from Fairland to Marble Falls, Tex., 6.40 miles. Legal for S. B. in Texas. Listed on New York Stock Exchange. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

10. Outstanding, $2,536,000 stamped; $464,000 unstamped (closed). Dated May 1, 1893; due May 1, 1933. Int. paid at 165 Broadway, New York. Coupon, $1,000. Stamped bonds callable at 105 and int. on six months' notice. Stamped bonds guar. prin. and int. by Southern Pacific Co. by endorsement. First lien on 190.94 miles from Houston, Tex., to Logansport, La. Listed on New York Stock Exchange. Normal income tax deducted from interest.

11. Auth., $20,000,000; outstanding, $17,745,000 (closed). Dated July 1, 1887; due July 1, 1927. Int. paid at 165 Broadway, New York. Coupon, $1,000. Callable for s. f. at par and int. Sinking Fund: Net proceeds from the sale of lands shall be used for purchase of these bonds in the open market below par; but in case they cannot be purchased at this figure, they shall be redeemed by lots as soon as the sum of $50,000 has accumulated. Guar p.rin. and Int. by Southern Pacific Co. by endorsement. First lien on 680.07 miles as follows: from Portland, Ore., to California State line, 367.15 miles; Portland to Corvallis, Ore., 101.03 miles; Portland to Airlie, Ore., 74.55 miles; Woodburn to Natron, Ore., 92.99 miles; Mohawk Junc. to Wendling, Ore., 15.93 miles; Albany Junc. to Lebanon, Ore., 11.51 miles, and branches aggregating 8.36 miles, land grants, etc. Listed on New York, London and Amsterdam Stock Exchanges. Normal income tax deducted from interest.

12. Auth., $5,500,000; outstanding, $4,563,000. Dated July 1, 1887; due July 1, 1937. Int. paid at 165 Broadway, New York. Coupon, $1,000. Sinking Fund: $220,000 annually in quarterly instalments to be used for purchase of these bonds at not exceeding par and interest. If not so purchased to be invested in other securites. Guar. prin. and int. by Southern Paclfic Co. First lien on 96.72 miles, all in California, together with docks, real estate, ferryboats, etc., mileage being as follows: Elmhurst to Wright, 49.92 miles; Alamada Mole to 14th St., Oakland, 4.15 miles; Alameda Junc. to High St., 6.80 miles; Wright to Santa Cruz, 17.69 miles; Campbell to New Alameda, 9.12 Miles; Felton to Boulder Creek, 7.50 miles; Newell Creek to Newell Creek Mill, 1.54 miles; also on ferry boat line from San Francisco to Alameda Mole, 3 miles. Listed on New York Stock Exchange. Legal for S. B. in Mich., Minn., N. H., N. J. Normal income tax deducted from interest.

13. Auth., $9,000,000; outstanding, $3,533,000 (closed). Dated April 1, 1887; due April 1, 1937. Int. paid at 165 Broadway, New York. Coupon, $1,000. Sinking Fund: $50,000 annually, beg. 1897, to be used for purchase of these bonds, or otherwise invested. Guar. prin. and int. by Southern Pacific Co. by endorsement. First lien from San Miguel to Saugus, Cal., 239.54 miles. Underlie Nos 14 and 17, with provision by latter to retire. Legal for S. B. in Cal., Conn., Mich., Minn., N. J., N. Y., R. I., Wis. Listed on San Francisco Stock Exchange. Normal income tax deducted from Interest.

14. Auth., $30,000,000; outstanding, $4,127,500 (closed). Dated Sept. 15, 1893; due Nov. 1, 1937. Callable at 107½ and int. on six months' notice, which applies to bonds so endorsed. Sinking Fund: $20,000 annually between the years 1898 and 1912, and the sum of $120,000 annually thereafter to be used for purchase of these honds, or to be Invested in other good securities; also proceeds of land sales to be used for purchase of these bonds at lowest price offered. Guar. prin and int. by Southern Pacific Co. by endorsement. First lien on 1,935.81 miles as follows: from Stockton to Milton, 24.56 miles; Pajaro to Santa Cruz, 21.20 miles; Avon to San Ramon, 20.27 miles; from near Martinez to Armona, 193.28 miles; Peters to Merced, 59.26 miles; Berenda to Raymond, 21 miles; Fresno to Pollasky, 24.11 miles; Fresno to Famosa, 102.28 miles; Burbank to Chatsworth, 21.62 miles; Florence to Santa Ana, 28.26 miles; Montalvo to Burbank, 50.42 miles; Bakersfield to Olig, 50.01 miles; San Francisco to Tres Pinos, 100.32 miles; Alcalde to Yuma, 553.58 miles; Mojave to The Needles, 242.51 miles; Carnadero to Salinas City, 35.09 miles; Salinas City to San Miguel, 90.84 miles; Los Angeles to San Pedro, 24.69 miles; also first lien on land grants of the company, and various branches aggregating 260.71 miles; second lien on 239.54 miles, following No. 13. Underlies No. 17, with provision by latter to retire. Legal for S. B. in Cal., Conn., Mich., N. J., N. Y., R. I., Wis. Listed on New York and San Francisco Stock Exchanges. Interest paid without deduction for normal income tax.

15. Auth., $21,000,000; outstanding, $4,751,000 (closed). Dated Oct. 1, 1888; due Oct. 1, 1938. Int. paid at 165 Broadway, New York. Coupon, $1,000. Sinking Fund: $20.000 annually to be used for purchase of these bonds or otherwise invested. Guar. prin. and int. by Southern Pacific Co. by endorsement. First lien on 377.55 miles, all in California, as follows: from West Oakland to near Martinez, 31.03 miles; Benicia to Suisun, 16.40; Woodland to Tehama, 100.83 miles; 16th St., Oakland, to Berryman, 5.35 miles; Willows to Fruto, 16.84 miles; Elmira to Rumsey, 51.58 miles; Napa Junc. to Santa Rosa, 37.24 miles; Sacramento to Placerville, 61.25 miles; Galt to Ione, 27.46 miles; Woodbridge to Valley Springs, 29.68 miles. Underlies No. 17 with provision to retire. Legal for S. B. in Cal., Conn., Mich., Minn., N. J., N. Y., R. I., Wis. Listed on New York and San Francisco Stock Exchanges. Normal Income tax deducted from interest.

16. Auth., $1,100,000; outstanding, $1,074,000 (closed). Dated Nov. 1, 1889; due June 1, 1929. Int. paid at 165 Broadway, New York, and in San Francisco. Coupon, $1,000. Sinking Fund: $10,000 annually to be held in trust and invested in securities for the benefit of this issue . Guar. prin. and int. by Southern Pacific Co. by endorsement. First lien from Knight's Landing to Oroville, Cal., 53.71 miles. Underlies No. 17, with provision to retire. Legal for S. B. in Cal., Conn., Mich., Minn., N. J. N. Y., R. I., Wis. Listed on New York and San Francisco Stock Exchanges. Normal income tax deducted from interest.

17. Auth., $160,000,000; outstanding, $143,873,500. Dated Jan. 3, 1905; due Jan. 1, 1955. Int. paid at 165 Broadway, New York. Coupon and reg., $500 and $1,000. Callable at 105 and int. on three months' notice. Sinking Fund: $12,000 per annum to be used for purchase of these bonds. Guar. prin. and int. by Southern Pacific Co. by endorsement. First lien on 723.34 miles as follows: from the east bank of the Rio Grande River at El Paso to the Arizona-New Mexico State line, and thence to the east bank of the Colorado River at Yuma, 561.37 miles; from Napa Junc. to Calistoga, Cal., 34.53 miles; Vallejo to Sacramento, Cal., 60.24 miles; Davis to Knight's Landing, Cal., 18.64 miles; and branches aggregating 53.18 miles; second lien on 2,367.21 miles as follows: on the 1,935.81 miles, following No. 14; on the 53.71 miles, following No. 16; on the 377.55 miles, following No. 15; third lien on 239.54 miles, following No. 14. Legal for S. B. In Cal., Conn., Mich., Minn., N. J., N. Y., R. I., Wis. Listed on New York, San Francisco and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

18. Auth., $2,000,000; outstanding, $1,492,000 (closed). Dated Nov. 1, 1894; due Nov. 1, 1924. Int. paid at 165 Broadway, New York. Coupon, $1,000. Sinking Fund: Amount equal to 1% of net earnings per annum to be used for purchase of these bonds or otherwise invested. Guar. prin. and int. by Southern Pacific Co. by endorsement. First lien on 130.15 miles: from Bowie to Globe, Ariz., 125.27 miles; Amster Junc. to Amster, Ariz., 4.88 miles. Underlie No. 36, which provides for retirement. Listed on New York Stock Exchange. Normal income tax deducted from Interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

19. Auth., $50,000,000; outstanding, $24,965,700. D ted Apr. 1, 1910; due Apr. 1, 1950. Int. paid in New York, London, Berlin, Hamburg, Frankfort, Amsterdam and Geneva. Coupon and reg., $100, $500 and $1,000. Callable at 105 after Apr. 1, 1915. First lien on terminal properties at San Francisco and Oakland, Cal., including the Bay Shore line from San Bruno to San Francisco, 11.13 miles, and a total of 718 acres of land of which 320 acres are in San Francisco. Sinking Fund: $5,000 per annum. Legal for S. B. in Conn. Listed on New York, Berlin, London and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

20. Auth., $8,634,000; outstanding, $1,417,000 (closed). Dated April 1, 1890; due July 1, 1937. Int. paid at 165 Broadway, New York. Coupon, $1,000. Callable for Sinking Fund at 110 and int. Sinking Fund: Net proceeds from sales of lands to be used for purchase of these bonds at not exceeding 110 and int. Guar. as to int. by Southern Pacific Co. by endorsement. First lien from Houston to Denison, Tex., 337.98 miles, and from Hempstead to Austin, Tex., 115 miles; total, 452.98 miles, together with lands. Underlies No. 21. Legal for S. B. in Texas. Listed on New York Stock Exchange. Normal income tax deducted from interest.

21. Auth., $4,305,000; outstanding, $4,161,000. Dated April 1, 1890; due April 1, 1921. Int. paid at 165 Broadway, New York. Coupon, $1,000. Guar. as to int. by Southern Pacific Co. by endorsement. Second lien on 452,98 miles following No. 20. Listed on New York Stock Exchange. Normal income tax deducted from interest.

22. Auth., $25,000 per mile; outstanding, $1,105,000. Dated May 1, 1900; due May 1, 1930. Int. paid at 165 Broadway, New York. Coupon, $1,000. First lien on 55.30 miles from Bremond to Ross, Tex. An assumed obligation of the Houston & Texas Central but bonds are not guaranteed by Southern Pacific Co. Legal for S. B. in Texas. Listed on New York Stock Exchange. Normal income tax deducted from interest.

23. Auth., $20,000 per mile; outstanding, $13,418,000, of which $1,024,000 are pledged under No. 6. Dated May 1, 1881; due May 1, 1931. Coupon, $1,000. Int. paid at 165 Broadway, New York. Sinking Fund: Amount equal to 1% of bonds issued and outstanding to be used for purchase of these bonds. On June 30, 1916, this fund amounted to $5,101,958, of which $4,992,150 had been invested in No. 36. First lien on 659.25 miles as follows: From San Antonio to east bank of the Rio Grande River at El Paso, Tex., 624.61 miles, and branch from Spofford to Eagle Pass, Tex., 34.64 miles. Underlies No. 24. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

24. Auth., $10,000 per mile; outstanding, $2,539,000 of which Southern Pacific owns $444,000. Dated July 1, 1881; due July 1, 1931. Int. paid at 165 Broadway, New York. Coupon, $1,000. Guar. prin. and int. by Southern Pacific Co. by endorsement. Second lien on 659.25 miles following No. 23. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

25. Auth., $17,000 per mile; outstanding, $709,000. Dated Dec. 1, 1885; due Dec. 1, 1925. Int. paid by Southern Pacific Co., New York. Coupon, $1,000. First lien on 41.31 miles from Waxahatchie to Fort Worth, Tex. Is an assumed obligation of the Houston & Texas Central R.R., but bonds are not guaranteed by Southern Pacific Co. Normal income tax deducted from interest.

26. Auth. and outstanding, $2,240,000. Dated July 1, 1881; due July 1, 1921. Int. paid at 165 Broadway, New York. Coupon, $1,000. First lien from Lafayette, La., to the Sabine River, near Orange, Tex., 105.41 miles; Abbeville to Mamon, La., 68.30 miles; Mallard Junc. to Port Arthur, 34.10 miles; total, 207.83 miles. Legal for S. B. in Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

27. Auth., $5,000,000; outstanding, $4,935,000 (closed). Dated April 16, 1878; due April 1, 1918. Int. paid at 165 Broadway, New York. Coupon, $1,000. First lien from Algiers (opposite New Orleans) to Morgan City, La., about 79 miles, with branch to Houma, La., 14.60 miles; total, 93.60 miles; also steamships, ferry boats, dock property, etc., inc. the ferry from New Orleans to Algiers, La. Listed on New York Stock Exchange. Normal income tax deducted from interest.

28. Auth., $1,800,000; outstanding, $1,494,000. Dated July 1, 1880; due July 1, 1920. Int. paid at 165 Broadway, New York. Coupon, $1,000. First lien from Morgan City to Cheneyville, La., 125.92 miles; Alexandria Terminal, 1.24 miles; total, 127.16 miles. Listed on New York Stock Exchange. Normal income tax deducted from interest.

29. Auth., $4,195,000; outstanding, $1,620,000. Dated July 1, 1893; due July 1, 1943. Int. paid at 165 Broadway, New York. Coupon, $1,000. Second lien on 103.11 miles from Sabine Pass to Rockland, Tex., following $2,575,000 Sabine Division 5s (all owned); second lien equally with Sabine Division 5s on 104.48 miles, from Houston to Orange, Tex., following $862,000 Main Line 6s (all owned). Listed on New York Stock Exchange. Normal income tax deducted from interest.

30. Auth., $20,000 per mile; outstanding, $3,997,000. Dated Aug. 1, 1900; due Aug. 1, 1930. Int. paid at 165 Broadway, New York. Coupon, $1,000. First lien from Bonita Junc. to T. & P. Crossing, Dallas, Tex., 162.71 miles; Rockland to Door Junc., Tex., 47.89 miles; total, 210.60 miles; second lien following $862,000 Main Line 6s (all owned), on 6.70 miles from Orange, Tex., to the Sabine River. Of this outstanding issue, Southern Pacific Co. owns $696,000, Southern Pacific R.R. Co. owns $953,000 and sinking funds hold $1,768,000. Normal income tax deducted from interest.

31. Auth., $36,819,000; outstanding, $34,218,500. Dated Aug. 1, 1899; due Aug. 1, 1949. Int. paid at company's office, New York. Coupon. and reg. $500 and $1,000. Callable at par and int. on six months' notice. Direct obligation of the Southern Pacific Co. and secured by deposit with the trustee of $17,400,000 preferred and $67,274,200 par value common stock of Central Pacific Ry., being all the outstanding preferred and all but $1,300 common. Listed on New York Stock Ehcxange. Interest paid without deduction for normal income tax.

32. Auth., $82,000,000; outstanding, $81,151,910. Dated June 1, 1909; due June 1, 1929. Int. paid at 165 Broadway, New York. Coupon, $1,000, reg., $1,000, $5,000 and $10,000. Callable at 105 and int. on 90 days' notice, in which case the privilege of conversion, if same has not expired, shall terminate 30 days before such date of redemption. Convertible on or before June 1, 1919, into common stock at $130 per $100 share. Direct obligation, but not a mortgage. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

33. Auth., $100,000,000; outstanding, $227,000. Dated July 1, 1909; due July 1, 1929. Int. paid at company's office, 165 Broadway, New York. Coupon, $1,000. Callable at 105 and int. on any int. date on 90 days' notice. Direct obligation of the company, but not a mortgage. These bonds were issued in connection with the offer made by the company to its preferred stockholders, June 8, 1909, whereby it exercised its option to redeem the stock at $115 per share. Holders were offered the privileges (1) of exchanging their stock for a like amount of these bonds with $20 in cash; (2) to convert their shares into common stock at par; (3) to surrender their stock and receive $115 in cash. Most holders converted into common. The unissued balance of these debentures, therefore, still remains in the possession of the company. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

34. Auth., $55,000,000; outstanding, $54,490,000. Dated June 1, 1914; due June 1, 1934. Int. paid at Southern Pacific office, New York. Coupon and reg., $500 and $1,000; interchangeable. Callable on and after June 1, 1919, at 105 and Int. on 90 days' notice. Convertible into stock at par until June 1, 1924. Not secured by mortgage. Legal for S. B. in N. H. Listed on New York Stock Exchange. Normal income tax deducted from interest.

35. Series A, 4½; dated March 1, 1913; due $1,012,000 each March 1 to March 1, 1923. Original issue, $10,120,000; now unmatured, $7,084,000. Int. paid M. and S. at office of company, New York, and Commercial Trust Co., Phiadelphia. Coupon, $1,000. Guar. prin. and int. by Southern Pacific Co., by endorsement. First lien on equipment costing about $11,249,750. Interest paid without deduction for normal income tax. Series B, 4½; dated Sept. 2, 1913; due $201,000 each Sept. 1, to Sept. 1, 1923. Original issue, $2,010,000; now unmatured, $1,407,000. Int. paid M. and S. at office of company, New York, and Commercial Trust Co., Philadelphia. Coupon, $100. Callable after Sept. 1, 1918, at 102½ and interest on 90 days' notice. Guar. prin. and int. by Southern Pacific Co. First lien on equipment costing $2,237,021. Interest paid without deduction for normal income tax. Series C, 4½s; dated Dec. 1, 1914; due $117,000 each Dec. 1 to Dec. 1, 1924. Int. paid June and Dec. 1. Original amount, $1,170,000; now outstanding, $936,000. Normal income tax deducted from interest.

36. Auth., $40,000,000; outstanding, $9,155,000, of which Southern Pacific Co. owns $4,042,000. Dated May 2, 1910; due May 1, 1950. Int. paid at Southern Pacific office, New York. Coupon and reg., $1,000. Sinking fund, $5,000 per annum. First lien on 155.06 miles of Arizona lines, and second lien on 130.15 miles, following No. 18. Of those outstanding which the Southern Pacific Co. does not hold as an investment, $5,056,000 are in the sinking fund of No. 23, leaving only $57,000 in hands of public. Not guaranteed. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Southern Pacific Company stock..... Par $100. Outstanding, $272,677,906.	6% QuJ	$24,888	$2,531	$1,493	41%	High	High	A.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUES

Auth., $394,451,800; outstanding, on June 30, 1916, $272,677,906. Par, $100. On Jan. 1, 1916, the Pennsylvania R.R. owned $17,143,800, and the Pennsylvania Company, $12,741,200. Sufficient stock of the authorized issue is reserved to provide for the possible conversion of $54,490,000 convertible 5s and $81,151,910 convertible 4s. The 5s are convertible par for par until June 1, 1924, and the 4s are convertible at the ratio of $130 stock for $100 in bonds up to June 1, 1919. To convert all the 4s would thus require only about $62,500,000 in stock; to convert the 5s would require the full amount of $54,490,000. The company formerly had outstanding, $74,756,765 7% preferred stock, which was redeemed July 15, 1909, at $115 per share, except a nominal amount which was exchanged for 5% preferred stock, which was reddeemed July 15, 1909, at $115 per share, except a nominal amount which was exchanged for 4% debentures (No. 34 in Bond Table above). Dividends have been paid as follows: Oct. 1, 1906, 2½%; April, 1907, 2½%; July, 1907, 1¼%; and 1¼% (6% per annum) quarterly since. Payments are made January, April, July and October 1. Transfer Agent, J. A. Simpson, 165 Broadway, New York. Listed on New York Stock Exchange.

PROPRIETARY AND LEASED COMPANIES OF SOUTHERN PACIFIC COMPANY

ARIZONA EASTERN RAILROAD

Incorporated under laws of New Mexico and Arizona, February 1, 1910, as a consolidation of the Arizona Eastern R.R. of Arizona, the Gila Valley, Globe & Northern R.R., the Maricopa & Phoenix R.R., the Arizona & Colorado R.R. of New Mexico, and the Arizona R.R. of New Mexico. The company operates 377.74 miles, consisting of various branches in Arizona and New Mexico, of which 291 miles is owned and balance leased or used under trackage rights; sidings, 72.67 miles. Equipment: locomotives, 41; passenger and freight cars, 358.

Management: Officers: Epes Randolph, Pres.; L. H. Long, Vice-Pres.; Gibson Taylor, Sec.; J. E. White, Treas. Directors: J. Kruttschnitt, E. P. Swenson, H. W. deForest, Epes Randolph, M. Drachman, C. W. Hinchcliffe, F. V. Bush, Andrew Kimball. Annual meeting, first Wednesday after first Monday in December. Office, Tucson, Arizona.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$3,310,302	$2,200,153	$2,797,811	$2,709,583	$2,075,082	$1,670,440
Operating expenses ...	1,784,772	1,377,672	1,644,853	1,497,068	1,110,604	1,056,538
Net income	$1,525,530	$822,481	$1,152,958	$1,212,515	$964,478	$613,902
Other income	cr. 39,121	57,142	6,449	3,381	160	10
Total net income..	$1,486,409	$879,623	$1,159,407	$1,215,896	$964,638	$613,912
Taxes	220,020	158,710	160,658	115,936	126,530	70,417
Fixed charges	920,653	873,508	780,209	665,727	643,499	569,708
Surplus	$345,736	*$152,595	$218,540	$434,233	$194,609	*$26,213

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,034,368; credit balance transferred from income, $345,736; profit on road and equipment sold, $231; delayed income credits, $570; unrefundable overcharges, $3,910; donations, $12,175; miscellaneous credits, $14,222; total, $1,411,212. Contra: Surplus appropriated for investment in physical property, $12,175; loss on retired road and equipment, $2,333; credit balance carried to balance sheet, $1,218,288; miscellaneous credits, $175,013; total, $1,411,212.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$14,297,338	$14,396,509	$14,310,516	$14,193,934	$13,528,508	$13,135,825
Working assets	1,457,578	1,471,637	1,561,297	1,283,128	1,477,552	1,423,087
Accrued income not due	.....	.....	350	225	.....	.....
Deferred debit items...	6,054,304	6,062,859	6,406,914	6,319,748	6,253,910	6,270,979
Total	$21,809,220	$21,931,005	$22,279,077	$21,797,035	$21,259,970	$20,829,891
LIABILITIES:						
Capital stock	$9,000,000	$9,000,000	$9,000,000	$9,000,000	$9,000,000	$9,000,000
Funded debt	10,882,248	11,348,496	10,647,000	8,494,000	8,496,000	8,498,000
Working liabilities	348,012	262,825	707,381	2,626,770	2,536,236	2,398,800
Accrd. liabilities not due	189,173	163,779	356,696	244,388	243,808	179,984
Deferred credit items..	97,137	73,933	69,241	65,972	69,882	41,148
Appropriated surplus..	72,882	47,604	40,210	32,273	23,941	16,897
Profit and loss surplus.	1,218,288	1,034,368	1,458,369	1,333,632	890,103	695,062
Total	$21,809,220	$21,931,005	$22,279,077	$21,797,035	$21,259,970	$20,829,891

Bonded Debt: $1,492,000 Gila Valley, Globe & Northern first 5s. Dated Nov. 1, 1894; due Nov. 1, 1924. Int. M. and N. 1. Prin. and int. guaranteed by Southern Pacific. First lien on the properties of the original Gila Valley, Globe & Northern Ry., 125 miles.

(2) $9,155,000 Arizona Eastern R.R. first and refunding 5s. Dated May 1, 1910; due May 1, 1950. Int. M. and N. 1, in New York. Coupon, $1,000. Auth., $40,000,000, of which sufficient are reserved to retire No. 1. The Southern Pacific Company owns $4,042,000 of the issue, but the bonds are not guaranteed. Secured on 292 miles, being subject to No. 1 on 125 miles.

For further details and ratings of these issues, see Southern Pacific Company's Bond Table, page 665.

Capital Stock: Auth., $40,000,000; outstanding, $9,000,000. Par value, $100. All owned by Southern Pacific Company. No dividends.

CENTRAL PACIFIC RAILWAY

Origin: Incorporated under laws of Utah, July 29, 1899. Acquired title to all properties formerly owned by the Central Pacific R.R. On Feb. 29, 1912, acquired the property of the Oregon Eastern Ry. The property is leased to the Southern Pacific Co. from March 1, 1894, to Jan. 1, 1984, with the exception of the property acquired from the Chico & Northern R.R. and the Sacramento Southern R.R., the rental being all expenses of operation, fixed and other charges, sinking fund requirements, dividends, and $10,000 for organization expenses. For full details, see page 659. Entire capital stock of the company is owned by the lessee.

On Feb. 29, 1912, the following properties were acquired: Central California Ry. Co., Fernley & Lassey Ry., Chico & Northern R.R., Modoc Northern Ry., Nevada & California Ry., Sacramento Southern Ry., Goose Lake & Southern Ry., and the Oregon Eastern Ry. The company assumed the bonds and stocks of these acquired properties, and they are held in the Southern Pacific Company's treasury.

Location: Line of road: Oakland Pier to Elvis, Cal., 134.47 miles; Sacramento to Cecil Junc., Utah, 692.04 miles; Roseville, Cal., to Oregon State line, 296.58 miles; Lathrop to Goshen Junc., Cal., 146.48 miles; Hazen, Nev., to Keeler, Cal., 288.65 miles; and various branches. Length of road: owned, 2,325.73 miles; second track, 259.64 miles; yard track, 951.35 miles; total, 2,325.73 miles. Water lines: Ferry, San Francisco to Oakand pier, 3.5 miles; ferry, San Francisco to Broadway, Oakland, 6.4 miles; river line, San Francisco to Sacramento, 125 miles; total, 134.9 miles.

Equipment: Locomotives, 400; cars, 8,176; work cars, 1,241; total cars, 9,417. Floating equipment: Passenger ferry steamers, 8; car transfer steamers, 2; river steamers, 5; tugs, 2; steam barge, 1; car float, 1; dredges, 3; pile drivers, 2; launches, 6; scows, 4.

Management: OFFICERS: W. F. Herrin, Pres.; W. R. Scott, Vice-Pres.; E. O. McCormick, Vice-Pres.; C. H. Redington, 3d Vice-Pres., San Francisco, Cal.; A. D. McDonald, 2d Vice-Pres. and Compt., New York, N. Y.; G. L. King, Sec., San Francisco, Cal.; A. K. Van Deventer, Treas., New York, N. Y.; W. F. Ingram, Asst. Treas.; T. O. Edwards, Aud., San Francisco, Cal. DIRECTORS: William Sproule, T. O. Edwards, Wm. F. Herrin, Wm. Hood, G. L. King, C. H. Redington, W. R. Scott, E. O. McCormick, San Francisco, Cal.; T. W. Rowlands, Ogden, Utah. Annual meeting, first Tuesday in April, at Salt Lake City, Utah. OFFICE, 165 Broadway, New York.

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Comparative Income Account, Years Ended June 30

The annual reports to the Interstate Commerce Commission for 1915 and 1916 do not show operating returns for the Cent. Pac. Ry. separately. Road is directly operated by Southern Pacific and figures below for 1915 and 1916 show income from lease, etc.

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	.....	.....	$31,266,214	$32,650,164	$30,483,772	$30,985,943	$33,443,389
Operating expenses	.....	.....	18,391,957	18,863,052	17,308,594	17,770,831	18,314,571
Net income	.....	.....	$12,871,277	$13,850,746	$13,222,658	$13,239,621	$15,213,436
Other income	.....	.....	1,587,332	1,631,691	1,666,165	852,159	868,140
Total income	*$14,919,368	*$10,891,979	$14,458,609	$15,482,437	$14,888,823	$14,091,780	$16,081,576
Fixed charges	8,869,095	9,022,811	11,798,185	11,067,652	10,147,262	7,868,643	7,370,539
Surplus	$6,050,273	$1,869,168	$2,660,424	$4,414,785	$4,741,561	$6,223,137	$8,711,037
Rentals payable to So. Pac.	56,003	55,925	.....	.....	.....	484,896	1,804,325
Surplus	$5,994,270	$1,813,243	$2,660,424	$4,414,785	$4,741,561	$5,738,241	$6,906,712
Surplus forwarded	.....	.....	22,082,463	24,042,751	25,160,349	27,997,606	25,250,362
Credits	.....	.....	5,527,667	1,406,976	484,979	1,269,705	468,496
Total credits	.....	.....	$30,270,554	$29,864,512	$30,386,889	$35,005,552	$32,625,570
Preferred dividends	.....	See	4,629,627	3,504,000	692,000	684,000	556,000
Common dividends	.....	Profit &	17,900,003	4,036,530	4,036,530	6,727,550	4,036,530
Debits for year	.....	Loss Ac.	5,420,795	241,519	1,615,608	4,643,552	35,434
Surplus as per bal. sheet	$5,994,270	.....	$2,320,129	$22,082,463	$24,042,751	$22,590,450	$27,997,606

* Non-operating income.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $5,994,270; profit on road and equipment sold, $1,122; delayed income credits, $376,617; donations, $16,955; miscellaneous credits, $538,802; total, $6,927,766. *Contra:* Debit balance at beginning of year, $2,095,169; surplus applied to sinking and other reserve funds, $479,015; dividend appropriations of surplus, $1,705,132; surplus appropriated for investment in physical property, $16,955; debt discount extinguished through surplus, $1,250; loss on retired road and equipment, $97,111; delayed income debits, $196,803; credit balance carried to balance sheet, $1,907,687; miscellaneous debits, $428,644; total, $6,927,766.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$287,359,726	$283,240,059	$284,458,847	$270,731,185	$262,509,150	$228,746,928
Working assets	77,041	75,944	87,667	30,007,114	39,771,320	19,004,807
Deferred debit items	4,585,923	4,585,812	5,425,818	7,192,556	6,352,966	22,280,653
Profit and loss deficit	.....	2,095,169	1,762,859	.....	.....	.....
Total	$292,022,690	$289,996,984	$291,735,191	$307,930,855	$308,633,436	$270,032,388
LIABILITIES:						
Capital stock	$84,675,500	$84,675,500	$84,675,500	$84,675,500	$84,675,500	$84,475,500
Funded debt	196,952,223	197,500,876	199,154,911	200,018,398	201,455,898	161,788,538
Working liabilities	396,929	308,273	953,970	907,912	449,801	801,465
Accrd. liabilities not due	2,780,107	2,759,713	2,778,751	207,787	.....	.....
Deferred credit items	81,153	79,704	89,071	43,795	219,346	16,424
Appropriated surplus	5,219,091	4,672,918	4,082,988	.....	3,308,989	2,992,602
Profit and loss surplus	1,907,687	.....	.....	22,082,463	18,523,902	19,957,859
Total	$292,022,690	$289,996,984	$291,735,191	$307,930,855	$308,633,436	$270,032,388

Bonded Debt: (1) $98,877,000 Central Pacific Ry. 1st refunding 4s. Dated Aug. 1, 1899; due Aug. 1, 1949.
(2) $9,441,325 Central Pacific 3½s. Dated Aug. 1, 1899; due Aug. 1, 1929.
(3) $9,640,000 Central Pacific, Through Short Line 4s. Dated Oct. 1, 1904; due Oct. 1, 1954.
(4) $48,262,548.26 Central Pacific "European Loan of 1911" collateral trust 4s. Dated March 1, 1911; due March 1, 1946.
(Full details and ratings of the above bonds will be found in the Bond Table of the Southern Pacific Co., page 665.

Capital Stock: Auth., preferred, $20,000,000; outstanding, $17,400,000. Auth. and outstanding, common, $67,275,500. Stock is all owned by the Southern Pacific Co. Par, $100. Preferred stock has preference as to assets, and is entitled to cumulative dividends of 4%, and to its *pro rata* share in any dividends in excess of 4% on entire capital stock. No additional mortgage may be put on the property, nor the amount of stock increased without consent of 75% of the preferred and a majority of the common stockholders. TRANSFER AGENT, Alex. Miller, 165 Broadway, New York. Dividends as follows: Regular dividends of 4% were paid on preferred to June 30, 1912; 1913, 20%; 1914, $4,629,627 was paid on preferred. Preferred dividends payable in Feb. and Aug. at 165 Broadway, New York. Dividends on common stock as follows: 1904, 2%; 1905, 3%; 1906 to 1913, inclusive, 6% each year; 1914, $17,900,003 was paid on common. As entire stock issue is now owned by Southern Pacific Co., operating results and dividend payments to latter are not now separately reported. In 1915, $1,705,133 was charged in profit and loss account as dividend appropriation. In 1916, a dividend of 1½% on common and 4% on preferred was paid out of surplus. Payments in June, at 165 Broadway, New York.

GALVESTON, HARRISBURG & SAN ANTONIO RAILWAY

Origin: Incorporated under Texas laws, July 20, 1870. Charter amended Aug. 15, 1905. In August, 1905, purchased the properties of the New York, Texas & Mexican Ry. Co., Gulf, Western Texas & Pacific Ry. Co., San Antonio & Gulf R.R. Co., Galveston, Houston & Northern Ry. Co. and the Gonzales Branch R.R. The company is controlled by the Southern Pacific Co. through ownership of $27,055,900 of its capital stock, but the railroad is operated by its own organization. Owns $14,800 of the capital stock of the El Paso Union Depot Co.

Location: Line of road: Houston to El Paso, San Antonio to Lavaca, Rosenberg to Beeville and branches, 1,-344.08 miles; operated jointly with Houston & Texas Central R.R., 12.33 miles. Leased from the Gulf, Colorado & Santa Fe Ry. Co., joint track at Galveston, Tex., 0.59 mile; operated jointly with Texas & New Orleans R.R. Co., 3.95 miles; total mileage operated, June 30, 1916, 1,360.95 miles; second track, 6.59 miles; sidings, 345.26 miles.

Equipment: Locomotives, 313; cars, 4,733; service cars, 306.

Management: OFFICERS: W. B. Scott, Pres.; G. S. Waid, Vice-Pres. and Gen. Mgr.; G. R. Cottingham, Sec. and Aud.; C. B. Udell, Treas., Houston, Tex.; A. K. Van Deventer, Asst. Treas., New York. DIRECTORS: J. Kruttschnitt, H. W. deForest, E. P. Swenson, New York; W. B. Scott, G. S. Waid, E. B. Parker, G. R. Cottingham, C. K. Dunlap, Houston, Tex.; C. C. Gibbs, San Antonio, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$12,831,389	$11,210,010	$11,972,399	$12,232,630	$10,935,005	$11,116,530
Maintenance of way	1,951,668	1,632,648	1,608,766	1,308,723	1,346,804	1,429,063
Maintenance of equip.	1,776,595	1,880,228	2,209,606	2,470,656	2,029,400	1,632,494
All other oper. expenses	5,586,808	5,739,113	6,083,589	6,004,897	5,304,774	4,902,431
Net income	$3,516,318	$1,958,021	$2,070,438	$2,448,354	$2,254,027	$3,152,542
Other income	810,905	884,700	359,627	352,474	335,698	144,894
Total net income	$4,327,223	$2,842,721	$2,430,065	$2,800,828	$2,589,725	$3,297,436
Taxes	596,447	504,114	573,952	368,085	457,280	368,542
Fixed charges	3,745,879	3,461,302	2,713,192	2,823,131	2,693,600	2,272,027
Surplus	* $15,103	* $1,122,695	* $857,079	* $390,388	* $561,155	$656,867
Other deductions	397,741	402,137	329,368	316,506	.....	.....
Balance	* $412,844	* $1,524,832	* $1,186,447	* $706,894	* $561,155	$656,867

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $116,142; delayed income credits, $45,543; unrefundable overcharges, $8,235; donations, $24,096; miscellaneous credits, $16,971; debit balance carried to balance sheet, $5,901,700; total, $6,112,687. Contra: Debit balance at beginning of year, $5,-419,373; debit balance transferred from income, $412,844; surplus applied to sinking and other reserve funds, $67,090; surplus appropriated for investment in physical property, $24,096; loss on retired road and equipment, $9,319; delayed income debits, $167,675; miscellaneous credits, $10,290; total, $6,112,687.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$69,858,151	$69,763,407	$69,786,735	$72,570,168	$71,573,506	$71,472,635
Working assets	3,421,072	3,095,231	3,679,943	3,279,000	3,056,827	3,154,300
Deferred debit items	5,863,374	5,326,735	4,798,258	4,280,782	3,833,557	3,537,973
Profit and loss deficit	5,901,700	5,419,373	7,070,340	.....	.....	.....
Total	$84,244,297	$83,604,746	$85,335,276	$80,129,950	$78,463,890	$78,164,908
LIABILITIES:						
Capital stock	$27,084,400	$27,084,400	$27,084,400	$27,084,400	$27,084,400	$27,084,400
Funded debt	50,714,633	49,861,726	36,080,000	36,080,000	38,204,000	36,080,000
Working liabilities	1,132,757	1,219,582	17,129,088	15,209,734	11,105,133	12,655,188
Accrd. liabilities not due	572,103	549,272	532,304	484,730	532,376	515,630
Deferred credit items	372,319	213,987	235,842	256,233	131,755	145,575
Appropriated surplus	5,164,705	4,675,779	4,273,642	1,014,853	.....	.....
Profit and loss surplus	.....	.....	.....	.....	1,406,226	1,684,115
Total	$84,244,297	$83,604,746	$85,335,276	$80,129,950	$78,463,890	$78,164,908

Funded Debt: Outstanding, June 30, 1914. (1) $4,728,000 Galveston, Harrisburg & San Antonio Ry. Eastern Division 1st 6s. Dated Feb. 1, 1871; due Feb. 1, 1910, extended to Feb. 1, 1935.

(2) $1,000,000 Galveston, Harrisburg & San Antonio Ry., Eastern Division 2d 6s. Dated June 1, 1880; due June 1, 1905, but extended to June 1, 1935.

(3) $13,418,000 Galveston, Harrisburg & San Antonio Ry., Mexican & Pacific Extension 1st 5s. Dated May 1, 1881; due May 1, 1931.

(4) $2,539,000 Galveston, Harrisburg & San Antonio Ry., Mexican & Pacific Extension 2d 5s. Dated July 1, 1881; due July 1, 1931.

(5) $9,022,000 Galveston, Harrisburg & San AntonioRy., Galveston-Victoria Division 1st 6s. Dated June 1, 1910; due June 1, 1940.

(For full details and ratings of above bonds, see Bond Table of the Southern Pacific Company, page 665.)

Capital Stock: Auth., $27,093,000; outstanding, $27,084,400, of which $27,055,900 owned by the Southern Pacific Co., $27,005.600 being deposited against issue of Southern Pacific Co. common stock. Par, $100. TRANSFER AGENTS, James Watkins and S. L. Crosby, New York, N. Y.

HOUSTON EAST & WEST TEXAS RAILWAY

Origin: Incorporated under laws of Texas in 1897, as a reorganization of a company of the same name. The Southern Pacific Ry. owns $1,919,100 of the capital stock, and controls the company, though operated as a separate organization.

Location: Line of road: Houston, Tex., to Logansport, La., 190.94 miles; sidings, 57.47 miles.

Equipment: Locomotives, 14; total cars, 878; service cars, 16.

Management: OFFICERS: J. Kruttschnitt, Chairman Executive Committee, New York, N. Y.; W. B. Scott, Pres.; G. S. Waid, Vice-Pres. and Gen. Mgr.; G. R. Cottingham, Sec. and Aud.; C. B. Udell, Treas., Houston, Tex.; Hugh Neill, Asst. Sec.; A. K. Van Deventer, Asst. Treas., New York, N. Y. Annual meeting, second Tuesday in January at Houston, Tex. GENERAL OFFICE, Houston, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$1,486,214	$1,361,490	$1,447,373	$1,403,271	$1,272,047	$1,317,893
Operating expenses	1,027,525	1,051,927	1,065,696	1,059,432	908,041	844,284
Net Income	$458,689	$309,563	$381,677	$343,839	$364,006	$473,609
Other income	66,954	61,423	21,312	17,063	36,119	25,521
Total income	$525,643	$370,986	$402,989	$360,902	$400,125	$499,130
Taxes	54,675	59,767	57,010	42,883	51,799	40,743
Fixed charges	253,232	277,139	287,945	288,309	258,098	224,895
Surplus	$217,736	$34,080	$58,034	$29,710	$90,228	$233,492

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $719,012; credit balance transferred from income, $217,736; delayed income credits, $12,442; unrefundable overcharges, $1,505; donations, $1,055; miscellaneous credits, $4,006; total, $955,756. Contra: Dividend appropriations of surplus, $115,200; surplus appropriated for investment in physical property, $1,056; loss on retired road and equipment, $5,522; delayed income debits, $9,354; credit balance carried to balance sheet, $822,858; miscellaneous credits, $1,766; total, $955,756.

Comment: The Houston East and West Texas Railway has made a very satisfactory exhibit during recent years. The growth in earning power has been moderate but stable, and in 1916 an unusually large surplus was reported above all fixed charge requirements, and enabled a dividend payment of 10% to be paid without difficulty.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,688,816	$5,691,221	$5,669,797	$5,713,464	$5,572,884	$5,548,349
Working assets	322,762	243,541	324,413	375,891	510,480	607,803
Deferred debit items	42,550	35,691	46,400	38,771	40,193	32,266
Total	$6,054,128	$5,970,453	$6,040,610	$6,128,126	$6,123,557	$6,188,418
LIABILITIES:						
Capital stock	$1,920,000	$1,920,000	$1,920,000	$1,920,000	$1,920,000	$1,920,000
Funded debt	3,153,619	3,194,761	3,000,000	3,000,000	3,000,000	3,000,000
Working liabilities	75,563	63,290	375,133	337,052	279,782	226,887
Accrd. liabilities not due	54,133	56,453	49,549	46,199	45,560	41,717
Deferred credit items	25,358	16,937	7,849	5,236	10,028	10,273
Appropriated surplus	1,057	.....	.....	.....	.....	.....
Profit and loss surplus	822,858	719,012	688,079	819,639	868,187	989,541
Total	$6,054,128	$5,970,453	$6,040,610	$6,128,126	$6,123,557	$6,188,418

Bonded Debts $3,000,000 Houston East & West Texas Ry. 1st 5s. Dated May 1, 1893; due May 1, 1933. For details and rating, see Bond Table of Southern Pacific Company, page 665.

Capital Stock: Auth. and outstanding, June 30, 1915, $1,920,000. Southern Pacific Co. owns $1,919,000, which is pledged against the Central Pacific Ry. Co. 4% European Loan of 1911. Par, $100. Secretary of company acts as TRANSFER AGENT. Dividends: In 1903, 16% was paid out of accumulated surplus; in 1908, 30%; 1910, 10%; 1912, 11%; 1913, 4%; no dividends in 1914 and 1915; 10% paid from surplus in 1916.

HOUSTON & SHREVEPORT RAILROAD

Origin: Incorporated under laws of Louisiana on Oct. 23, 1891, as a reorganization of the Shreveport & Houston Ry. Co. The Southern Pacific Co. owns $397,600 of the capital stock and controls the company, although operated as a separate organization.

Location: Line of road: Logansport to Shreveport, La., 39.78 miles; sidings, 7.28 miles. This company owns no equipment except 49 box cars.

Management: OFFICERS: W. B. Scott, Pres.; G. S. Waid, Vice-Pres. and Gen. Mgr.; G. R. Cottingham, Sec. and Aud.; C. B. Udell, Treas., Houston, Tex. DIRECTORS: J. Kruttschnitt, F. P. Swenson, H. W. deForest, New York; W. B. Scott, G. R. Cottingham, C. K. Dunlap, Houston, Tex.; E. H. Randolph, Herman Loeb, S. B. Hicks, Shreveport, La. Annual meeting, second Wednesday in January at Shreveport, La. OFFICE, Houston, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$308,183	$289,787	$380,974	$347,154	$303,204	$328,419
Maintenance of way	48,642	33,301	31,862	43,772	33,273	36,464
Maintenance of equip.	35,886	34,744	7,290	2,478	7,169	4,876
All other oper. expenses	112,546	116,143	137,015	116,092	105,068	104,426
Net income	$111,109	$105,599	$204,807	$184,812	$157,694	$182,653
Other income	7,615	10,419	10,020	9,515	8,532	9,031
Total net income	$118,724	$116,018	$214,827	$194,327	$166,226	$191,684
Taxes	18,922	15,151	17,741	13,949	11,485	7,184
Fixed charges	26,819	28,821	49,973	52,382	44,324	39,925
Surplus	$72,983	$72,046	$147,413	$127,996	$110,417	$144,575

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $189,608; credit balance transferred from income, $72,983; delayed income credits, $644; unrefundable overcharges, $140; miscellaneous credits, $284; total, $263,659. Contra: Dividend appropriations of surplus, $60,000; credit balance carried to balance sheet, $203,501; loss on retired road and equipment, $158; total, $263,659.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$754,722	$733,081	$633,613	$637,649	$619,774	$617,952
Working assets	13,631	28,038	157,741	137,033	101,474	91,580
Deferred debit items	34	.....	.....	.....	.....	201
Accrued income not due	6,820	.....	.....	.....	.....	.....
Total	$775,207	$761,119	$791,354	$774,682	$721,248	$709,733
LIABILITIES:						
Capital stock	$400,000	$400,000	$400,000	$400,000	$400,000	$400.000
Funded debt	150,000	150,000	150,000	150,000	150,000	150,000
Working liabilities	10,578	11,352	34,913	35,167	31,381	12,072
Accrd. liabilities not due	9,222	7,980	7,645	6,322	5,016	3,517
Deferred credit items	1,906	2,179	1,432	2,245	1,953	1,674
Profit and loss surplus	203,501	189,608	197,364	180,948	132,898	142,470
Total	$775,207	$761,119	$791,354	$774,682	$721,248	$709,733

Bonded Debt: $150,000 Houston & Shreveport R.R. 1st 6s. Dated July 1, 1898; due July 1, 1917. Coupon, $1,000. Southern Pacific Company owns entire issue.

Capital Stock: Outstanding, $400,000, of which $397,600 is owned by the Southern Pacific Co. Par, $100. Dividend of 20% paid in 1908; 10% in 1909 and 1910; 30% in 1911 and 1912; 20% in 1913; 30% in 1914; 20% in 1915; 15% in 1916.

HOUSTON & TEXAS CENTRAL RAILROAD

Origin: Incorporated under the laws of Texas, Aug. 1, 1889 as successor to the Houston & Texas Central Ry. Co., which road, with the exception of the Waco and Northwestern Division, was sold under foreclosure, Sept. 8, 1888. The Southern Pacific Co. owns all but $1,600 of the capital stock of the company, and controls it; but it is separately operated. The Hearne & Brazos Valley R.R. was acquired in August, 1914.

Location: Line of road: Houston to Dennison, Tex., 377.98 miles; Hempstead to Austin, Tex., 115 miles; Austin to Llano, Tex., 99.68 miles, and branches. Length of lines owned, 856.40 miles; sidings, 260.21 miles. Trackage over San Antonio & Aransas Pass Ry. Co., 38.06 miles. Equipment: Locomotives, 100; cars, 3,069; service cars, 173.

Management: OFFICERS: J. Kruttschnitt, Chairman Executive Committee, New York; W. B. Scott, Pres.; G. S. Waid, Vice-Pres. and Gen. Mgr.; G. R. Cottingham. Sec. and Aud.; C. B. Udell. Treas., Houston, Tex.; A. K. Van Deventer, Asst. Treas.; Hugh Neill. Asst. Sec., New York. DIRECTORS: J. Kruttschnitt, H. W. deForest, E. P. Swenson, New York; W. B. Scott, E. B. Parker, J. R. hristian, J. H. Jones, S. F. Carter, M. A. Wescott, Houston, Tex. Annual meeting, second Tuesday in January at Houston, Tex. OFFICE, Houston, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$6,484.167	$6,561,941	$6,570.737	$6.849.653	$5,899,428	$6,358,564
Operating expenses	4,665,365	5,182,223	5,576,679	5,515,317	4,976,950	4,770,403
Net income	$1,818.802	$1,379,718	$994.058	$1,334.336	$922.478	$1,588,161
Other income	476,379	441,697	73,345	98,312	151,858	125,884
Total income	$2,295,181	$1,821,415	$1,067.403	$1,432,648	$1,074,336	$1,714.045
Taxes	361,905	326,445	326.310	231,516	262,145	218,584
Fixed charges	1,203,653	1,268,929	1,180,195	1,178,059	1,004,013	784,077
Surplus	$729.623	$226,041	* $439,102	$23,073	* $191,822	$711,384
Other deductions	50,509	60,446	.....	.....	.....	.....
Balance	$679,114	$165,595	* $439,102	$23,073	* $191,822	$711,384

* Deficit

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$40,353,270	$40,229,857	$39,350,429	$39,710,174	$38,391,795	$38,031,208
Working assets.....	1,142,674	1,252,199	2,103,725	2,003,366	3,031,750	3,218,074
Accrued income not due	8,205	.....	.....	.....	612	.....
Deferred debit items...	600,847	605,790	639,341	296,520	174,531	136,662
Total	$42,104,996	$42,087,846	$42,093,495	$42,010,060	$41,598,688	$41,385,944
LIABILITIES:						
Capital stock.....	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
Funded debt.....	14,483,793	15,121,778	12,393,000	12,464,000	12,554,000	12,963,000
Working liabilities.....	481,409	546,968	3,691,363	2,157,246	1,690,968	1,071,233
Accrd. liabilities not due	223,403	212,200	210,115	184,762	165,316	154,908
Deferred credit items..	36,148	80,565	37,482	107,136	21,839	79,969
Appropriated surplus...	12,173,929	12,090,189	11,872,729	.....	.....	.....
Profit and loss surplus.	4,760,314	4,036,146	3,888,806	17,096,916	17,166,565	17,116,834
Total	$42,104,996	$42,087,846	$42,093,495	$42,010,060	$41,598,688	$41,385,944

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of years, $4,036,146; credit balance transferred from income, $679,114; profit on road and equipment sold, $24,163; delayed income credits, $49,557; unrefundable overcharges, $6,984; donations, $15,443; miscellaneous credits, $39,047; total, $4,850,454. Contra: Credit balance carried to balance sheet, $4,706,314; miscellaneous debits, $10,867; delayed income debits, $64,250; loss on retired road and equipment, $35,797; surplus appropriated for investment in physical property, $9,943; surplus appropriated for sinking and other reserve funds, $23,283; total, $4,850,454.

Bonded Debt: Outstanding June 30, 1916. (1) $1,417,000 Houston & Texas Central 1st 5s. Dated April 1, 1880; due July 1, 1937.
(2) $2,383,000 Houston & Texas Central R.R. cut-off 1st 6s. Dated June 1, 1910; due June 1, 1940.
(3) $4,161,000 Houston & Texas Central R.R. general 4s. Dated April 1, 1890; due April 1, 1931.
(4) $1,105,000 Waco & North Western Division 1st 6s. Dated May 1, 1900; due May 1, 1930.
(5) $1,920,000 Austin & North Western R.R. 1st mortgage 5s. Dated July 1, 1891; due July 1, 1941.
(6) $709,000 Fort Worth & New Orleans Ry. 1st 6s. Dated Dec., 1885; due Dec., 1925.
(7) $450,000 Lampasas Extension 1st 5s. Dated July 1, 1903; due July 1, 1933. (All owned by Southern Pacific Company.)
(8) Houston & Texas Central R.R. $50,000 10-year 6% purchase money notes. Due Sept. 30, 1915. Entire issue owned by Southern Pacific Company.
(For details and ratings on these issues, see Bond Table of the Southern Pacific Company, page 665.)

Capital Stock: Auth. and outstanding, $10,000,000. Par, $100. The Southern Pacific Co. owns $9,998,400, of which $9,998,300 is pledged against the Central Pacific Ry. European Loan of 1911. Alex Millar, 165 Broadway, New York, is the TRANSFER AGENT.

LAKE CHARLES & NORTHERN RAILROAD

Origin: Incorporated under the laws of Louisiana for 25 years from Oct. 30, 1906. Southern Pacific Co. owns entire capital stock and controls the company. Trackage rights over the Gulf & Sabine River R.R., 6.4 miles, are used only for passenger traffic.

Location: Line of road: Lake Charles & Northern Junction to De Ridder, La., 44.35 miles; trackage, De Ridder to Nitram, La., 19.75 miles; Nitram to Fullerton, La., 6.4 miles; and Lake Charles to Lake Charles and Northern Junction, 1.02 miles. Total operated, 71.52 miles; siding, 12.20 miles. Equipment: Locomotives, 4; cars, 7.

Management: OFFICERS: Guy Hopkins, Pres., New Orleans, La.; J. A. Bell, Vice-Pres., Lake Charles, La.; H. S. Walker, Sec.; St. D. J. DeBlanc, Treas.; H. S. Walker, Aud., New Orleans, La.; L. H. Cecil, Supt., De Ridder, La. DIRECTORS: Guy Hopkins, John McGraw, H. S. Walker, New Orleans, La.; J. A. Bell, Frank Roberts, Lake Charles, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$264,387	$225,594	$230,414	$181,807	$114,842	$139,186
Maintenance of way....	42,167	48,172		41,459	31,012	34,388
Maintenance of equip..	31,609	20,404	133,300	10,848	10,430	10,521
All other oper. expenses	72,600	72,145		57,026	43,733	50,458
Net Income	$118,011	$84,873	$97,114	$72,474	$29,667	$43,819
Other income	10,699	8,103	6,985	5,451	4,417	4,376
Total net income..	$128,710	$92,976	$104,199	$77,925	$34,084	$48,195
Taxes	1,262	1,242	96,428	1,160	623	824
Fixed charges	110,647	92,878		69,963	61,174	66,482
Surplus	$16,801	* $1,144	$7,772	$6,802	* $27,714	* $19,110

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $16,801; unrefundable overcharges, $188; donations, $104; miscellaneous credits, $357; debit balance carried to balance sheet, $131,799; total, $149,249. Contra: Debit balance at beginning of year, $102,304; surplus appropriated for investment in physical property, $104; loss on retired road and equipment, $574; delayed income debits, $46,155; miscellaneous debits, $112; total, $149,249.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$925,359	$937,637	$898,299	$903,058	$900,168	$894,134
Working assets.....	67,132	106,418	139,562	101,259	57,711	44,871
Deferred debit items...	3,214	20,632	7,894	3,681	2,200	2,015
Profit and loss deficit..	131,799	102,304	102,072	70,332	77,291	49,705
Total	$1,127,504	$1,166,991	$1,147,827	$1,078,330	$1,037,370	$990,725
LIABILITIES:						
Capital stock.....	$95,000	$95,000	$95,000	$95,000	$95,000	$95,000
Funded debt.....	1,014,834	1,050,145	.....	.....	.....	.....
Working liabilities.....	12,209	20,085	1,050,814	982,346	940,654	892,752
Accrd. liabilities not due	289	52	410	.....	363	300
Deferred credit items..	5,069	1,709	1,603	984	1,353	2,673
Appropriated surplus...	103	.....	.....	.....	.....	.....
Total	$1,127,504	$1,166,991	$1,147,827	$1,078,330	$1,037,370	$990,725

Note: Funded debt as above consists of short term notes.

Capital Stock: Auth., $700,000; outstanding, $95,000. Par, $100. All owned by Southern Pacific Co. TRANSFER AGENT AND REGISTRAR, secretary of the company. No dividends.

LOUISIANA WESTERN RAILROAD

Origin: Incorporated under the laws of Louisiana, 1876. The entire capital stock of the company is owned by the Southern Pacific Company.

Location: Line of road: Lafayette to Sabine River, La., 105.43 miles; Abbeville, La., to Mamou, La., 68.21 miles; Mallard Junction to Lake Arthur, La., 34.1 miles; total, 207.74 miles; sidings, 70.26 miles.

Equipment: Locomotives, 38; passenger cars, 51; freight cars, 1,661; cabooses, 19; service cars, 59.

Management: OFFICERS: W. B. Scott, Pres., Houston, Tex.; W. A. Worthington, Vice-Pres.; Hugh Neill, Sec., New York; St. D. J. DeBlanc, Treas.; H. S. Walker, Aud., New Orleans, La.; A. D. McDonald, Compt., New York, N. Y. DIRECTORS: J. Kruttschnitt, E. P. Swenson, H. W. DeForest, W. A. Worthington, New York; W. B. Scott, Houston, Tex. Annual meeting, first Monday in April at New Orleans, La. OFFICE, New Orleans, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$2,441,952	$2,185,904	$2,314,284	$2,341,138	$1,973,351	$2,134,770
Maintenance of way....	324,222	283,848		281,762	235,080	335,021
Maintenance of equip..	386,330	383,104	1,663,597	424,196	327,681	298,280
All other oper. expenses	818,870	869,802		891,904	863,375	842,586
Net income	$912,530	$649,150	$650,687	$743,276	$547,215	$658,882
Other income	139,912	66,597	95,173	90,244	14,410	8,208
Total net income..	$1,052,442	$715,747	$745,860	$833,600	$561,625	$667,090
Taxes.....	121,022	124,907	114,732	90,652	84,973	80,979
Fixed charges	250,406	154,967	150,073	143,451	147,066	148,418
Surplus	$681,014	$435,873	$481,055	$599,397	$329,586	$437,693

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,972,429; credit balance transferred from income, $681,014; delayed income credits, $16,422; unrefundable overcharges, $2,299; donations, $809; miscellaneous credits, $890; total, $4,673,863. Contra: Credit balance carried to balance sheet, $4,152,990; dividend appropriations of surplus, $504,000; surplus appropriated for investment in physical property, $803; loss on retired road and equipment, $358; delayed income debits, $15,325; miscellaneous debits, $387; total, $4,673,863.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$9,801,263	$9,596,492	$9,177,705	$10,059,504	$10,036,653	$9,995,600
Working assets.....	107.214	125,926	1,000,594	477,051	185,626	314,112
Deferred debit items...	116,514	115,820	17,228	38,428	13,233	12,927
Total	$10,025,001	$9,838,238	$10,195,527	$10,574,983	$10,235,512	$10,322,639
LIABILITIES:						
Capital stock.....	$3,360,000	$3,360,000	$3,360,000	$3,360,000	$3,360,000	$3,360,000
Funded debt.....	2,240,000	2,240,000	2,240,000	2,240,000	2,240,000	2,240,000
Working liabilities.....	116,176	114,700	594,851	303,939	222,691	310,751
Accrd. liabilities not due	67,833	63,527	49,271	43,560	40,029	36,003
Deferred credit items..	34,369	34,762	41,367	34,092	32,331	31,297
Appropriated surplus...	53,623	52,820	52,820	52,820	52,820	576,871
Profit and loss surplus.	4,152,990	3,972,429	3,857,218	4,540,572	4,287,641	3,767,717
Total	$10,025,001	$9,838,238	$10,195,527	$10,574,983	$10,235,512	$10,322,639

Bonded Debt: $2,240,000 Louisiana Western R.R. 1st 6s. Dated July 1, 1881; due July 1, 1921. For details and rating, see Bond Table of Southern Pacific Company, page 665.

Capital Stock: Outstanding, $3,360,000, all owned by Southern Pacific Co. and all but $50,000 deposited against issue of Southern Pacific Co. common stock. Par, $100. Recent dividends as follows: 1906 and 1907, 10%; 1908, 85%; 1909, 20%; 1910 and 1911, 15%; 1912, 1913, 1914 and 1915, 10%; 1916, 15%.

MORGAN'S LOUISIANA & TEXAS RAILROAD & STEAMSHIP COMPANY

Origin: Incorporated under the laws of Louisiana in 1869 as a reorganization of the New Orleans, Opelousas & Great Western R.R. Co. The entire capital stock is owned by the Southern Pacific Co.

Location: Algiers to Lafayette, La., 144.77 miles: Lafayette to N. O. T. & M. June., 50.95 miles; Lafayette to Cheneyville, La., 60.15 miles; and branches. Lines operated: 375.37 miles owned, 25.30 miles operated under trackage rights; total, 400.67. Sidings, 228.73 miles; second track, 52.24 miles; third track, 6.11 miles. Water lines, ferries New Orleans to Algiers, 1.0 mile; Avondale to Harahan Incline, 1.0 mile; total, 2.0 miles.

Equipment: Locomotives, 55; freight cars, 2,965; passenger cars, 78; caboose, 33; service cars, 146. Car transfer steamer, 1; river steamers, 2; tugs, 4; car transfer barges, 3; barges, 4; derrick boat, 1; steam pile drivers, 2; stern dock, 1, and 1 launch.

Management: OFFICERS: L. J. Spence, Dir. of Traf., New York; W. B. Scott, Pres., Houston, Tex.; Guy Hopkins, Vice-Pres., New Orleans, La.; St. D. J. DeBlanc, Sec. and Treas., New Orleans, La.; H. S. Walker, Aud., New Orleans, La.; Hugh Neill, Asst. Sec., New York; A. K. Van Deventer, Asst. Treas., New York; Denegre, Leovy & Chaffe, Gen. Attorneys, New Orleans, La.; A. D. McDonald, Compt., New York. DIRECTORS: Henry W. DeForest, E. P. Swenson, New York; J. Kruttschnitt, New York; W. B. Scott, Houston, Tex.; C. S. Fay, Guy Hopkins, Frank A. Godchaux, Hugh McCloskey, N. P. Randolph, New Orleans, La. Annual meeting, first Monday in April at New Orleans, La. OFFICE, New Orleans.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$4,546,868	$4,372,325	$4,742,576	$4,698,176	$5,113,697	$5,091,736
Operating expenses	3,350,772	3,417,456	3,673,163	3,981,763	3,928,615	3,516,544
Net income	$1,196,096	$954,869	$1,069,513	$716,413	$1,185,262	$1,575,192
Other income	252,305	241,957	95,529	49,831	206,235	64,240
Total net income	$1,448,401	$1,196,826	$1,165,042	$766,244	$1,493,497	$1,639,432
Taxes	270,697	246,011	268,623	220,693	222,362	231,076
Fixed charges	790,431	828,012	719,998	651,762	764,999	639,694
Surplus	$387,273	$122,803	$176,421	(def.) $106,211	$404,136	$768,662

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $4,916,606; credit balance transferred from income, $387,273; profit on road and equipment sold, $161,615; delayed income credit, $4,583; unrefundable overcharges, $1,800; donations, $4,808; total, $5,476,685. Contra: Credit balance carried to balance sheet, $5.099,249; dividend appropriation of surplus, $300,000; surplus appropriated for investment in physical property, $1,800; loss on retired road and equipment, $57,047; delayed income debits, $9,585; miscellaneous debits, $9,004; total, $5,476,685.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$28,444,035	$28,413,385	$28,426,531	$29,822,673	$29,837,263	$29,823,808
Working assets	1,082,988	1,092,847	1,635,500	1,539,861	1,912,730	1,444,333
Deferred debit items	139,988	152,217	159,313	203,880	172,567	199,000
Total	$29,667,011	$29,658,449	$30,221,344	$31,566,414	$31,923,560	$31,467,141
LIABILITIES:						
Capital stock	$15,000,000	$15,000,000	$15,000,000	$15,000,000	$15,000,000	$15,000,000
Funded debt	8,957,803	9,075,229	6,429,000	7,429,000	7,429,000	7,429,000
Working liabilities	421,733	423,737	3,693,632	2,719,875	2,967,515	2,389,695
Accr'd liabilities not due	171,200	164.698	208,715	141,022	116,840	115,329
Deferred credit items	*35,426	27,529	55,235	96,978	157,100	86,685
Appropriated surplus	52,452	50,650	50,650	50,650	50,650	3,418,425
Profit and loss surplus	5,099,249	4,916,606	4,784,112	6,128,889	6,202,455	3,028,007
Total	$29,667,011	$29,658,449	$30,221,344	$31,566,414	$31,923,560	$31,467,141

* Deficit.

Bonded Debt: Outstanding: (1) $4,935,000 Morgan's La. & Tex. R.R. & S.S. Co. 1st 7s; dated April 16, 1878; due April 1, 1918.

(2) $1,494,000 Morgan's La. & Tex. R.R. & S.S. Co. Alexandria Extn. 1st 6s. Dated July 1, 1880; due July 1, 1920.

(For full details and ratings, see Bond Table of the Southern Pacific Company, page 665.)

Capital Stock: Authorized and outstanding, $15,000,000. All owned by Southern Pacific Company, $4,994,000 of which is deposited against issue of Southern Pacific Co.'s common stock; $10,000,000 pledged against Central Pacific Ry. Co.'s 4% European Loan of 1911, leaving $6,000 in treasury of company. Par, $100. Dividends have been paid as follows: 1906, 6%; 1907, 10%; 1908, 25%; 1909, 4%; 1910, 5%; 1911, 6%; 1912, 4%; 1916, 2%.

IBERIA & VERMILION RAILROAD

Incorporated under laws of Louisiana, April 6, 1891. Operates jointly with Morgan's Louisiana & Texas Railroad & Steamship Company, 6 miles from New Iberia to connection with its own line, and also further mileage to Abbeville, La., making 21.44 miles in all; sidings, 10.93 miles. Flat cars, 20; stock cars, 10.

Management: OFFICERS: W. B. Scott, Pres.; G. S. Waid, Vice-Pres.; D. A. Dimitry, Sec.; St. D. J. DeBlanc, Treas. DIRECTORS: W. B. Scott, E. B. Cushing, A. Kaplan, H. S. Walker, D. A. Dimitry. Annual meeting, first Monday in June. OFFICE, New Orleans, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$56,939	$61,939	$71,028	$69,402	$89,694	$86,841
Operating expenses	53,900	44,856	55,410	51,538	45,830	46,335
Net earnings	$3,039	$17,083	$15,618	$17,864	$43,864	$40,506
Other income	2,638	2,885	1,844	2,810	10,789	9,843
Total net income	$5,677	$19,968	$17,462	$20,674	$54,653	$50,349
Taxes	4,172	4,439	3,115	2,661	3,107	2,673
Fixed charges	19,082	20,407	25,094	24,430	25,668	24,216
Surplus	*$17,577	*$4,878	*$10,747	*$6,417	$25,878	$23,460

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $28,927; delayed income credits, $1,888; unrefundable overcharges, $68; total, $30,883. Contra: Debit balance transferred from income, $17,577; credit balance carried to balance sheet, $13,306; total, $30,883.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$647,276	$660,721	$641,827	$651,115	$642,760	$640,903
Working assets	187	108	23,532	33,233	48,036	174,103
Total	$647,463	$660,829	$665,359	$684,348	$690,796	$815,006
*LIABILITIES:						
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	324,114	322,000	322,000	322,000	322,000	322,000
Working liabilities	.....	6,708	.....	.....	.....	.....
Accr'd liabilities not due	8,991	2,168	9,554	8,060	8,144	7,968
Deferred credit items	1,052	1,026	.....	1,368	1,314	1,224
Appropriated surplus	.....	.....	.....	.....	.....	3,503
Profit and loss surplus	13,306	28,927	33,805	52,920	59,338	180,311
Total	$647,463	$660,829	$665,359	$684,348	$690,796	$815,006

Bonded Debt: $322,000 Iberia & Vermilion Railroad first 5s. Dated Aug. 1, 1893; due Aug. 1, 1943. Int. payable Feb. and Aug. 1, in New York. Coupon, $1,000. First lien on entire property. Normal income tax deducted from interest.

Capital Stock: Auth. and issued, $300,000. All owned by Morgan's Louisiana & Texas Railroad & Steamship Company. In 1912, the company paid a dividend of 50% out of the accumulated surplus; none since.

OREGON & CALIFORNIA RAILROAD

Origin: Incorporated under laws of Oregon, March 17, 1870, as successor to the Oregon Central R.R. of Salem. The company acquired the Oregon Central R.R. in Sept., 1880, and in Oct. of the same year the Western Oregon Co.; in 1881, the Albany & Lebanon R.R.; in 1890, the Oregonian R.R., and in July, 1893, the Portland & Yamhill R.R. Co. Leased for 34 years from Aug. 1, 1893, to the Southern Pacific Co., which owns about 99.8% of the capital stock. The terms of the lease provide that the net income, after payment of all fixed charges, is to be applied by the lessee company to the payment of interest on the bonded debt of the lessor company, which company shall be entitled to the balance of such net earnings up to 7% on the preferred and 6% on the common stock, any excess of such amounts to be retained by lessee. The lessor company guarantees principal and interest of bonds issued under a mortgage dated July 1, 1887, from the lessor company to the Union Trust Co., of New York.

Location: Length of line, 680.22 miles owned; 401.86 miles leased; 19.02 miles trackage—total operated, 1,101.10; sidings, 248.98. Second track, 5.81.

Equipment: Locomotives, 38; passenger cars, 54; freight cars, 309; work cars, 267; total cars, 630.

Management: OFFICERS: W. Sproule, Pres.; W. R. Scott, Vice-Pres.; W. F. Herrin, Vice-Pres., San Francisco, Cal.; D. W. Campbell, Vice-Pres.; W. D. Fenton, Sec., Portland, Ore.; A. K. Van Deventer, Treas., New York; T. O. Edwards, Aud., San Francisco, Cal. DIRECTORS: W. R. Scott, W. F. Herrin, W. Sproule, San Francisco, Cal.; D. W. Campbell, W. D. Fenton, R. E. Moody, C. W. Martyn, F. L. Buchhalter, H. A. Hinshaw, J. M. Scott, Wm. M. Calvig, Portland, Ore. Annual meeting, second Tuesday in April, at Portland, Ore. MAIN OFFICE, Portland, Ore.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$840,047	$1,172,499	$1,654,150	$3,611,235	$3,544,809	$4,160,936
Taxes, etc.	.....	*446	.....	464,660	580,116	435,082
Fixed charges	1,193,180	1,189,016	1,297,234	1,770,121	1,722,741	1,699,604
Surplus	†$353,133	†$16,071	$356,916	$1,376,454	$1,241,952	$2,026,250
Other deductions	11,862	11,590	.....	.....	6,043	5,910
Balance	†$364,995	†$27,661	$356,916	$1,376,454	$1,235,909	$2,020,340

* Reverse item. † Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $811,910; profit on road and equipment sold cr., $581; delayed income credits, $85,778; donations, $8,389; miscellaneous credits, $56; total, $905,552. Contra: Debit balance transferred from income, $364,995; credit balance carried to balance sheet, $193,796; surplus appropriated for investment in physical property, $8,389; loss on retired road and equipment, $10,115; delayed income debits, $327,911; miscellaneous debits, $346; total, $905,552.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$44,853,318	$44,293,451	$41,721,186	$41,914,911	$41,184,915	$40,938,012
Working assets	.....	3,770	.....	.....	.....	.....
Accrued income not due	4,639	.....	3,831	.....	.....	.....
Deferred debit items...	284,404	272,526	259,843	2,322,254	1,685,945	1,261,896
Total	$45,142,361	$44,569,747	$41,984,860	$44,237,165	$42,870,860	$42,199,908
LIABILITIES:						
Capital stock	$19,000,000	$19,000,000	$19,000,000	$19,000,000	$19,000,000	$19,000,000
Funded debt	22,839,008	21,715,642	17,745,000	17,745,000	17,745,000	17,745,000
Working liabilities	499,579	452,469	2,629,198	2,649,478	3,191,811	3,790,902
Deferred credit items...	71,376	71,376	103,090	864,799	628,944	587,245
Appropriated surplus .	2,538,602	2,518,350	2,506,797	.....	.....	.....
Profit and loss surplus.	193,796	811,910	775	3,977,888	2,305,105	1,076,761
Total	$45,142,361	$44,569,747	$41,984,860	$44,237,165	$42,870,860	$42,199,908

Bonded Debt: $17,745,000 Oregon & California R.R. 1st 5s. Dated July 1, 1887; due July 1, 1927. For full details and rating, see Bond Table of Southern Pacific Company page 665.

Capital Stock: Authorized and outstanding, $12,000,000 preferred, and $7,000,000 common. Southern Pacific Co. on June 30, 1915, owned $11,991,000 pfd. and $6,962,000 common, and has pledged against the Central Pacific Ry. European Loan of 1911, $6,900,000 of the common and $11,991,000 of the preferred. Par, $100. TRANSFER AGENT, Union Trust Co., New York.

SOUTH PACIFIC COAST RAILWAY

Origin: Incorporated under laws of California, May 23, 1887, as a consolidation of the South Pacific Coast, the Santa Cruz and Felton, the Bay and Coast, the Oakland Township, the San Francisco and Colorado River, the Felton and Pescadero, and the Almaden Branch R.R. Cos. The road is leased to the Southern Pacific Company for 55 years from July 1, 1887, which company owns entire capital stock. The lessee receives all the income from the property and pays all charges, cost of betterments and additions.

Location: Line of road, Elmhurst to Santa Cruz, with branches. Line owned, 97.72 miles, operated jointly with Central Pacific, 9.97 miles; sidings, 49.93 miles. Company also operates a ferry between San Francisco and Alameda mole, 3.0 miles.

Equipment: Locomotives, 5; total cars, 391.

Management: OFFICERS: E. O. McCormick, Pres.; W. R. Scott, Vice-Pres., San Francisco, Cal.; U. D. McDonald, Vice-Pres. and Compt., New York; G. L. King, Sec.; W. F. Ingram, Treas.; T. O. Edwards, Aud., San Francisco, Cal. DIRECTORS: F. K. Ainsworth, Wm. Sproule, E. O. McCormick, W. R. Scott, G. L. King, W. F. Herrin, C. H. Redington, San Francisco, Cal. Annual meeting, second Wednesday in April at San Francisco. OFFICE, 165 Broadway, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$443,293	$441,696	$347,788	$583,963	$319,866	$398,380
Taxes	.....	.....	74,435	62,284	63,295	40,804
Fixed charges	189,459	198,187	205,867	301,679	256,571	357,576
Surplus	$253,834	$243,509	$67,486	$220,000	.....	.....
Other deductions	220,486	220,392	269,678	220,000	.....	.....
Balance	$33,348	$23,117	$202,192	.....	.....	.....

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $90,382; credit balance transferred from income, $33,348; miscellaneous credits, $12,203; total, $135,933. Contra: Credit balance carried to balance sheet, $135,933.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$11,671,039	$11,695,713	$11,619,836	$11,500,000	$11,500,000	$11,500,000
Deferred debit items...	89,933	.....	55,718	55,458	.....	.....
Total	$11,760,972	$11,695,713	$11,675,554	$11,555,458	$11,500,000	$11,500,000
LIABILITIES:						
Capital stock	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000
Funded debt	4,655,000	4,851,000	5,088,000	5,323,000	5,500,000	5,500,000
Working liabilities	94,080	97,480	102,460	.....	.....	.....
Appropriated surplus...	875,959	656,851	438,199	.....	.....	.....
Profit and loss surplus.	135,933	90,382	46,895	232,458	.....	.....
Total	$11,760,972	$11,695,713	$11,675,554	$11,555,458	$11,500,000	$11,500,000

Bonded Debt: $4,655,000 South Pacific Coast Ry. 1st 4s. Dated July 1, 1887; due July 1, 1937. For details and rating, see Bond Table of Southern Pacific Co., page 665.

Capital Stock: Authorized and outstanding, $6,000,000. Par, $100. All owned by the Southern Pacific Co.

SOUTHERN PACIFIC RAILROAD

Origin: Incorporated March 10, 1902, as a consolidation of the Southern Pacific R.R. of California, the Southern R.R. of Arizona, and the Southern Pacific Company of New Mexico. The property of the San Francisco & Napa Ry. was purchased in 1911, which was formerly held under lease, the stock of which was owned by the Southern Pacific Co. Leased for 50 years from Dec. 31, 1901, to the Southern Pacific Co. The lessee pays operating expenses, fixed charges, etc., an annual rental to the lessor of $10,000, and in addition a percentage of the net operating profits.

Location: The Southern Pacific R.R. operates 3,514.26 miles in California, Arizona, New Mexico, etc. Line owned, 3,108.20; leased, 406.06; sidings operated, 1,542.00 miles. Second track, 186.89; third track, 9.75; fourth track, 11.99.

Equipment: Locomotives, 674; total cars, 16,132, of which 1,700 are service cars.

Management: OFFICERS: Wm. Sproule, Pres.; Wm. F. Herrin, Vice-Pres.; W. R. Scott, 2d Vice-Pres.; E. O. McCormick, 3d Vice-Pres., San Francisco, Cal.; A. D. McDonald, 4th Vice-Pres. and Controller; A. K. Van Deventer, Treas., New York; W. F. Ingram, Asst. Treas.; G. L. King, Sec.; T. O. Edwards, Aud., San Francisco, Cal. DIRECTORS: F. K. Ainsworth, C. S. Fee, Wm. Sproule, Wm. F. Herrin, William Hood, E. O. McCormick, G. W. Luce, W. R. Scott, San Francisco, Cal.; A. D. McDonald, New York; T. O. Edwards, G. L. King, San Francisco, Cal. Annual meeting, second Tuesday in April, at San Francisco. OFFICE, 165 Broadway, New York, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$19,483,439	$14,322,774	$23,623,033	$24,088,269	$22,697,193	$21,487,274
Taxes	.....	6,498,257	11,725,742	2,296,717	2,205,022	2,063,212
Fixed charges	6,486,703			8,809,115	8,823,224	8,560,900
Surplus	$12,996,736	$7,824,517	$11,897,291	$12,982,437	$11,568,947	$10,863,162
Other deductions	183,536	176,700	973,599	163,843	.....	.....
Balance	$12,813,200	$7,647,817	$10,923,692	$12,818,594	$11,568,947	$10,863,162

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $21,734,722; credit balance transferred from income, $12,813,200; profit on road and equipment sold, $1,250; delayed income credits, $296,348; donations, $84,784; miscellaneous, $1,315; total, $34,931,619. Contra: Credit balance carried to balance sheet, $24,796,547; surplus applied to sinking and other reserve funds, $46,000; dividend appropriation of surplus, $9,600,000; surplus appropriated for investment in physical property, $84,784; debt discount extinguished through surplus, $1,092; loss on retired road and equipment, $82,370; delayed income debits, $87,437; miscellaneous debits, $233,389; total, $34,931,619.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$349,679,588	$346,382,326	$340,388,054	$289,718,482	$288,079,567	$282,503,492
Working assets	92,676	87,927	116,633	51,703,147	50,129,934	39,633,328
Accrued income not due	*	*	*	90,627	92,126	.....
Deferred debit items	2,112,990	1,957,027	1,790,939	1,774,882	1,803,009	5,353,166
Total	$351,885,254	$348,427,280	$342,295,626	$343,287,138	$340,055,636	$327,489,986
LIABILITIES:						
Capital stock	$160,000,000	$160,000,000	$160,000,000	$160,000,000	$160,000,000	$160,000,000
Funded debt	157,359,000	157,637,241	150,779,871	150,792,500	105,805,500	143,592,500
Working liabilities	2,995,885	2,945,891	2,798,979	42,554	126,538	65,162
Accr'd liabilities not due	151,253	151,253	151,253	.....	.....	.....
Deferred credit items	310,163	.....	1,709	3,882,368	3,788,300	2,311,197
Appropriated surplus	6,272,406	5,958,173	5,781,570	.....	1,543,868	5,352,641
Profit and loss surplus	24,796,547	21,734,722	22,782,244	28,569,716	23,791,430	16,168,486
Total	$351,885,254	$348,427,280	$342,295,626	$343,287,138	$340,055,636	$327,489,986

* Included in working assets.

Bonded Debt: (1) $3,533,000 Southern Pacific Branch Ry. 1st 6s. Dated April 1, 1887; due April 1, 1937.
(2) $4,127,500 Southern Pacific R.R. (of Cal.) 1st consol. 5s. Dated Sept. 15, 1893; due Nov. 1, 1937.
(3) $4,751.000 Northern Ry. (of Cal.) 1st 5s. Dated Oct. 1, 1888; due Oct. 1, 1938.
(4) $1,074.000 Northern California Ry. 1st 5s. Dated Nov. 1, 1889; due June 1, 1929.
(5) $143,873,500 Southern Pacific R.R. 1st refunding 4s. Dated Jan. 3, 1905; due Jan. 1, 1955.
(For full details and ratings on above bonds, see Bond Table of the Southern Pacific Company, page 665.)

Capital Stock: Authorized and outstanding, $160,000,000. All owned by the Southern Pacific Co., of which on June 30, 1915, $124,671,861 deposited against issue of Southern Pacific Co. common stock; $35,000,000 against issue of Central Pacific 4% 35-year European Loan of 1911; leaving $328,139 as free asset in treasury. Par, $100. Secretary of company acts as Transfer Agent. Cash dividends have been paid as follows: 1905 and 1906, 2% each; 1907, 4%; 1908, 13%; 1909, 5%; 1910 to 1914, 6% each; 1915, 5%; 1916, 6%. In 1905-6, a stock dividend of $31,691,937 was paid, increasing the capital stock to $160,000,000. Dividends are declared and paid in June at 165 Broadway.

SOUTHERN PACIFIC TERMINAL COMPANY

Origin: Incorporated under the laws of Texas, July 6, 1901, for fifty years. The property consists chiefly of wharves and elevators located at Galveston, Texas. Southern Pacific Company owns $1,996,600 of the capital stock and controls the company.

Management: OFFICERS: W. B. Scott, Pres.; G. S. Waid, Vice-Pres.; G. R. Cottingham, Sec.; C. B. Udell, Treas., Houston, Tex. DIRECTORS: W. B. Scott, E. B. Parker, G. R. Cottingham, G. S. Waid, Houston, Tex.; J. Kruttschnitt, New York. OFFICE, Houston, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$480,712	$311,080	$307,971
Operating expenses	173,312	96,551	131,949
Net earnings	$307,400	$214,529	$236,022
Other income	43,926	61,531	1,158
Total income	$351,326	$276,060	$237,180
Taxes	62,484	62,458	51,341
Interest	11,986	8,542	7,071
Net income	$276,856	$205,060	$178,768
Dividends	200,000	200,000	120,000
Surplus for year	$76,856	$5,060	$58,768

Capital Stock: Authorized and outstanding, $2,000,000, of which $1,999,600 is owned by Southern Pacific Company, which has pledged $1,999,500 against Central Pacific Ry. Co. European Loan of 1911. Par, $100.

SOUTHERN PACIFIC RAILROAD OF MEXICO

Origin: Incorporated under laws of New Jersey, June 24, 1909, successor to property and rights of the Cananea, Yaqui River & Pacific R.R. Co., and the several concessions granted by the Republic of Mexico to the Cananea, Yaqui River & Pacific R.R. and the Southern Pacific Co. Main line projected, Empalme to Guadalajara, Mex., 815.20 miles, with various branches aggregating 691.56 miles. The Southern Pacific Co. operated the property of the Sonora Ry. Co., Ltd., under lease until June 30, 1912, when the property subject to its mortgage indebtedness was sold to the Southern Pacific R.R. of Mexico. The lines of the Sonora Co. extend from Nogales to Guaymas, Mex. Length of line completed and operated, June 30, 1916, 1,242.42 miles.

Management: OFFICERS: J. Kruttschnitt, Chairman of Board, New York; Epes Randolph, Pres., Tucson, Ariz.; A. D. McDonald, Vice-Pres. and Cont., New York; H. L. Long, Vice-Pres., Tucson, Ariz.; L. J. Spence, Dir. of Traf.; F. W. Mahl, Dir. of Purch.; Hugh Neill, Sec.; A. K. Van Deventer, Treas., New York; T. A. Duff, Aud., Tucson, Ariz. DIRECTORS: Gordon M. Buck, Chas. C. Tegethoff, J. Kruttschnitt, F. W. Mahl, A. D. McDonald, L. J. Spence, Hugh Neill, New York; G. R. Hackley, R. G. Kirkland, L. H. Parry, Mexico City, Mex.; Robert Goelet, Newport, R. I.; Epes Randolph, Tucson, Ariz.; A. K. Van Deventer, Elizabeth, N. J.; W. F. Buil, W. A. Worthington, Montclair, N. J. OFFICES, 165 Broadway, New York; Tucson, Ariz.; Empalme, Sonora, Mex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$1,847,466	$718,770	$1,078,330
Operating expenses and taxes	1,249,825	660,352	841,927
Net revenues	$597,641	$58,418	$236,403
Other income	159,526	122,387	186,949
Total net income	$757,167	$180,805	$423,352
Interest charges	3,300,020	3,072,938	2,884,882
Other deductions	379,205	33,582	53,854
Deficit	$2,922,058	$3,293,075	$2,515,385

Note: The figures in the above statement for 1916 are estimated, as actual results are not obtainable on account of Mexican revolutionary troubles. The average miles of road operated shown is the average under normal conditions—the miles of road actually operated during the year averaged about 780 miles. There is included in Gross Revenues the sum of $802,000, and in other income the sum of $231,010, due from the Mexican Government, for which claims will be filed as soon as conditions permit.

Capital Stock: Authorized and outstanding, $75,000,000. All owned by Southern Pacific Co. Par, $100.

TEXAS & NEW ORLEANS RAILROAD

Origin: Incorporated under laws of Texas in 1874 as a reorganization of the old Texas & New Orleans R.R. The company acquired 818,789 acres of State subsidy land through the purchase of the main line and 663,680 acres through the purchase of the Sabine & East Texas Ry. The stock is controlled by the Southern Pacific Company, but the property is independently operated. As of June 30, 1914, the Burr's Ferry, Browndel & Chester Ry. Co., owning the line from Rockland to a point beyond Turpentine, Tex., 11.12 miles, was consolidated with and became a part of the Texas & New Orleans R.R.

Location: Sabine River to Houston, 111.18 miles; Sabine Pass to Door Junc., 151.00 miles; Bonita Junc. to T. & P. crossing, Dallas, 162.71 miles, and branches. Length of lines owned, 462.23 miles; operated jointly, 5.91 miles; total lines operated, 468.14 miles; sidings, 208.95 miles. Second track, 3.46 miles.

Equipment: Locomotives, 43; total cars, 2,843, of which 129 are service cars.

Management: OFFICERS: W. B. Scott, Pres.; Houston, Tex.; G. S. Waid, Vice-Pres. and Gen. Mgr.; G. R. Cottingham, Sec. and Aud.; E. Dargan, Treas., Houston, Tex.; A. K. Van Deventer, Asst. Treas.; Hugh Neill, Asst. Sec., New York. DIRECTORS: E. P. Swenson, H. W. DeForest, J. Kruttschnitt, New York; E. B. Cushing, J. S. Tallechet, G. S. Waid, G. R. Cottingham, E. B. Parker, W. B. Scott, Houston, Tex. OFFICE, Houston, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$4,500,474	$3,908,679	$4,361,449	$4,409,959	$3,899,682
Maintenance of way and structures	703,635	673,924	776,758	925,011	635,323
Maintenance of equipment	908,252	956,971	953,506	878,110	822,855
All other operating expenses	1,868,341	1,896,763	2,244,533	2,094,877	1,915,127
Net operating revenues	$1,020,246	$381,021	$386,652	$511,961	$526,377
Other income	422,287	498,522	47,906	49,308	34,630
Total net income	$1,442,533	$879,543	$434,558	$561,269	$561,007
Taxes	242,199	205,725	214,132	154,909	170,350
Fixed charges	1,250,081	1,264,836	747,976	735,024	731,349
Surplus	*$49,747	*$591,018	*$527,550	*$328,664	*$340,692

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $5,199,252; delayed income credits, $29,531; unrefundable overcharges, $3,938; donations, $1,641; miscellaneous credits, $37,360; total, $5,271,722. Contra: Debit balance transferred from income, $49,747; credit balance carried to balance sheet, $5,172,782; surplus appropriated for investment in physical property, $1,641; loss on retired road and equipment, $19,121; delayed income debits, $20,080; miscellaneous debits, $8,351; total, $5,271,722.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$22,233,322	$22,251,438	$21,440,099	$22,431,049	$22,105,305
Working assets	2,266,152	2,182,825	3,108,196	2,557,647	2,463,619
Deferred debit items	144,090	128,192	127,211	112,949	114,374
Total	$24,643,564	$24,562,455	$24,675,506	$25,101,645	$24,683,299
LIABILITIES:					
Capital stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Funded debt	13,131,598	13,266,455	9,876,884	9,882,344	9,887,914
Working liabilities	505,113	388,853	3,234,058	1,900,501	1,177,753
Accrued liabilities not due	240,766	231.049	243,600	230,394	211,888
Deferred credit items	591,665	476,846	580,404	559,236	638,714
Profit and loss surplus	5,172,782	5,199,252	5,740,560	7,529,170	7,767,030
Total	$24,643,564	$24,562,455	$24,675,506	$25,101,645	$24,683,299

Bonded Debt: Outstanding June 30, 1915: (1) $862,000 Texas & New Orleans R.R. Main Line 1st 6s. Dated Aug. 1, 1875; due Aug. 1, 1905; extended to Aug. 1, 1935.
(2) $2,575,000 Texas & New Orleans R.R. Sabine Div. 1st 6s. Dated Sept. 1, 1882; due Sept. 1, 1912; extended to Sept. 1, 1942.
(3) $1,620,000 Texas & New Orleans R.R. consol. 5s. Dated July 1, 1893; due July 1, 1943.
(4) $3,997,000 Tex. & N. O. R.R. Dallas Div. 1st 4s. Dated Aug. 1, 1900; due Aug. 1, 1930.
(5) $258,289 State of Texas School Fund 6s.
(6) $350.000 Texas Transportation Co. 1st 5s. Dated Aug. 1, 1893; due Aug. 1, 1923.
$165,000 Burr's Ferry, Browndel & Chester Ry., 1st 6s. Dated April 1, 1907; due Oct. 1, 1937.
Equipment Trust obligations outstanding amount to $204,000, and are all owned by Southern Pacific Co.
(For full details and ratings on above bonds, see Bond Table of the Southern Pacific Company, page 665.)

Capital Stock: Authorized and outstanding, $5,000,000, of which $4,999,100 owned by Southern Pacific Co., all of which, with the exception of $100, is deposited against issue of Southern Pacific Co. common stock. Par, $100. TRANSFER AGENT, G. Watkins, New York; Registrar, Metropolitan Trust Co., New York. Dividends payable at Houston. 20% paid in 1910.

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MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

SOUTHERN RAILWAY

SOUTHERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Virginia laws, Feb. 20, 1894, as successor, by reorganization, of the Richmond & West Point Terminal Ry. & Warehouse Co., and various affiliated corporations. The company acquired additional properties from time to time and now directly operates an extensive system of lines radiating throughout the Southern States, and extending from Washington, D. C., and Richmond, Va., southward to the Atlantic and the Gulf. With the separately operated lines, all the Southern States east of the Mississippi are crossed or penetrated.

Location: The total mileage of directly operated lines on June 30, 1916, was 7,038.86 miles, classified as follows: Lines owned, 4,245.15 miles; lines controlled by ownership of securities, 1,590.99 miles; lines leased, 795.90 miles; lines operated under agreement, 11.40 miles; lines operated under traffic rights, 495.42 miles. Mileage operated is mainly located in Virginia, North and South Carolina, Tennessee, Georgia and Alabama. Population of these States in 1890, 9,542,964; in 1900, 11,153,954; in 1910, 12,715,702.

Controlled Lines: In addition to its directly operated lines, the Southern Railway controls through stock ownership the following companies: Alabama Great Southern R.R., Georgia Southern & Florida Ry., Northern Alabama Ry., Mobile & Ohio R.R., Augusta Southern R.R., Blue Ridge Ry., Danville & Western Ry., Tallulah Falls Ry., Virginia & Southwestern Ry. (See these companies under their own heads.) In addition, the Southern Ry. and the Louisville & Nashville R.R. jointly control the Chicago, Indianapolis & Louisville R.R., while, jointly with the Cin., Hamilton & Dayton, the Southwestern Construction Co. is controlled, the latter controlling the Cincinnati, New Orleans & Texas Pacific Ry. The New Orleans Terminal Co. is also controlled. The Southern Railway also has a one-third interest in the Kentucky & Indiana Terminal R.R., a one-eighth interest in the Jacksonville Terminal Co., a one-sixth interest in the Richmond-Washington Co., and a full interest in the St. John's River Terminal Co. In 1916 control of the New Orleans & Northeastern R.R. was acquired from the Alabama, New Orleans, Texas & Pacific Junc. Rys., Ltd., an English holding company. The purchase was made by J. P. Morgan & Co. in the interest of the Southern Ry. On July 1, 1916, the company leased the Virginia & Southwestern Ry. (formerly operated separately) and is now operating the property as the Appalachian division.

Management: OFFICERS: Fairfax Harrison, Pres.; J. M. Culp, Vice-Pres.; T. C. Powell, Vice-Pres.; H. B. Spencer, Vice-Pres.; H. W. Miller, Vice-Pres.; E. H. Coapman, Vice-Pres. and Gen. Mgr.; F. S. Wynn, Secy.; H. C. Ansley, Treas.; A. H. Plant, Compt. DIRECTORS: R. M. Gallaway, John W. Grant, Adrian Iselin, Jr.; Chas. Lanier, Edmund D. Randolph, H. B. Spencer, J. K. Branch, E. A. Alderman, Robt. Jemison, Jr., J. C. Kilgo, Chas. Steele, Fairfax Harrison. Annual meeting, second Tuesday in October. GENERAL OFFICE: Washington, D. C. NEW YORK OFFICE: 120 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	12.45%	11.01%	12.11%	10.86%	11.26%	12.19%	11.89%	11.01%	13.0%	11.3%
Products of Animals.....	1.36	1.22	1.25	1.16	1.15	1.17	1.10	1.08	1.2	1.1
Products of Mines.....	37.72	38.68	39.01	39.69	40.10	41.35	40.00	40.79	40.3	40.7
Products of Forests.....	18.87	17.78	17.34	18.13	16.88	15.56	16.98	16.73	15.5	16.9
Manufactures and Miscel..	29.60	31.28	30.29	30.16	30.61	29.73	30.03	30.39	30.0	30.0

Total revenue tonnage in 1909, 22,133,389 tons; in 1910, 25,204,297 tons; in 1911, 26,091,061 tons; in 1912, 27,214,751 tons; 29,449,589 tons in 1913; 29,650,456 tons in 1914; 25,896,412 tons in 1915; 30,272,132 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	7,547	207	1,536	977	57,535	66%	79,390	506,687	206	$1.63	2.45c	.98c
1908.....	7,489	243	1,592	988	56,371	65	83,096	466,011	192	1.60	2.30	.98
1909.....	7,170	272	1,571	968	53,945	66	86,829	503,887	217	1.72	2.17	.95
1910.....	7,050	306	1,531	1,074	51,242	67	95,281	565,328	237	1.83	2.18	.96
1911.....	7,042	336	1,588	1,078	53,055	66	105,141	550,611	240	1.85	2.17	.97
1912.....	7,088	372	1,611	1,132	53,076	66	110,965	592,083	250	1.89	2.15	.99
1913.....	7,036	385	1,632	1,157	50,854	66	120,068	650,581	260	1.95	2.16	.98
1914.....	7,033	403	1,627	1,094	49,340	65	126,307	651,835	275	1.98	2.14	.98
1915.....	7,031	434	1,629	1,130	49,461	65	107,936	598,178	305	2.03	2.13	.96
1916.....	7,023	491	1,619	1,115	44,228	67	111,511	719,571	354	2.33	2.12	.93
10-Year Average	7,151	345	1,594	1,071	51,911	66%	102,652	580,477	254	$1.88	2.20c	.97c

Yard tracks and sidings, 2,465 miles.

Comment: Both freight and passenger density improved on the Southern Railway property during the year ended June 30, 1916, the increase in freight density being especially notable. There was also considerable improvement in average freight train load and the train mile earnings ranged much higher than in earlier years notwithstanding the fact that average freight rates tended to fall off. As usual about 40% of the freight tonnage was represented by mining products, and 30% by high grade freight.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$7,507	$1,015	$1,269	$2,284	$3,423	$1,800	$2,042	$216	$1,826	$1,523	17%	$303	$199
1908.....	7,072	949	1,220	2,169	3,153	1,750	2,120	271	1,849	1,747	5	102	.....
1909.....	7,298	839	1,143	1,982	2,979	2,337	2,741	267	2,474	1,899	23	575	.....
1910.....	8,127	941	1,401	2,342	3,138	2,647	3,100	288	2,812	1,995	28	817	.....
1911.....	8,569	1,060	1,343	2,403	3,415	2,751	3,219	314	2,905	1,957	33	948	170
1912.....	8,971	1,106	1,426	2,532	3,632	2,807	3,321	346	2,975	2,021	32	954	380
1913.....	9,740	1,318	1,605	2,923	3,938	2,879	3,369	353	3,016	2,010	33	1,006	426
1914.....	9,887	1,294	1,703	2,997	4,194	2,696	3,169	381	2,788	2,094	25	694	384
1915.....	8,846	1,202	1,521	2,723	3,845	2,278	2,775	369	2,406	2,165	10	241	.....
1916.....	9,962	1,164	1,592	2,756	3,799	3,406	3,948	415	3,533	2,195	38	1,338	.....
10-Year Average }	$8,598	$1,089	$1,422	$2,511	$3,552	$2,535	$2,980	$322	$2,658	$1,960	24%	$698	$156

Note: Above table is based on average mileage operated for each year, including mileage used under lease or otherwise. Margin of safety is the proportion of surplus left over after deducting all fixed charges. For example, in 1916, the "balance for charges" (per mile) was $3,533; fixed charges consumed $2,195, or 62% of this, leaving $1,338 a "margin of safety" of 38%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross operating revenues.	$69,961,548	$62,170,594	$69,561,522	$68,610,026	$63,590,328	$60,345,063
Maintenance of way	8,175,411	8,452,119	9,098,912	9,275,553	7,841,220	7,464,916
Maintenance of equipment	11,183,701	10,691,267	11,974,090	11,290,337	10,108,673	9,460,757
All other operat. expenses	26,682,004	27,031,325	29,498,173	27,708,033	25,681,588	24,043,145
Net operating revenue	$23,920.432	$15,995,883	$18,990,347	$20,336,103	$19,958,847	$19,376,245
Operating ratio	65.8%	74.3%	72.7%	70.4%	68.7%	67.8%
Other income	3,808,521	3,513,948	3,294,198	3,365,970	3,580,085	3,802,518
Total net income.....	$27,728,953	$19,509,831	$22,284,545	$23,702,073	$23,538,932	$23,178,763
Taxes accrued	2,916,427	2,595,828	2,679,390	2,480,387	2,452,328	2,212,968
Balance for charges..	$24,812,526	$16,914,003	$19,605,155	$21,221,686	$21,086,604	$20,965,795
Fixed charges	15,417,595	15,219,466	14,729,574	14,143,061	14,323,477	14,295,792
Surplus	$9,394,931	$1,694,537	$4,875,581	$7,078,625	$6,763,127	$6,670,003
Dividends paid	.....	.....	2,700,000	3,000,000	2,700,000	1,200,000
Other deductions	149,228	171,168	127,804	48,660	44,989	66,045
Balance	$9,245,703	$1,523,396	$2,047,777	$4,029,965	$4,018,128	$5,403,958
Earned on: Preferred	15.66%	2.82%	8.13%	11.79%	11.27%	11.12%
Common.....	5.33%	.....	1.81%	3.40%	3.13%	3.06%

Note: In above exhibit fixed charges include rentals of leased lines and of joint facilities, losses on separately operated properties, interest, etc. In 1916. interest on bonds amounted to $10,329,592; on equipment, $650,629. Lease rentals amounted to $1,778,528; joint facility rents, $1,054,241.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $19,772,955; credit balance transferred from income, $9,245,704; profit on road and equipment sold, $34; unrefundable overcharges, $18,958; donations, $92,147; miscellaneous credits, $1,156,419; total, $30,286,217. Contra: Surplus appropriated for investment in physical property, $76,762; debt discount extinguished through surplus, $80,996; loss on retired road and equipment, $44,794; miscellaneous debits, $1,755,711; credit balance carried to balance sheet, $28,327,954; total, $30,286,217.

Comment: Gross revenues increased substantially on the Southern Railway during the year ended June 30, 1916, and were above those of 1914. The most important increase, however, was in the net receipts which were approximately 60% higher than those of 1915. The total income available for charges reached the best figures of the decade, and enabled the company to carry forward a final balance which equaled no less than 15 2/3% on the outstanding preferred stock. Conditions since the close of the fiscal year have continued to show marked improvement.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$22,525	40%	$34,785	60%	$1,895	$59,205	$16,112	$43,093	4.7%	$199	2.5%	.....	.....	34%	.....
1908	24,035	39	37,960	61	1,637	63,632	18,225	45,407	4.6	.....	.....	.....	.....	.....	.....
1909	25,895	40	39,182	60	3,770	68,847	16,200	52,647	5.2	.....	.....	.....	.....	.....	.....
1910	25,532	39	39,200	61	3,919	68,651	10,655	57,996	5.4	.....	.....	.....	.....	.....	.....
1911	25,555	40	36,853	60	5,361	67,769	8,990	58,779	5.5	170	2	.....	.....	72	.....
1912	25,391	39	37,351	61	5,266	68,008	4,678	63,330	5.1	380	4.5	.....	.....	60	.....
1913	25,583	40	37,623	60	5,069	68,275	5,353	62,922	5.4	426	5	.....	.....	58	.....
1914	25,594	39	40,396	61	5,389	71,379	3,671	67,708	4.7	384	4.5	.....	.....	45	.....
1915	25,601	39	40,174	61	4,510	70,285	3,983	66,302	4.2	.....	.....	.....	.....	.....	.....
1916	25,630	39	40,664	61	5,168	71,462	3,762	67,700	5.8	.....	.....	.....	.....	.....	.....
10-Year Average	$25,134	39%	$38,419	61%	$4,198	$67,751	$9,163	$58,588	5.1%	$156	1.85%	.....	.....	.....	.....

Note: Bonded debt in above table includes direct funded debt of company. "Rentals" are dividend and interest as paid on (capitalized) leased lines. "Owned by Company" includes unpledged securities.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$478,732,713	$462,631,411	$449,518,593	$429,669,311	$459,123,700	$454,829,348
Working assets	36,134,070	31,880,115	42,619,756	46,605,033	44,715,238	35,336,042
Deferred debit items	7,638,927	6,726,482	12,925,799	7,147,719	7,182,996	10,524,271
Accrued income not due	667,412	612,434	984,400	962,244	1,062,490	938,693
Total	$523,173,122	$501,850,442	$506,048,548	$484,384,307	$512,084,424	$501,628,354
Liabilities:						
Capital stock	$180,000,000	$180,000,000	$180,000,000	$180,000,000	$180,000,000	$180,000,000
Funded debt	285,585,900	282,460,900	284,102,900	264,718,800	297,863,400	292,615,800
Working liabilities	18,158,005	10,813,825	13,892,339	13,665,017	12,120,140	10,231,627
Accrued liabilities not due	2,884,286	2,895,952	2,848,391	2,554,226	2,650,316	2,623,422
Deferred credit items	7,366,745	5,017,775	3,357,473	3,172,190	2,916,190	2,987,744
Appropriated surplus	850,232	889,034	3,170,540	2,899,516	2,777,442	1,723,801
Surplus	28,327,954	19,772,955	18,676,905	17,374,558	13,756,936	11,445,965
Total	$523,193,122	$501,850,441	$506,048,548	$484,384,307	$512,084,424	$501,628,354

Note: Funded debt for 1916, as shown above, includes $232,142,200 of mortgage bonds, $14,158,500 collateral trust bonds, $15,000,000 short term notes, $17,435,000 equipment bonds and $1,200,000 dividend certificates; $5,650,-200 stock trust certificates. This balance sheet does not include the outstanding securities of leasehold estates on which interest and dividends are paid as "rental for leased lines."

Comment: During the fiscal year ended June 30, 1916, the Southern Railway reported only nominal changes in its capitalization exhibit. As measured on the mileage basis, the net capital of the road appears high, and has tended to rise during the past ten years. But the net income on net capital has also kept pace with this increase, and in 1916 was the best reported during the decade.

Securities Owned by Southern Railway Company (Pledged under First Consolidated Mortgage)

Railroad Bonds—	Par Value.
Alabama Central R.R. Co. income	$1,355,275.00
Columbia & Greenville R.R. Co. 1st mtg. 6s.	1,994,000.00
Danville & Western Ry. Co. 1st mtg. 5s	1,051,000.00
Elberton Southern Ry. Co. 1st mtg. 5s	250,000.00
Georgia Pacific Ry. Co. 1st mtg. 6s	5,000.00
H. Pt., R., Ashe.&So.R.R.Co. 1st mtg. 6s	402,000.00
Knoxville & Ohio R.R.Co.1st Con. mtg. 4s.	500,000.00
N. Carolina Midland R.R. Co. 1st mtg. 6s	801,000.00
Piedmont R.R. Co. 1st mtg. 6s	500,000.00
Piedmont R.R. Co. 2d mtg. 6s	500,000.00
Richmond & Danv. R.R. Co. con. mtg. 6s	5,986,000.00
Southern Railway Co. in Ky. 1st mtg. 5s	2,797,000.00
Southern Ry. Co. in Miss. 1st mtg. 5s	200,000.00
Vir. Midland Ry. Co. ser. mtg. ser. A 6s	599,900.00
Vir. Midland Ry. Co. ser. mtg. ser. B 6s	1,900,000.00
Vir. Midland Ry. Co. ser. mtg. ser. C 6s	1,080,900.00
Vir. Midland Ry. Co. ser. mtg. ser. E 5s	1,000.00
Wash., Ohio & West. R.R. Co. 1st mtg. 4s	225,000.00
Yadkin Railroad Co. 1st mtg. 6s	615,000.00
Total railroad bonds	$20,763,075.00

Railroad Stocks—	Par Value.
Alabama Great Southern R.R. Co. pref	$1,725,000.00
Alabama Great South. R.R. Co. ordinary	4,540,050.00
Atlantic & Yadkin Ry. Co.	999,300.00
High Pt., Rand., Asheboro & So.R.R.Co.	212,500.00
Knoxville & Ohio R.R. Co.	560,100.00
Mobile & Birmingham R.R. Co. common	880,400.00
Mobile & Birmingham R.R. Co. preferred.	20,500.00
North Carolina Midland R.R. Co.	787,600.00
Ore Belt Railroad Co.	30,000.00
Southern Railway Co. in Ky.	998,200.00
Virginia Midland Ry. Co.	5,154,400.00
Yadkin Railroad Co.	464,450.00
Total	$16,372,500.00
Other Securities—	
Chesapeake Steamship Co. Baltimore City stock	$400,000.00
Chesapeake Steamship Co. of Baltimore City 6 p. c. cert. of indebt.	250,000.00
Chesapeake Steamship Co. promissory note	96,125.00
Total	$746,125.00
Total bonds, stock and other securities	$37,881,700.00

Securities Owned by Southern Railway Company (Pledged under Development and General Mortgage)

Railroad Bonds—	Par Value.
Blue Ridge Ry. Co. 1st mtg. 5s	$100,000.00
Carolina & Tenn. So. Ry. Co. 1st mtg. 4s	693,000.00
Cumberland Ry. Co. 1st mtg. 4s	548,000.00
Delta Southern Ry. 1st mtg. 4s	1,058,000.00
Ensley Southern Ry. Co. 1st mtg. 4s	1,177,000.00
Ga. So. & Fla. Ry. Co. 1st consol. mtg. 4s	2,000,000.00
Knoxville & O. R.R. Co. 1st con. mtg. 4s	500,000.00
Nor. Alabama Ry. Co. prior lien 5s	350,000.00
Nor. Alabama Ry. Co. general lien 5s	1,013,000.00
Roswell R.R. Co. 1st mtg. 5s	77,000.00
Southern Ry.—Memphis Div. 2d mtg. 5s	1,500,000.00
Southern Ry.—Carolina Div. Gen. mtg. 4s	5,000,000.00
Tenn. & Carolina So. Ry. Co. 1st mtg. 4s	1,354,000.00
Tallulah Falls Railway Co. 1st mtg. 5s	1,519,000.00
Total railroad bonds	$16,889,000.00
Other Bonds—	
St. John's River Terminal Co. 1st mtg. 4s	$1,000,000.00
Railroad Stocks—	
Augusta Southern R.R. Co. common	$294,800.00
Augusta Southern R.R. Co. preferred	296,000.00
Augusta & Summerville R.R. Co	49,900.00
Blue Ridge Ry. Co	99,500.00
Carolina & Tennessee Southern Ry. Co	59,400.00
Central Transfer Ry. & Storage Co	24,800.00
Chattanooga Terminal Ry. Co	59,500.00
Cumberland Railway Co	99,500.00
Danville & Western Ry. Co	367,700.00
Delta Southern Ry	49,500.00
Ensley Southern Ry. Co	199,300.00
Georgia Midland Ry. Co	998,900.00
Georgia So. & Fla. Ry. Co., 1st preferred	177,700.00
Georgia So. & Fla. Ry. Co. 2d preferred	309,000.00
Georgia So. & Fla. Ry. Co. common	1,691,500.00
Kentucky & Ind. Terminal R.R. Co	24,800.00

Railroad Stocks (continued)—	Par Value.
Norfolk & Portsmouth B. L. R.R. Co	$7,200.00
Northern Alabama Ry. Co	1,513,400.00
Richmond & Mecklenburg R.R. Co	299,400.00
Richmond—Washington Co.	444,000.00
Roswell Railroad Co	37,100.00
Sievern & Knoxville R.R. Co	139,500.00
Southern Ry.—Carolina Division	4,174,700.00
State University R.R. Co	16,800.00
Tallulah Falls Ry. Co. common	199,500.00
Tallulah Falls Ry. Co. preferred	123,400.00
Terminal R.R. Association of St. Louis	205,600.00
Tennessee & Carolina Southern Ry. Co	199,500.00
Total railroad stock	$12,161,900.00
Other Stocks—	
Atlanta Terminal Co	$49,700.00
Augusta Union Station Co	24,800.00
Birmingham Terminal Co	2,300.00
Charleston Union Station Co	24,700.00
Charleston Terminal Co	99,700.00
Chattanooga Station Co	24,700.00
Columbia Union Station Co	49,700.00
Durham Union Station Co	8,100.00
Gulf Terminal Co	2,200.00
Jacksonville Terminal Co	24,800.00
Meridian Terminal Co	4,800.00
New Orleans Terminal Co	998,500.00
St. Johns River Terminal Co	99,300.00
Savannah Union Station Co	99,800.00
Total other stocks	$1,513,100.00
Other Securities—	
Southern Ry.—Car. Div. 4 p c. C. of I	9,500.00
Total bonds, stocks and other secur't's.	$31,573,500.00

Securities in Treasury Unpledged

In addition to the securities owned which are pledged under the First Consolidated Mortgage, and the Development and General Mortgage, the company reports the following securities in Treasury, as of June 30, 1914, at book value:

Securities of Proprietary, Affiliated and Controlled Companies, $790,303.96; Securities Issued or Assumed, $15,652,200; marketable securities, $435,582.04; miscellaneous investments, $9,320,594.28; total book value, $26,198,620.28; total par value, $32,860,445.34.

(Securities unpledged not classified in report for 1915 and 1916.)

Our Investors Service. We are often asked by those not familiar with our institution to execute orders for them in the security markets; to buy or sell securities or to act as brokers or investment bankers. *We never do any of these things.* It is the business of the broker to execute orders; of the investment banker to sell securities to investors or buy securities from them. Our business is to investigate, to analyze and pass upon the values of securities or properties, to report on lists of investment holdings, to suggest changes in investment lists with a view to strengthening the position of the investor; and as supplementary to all this, to keep the subscriber to the Service constantly informed of every development in any way affecting his interests and keep him in close touch with the trend of the security markets, of business conditions, and the numerous other factors which bear on the financial markets. We do this work by means of a news bulletin service, a direct correspondence system, weekly reviews of conditions, special analyses of different properties, quotation and valuation records, etc.; these being regularly mailed to all subscribers.

Our Organization. "*Moody's Investors Service*" has some feeble imitators, but it is the only efficient organization of its type in this country. Among its clients are included the largest banks, trust companies, insurance companies, and other investing institutions in the country, besides several thousand individual investors, trustees of estates, etc. It also does a large business in expert investigating work and is frequently retained by notable banking interests for such work. The organization embraces a corps of experts and analysts, headed by Mr. Moody. Mr. Moody has had an unusually wide experience in these fields, having entered the statistical field seventeen years ago, prior to which he had ten years' practical banking experience with Messrs. Spencer Trask & Company. Within the past year we have prepared special reports and analyses on over $300,000,000 of securities.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Alabama Cent. first 6s.....	J&J	Jl 1918	(1st) 76	$13,158		$9	89%	Very high	High	Aaa.
2. Atlantic & Yadkin first 4s..	A&O	Ap 1949	(1st) 161	9,300		9	89%	"	Good	Aaa.
3. E. Tenn. Va. & Ga. first 5s.	J&J	Jl 1930	(1st) 548	5,650		22	89%	"	High	Aaa.
4. E. Tenn. Va. & Ga. con. 5s.	M&N	N 1956	(1st) 365 (2d) 625	12,900		91	89%	"	"	Aaa.
5. Georgia Pacific Ry. first 6s.	J&J	Ja 1922	(1st) 533	10,610		48	89%	"	"	Aaa.
6. Knoxville & O. first 6s	J&J	Jl 1925	(1st) 65	30,770	$2,658	17	89%	"	"	Aaa.
7. Richmond & Dan. deb. 5s..	A&O	Ap 1927	(1st) 140	24,000		24	89%	"	"	Aaa.
8. Va. Midland Series D, 5s ..	M&S	Mr 1921	(see text)	.....		7	89%	"	Good	Aaa.
9. Va. Midland Series E, 5s...	M&S	Mr 1926	"	.....		12	89%	"	"	Aaa.
10. Va. Midland Series F, 5s...	M&S	Mr 1931	"	.....		9	89%	"	"	Aaa.
11. Virginia Midland gen. 5s...	M&N	My 1936	"	.....		35	89%	"	"	Aaa.
12. Wash. Ohio & West. first 4s.	F&A	F 1924	(1st) 50	20,500		6	89%	"	"	Aaa.
13. Southern Ry. first cons. 5s..	J&J	Jl 1994	(cons.) 4,593	15,635	2,369	511	78%	Good	High	Aa.
14. So. Ry. E. Tenn reorg. 5s	M&S	S 1938	(gen.) 990	4,555		32	70%	"	"	Aa.
15. So. Ry. Memphis div. first 5s	J&J	Jl 1996	(1st col.) 293	23,500		49	70%	"	"	Aa.
16. Southern Ry. Aiken branch first 4s.....	J&J	Jl 1998	(1st) 24	6,250		1	70%	"	Fair	A.
17. Southern Ry. St. Louis div. first 4s.....	J&J	Ja 1951	(1st) 393	31,800	1,858	71	70%	"	Good	A.
18. Southern Ry Mobile & O. coll. tr. s f. 4s.....	M&S	S 1938	(coll.)	(see text)		47	70%	"	"	Baa.
19. Southern Ry. devel. and gen. gold 4s, Series A....	A&O	Ap 1956	(gen. con.)	"		349	70%	"	"	Baa.
20. Monon coll. joint 4s.....	J&J	Jl 1952	(stk coll.)	(see text)		33	66%	"	"	Baa.
21. Atlantic & Danv. first 4s ..	J&J	Jl 1948	(1st) 268	14,645		22	66%	"	"	Aa.
22. Atlantic & Danv. second 4s.	J&J	Jl 1948	(2d) 268	5,690		4	66%	"	"	A.
23. Georgia Midland first 3s...	A&O	Ap 1946	(1st) 98	16,837		7	66%	"	"	A.
24. Mobile & Birm. P. L. 5s...	J&J	Jl 1945	(1st) 150	4,000		4	66%	"	"	A.
25. Mobile & Birm. first 4s....	J&J	Jl 1945	(2d) 150	8,000		7	66%	"	"	Baa.
26. Richmond & Meck. first 4s	M&N	N 1948	(1st) 31	10,161		2	66%	"	"	A.
27. Spartan. Un. & Col. first 4s.	J&J	Ja 1995	(1st) 134	7,463	1,309	6	66%	"	"	A.
28. South Car. & Ga. first 5s...	M&N	My 1919	(1st) 240	21,875		37	66%	"	"	A.
29. Sumter & Wateree first 5s .	A&O	Ap 1919	(1st) 16	6,250		1	66%	"	"	A.
30. Transylvania first 5s	J&J	Ja 1956	(1st) 42	10,000		3	66%	"	"	Ba.
31 Atl. & Char. A. L. 1st 4½s & 5s	J&J	Jl 1944	(1st) 263	60,836		110	66%	High	"	Aa.
32. Equip. trust, see text.....	Var.	Var.	.....	.....		142	66%	Good	"	Aa.
33. Southern Ry. coll. notes 5s.	M&S	Mr 1917	(coll.)	.....		70	66%	"	"	Aa.

Note: "Average Income available" is the average net income available per mile for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., and outstanding, $1,000,000. Dated March 11, 1879; due July 1, 1918. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien from Selma to York, Ala., 76.50 miles. Underlie Nos. 4, 13, 14 and 19, with provision by No. 13 to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $1,500,000. Dated May 15, 1899; due April 1, 1949. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Guar. prin. and int. by Southern Ry. by endorsement. First lien on 161.08 miles, as follows: From Mt. Airy to Stanford, N. C., 130.95 miles; Climax to Ramseur, N. C., 18.74 miles; Stokesdale to Madison, N. C., 11.39 miles. Retirement provided for by No. 19. Listed on New York Stock Exchange. Interest paid without deduction for income tax.

3. Auth., $10,000,000; outstanding, $3,106,000 (closed). Dated July 1, 1880; due July 1, 1930. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on 548.75 miles, as follows: From Bristol to Chattanooga, Tenn., 241.55 miles; Cleveland, Tenn., to Selma, Ala., 264.30 miles, and from Morristown, Tenn., to Paint Rock, N. C., 42.90 miles. Underlie Nos. 4, 13, 14, 19, with provision by No. 13 to retire. Listed on New York Stock Exchange. Normal income tax deducted from interest.

4. Auth., $20,000,000; outstanding, $12,770,000 (closed). Dated July 5, 1886; due Nov. 1, 1956. Int. paid at J. P. Morgan & Co., New York. Coupon and reg., $1,000. First lien on 364.87 miles, as follows: Rome (Atlanta June.) to Brunswick, Ga., about 345 miles; Ooltewah June., to Cohutta, Ga., about 10 miles; from Cochran to Hawkinsville, Ga., about 10 miles; second lien on 625.25 miles, as follows: On 76.50 miles, following No. 1; on 548.75 miles, following No. 3. Underlie Nos. 13, 14 and 19, with provision by No. 13 to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth., $10,000 per mile; outstanding, $5,655,000 (closed). Dated May 6, 1882; due Jan. 1, 1922. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on 533.06 miles, as follows: Atlanta, Ga., to Greenville, Miss., 440.45 miles; Itta Bena to Webb, Miss., 34.60 miles; Stoneville to Percy, Miss., 23.20 miles; Woodlawn to Bessemer, Ala., 20.50 miles; North Birmingham to Coalburg, Ala., 6.40 miles; and branches aggregating 7.91

REFERENCE NOTES ON BOND ISSUES (Continued)

miles. Underlie Nos. 13 and 19, with provision by former to retire. Listed on New York, Baltimore, and Richmond Stock Exchanges. Normal income tax deducted from interest.

6. Auth. and outstanding, $2,000,000. Dated July 1, 1885; due July 1, 1925. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien from Knoxville to Jellico, Tenn., 65.30 miles. Underlie $1,000,000 Knoxville & Ohio 1st Cons. 4s of 1953, $500,000 of which are held by the Trustee of the So. Ry. 5% mtg. and $500,000 by the Trustee of the Dev. & Gen. 4% mtg. Also underlie Nos. 13 and 19, with provision by former to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

7. Auth., $4,000,000; outstanding, $3,368,000 (closed). Dated April 1, 1882; due April 1, 1927. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on 140 miles, Danville to Richmond. Underlie Nos. 13 and 19, with provision by former to retire. Listed on New York Stock Exchange. Normal income tax deducted from interest.

8. Auth. and outstanding, $950,000. Dated March 1, 1881; due March 1, 1921. Int. paid at Safe Deposit & Trust Co., Baltimore. Coupon, $100, $500 and $1,000. Second lien following $1,080,900 series C 6s (owned by Southern Ry. and deposited under No. 13), on 182.78 miles, as follows: From Charlottesville to Lynchburg, Va., 59.90 miles; Alexandria to Gordonsville, Va., 85.88 miles; Calverton to Warrenton, Va., 8.90 miles; Charlottesville to Orange C. H., 28.10 miles. Underlie Nos. 9, 11, 13 and 19, with provision by No. 13 to retire. Listed on New York and Baltimore Stock Exchanges. Normal income tax deducted from interest.

9. Auth., $1,775,000; outstanding, $1,774,000. Dated March 1, 1881; due March 1, 1926. Int. paid at Safe Deposit & Trust Co., Baltimore. Coupon, $100, $500 and $1,000. First lien on 112.89 miles from Manassas Junc. to Harrisonburg, Va.; third lien on 182.78 miles, following No. 8. Underlie Nos. 11, 13 and 19, with provision by No. 13 to retire. Listed on New York and Baltimore Stock Exchanges. Normal income tax deducted from interest.

10. Auth. and outstanding, $1,310,000. Dated March 1, 1881; due March 1, 1931. Int. paid at Safe Deposit & Trust Co., Baltimore. Coupon, $1,000. First lien from Lynchburg to Danville, Va., 65.30 miles, and from Franklin Junc. to Pittsville, Va., 7.10 miles; total, 72.40 miles. Underlie Nos. 11, 13 and 19, with provision by No. 13 to retire. Listed on New York Stock Exchange. Normal income tax deducted from interest.

11. Auth., $12,500,000; outstanding, $4,859,000 (closed). Dated May 1, 1886; due May 1, 1936. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on the Union Street Branch in Alexandria, Va., 0.40 mile; second lien on 185.29 miles, as follows: On the 112.89 miles, following No. 9; on the 72.40 miles, following No. 10; fourth lien on 182.78 miles, following No. 9. Underlie Nos. 13 and 19, with provisions by former to retire. Listed on New York and Richmond Stock Exchanges. Normal income tax deducted from interest.

12. Auth., $25,000 per mile; outstanding, $1,025,000 (closed). Dated May 28, 1884; due Feb. 1, 1924. Int. paid at J. P. Morgan & Co., New York. Coupon, £200 and $1,000. Guar. prin. and int. by Southern Ry. First lien from Alexandria to Round Hill, Va., 50.12 miles. Underlie Nos. 13 and 19, with provision by former to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

13. Auth., $120,000,000; outstanding, $71,809,000. Dated Oct. 2, 1894; due July 1, 1994. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000; interchangeable. First lien on 1,527.91 miles, as follows: Clarksville, Va., to Durham, N. C., 55.10 miles; Pomona to North Wilkesboro, N. C., 100.15 miles; Statesville to Taylorsville, N. C., 20.36 miles; Morristown to Corryton, Tenn., 39.60 miles; Knoxville to Cumberland Gap, Tenn., 63.56 miles; Knoxville to Walland, Tenn., 26.21 miles; Clinton to Harriman, Tenn., 30.44 miles; Lula to Athens, Ga., 38.93 miles; North Rome, Ga., to Attalla, Ala., 61.30 miles; Atlanta to Ft. Valley, Ga., 102.30 miles; Wilton to Valley Creek Junc., Ala., 37.28 miles; Marion Junc. to Akron, Ala., 53 miles; Okolona to Calhoun City, Miss., 37.82 miles; Charlotte, N. C., to Augusta, Ga., 190.49 miles; Richmond to West Point, Va., 39 miles, and Salisbury to Paint Rock, N. C., 185.50 miles; Asheville to Murphy, N. C., 122.50 miles; Columbia to Greenville, S. C., 143.52 miles; Anderson to Belton, S. C., 9.98 miles; Hodges to Abbeville, S. C., 11.58 miles; and other lines and branches, 148.29 miles; first collateral lien on 426.52 miles, as follows: On the 70.37 miles from Stokesland to Stuart, Va., and on the 7.68 miles from Leaksville Junc. to Leaksville, N. C. (except for $1,000 Danville & Western 1st 5s); on the 50.60 miles from Elberton to Toccoa, Ga.; on the 26.80 miles from High Point to Ashboro, N. C.; on the 53.52 miles from Mooresville to Winston-Salem, N. C.; on 83.47 miles from Louisville to Cincinnati Southern Junc.; on 23.72 miles from Lawrenceburg to Lexington, Ky.; on 3.82 miles from Norton to Burgin, Ky.; on 16.74 miles from Versailles to Georgetown, Ky.; on 48.80 miles from Danville, Va., to Greensboro, N. C.; on the 41 miles from Salisbury to Norwood, N. C. Second lien on 489.13 miles, as follows: On the mileage (295.51) outside the State of Mississippi, following No. 5, on the 140 miles from Richmond to Danville, Va., following No. 7; on the 0.40 mile, following No. 11; on the 50.12 miles, following No. 12; on the 3.10 miles, following the first lien of the Knoxville & Ohio Consolidated 4s ($500,000 of which are held by the trustee of No. 13, and $500,000 by the trustee of No. 19); second collateral lien on 237.55 miles from the Mississippi-Alabama State line to Greenville, Miss., with branches to Webb and Percy, following No. 5. Third lien on 615.46 miles, as follows: On the 364.87 miles, following No. 14; on the 65.30 miles, following No. 6; on the 185.29 miles, following No. 11. Fourth lien on 625.25 miles, following No. 14. Fifth lien on 182.78 miles, following No. 11. Also first collateral lien on the following securities: $1,994,000 Columbia & Greenville first 6s; $1,355,275 Alabama Central R.R. income; $500,000 (out of $1,000,000) Knoxville & Ohio Cons. 4s (balance, $500,000 held by the Trustee of Southern Ry., Dev. & Gen. 4s); $1,000 of No. 9; $225,000 of No. 12; also on the $1,725,000 out of $3,380,350 preferred and on $4,540,050 out of $7,830,000 common stock of the Alabama Great Southern R.R.; $999,300 Atlanta & Yadkin R.R. stock; $212,500 High Point, Randleman, Ashboro & Southern R.R. stock; $560,100 Knoxville & Ohio R.R. stock; $880,400 common and $20,500 preferred stock of Mobile & Birmingham R.R.; $787,600 North Carolina Midland R.R. stock; $30,000 Ore. Belt R.R. stock; $998,200 Southern Ry. Co. in Kentucky stock; $5,154,400 Virginia Midland Ry. stock and $464,450 Yadkin R.R. stock; and other securities. For complete list see page 686; first lien on leasehold interests of the company in the North Carolina R.R., extending from Goldsboro to Charlotte, N. C., 224.44 miles, and branch to Caraleigh, N. C., 1.90 miles; also upon leaschold interest of the company in the Atlanta & Charlotte Air Line Ry., 263.08 miles, and the Athens Belt Line. Underlies No. 19. Listed on New York, Baltimore, Richmond, London and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

14. Auth. and outstanding, $4,500,000. Dated Oct. 2, 1894; due Sept. 1, 1938. Int. paid at J. P. Morgan & Co., New York. Coupon and reg., $1,000. Second lien on 364.87 miles, following No. 4; third lien on 625.25 miles, also following No. 4. Underlie Nos. 13 and 19, with provision by former to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

15. Auth., $8,000,000; outstanding, $6,883,000. Dated March 4, 1898; due July 1, 1996. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on 259.10 miles, as follows: From Memphis, Tenn., to the Tenn.-Miss. State line near Chewalla, Tenn., 86.75 miles, and from Miss.-Ala. State line, near Margerum to Stephenson, Ala., 150.95 miles; Moscow to Somerville, Tenn., 13.10 miles; Tuscumbia to Sweetwater, Ala., 8.30 miles; first collateral lien on 34.10 miles from Miss-Tenn. State line near Chewalla to the Miss.-Ala. State line near Margerum. Underlie No. 19, which provides for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

16. Auth., $200,000; outstanding, $150,000 (closed). Dated Sept. 1, 1898; due July 1, 1998. Int. paid at J. P. Morgan & Co., New York. Coupon, $500. First lien from Aiken to Edgefield, S. C., 23.57 miles. Underlies No. 19, with provision to retire. Interest paid without deduction for normal income tax.

17. Auth., $15,000,000; outstanding, $12,500,000. Dated Jan. 1, 1901; due Jan. 1, 1951. Int. paid at J. P. Morgan & Co., New York. Coupon and reg., $1,000. First lien on 157.11 miles, as follows: From East St. Louis, Ill., to the Indiana State line near Mt. Carmel, 146.71 miles; Venice & Carondelet Belt in East St. Louis, 6.86 miles, and other branches aggregating 3.54 miles; first collateral lien on 236.17 miles, as follows: From New Albany, Ind., to the Ind.-Ill. State line near Mt. Carmel, 118.28 miles; Rockport Junc. to Rockport, Ind., 16.15 miles; Jasper to Evansville, Ind., 54.22 miles; Lincoln City to Camelton, Ind., 22.72 miles; Jasper to French Lick, Ind., 24.80 miles. Underlies No. 19, with provision to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

18. Auth., $9,500,000; outstanding, $8,266,000. Dated March 1, 1901; due Sept. 1, 1938. Int. paid at J. P. Morgan & Co., New York. Coupon and reg., $1,000. Callable at 105 and interest, for sinking fund on any interest date. Secured by deposit of equal amount, $8,266,000 out of $9,472,000 Mobile & Ohio gen. 4s. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

19. Auth., $200,000,000; outstanding, $61,333,000; In addition to which $25,267,000 are pledged and $18,432,000 are in treasury, making $105,032,000 issued; dated April 18, 1906; due April 1, 1956. Int. paid at J. P. Morgan & Co., N. Y. Coupon, $1,000; reg., $1,000, $5,000, $10,000; interchangeable. Direct lien on 3,880.26 miles of road, by collateral lien on 1,174.63 miles, and by pledge of leasehold interests on 1,813.31 miles; being secured on all the property, of whatever nature, covered by No. 13, but subject thereto, and on additional property, not subject to No. 13, as follows: Second lien on 180.68 miles, following No. 16 as to 23.57 miles, and No. 17 as to 157.11 miles; third lien on 259.05 miles, following No. 15; first collateral lien on 240.29 miles; second collateral lien on 236.17 miles, following No. 17; third collateral lien on 34.10 miles, following No. 15; also a third lien on mileage under construction from Stevenson, Ala., to Chattanooga, Tenn. In addition, secured by deposit of first and general mortgage bonds of a total par value of $10,940,000, out of a total of $12,685,000 issued, covering 1,541.40 miles. Further secured by deposit of railroad stocks of par value of $12,161,900, and of terminal and station companies of par value of $1,513,100. Also secured by pledge of leasehold interests on 1,325.26 miles and on trackage rights aggregating 336.83 miles. Sufficient of the issue are reserved for retirement of those mortgages not provided for by No. 13, and balance are available for improvements, extensions, etc., at not over $5,000,000 in any one year. Listed on New York and Richmond Stock Exchanges. Interest paid without deduction for normal income tax.

Note: In Oct., 1916, holders of these bonds were offered in exchange new refunding and improvement 4½s, due 1999. See note on page 690 for details of new issue.

20. Auth., $15,500,000; outstanding, $11,785,000. Dated July 1, 1902; due July 1, 1952. Int. paid at J. P. Morgan and Co., New York. These bonds were issued to acquire $3,873,000 preferred and $9,796,900 common stock of the Chicago, Indianapolis & Louisville Ry., in the joint interest of the Louisville & Nashville and the Southern Ry. They are secured by the deposit of this stock, and a sufficient amount is reserved to acquire balance, and $2,110,000 for improvements. In above tabulation, the interest requirement is that of the Southern Ry's. half only. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

21. Auth., $4,425,000; outstanding, $3,925,000. Dated July 2, 1900; due July 1, 1948. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Guar. as to int. by Southern Ry. First lien on 267.69 miles, as follows: From Danville to Norfolk, Va., 205.10 miles; James River Junc. to Claremont Wharf, Va. (narrow gauge), 50.36 miles; Hitchcock June. to Hitchcock Mills, Va., 8.33 miles and Buffalo Junc. to Buffalo Lithia Springs, 3.90 miles. Underlies No. 22. Listed on New York and Baltimore Stock Exchanges. Interest paid without deduction for normal income tax.

22. Auth. and outstanding, $1,525,000. Dated July 1, 1904; due July 1, 1948. Int. paid at Equitable Trust Co., New York, and guaranteed by Southern Ry. Coupon, $1,000. Second lien, 267.69 miles, following No. 21. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

23. Auth. and outstanding, $1,650,000. Dated April 1, 1896; due April 1, 1946. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. First lien on 97.88 miles from Columbus to McDonough, Ga., together with buildings, etc. Refunding: An equal amount of No. 19 is reserved to retire this issue. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

24. Auth., $1,000,000 and an additional amount at not exceeding $18,000 per mile for extensions; outstanding $600,000 (closed.) Dated Aug. 29, 1895; due July 1, 1945. Int. paid at J. P. Morgan & Co., New York. Coupon, £200 and $1,000. Guar. as to int. by Southern Ry. Co. First lien from Mobile to Marion Junc., Ala., 148.55 miles; from Chickasaw to Magazine, Ala., 1.80 miles; total, 150.35 miles. Underlies No. 25. Refunding: An equal amount of No. 19 is reserved to retire this issue. Listed on the New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

25. Auth. and outstanding, $1,200,000. Dated Aug. 29, 1895; due July 1, 1945. Int. paid at J. P. Morgan & Co., New York. Coupon, £200 and $1,000. Guar. as to int. by Southern Ry. Second lien on 150.35 miles, following No. 24. Refunding: A sufficient amount of No. 19 is reserved to retire this issue. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

26. Auth. and outstanding, $315,000. Dated Nov. 1, 1898; due Nov. 1, 1948. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Guar. as to int. by Southern Ry. First lien from Keysville to Clarksville, Va., 31.30 miles. Refunding: An equal amount of No. 19 is reserved to retire this issue. Listed on New York and Richmond Stock Exchanges. Interest paid without deduction for normal income tax.

27. Auth. and outstanding, $1,000,000. Dated Nov. 11, 1895; due Jan. 1, 1995. Int. paid at Central Trust Co., New York. Coupon, $1,000. Guar. as to int. by Southern Ry., by endorsement. First lien from Alston to Spartanburg, S. C., 67.93 miles; Spartanburg Junc. to Biltmore, N. C., 65.90 miles; total, 133.83 miles. Underlies $5,000,000 Carolina Div. Gen. 4s deposited under No. 19, an equal amount of No. 19 is reserved to retire this issue. Market: Wood, Struthers & Co., Coffin Co., New York. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

28. Auth. and outstanding, $5,250,000. Dated May 12, 1894; due May 1, 1919. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien on 240.32 miles. as follows: Charleston, S. C., to Augusta, Ga., 136.92 miles; Branchville to Columbia, S. C., 66.30 miles; Kingville to Camden, S. C., 37.10 miles, together with lands, buildings, etc. Underlie $5,000,000 Carolina Div. Gen. 4s, deposited under No. 19. An equal amount of No. 19 is reserved to retire this issue. Listed on New York Stock Exchange. Normal income tax deducted from interest.

29. Auth. and outstanding, $100,000. Dated May 15, 1899; due April 1, 1919. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Guar. prin. and int. by endorsement by Southern Ry. First lien from Sumter Junc. to Sumter, S. C., 15.81 miles. Underlies $5,000,000 Carolina Div. Gen 4s deposited under No. 19. An equal amount of No. 19 is reserved to retire this issue. Interest paid without deduction for normal income tax. Market: Knauth, Nachod & Kuhne, New York.

30. Auth., $500,000; outstanding, $434,000. Dated Jan. 1, 1906; due Jan. 1, 1956. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien from Hendersonville to Lake Toxaway, N. C., 42.10 miles. Listed on Pittsburgh Stock Exchange. Interest paid without deduction for normal income tax.

31. Auth., $20,000,000; outstanding, $5,500,000 Series A, 4½s; $10,500,000 Series B, 5s. Dated July 1, 1914; due July 1, 1944. Int. paid at Central Trust Co., New York. Coupon and reg., $1,000. First lien on 263.08 miles from Charlotte, N. C., to Atlanta, Ga., forming part of the main line of the Southern Railway system. The latter operates the property under a perpetual lease, rental being interest on bonds and a maximum of 9% on stock. The sale of these bonds provides for payment of an equal amount of bonds which were pledged under the Southern Ry. cons. 5% mortgage. Proceeds from sales are paid over to the trustee and are applied towards the completion of double tracking of the main line between Washington. D. C., and Atlanta, Ga. Listed on New York Stock Exchange. Legal for S. B. in Mich., Minn., R. I., Wis. Normal income tax deducted from interest.

32. In several series as follows: Series L, 4½s dated Feb. 1, 1906; due $300,000 s.a. to Feb. 1, 1921. Original issue, $9,000,000; now unmatured, $2,700,000. Int. paid F. and A. at Fidelity Trust Co., Philadelphia. First lien on equipment costing $10,279,845. Series M, 4½s; dated June 1, 1909; due $70,000 s.a. to June 1, 1919. Original issue, $1,400,000; now unmatured, $350.000. Int. paid J. and D. 1 at Girard Trust Co., Philadelphia. First lien on equipment costing $1,850,153. Series N, 4½s; dated April 1, 1910; due $260,000 s.a. to April 1, 1920. Original issue, $5,200,000; now unmatured, $1,820,000. Int. paid A. and O. 1 at Penn. Co. for Ins. on Lives, etc. First lien on equipment costing, $6.532,523. Series O, 4½s; dated May 1, 1911; due $75,000 s.a. to May 1, 1921. Original issue, $1,500,000; now unmatured, $675,000. Int. paid M. and N. 1 at Penn. Co. for Ins. on Lives, etc. First lien on equipment costing $1,836,885. Series P, 4½s; dated Dec. 1, 1911; due $75,000 s.a. to Dec. 1, 1921. Original issue, $1.500 000; now unmatured. $750 000. Int. paid J. and D. 1 at Penn. Co. for Ins. on Lives. etc. First lien on equipment costing, $1,807,000. Series Q, 4½s; dated June 1, 1912; due $75,000 s.a. to June 1, 1922. Original issue, $1,500,000; now outstanding, $825,000. Int. paid J. and D. 1 at Penn. Co. for Ins. on Lives. etc. First lien on equipment costing $1.808.130. Series R, 5s; dated Aug. 15, 1913; due $88.000 s.a. to Aug. 15, 1923. Original issue, $1.760.000; now unmatured, $1,232,000. Int. paid F. and A. 15 at Penn. Co. for Ins. on Lives, etc. First lien on equipment costing $2,200,248. Series S, 5s; dated April 1, 1914; due $215.000 s.a. to April 1, 1924. Original issue, $4,300,000; now unmatured, $3,225.000. Int. paid A. and O. 1 at Penn. Co. for Ins. on Lives, etc. First lien on equipment costing $5.422,885. Series T, 4½s; dated May 1, 1916; due $235,000 s.a. to May 1, 1926. Int. paid M. and N. 1, at Penn. Co. for Ins. on Lives, etc., Philadelphia. Original issue, $4.700,000; now outstanding, $4,465,000. First lien on equipment costing $5.633,000. Series U, 4½s; dated Nov. 15, 1916; due $255,000 s.a. to Nov. 15. 1926. Int. paid at Penn. Co. for Ins. on Lives. etc., Philadelphia. Original issue, $5,100.000, now outstanding, $5,100,000, first lien on equipment, costing $6,000,000. All issue, coupon, $1,000 and reg. as to prin. Interest paid without deduction for normal income tax, except on Series, S, T and U.

33. Auth. and issued. $10.000,000. Dated March 2. 1914; due March 2, 1917. Int. paid at J. P. Morgan & Co., New York. Coupon. $1.000. Secured by deposit of $16,667,000. Development and General 4s (No. 19). Normal income tax deducted from interest.

New Refunding and Improvement Mortgage: In Oct., 1916, a new refunding and improvement mortgage was proposed. to be dated April I, 1917, and maturing Oct. 1, 1999. The authorized issue is to be $500.000.000 of which $61.333 000 are to be known as series A 4½s, issuable in exchange for a like amount of development and general 4s (No. 19) par for par; $34,959.000, to be known as series B 5s to be delivered into the company's treasury in exchange for $43.699.000 dev. and gen. 4s held by company; $179.597,000 are to be reserved for refunding purposes; $10.461.000 reserved to retire proportion of equipment trusts chargeable to capital; $20.000.000 reserved to acquire leased and other lines stock. and balance of $193.650.000 reserved for additions and betterments at cost and after $100.000.000 has been so expended, balance at 80% of cost. It is intended that this issue shall replace the development and general 4s and the company agrees that no more shall be issued under that mortgage though it reserves the right to issue the balance of first consolidated 5s (No. 13) [$48,191,000]. Interest payable April and Oct. 1 without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating		Net Rating.
						Equity.	Salability.	
1. Atlanta & Char. Air Line gtd. stock ..... Par $100. Outstanding, $1,700,000.	See text M&S	$6,500		$22	91%	High	High	A.
2. Mobile & Birm. R.R. pfd. stock ..... Par $100. Outstanding, $900,000.	4% J&J	6,000	$765	5	91%	"	Fair	A.
3. North Carolina R.R. gtd. stock ..... Par $100. Outstanding, $4,000,000.	7% F&A	18,000		40	91%	"	"	A.
4. Southern Ry. pfd. stock ..... Par $100. Outstanding, $60,000,000.	See text	8,543	698	427*	39%	Fair	High	Caa.
5. Southern Ry. common stock ..... Par $100. Outstanding, $120,000,000.	Nil	17,087	271	.....	.....	Moderate	"	C.

For Reference Notes on Stock Issues, see next page.

* To pay a 5% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. ATLANTA & CHARLOTTE AIR LINE RY.: Leased in perpetuity to Southern Ry., at rental equaling interest on bonds, a minimum of 5% on stock, with 6% if gross earnings exceed $1,500,000, and 7% if they exceed $2,500,000. From Sept. 1, 1901, to 1914, rate has been 7%. By supplemental agreement, rate was increased to 9% in 1914. See below. Listed on Richmond and Baltimore Stock Exchanges.

2. MOBILE & BIRMINGHAM R.R.: Leased to Southern Ry. for 99 years from March 1, 1899; rental, interest on bonds and 1% on preferred stock for first year, 2% for second year, 3% for third year, and 4% thereafter. Outstanding, $900,000 preferred, of which Southern Ry. owns $20,500. There is also $900,000 common, of which $894,900 is owned by Southern Ry. Preferred is listed on New York Stock Exchange.

3. NORTH CAROLINA R.R.: Leased to Southern Ry. until 1955, at rental of $286,000 per annum, equaling 7% on stock. The State of North Carolina owns $3,000,200 of the issue.

4. Issue has prior rights to assets and to 5% non-cumulative dividends. Paid 4% in 1911; 4½% in 1912; 5% in 1913; 1914, 4½%; none since. Listed on New York Stock Exchange.

5. Auth. of both common and preferred is $350,000,000; now outstanding, $60,000,000 preferred and $120,000,000 common. TRANSFER AGENTS: J. P. Morgan & Co., New York, and J. J. Lillis, Richmond, Va. Listed on New York Stock Exchange.

Note: Southern Ry. also leases the Atlantic & Danville Ry., rental being interest on bonds, and the same dividend on stock that it pays on its own common stock. The amount of stock outstanding is $2,180,000. The Richmnnd & Mecklenburg is also leased, but Southern Ry. owns all the stock. The Southern Railway Carolina Division is controlled by stock ownership, its bonds being listed under "Southern Ry."

COMPANIES LEASED OR OTHERWISE CONTROLLED BY SOUTHERN RAILWAY

ATLANTA & CHARLOTTE AIR LINE RAILWAY

Origin: Incorporated under laws of North Carolina, South Carolina and Georgia, April 4, 1877. Operated by the Southern Ry. Co. under an agreement between the Richmond & Danville R.R. Co. and this company, dated March 26, 1881. The Southern Ry. acquired the rights of the Richmond & Danville R.R. Co. under said contract by virtue of its purchase of the property and franchises of the Richmond & Danville R.R. Co. at foreclosure sale in June, 1894. The agreement provides that dividends are to be paid at the rate of 5% a year if gross earnings fall to or below $1,500,000 a year; 6% if gross earnings are from $1,500,000 to $2,500,000 and 7% if gross earnings exceed $2,500,000 in any year.

Location: Line of road, Charlotte, N. C., to Atlanta, Ga., 263.08 miles, forming part of main line of Southern Railway system.

Management: OFFICERS: C. S. Fairchild, Pres.; Geo. F. Canfield, Vice-Pres.; H. F. Stone, Secy.; J. W. Platten, Treas.; K. T. Frederick, Asst. Secy., New York. OFFICE, 49 Wall Street, New York.

Bonded Debt: $16,000,000 Atlanta & Charlotte Air Line Ry. in two series; dated July 1, 1914; due July 1, 1944. $5,500,000 Series "A" first 4½s; $10,500,000 Series "B" first 5s. For details and ratings, see Bond Table of Southern Railway Company, page 687.

Capital Stock: Outstanding, $1,700,000; par $100. Dividends paid since 1900: 1900, 6%; 1901, 6½%; 1902 to March, 1914, at the rate of 7% per annum. By a supplemental agreement dated June 30, 1914, the Southern Railway agrees to pay 9% per annum from March 1, 1914, payable March and September. REGISTRAR AND TRANSFER AGENT: United States Mortgage & Trust Co., New York. For rating, see Stock Table of Southern Railway Company, page 690.

ATLANTIC & DANVILLE RAILWAY

Origin: Incorporated under laws of Virginia, Aug. 2, 1894, a reorganization of the Atlantic & Danville Ry. Co. Leased for fifty years from Aug. 31, 1899, to the Southern Ry. at a fixed rental of $127,000 a year for the first two years; $157,000 per annum for the three following years; $188,000 for the following five years; and $218,000 a year thereafter. If the company issues the bonds reserved for additions, amounting to $500,000, the rental will be increased $20,000 per annum. Also the lessee agrees to pay the same rate of dividends on the common stock as may be paid on its own common stock. Lease is renewable in 1949, but on a basis dependent on earnings shown in the interim.

Location: Line of road: Danville, Va., to Norfolk, Va., 205.10 miles; James River June., Va., to Claremont Wharf, Va., 50.36 miles; Hitchcock Junction to Hitchcock Mills, Va., 8.33 miles; Buffalo Junc. to Buffalo Lithia Springs, Va., 3.9 miles; Portsmouth to Shoulders Hills, Va., 10.02 miles; total, 277.71 miles; sidings, 42.48 miles. Equipment: Locomotives, 26; cars, 838.

Management: OFFICERS: B. Newgass, Pres., London, Eng.; J. F. Rison, Vice-Pres., Danville, Va.; C. O. Haines, Secy. and Treas., Portsmouth, Va. Annual meeting, third Tuesday in Nov. OFFICE, Norfolk, Va.

Bonded Debt: (1) $3,925,000 Atlantic & Danville Ry. 1st 4s; dated July 2, 1900; due July 1, 1948.
(2) $1,525,000 Atlantic & Danville Ry. 2d 4s; dated July 1, 1904; due July 1, 1948.
For details and ratings on both issues, see Bond Table of Southern Railway Company, page 687.

Capital Stock: Auth., $2,500,000; outstanding, $2,180,000; par $100. Preferred stock was retired June 30, 1904, from the proceeds of the second mortgage bonds. TRANSFER AGENT AND REGISTRAR, C. O. Haines, secretary of company.

AUGUSTA SOUTHERN RAILROAD COMPANY

Origin: Incorporated under Georgia laws, April 4, 1893, as successor of the Augusta, Gibson & Sandersville R.R. Line of road operated, Augusta to Tennille, Ga., 82.93 miles. Sidings, 35.29 miles. Locomotives, 6; cars, 29.

Management: OFFICERS: Fairfax Harrison, Pres.; J. M. Culp, Vice-Pres.; H. B. Spencer, Vice-Pres.; H. W. Miller, Vice-Pres.; H. C. Ansley, Treas.; C. D. Mackay, Secy. DIRECTORS: Thos W. Loyless, F. R. Clark, Fairfax Harrison, W. T. Bryan, Lindsey Hopkins, E. B. Rogers, W. J. Wren, A. W. Jones, H. W. Miller, L. B. Holt, W. A. McCarty. Annual meeting, fourth Monday in October. OFFICE, Augusta, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$173,417	$159,661	$185,936	$181,731	$197,204	$170,931	$209,784
Net earnings	45,537	24,578	42,418	30,798	44,125	37,349	75,064
Net income	57,223	36,151	55,045	42,216	54,910	45,210	76,240
Interest charges	25,609	*	25,677	25,765	25,907	26,148	24,720
Total deductions	23,892	49,376	52,449	57,151	54,860	51,052	47,884
Balance	7,722	(def.) 13,225	(sur.) 2,596	(def.) 14,935	(sur.) 50	(def.) 5,842	(sur.) 28,356

* Included in "total deductions."

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $7,722; debit balance carried to Balance Sheet, $72,080; unrefundable overcharges, $8; donations, $172; miscellaneous credits, $7; total, $79,989. Contra: Debit balance at beginning of year, $79,817; surplus appropriated for investment in physical property, $172; total, $79,989.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,338,847	$1,346,422	$1,353,817	$1,354,613	$1,351,575	$1,349,033
Working assets	62,575	57,560	48,446	38,501	49,245	27,377
Deferred debit items	2,098	1,551	177	3,731	956	1,372
Profit and loss	72,080	79,817	60,373	39,489	30,749	131,319
Total	$1,475,600	$1,485,350	$1,462,813	$1,436,334	$1,432,525	$1,509,102
LIABILITIES:						
Capital stock	$750,000	$750,000	$750,000	$750,000	$750,000	$750,000
Funded debt	537,148	535,039	400,000	402,400	401,585	406,558
Working liabilities	66,027	66,953	186,503	181,648	178,767	148,688
Accrued liabilities not due.	5,117	5,117	5,117	5,081	5,086	6,731
Deferred credit items	92,191	103,749	97,094	97,205	97,087	197,125
Appropriated surplus	17,967	24,492	24,099	.....	.....	.....
Total	$1,475,600	$1,485,350	$1,462,813	$1,436,334	$1,432,525	$1,509,102

Bonded Debt: $400,000 Augusta Southern R.R. first 5s; dated April 1, 1895; due April 1, 1924; int. J. and D. at J. P. Morgan & Co., New York. Coupon, $1,000. First lien, 82.5 miles, Augusta to Tennille, Ga. Not guaranteed. Interest payable without deduction for normal income tax. Net Rating, B.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 23.

Capital Stock: Outstanding, $350,000 7% non-cum. preferred and $400,000 common; par $100. No dividends. Southern Railway owns $296,000 each of common and preferred. Annual meeting, fourth Monday in October.

BLUE RIDGE RAILWAY COMPANY

Origin: Incorporated under South Carolina laws, Sept. 28, 1901, as successor of Blue Ridge Railroad. Operates 44 miles, of which 34 miles from Walhalla to Anderson, S. C., are owned and 10 miles from Anderson to Belton, S. C., are leased. Sidings, 8.41 miles. Locomotives, 6; cars, 56.

Management: OFFICERS: Fairfax Harrison, Pres.; J. M. Culp, Vice-Pres.; H. B. Spencer, Vice-Pres., Washington, D. C.; H. W. Miller, Vice-Pres.; C. D. Mackay, Secy., Atlanta, Ga.; H. C. Ansley, Treas.; A. H. Plant, Compt., Washington, D. C. DIRECTORS: Fairfax Harrison, Washington, D. C.; W. B. Sadler, Atlanta, Ga., E. P. Webb, Atlanta, Ga., H. W. Miller, C. D. Mackay, Lauren Foreman, C. N. Freeman, Atlanta, Ga.; J. R. Vandiver, Anderson, S. C.; S. W. Cramer, Charlotte, N. C. Annual meeting, third Wednesday in October. OFFICE, Anderson, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$202,329	$176,147	$181,699	$176,209	$184,186	$171,153	$168,752
Operating expenses	140,496	135,652	145,377	144,877	125,435	108,687	105,197
Net earnings	$61,833	$40,495	$36,292	$31,332	$58,751	$62,466	$63,555
Operating ratio	69.4%	77%	80.2%	82.3%	68.1%	63.5%	62.3%
Total income	62,807	43,576	37,332	32,281	59,698	63,596	63,934
Taxes accrued	7,603	6,064	6,646	5,407	5,393	5,606	5,091
Fixed charges, etc	27,692	38,864	29,790	27,908	30,226	25,759	39,979
Dividends	10,000	.....	.....	3,000	6,000	6,000	3,000
Surplus	$17,513	(df.) $1,352	$896	(df.) $4,034	$18,079	$20,231	$15,864

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $85,170; credit balance transferred from income, $17,513; miscellaneous credits, $415; total, $103,098. Contra: Credit balance carried to Balance Sheet, $103,040; miscellaneous debits, $58; total, $103,098.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$397,168	$394,274	$346,864	$314,369	$297,514	$284,277
Working assets	62,497	59,858	56,106	67,582	79,025	93,280
Deferred debit items.....	5,961	2,914	2,688	7,151	3,366	3,336
Total	$465,626	$457,046	$405,658	$389,102	$379,905	$380,893
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	157,000	157,000	100,000	100,000	100,000	100,000
Working liabilities	34,796	46,398	74,580	67,270	54,428	77,832
Accrued liabilities not due.	4,674	4,977	1,868	1,267	1,360	1,420
Deferred credit items....	8,387	5,820	3,608	3,258	1,801	396
Appropriated surplus	57,729	57,681	36,329	28,930	29,905	26,913
Profit and loss.....	103,040	85,170	89,273	88,377	92,411	74,332
Total	$465,626	$457,046	$405,658	$389,102	$379,905	$380,893

Bonded Debt: $100,000 Blue Ridge Ry. first 5s; dated Sept. 28, 1901; due July 1, 1951; Int. J. and J. First lien, 34 miles, Walhalla to Anderson, S. C. All owned by Southern Ry. Interest payable without deduction for normal income tax.

Capital Stock: Auth. and issued, $100,000; par, $100. Dividends, 6% in 1904 and 1905; 9% in 1906; 3% in 1907; 3% in 1910; 6% in 1911; 6% in 1912; 3% in 1913; nothing in 1914; 3% in 1915; 10% in 1916. All owned by Southern Ry.

DANVILLE & WESTERN RAILWAY COMPANY

Origin: Incorporated under Virginia laws, Jan. 14, 1891, as successor to Danville & New River R.R. In 1899, absorbed the Danville, Mocksville & Southwestern R.R. Operates 80.78 miles, Stuart to Danville, Va., and branch. Sidings, 10.48 miles. Locomotives 9, freight cars 111, passenger cars 14, service cars 21.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$369,268	$344,213	$343,044	$331,579	$303,258	$303,140	$278,464
Net income	175,022	135,207	135,632	140,673	130,959	144,701	130,053
Taxes accrued	15,767	16,433	13,364	14,475	13,914	13,780	11,400
Fixed charges, etc.....	116,034	115,137	103,186	106,398	112,183	124,940	109,694
Surplus	$43,221	$3,637	$19,082	$19,800	$4,862	$5,981	$8,959

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $43,221; unrefundable overcharges, $34; donations, $143; miscellaneous credits, $24; debit balance carried to Balance Sheet, $775,762; total, $819,184. Contra: Debit balance at beginning of year, $819,041; surplus appropriated for investment in physical property, $143; total, $819,184.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,045,630	$2,019,251	$2,010,012	$1,970,650	$1,915,151	$1,888,296
Working assets	106,407	93,818	81,230	88,091	85,241	81,549
Deferred debit items.....	3,529	582	365	755	169	303
Profit and loss.....	775,762	819,041	822,912	704,459	741,507	767,486
Total	$2,931,328	$2,932,692	$2,914,519	$2,763,955	$2,742,068	$2,737,634
LIABILITIES:						
Capital stock	$368,600	$368,600	$368,600	$368,600	$368,600	$368,600
Funded debt	2,297,774	2,308,774	1,068,000	1,071,000	1,052,000	1,052,000
Working liabilities	73,259	61,651	1,275,055	1,272,866	1,267,934	1,268,634
Accrued liabilities not due.	19,398	20,919	42,878	43,209	42,988	43,076
Deferred credit items....	6,117	7,532	9,037	8,280	10,546	5,324
Appropriated surplus	166,180	165,216	150,949	.....	.....	.....
Total	$2,931,328	$2,932,692	$2,914,519	$2,763,955	$2,742,068	$2,737,634

Bonded Debt: $1,052,000 Danville & Western Ry. first 5s; dated Feb. 4, 1891; due Oct. 1, 1936; int. A. and O. First lien, 75.98 miles, Stuart to Stokesland and branch to Leaksville, N. C. All owned by Southern Ry.

Capital Stock: Auth. and issued, $368,600; par, $100. No dividends. All owned by Southern Railway Co.

GEORGIA MIDLAND RAILWAY

Origin: Incorporated under Georgia laws, March 27, 1896, as successor to the Georgia Midland & Gulf R.R. Co. Leased June 18, 1896 to the Southern Railway Co. for 99 years from July 1, 1896, at a rental equivalent to 3% per annum on first mortgage bonds, besides $2,500 yearly rental for terminal property in Griffin and Columbus, Ga. Road extends from Columbus to McDonough, Ga., 97.88 miles. Sidings 13.64 miles.

Management: OFFICERS: Fairfax Harrison, Pres.; H. B. Spencer, Vice-Pres., Washington, D. C.; F. S. Wynn, Sec., New York, N. Y.; H. C. Ansley, Treas.; A. H. Plant, Comp., Washington, D. C.; E. H. Coapman, Gen. Mgr. OFFICE, Columbus, Ga.

Bonded Debt: $1,650,000 Georgia Midland Ry. first 3s; dated April 1, 1896; due April 1, 1946. For details and ratings, see Bond Table of Southern Railway, page 687.

Capital Stock: Auth. and outstanding, $1,000,000; par, $100. All owned by Southern Railway Co., and all but $1,100 pledged under that company's development and general mortgage. TRANSFER AGENT: F. S. Wynn, Secy., at 120 Broadway, New York.

HARTWELL RAILWAY

Origin: Incorporated under the laws of Georgia, February 5, 1898, as a reorganization of the Hartwell R.R. Locomotives, 1; cars, 1. Line of road: Hartwell to Junction Elberton Southern R.R., 9.6 miles; trackage, 0.5 miles; sidings, 0.50 mile.

Management: OFFICERS: Fairfax Harrison, Pres.; H. B. Spencer, Vice-Pres., Washington, D. C.; H. W. Miller, Vice-Pres.; C. D. Mackay, Secy., Atlanta, Ga.; H. C. Ansley, Treas.; A. H. Plant, Compt., Washington, D. C. DIRECTORS: E. B. Benson, A. G. McCurry, Hartwell, Ga.; Asa G. Candler, Jr., Atlanta, Ga.; Fairfax Harrison, Washington, D. C.; J. Y. Carithers, Athens, Ga. OFFICE: Hartwell, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$23,674	$24,359	$29,566	$23,095	$26,968	$25,149
Operating expenses	18,727	16,942	21,675	19,044	24,538	17,264
Net revenues	$4,947	$7,417	$7,891	$4,051	$2,430	$7,885
Other income	60	65	119	69	101	46
Total net income	$5,007	$7,482	$8,008	$4,120	$2,531	$7,931
Taxes	774	576	639	649	847	643
Fixed charges	2,153	1,769	1,000	1,927	1,952	2,161
Surplus	$2,080	$5,137	$6,369	$1,544	(def.) $268	$5,127
Dividends	.....	2,400	2,400	.....	.....	1,200
Other deductions	140	.....	345	268	.....	3,927
Total	$1,940	$2,737	$3,624	$1,276	(def.) $268	.....

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $41,398; credit balance transferred from income, $1,940; unrefundable overcharges, $12; miscellaneous credits, $28; total, $44,378. Contra: Dividend appropriation of surplus, $2,400; credit balance carried to Balance Sheet, $40,978; total, $44,378.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$75.318	$75.314	$76,414	$76,354	$73,135	$74,250
Working assets	14,449	14,302	11,519	9,330	5,407	11,770
Deferred debit items	265	52	241	208	11,081	633
Total	$90,032	$89,668	$88,174	$85,892	$89,623	$86,652
LIABILITIES:						
Capital stock	$20.000	$20,000	$20.000	$20,000	$20.000	$20,000
Funded debt	20.000	20,000	20,000	20.000	20.000	20,000
Working liabilities	4,301	3,716	4,080	8,903	14,886	7,834
Accrued liabilities not due.	753	643	.....	.....	881	620
Deferred credit items	3,408	3,459	5,014	1,605	.....	.....
Appropriated surplus	592	452	452	380	116	1,316
Profit and loss surplus	40,978	41,398	38,628	35,004	37,740	36,882
Total	$90,032	$89,668	$88,174	$85,892	$89,623	$86,652

Bonded Debt: $20.000 Hartwell Ry. first 5s; dated March 1, 1898; due March 1, 1928. Coupon, $1,000. Int. paid M. and S. 1, at Guaranty Trust Co., New York, Trustee. All owned by Southern Ry. Co.

Capital Stock: Outstanding, $20,000. All owned by Southern Railway Co., C. D. Mackay, Atlanta, Ga., transfer agent.

MOBILE AND BIRMINGHAM RAILROAD

Origin: Incorporated under laws of Alabama, July 2 . 1895, as a reorganization of the Mobile & Birmingham Ry. Co., which company was sold under foreclosure, Oct. 28, 1893. Leased for 99 years from March 1, 1899, to the Southern Ry. with renewal privilege, rental being interest on bonds and dividends at the rate of 1% for first year; 2% for the second year; 3% for the third year; and 4% for the fourth and following years.

Location: Mobile to Marion Junc., Ala., 150.35 miles, sidings, 37.21 miles. Equipment: Locomotives, 13; cars, 365.

Management: OFFICERS: Fairfax Harrison, Pres.; H. B. Spencer, Vice-Pres., Washington, D. C.; F. S. Wynn, Secy., New York; H. C. Ansley, Treas.; A. H. Plant, Aud., Washington, D. C.; E. H. Coapman, Gen. Mgr. OFFICE, Birmingham, Ala.

Bonded Debt: (1) $600,000 Mobile & Birmingham R.R. prior lien 5s; dated Aug. 29, 1895; due July 1, 1945. (2) $1,200,000 Mobile & Birmingham R.R. first 4s; dated Aug. 29, 1895; due July 1, 1945. For details and ratings, see Bond Table of Southern Railway, page 687.

Capital Stock: Outstanding, $897,600 preferred and $897,600 common; par $100. Southern Railway Co. owns $20,500 preferred and $894,900 common stock, of which all of the preferred and $880,400 common were pledged under that company's first consolidated mortgage. TRANSFER AGENT: C. E. A. McCarthy, 120 Broadway, New York. REGISTRAR: The New York Trust Co., New York. Listed on New York Stock Exchange.

NORTH CAROLINA RAILROAD

Origin: Incorporated under the laws of North Carolina, Jan. 27, 1849, for 99 years. Leased to the Southern Railway for 99 years from Jan. 1, 1896, rental being 7% on capital stock.

Location: Line of road: Goldsboro, N. C., to Charlotte, N. C., 222.44 miles; Caraleigh June. to Caraleigh Mills, 1.9 miles; total, 224.34 miles. Equipment: Locomotives, 23; cars, 279.

Management: OFFICERS: W. H. Wood, Pres., Charlotte, N. C.; J. P. Cook, Secy. and Treas., Burlington, N. C. OFFICE: Burlington, N. C.

Capital Stock: Authorized and outstanding, $4,000,000. Par $100. TRANSFER AGENT and REGISTRAR: J. P. Cook, Secretary of company. Listed on Richmond Stock Exchange. The State owns $3,000,000 of the stock. For rating, see page 690.

NORTHERN ALABAMA RAILWAY COMPANY

Origin: Incorporated under Alabama laws, Nov. 22, 1895, as successor to Birmingham, Sheffield & Tennessee River Ry. Operates 112.5 miles, Sheffield to Parish, with branches.

Management: OFFICERS: Fairfax Harrison, Pres.; H. W. Miller, H. B. Spencer, J. M. Culp, Vice-Prests.; E. H. Coapman, Genl. Mgr.; H. C. Ansley, Treas.; F. S. Wynn, Secy.; A. H. Plant, Compt. DIRECTORS: C. E. A. McCarthy, J. C. Maben, J. T. Ashcraft, Fairfax Harrison, H. B. Spencer, F. S. Wynn, E. A. Merrill. Annual meeting, fourth Wednesday in November. OFFICE: Washington, D. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$723,345	$529,836	$582,370	$541,089	$464,684	$506,193	$554,366
Maintenance of way	100,952	89,445	100,641	87,905	68,750	96,520	.....
Maintenance of equipment	45,257	49,468	69,044	84,241	69,205	67,867	.....
Total net income	$335,230	$230,464	$222,017	$182,861	$111,870	$123,812	$170,643
Taxes accrued	32,525	32,148	31,907	32,072	32,368	32,099	28,148
Fixed charges	223,149	228,016	221,669	197,865	114,921	131,227	123,441
Surplus	$79,556 (df.)	$29,700 (df.)	$31,559 (df.)	$47,076 (df.)	$35,419 (df.)	$39,514	$19,054

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $484,452; credit balance transferred from income, $79,556; miscellaneous credits, $44,033; debit balance carried to balance sheet, $360,863.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,872,423	$3,801,948	$3,812,190	$3,782,772	$3,803,320	$3,812,879
Working assets	310,962	400,547	387,634	383,019	324,996	326,997
Deferred debit items	5,133	4,656	4,773	23,922	4,128	4,233
Profit and loss	360,863	484,452	456,059	432,572	384,484	349,063
Total	$4,549,381	$4,691,603	$4,660,656	$4,622,285	$4,516,928	$4,493,172
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	2,344,768	2,031,805	1,650,000	1,650,000	1,650,000	1,650,000
Working liabilities	160,062	612,584	962,240	940,853	837,364	816,248
Accrued liabilities not due	14,673	14,749	14,725	14,887	14,794	14,585
Deferred credit items	29,878	32,465	33,691	16,545	14,770	12,339
Total	$4,549,381	$4,691,603	$4,660,656	$4,622,285	$4,516,928	$4,493,172

Bonded Debt: $1,650,000 Northern Alabama Ry. first 5s; dated Oct. 1, 1898; due July 1, 1928; int. J. and J. at J. P. Morgan & Co., New York. First lien on 112.5 miles, as above, but $350,000 of issue are prior to balance. Southern Ry. owns all prior bonds and $1,268,000 of balance.

Capital Stock: Auth., $3,000,000; outstanding, $2,000,000; par $100. No dividends. Southern Ry. owns $1,895,400 of issue. Annual meeting, fourth Wednesday in November.

RICHMOND & MECKLENBURG RAILROAD

Origin: Incorporated under the laws of Virginia, Feb. 21, 1880, successor to the Roanoke Valley R.R. Co. Leased for fifty years from Nov. 1, 1898, to the Southern Railway Co., rental being interest on bonds.

Location: Line of road, Keysville to Clarksville, Va., 31.3 miles. Sidings, 3.75 miles.

Management: OFFICERS: (Vacancy), Pres.; H. B. Spencer, Vice-Pres., Washington, D. C.; H. W. Miller, Sec., Atlanta, Ga.; H. C. Ansley, Treas.; A. H. Plant, Aud., Washington, D. C. OFFICE, Clarksville, Va.

Bonded Debt: $315,000 Richmond & Mecklenburg R.R. 1st 4s. Dated Nov. 1, 1898; due Nov. 1, 1948. For details and rating see Bond Table of Southern Railway, page 687.

Capital Stock: Outstanding, $362,703.33. Par, $100. Southern Ry. Co. owns $300,000, of which all but $600 pledged under that company's development and general mortgage. Secretary of company acts as Transfer Agent.

ROSWELL RAILROAD

Origin: Incorporated under Georgia laws, April 10, 1863. Operated by Southern Railway under agreement. Locomotive, 1; cars, 7.

Location: Roswell to Chambley, Ga., 9.80 miles; branch line, 2.75 miles; sidings, 0.52 mile.

Management: OFFICERS: (Vacancy), Pres.; H. B. Spencer, Vice-Pres.; H. W. Miller, Secy., Atlanta, Ga.; H. C. Ansley, Treas.; E. H. Coapman, Gen. Mgr.; A. H. Plant, Aud., Washington, D. C. OFFICE, Atlanta, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	(def.) $13,517	(def.) $17,651	(def.) $3,628	(def.) $2,415	$4,937	$5,782
Fixed charges	6,750	6,750	6,750	6,750	6,750	6,750
Surplus	(def.) $20,267	(def.) $24,401	(df.) $10,378	(def.) $9,165	(def.) $1,813	(def.) $968

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $1,479; debit balance carried to Balance Sheet, $82,534; total, $84,013. Contra: Debit balance at beginning of year, $63,746; debit balance transferred from income, $20,267; total, $84,013.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$210,000	$210,000	$210,000	$210,000	$210,000	$210,000
Profit and loss deficit	82,534	63,746	39,345	28,968	19,803	17,989
Deferred debit items	2,497	.....	.....	.....	.....	.....
Total	$295,031	$273,746	$249,345	$238,968	$229,803	$227,989
LIABILITIES:						
Capital stock	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000
Funded debt	220,031	198,746	135,000	135,000	135,000	135,000
Deferred credit items	.....	.....	.....	.....	.....	17,989
Total	$295,031	$273,746	$249,345	$238,968	$229,803	$227,989

Funded Debt: $135,000 Roswell R.R. 1st 5s. Dated Jan 2, 1903; due Jan. 1, 1953. Int. J. and J. 1. Coupon and registered, $1,000. Interchangeable. Southern Ry. owns $77,000 of these bonds, all of which are pledged under that company's development and general mortgage and balance are owned by Atlanta & Charlotte Air Line Ry. Guaranty Trust Co., New York, Trustee.

Capital Stock: Outstanding, $75,000, of which $37,400 is owned by the Southern Ry. Co. and all but $300 pledged under that company's development and general mortgage. Par $100. Secretary of company acts as transfer agent.

ST. JOHN'S RIVER TERMINAL COMPANY

Origin: Incorporated July 18, 1901, under Florida laws, as successor to the Atlantic, Valdosta & Western Ry. Operates 7.66 miles from Jacksonville to Grand Crossing, Fla. Sidings, 24½ miles.

Management: OFFICERS: J. B. Munson, Pres.; H. B. Spencer, Vice-Pres.; H. C. Ansley, Treas.; C. E. A. McCarthy, Secy. Annual meeting, third Wednesday in November. OFFICE: Jacksonville, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Total net income	$74,560	$76,976	$48,480	$86,459	$82,187	$87,703
Taxes	26,101	24,903	.....	.....	.....	.....
Fixed charges	48,459	52,073	.....	.....	.....	.....

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $29,947; surplus appropriated for investment in physical property, $124; Loss on retired road and equipment, $7,417; miscellaneous debits, $48; total, $37,536. Contra: Profit on road and equipment sold, $1,650; donations, $124; debit balance carried to balance sheet, $35,762; total, $37,536.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,324,373	$1,292,992	$1,263,111	$1,284,358	$1,271,398	$1,269,052
Working assets	140,606	137,569	125,332	157,042	131,306	123,402
Deferred debit items	67	20	.....	9	2	1,555
Profit and loss deficit	35,762	29,947	2,125	2,125	2,125	2,125
Total	$1,500,808	$1,460,528	$1,390,568	$1,443,534	$1,404,831	$1,396,134
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	1,314,062	1,264,219	1,223,863	1,245,327	1,229,683	1,215,243
Working liabilities	64,975	74,150	55,144	64,623	65,493	73,280
Accrued liabilities not due	14,463	12,019	9,548	8,765	8,133	7,611
Deferred credit items	2,013	4,970	2,013	24,819	1,522	.....
Appropriated surplus	5,295	5,170	.....	.....	.....	.....
Total	$1,500,808	$1,460,528	$1,390,568	$1,443,534	$1,404,831	$1,396,134

Bonded Debt: $1,200,000 St. John's River Terminal Co. first 4s; dated Oct. 15, 1902; due July 1, 1952. Int. J. and J., in Washington. Auth., $2,000,000. First lien on entire property. Not guaranteed. Interest payable without deduction for normal income tax.

Capital Stock: Auth. and issued, $100,000; par, $100. No dividends. All owned by Southern Ry.

TALLULAH FALLS RAILWAY

Origin: Incorporated under the laws of Georgia, March 3, 1898, for the purpose of taking over the property of the Blue Ridge & Atlantic R.R. Co., which was sold under foreclosure Nov. 7, 1897. Owns entire capital stock of the Blue Ridge & Atlantic Ry. Co. Controlled by Southern Ry. Co.

Location: Line of road, Cornelia, Ga., to Franklin, N. C., 58.0 miles; sidings, 5.72 miles. Equipment: Locomotives, 5; cars, 62.

Management: OFFICERS: Fairfax Harrison, Pres.; J. M. Culp, H. B. Spencer, Vice-Prests., Washington, D. C.; H. W. Miller, Vice-Pres.; C. D. Mackay, Secy., Atlanta, Ga.; H. C. Ansley, Treas.; A. H. Plant, Compt., Washington, D. C. DIRECTORS: Fairfax Harrison, Washington, D. C.; H. W. Miller, Preston S. Arkwright, Frank Hawkins, Atlanta, Ga.; Hamilton McWhorter, John R. White, Billups Phinizy, Athens, Ga.; J. T. Peyton, Mt. Airy, Ga.; J. W. Peyton, Cornelia, Ga. OFFICE, Cornelia, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$117,546	$117,552	$149,154	$172,305	$134,246	$109,433
Maintenance of way	37,434	44,872	51,114	63,026	32,442	33,340
Maintenance of equipment	12,957	14,554	11,497	11,970	18,455	9,911
All other operating exps.	80,995	53,590	55,300	51,995	44,656	40,560
Net revenues	$16,160	$4,536	$31,243	$45,314	$38,593	$25,622
Other income	299	93	.....	355	344	.....
Total net income	$16,459	$4,629	$31,309	$45,669	$38,937	$25,622
Taxes	6,103	5,350	91,419	4,800	4,013	4,083
Fixed charges	78,737	80,396		95,898	83,362	81,964
Surplus	(def.) $68,381	(def.) $81,117	(def.) $60,160	(def.) $55,029	(def.) $48,438	(def.) $60,425

Profit and Loss Account, year ended June 30, 1916: Unrefundable overcharges, $4; donations, $994; miscellaneous credits, $6; debit balance carried to balance sheet, $667,178; total, $668,182. Contra: Debit balance at beginning of year, $597,635; debit balance transferred from income, $68,381; surplus appropriated for investment in physical property, $994; miscellaneous debits, $1,172; total, $668,182.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,678,135	$1,676,358	$1,642,975	$1,640,432	$1,624,779	$1,624,314
Working assets	33,278	38,122	69,659	49,656	81,997	75,030
Deferred debit items	1,732	2,632	1,956	23,922	7,786	11,353
Profit and loss deficit	667,178	597,635	516,510	451,067	395,973	345,590
Total	$2,380,323	$2,314,747	$2,231,100	$2,165,077	$2,110,535	$2,056,287
LIABILITIES:						
Capital stock	$323,400	$327,500	$327,500	$327,500	$327,500	$327,500
Funded debt	1,519,000	1,936,330	1,519,800	1,522,200	1,519,000	1,491,200
Working liabilities	302,145	18,186	351,180	285,723	213,491	211,060
Accrued liabilities not due	27,423	27,069	26,928	27,002	26,803	26,503
Deferred credit items	1,702	4	34	2,652	23,741	24
Appropriated surplus	6,653	5,658	5,658	.....	.....	.....
Total	$2,380,323	$2,314,747	$2,231,100	$2,165,077	$2,110,535	$2,056,287

Bonded Debt: $1,519,000 Tallulah Falls, Ry. 1st 5s. Dated Mar. 1, 1909; due Mar. 1, 1959. Int. paid M. and S. 1 at office of Guaranty Trust Co., New York, Trustee. First lien on line of road. Entire issue owned by the Southern Railway and pledged under that company's development and general mortgage.

Capital Stock: Authorized, $250,000 preferred and $250,000 common. Outstanding, $123,400 preferred and $200,000 common. Par, $100. Pfd. stock entitled to 5% non-cumulative dividends. All of the common and $123,400 pfd. owned by the Southern Ry., and all except $500 of the common pledged under the development and general mortgage of that company. TRANSFER AGENT: C. D. Mackay, Atlanta, Ga.

ALABAMA GREAT SOUTHERN RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see Pages 19-26.

Origin: Incorporated under Alabama laws, Nov. 30, 1877, as successor to the Alabama & Chattanooga R.R., which was sold under foreclosure. The company owns $833,300 out of $3,000,000 capital stock of the Southwestern Construction Co. The latter company controls the Cincinnati, New Orleans & Texas Pacific Ry. (one of the constituent lines of the "Queen & Crescent Route"), and stock interests in it are also held by Cincinnati, Hamilton & Dayton Ry. The Alabama Great Southern also controls the Belt Ry. of Chattanooga and owns a half-interest in the Woodstock & Blockton Ry., operating from Woodstock to Blockton, Ala., the other half being owned by the Louisville & Nashville R.R.

Location: The directly operated lines of the Alabama Great Southern R.R. consist of 312.41 miles, of which the main line, from Chattanooga, Tenn., to Meridian, Miss., 293.02; is owned, 1.62 miles are leased and 17.77 miles are operated under traffic rights. The line passes through Birmingham, Ala., and forms part of the "Queen and Crescent Route," between Cincinnati and New Orleans. Mileage mainly in Alabama. Population of this State in 1890, 1,513,017; in 1900, 1,838,697; in 1910, 2,138,093.

Control: The Southern Railway Company owns $1,725,000 preferred out of $3,380,350, and $4,540,050 out of $7,830,000 common stock of the Alabama Great Southern R.R.

Management: OFFICERS: Fairfax Harrison, Pres.; T. C. Powell, Vice-Prcs.; H. B. Spencer, Asst. to Prcs.; F. S. Wynn, Secy.; H. C. Ansley, Treas. DIRECTORS: Fairfax Harrison, W. G. Oakman, W. C. Lane, Guy Cary, John H. Prentice, W. W. Crawford, Robert Jemison, Sr., Chas. A. Lyerly, John L. Kaul, Thos. Carr Powell, Fredk. S. Wynn. Annual meeting, first Wednesday in October. MAIN OFFICE, Birmingham, Ala. NEW YORK OFFICE, 120 Broadway. way.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	4.77%	5.55%	4.00%	4.88%	6.32%	5.60%	6.75%	5.7%	5.36%
Products of Animals.....	.....	1.26	1.85	1.04	.91	1.02	1.16	1.25	1.2	.86
Products of Mines.....	.....	35.71	30.72	39.57	39.28	30.81	32.17	29.21	30.0	23.84
Products of Forests.....	.....	20.74	25.09	24.10	23.87	27.35	28.02	30.22	30.0	30.13
Manufactures, Merchandise and Miscellaneous...	.....	37.52	36.79	31.29	31.06	34.50	33.05	32.57	33.1	39.81

Total tons carried, 2,474,536 in 1908; 2,334,785 in 1909; 3,433,384 in 1910; 3,314,533 in 1911; 3,207,761 in 1912; 3,689,683 tons in 1913; 3,742,414 tons in 1914; 3,584,063 tons in 1915; 4,173,304 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	310	....	75	43	6,263	63%	136,999	1,166,935	365	$2.28	2.44c	.73c
1908.....	310	....	87	42	6,000	64	137,229	1,023,578	358	2.09	2.35	.71
1909.....	310	....	83	42	5,913	64	134,053	1,068,249	374	2.15	2.26	.68
1910.....	309	....	102	56	6,477	66	153,656	1,476,337	428	2.18	2.24	.61
1911.....	309	....	100	54	6,377	66	171,866	1,493,756	407	2.21	2.12	.64
1912.....	309	....	89	53	6,311	69	178,563	1,583,728	408	2.19	2.10	.66
1913.....	309	....	91	53	6,178	67	197,029	1,742,724	418	2.19	2.12	.65
1914.....	309	....	96	51	5,895	68	195,956	1,858,528	422	2.23	2.14	.64
1915.....	309	....	96	50	5,858	70	152,162	1,786,851	451	2.28	2.20	.60
1916.....	310	48	84	46	5,051	73	171,442	2,127,602	539	2.67	2.14	.62
10-Year Average	309	5	90	49	6,032	67%	162,896	1,532,829	417	$2.25	2.21c	.65c

Yard tracks and sidings, 186 miles.

Comment: During the year ended June 30, 1916, the Alabama Great Southern Railway reported a very sharp improvement in its freight density, and also increased its average freight train load to a new high figure. The train mile earnings were better than ever before, and reached a figure which reflects substantial prosperity for the company. It will be noted that the proportion of high grade freight during the year equaled nearly 40% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$13,447	$2,282	$2,950	$5,232	$5,387	$2,828	$3,005	$370	$2,635	$1,300	51%	$1,335	$654
1908.....	11,456	1,565	2,565	4,130	4,887	2,439	3,303	426	2,877	1,551	46	1,326	654
1909.....	11,485	1,453	2,206	3,659	4,357	3,469	3,925	443	3,482	1,707	51	1,775	1,159
1910.....	13,660	1,695	2,886	4,581	4,789	4,290	5,265	462	4,803	1,798	63	3,005	1,163
1911.....	14,492	1,845	3,365	5,210	5,313	3,969	5,544	524	5,020	1,929	61	3,091	1,923
1912.....	15,435	1,884	3,367	5,251	5,703	4,481	5,751	557	5,194	1,933	63	3,261	1,923
1913.....	16,932	2,030	3,812	5,842	6,507	4,583	6,133	570	5,563	1,891	66	3,672	1,923
1914.....	17,428	2,229	4,553	6,782	6,899	3,747	4,947	614	4,333	1,883	57	2,450	1,923
1915.....	15,458	1,792	3,721	5,513	6,312	3,633	4,602	576	4,026	1,999	50	2,027	1,923
1916.....	18,197	1,609	4,327	5,936	6,197	6,064	7,487	640	6,847	2,135	69	4,712	2,299
10-Year Average	$14,799	$1,838	$3,375	$5,213	$5,635	$3,951	$4,996	$518	$4,478	$1,813	58 %	$2,665	$1,554

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after providing for all fixed charges. For example, in 1916 the "balance for charges" (per mile) was $6,847; fixed charges consumed 31% of this, or $2,135 per mile, leaving $4,712, a "margin of safety" of 69%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$5,641,104	$4,775,927	$5,378,700	$5,224,610	$4,775,891	$4,479,120
Maintenance of way	498,852	1,553,629	688,650	627,364	582,208	570,040
Maintenance of equipment	1,341,320	1,149,707	1,406,891	1,177,997	1,040,604	1,039,768
All other operat. expenses	1,921,211	1,950,398	2,131,922	2,010,544	1,771,848	1,645,253
Net operating revenue	$1,879,721	$1,122,193	$1,151,237	$1,408,705	$1,381,231	$1,224,059
Operating ratio	68.5%	76.5%	78.6%	73%	71%	72.4%
Other income	441,104	299,903	377,502	486,434	395,921	489,019
Total net income	$2,320,825	$1,422,096	$1,528,739	$1,895,139	$1,777,152	$1,713,078
Taxes accrued	198,420	177,930	189,857	176,041	172,020	162,041
Balance for charges	$2,122,405	$1,244,166	$1,338,882	$1,719,098	$1,605,132	$1,551,037
Fixed charges	661,714	617,690	581,695	584,478	592,536	595,998
Surplus over charges	$1,460,691	$626,476	$757,187	$1,134,620	$1,012,596	$955,039
Dividends paid	393,225	202,821	594,321	594,321	594,321	594,321
Approps. for impvmts., etc.	333	302	.....	.....	.....	.....
Balance	$1,067,133	$423,353	$162,866	$540,299	$418,275	$360,718
Earned on stock: Preferred	43.2%	18.5%	22.4%	33.6%	30.3%	28.2%
Common	15.6%	5.4%	7.1%	11.9%	10.3%	9.6%

Note: Fixed charges include rentals, interest, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance, July 1, 1916, $2,930,705; credit balance transferred from income, $1,067,133; delayed income credits, $33,236; unrefundable overcharges, $165; miscellaneous credits, $7,634; total, $4,038,873. Contra: Dividend appropriations of surplus, $391,500; miscellaneous debits, $3,320; credit balance carried to balance sheet, $3,644,053; total, $4,038,873.

Comment: Gross revenues on this property in 1916, even exceeded those of 1913, while the net operating revenues were more than 50% higher than those of the previous year. The total net income available for charges was more than three times the fixed charge requirements, and the surplus finally carried forward exceeded 43% on the preferred and nearly 16% on the common stock. The increased dividends paid during the year were therefore fully justified.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$36,162	60%	$24,759	40%	$811	$61,732	$5,299	$56,433	5.3%	$654	6%	.....	.....	52%	....
1908	36,162	59	25,628	41	811	62,601	5,734	56,867	5.8	654	6	.....	.....	50	....
1909	36,162	60	24,375	40	1,029	61,566	6,097	55,469	7.1	654	6	$505	2%	63	55%
1910	36,279	57	27,160	43	1,036	64,475	6,119	58,356	9	656	6	507	2	79	79
1911	36,279	60	24,678	40	1,036	61,993	6,241	55,752	10	656	6	1,267	5	78	50
1912	36,279	62	23,489	38	1,032	60,800	6,277	54,523	10.5	656	6	1,267	5	80	51
1913	36,279	62	22,406	38	1,032	59,717	6,277	53,440	11.5	656	6	1,267	5	82	58
1914	36,279	55	29,693	45	1,178	67,150	6,294	60,856	8.1	656	6	1,267	5	73	29
1915	36,279	53	31,682	47	1,178	69,139	6,296	62,843	7.3	656	6	1,267	5	68	8
1916	36,162	53	31,146	47	1,168	68,476	7,071	61,405	12.2	763	7	1,536	7	83	61
10-Year Average	$36,232	58%	$26,502	42%	$1,031	$63,765	$6,171	$57,594	8.7%	$666	6.1%	$888	3.6%	75%	56%

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$23,512,354	$21,827,815	$20,642,225	$20,720,439	$20,660,918	$20,797,837	$20,796,454
Working assets	1,394,148	1,149,941	3,720,019	1,569,115	1,326,691	1,212,670	1,340,377
Deferred debit items	986,260	1,567,035	273,893	103,310	115,967	50,177	56,639
Accrued income not due	9,320	8,937	9,737	12,569	9,203	6,093	6,093
Total	$25,902,082	$24,553,728	$24,645,874	$22,405,433	$22,112,779	$22,066,777	$22,199,563
Liabilities:							
Capital stock	$11,210,350	$11,210,350	$11,210,350	$11,210,350	$11,210,350	$11,210,350	$11,210,350
Funded debt	9,655,301	8,788,704	9,175,107	7,253,600	7,601,600	7,949,600	8,392,493
Working liabilities	814,890	1,188,464	950,566	785,889	699,370	682,973	728,670
Accrued liabilities not due	264,738	218,679	228,623	212,329	213,258	231,202	220,347
Deferred credit items	312,750	216,826	187,514	214,967	229,735	267,873	369,896
Profit and loss surplus	3,644,053	2,930,705	2,893,714	2,728,298	2,158,466	1,724,779	1,277,807
Total	$25,902,082	$24,553,728	$24,645,874	$22,405,433	$22,112,779	$22,066,777	$22,199,563

Comment: There was a considerable increase in the outstanding funded debt of the Alabama Great Southern Railway during the year ended June 30, 1916, but as measured on the mileage basis there was a slight decrease. While the net capitalization per mile appears high, yet the net income on net capital has continued to grow, and in the year just closed was equal to about 12.2% which is far higher than the average for the decade.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Ala Great Southern first 5s..	J&J	D 1927	(1st) 290	$6,000	$4,478	$282	94%	Very high	High	Aaa.
2. Ala. Great Southern gen. 5s..	J&D	D 1927	(2d) 290	12,000	4,196	560	87%	"	"	Aaa.
3. Ala. Great South. first con. 5s	J&D	D 1943	(3d) 290	10,220		480	80%	"	"	Aa.
4. Belt Ry. of Chatt. first 5s...	J&J	Jl 1945	(1st) Term.	.....	3,636	50	80%	"	"	Aa.
5. Equip. trust 4½s, Series "D"	J&J	1917-19	(see text)	.....		36	80%	High	"	Aaa.
6. Equip. trust, 4½s, Series "E"	J&D	1917-26	"	.....		152	80%	"	"	Aa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,750,000; outstanding, $1,749,000. Dated Jan. 1, 1878; due Dec. 1, 1927. Int. paid at Farmers' Loan & Trust Co., New York and at Boston. Coupon, $1,000. First lien from Wauhatchie, Tenn., to Meridian, Miss., 289.69 miles, and from Chattanooga to Junction, N. C., and St. Louis Ry., 0.80 mile; total, 290.49 miles. Underlies No. 2 and No. 3, latter providing for retirement. Legal for Savings Banks in Mich., Minn., N. H., N. J., R. I., Wis. Normal income tax deducted from interest.

2. Auth., £1,160,000; outstanding, £714,700 (closed); dated June 1, 1888; due Dec. 1, 1927. Int. paid at Morgan, Grenfell & Co., London. Coupon, £100. Second lien on 290.49 miles, following No. 1. Underlies No. 3, of which sufficient is reserved to retire. Legal for Savings Banks in N. H. Listed on London Stock Exchange. Normal income tax deducted from interest.

3. Auth., $25,000,000; outstanding, $2,962,000. Dated Dec. 1, 1913; due Dec. 1, 1943; int. paid June and Dec. in London, New York and Paris. Coupon, $500 and $1,000; reg., $1,000 and multiples. Of those unissued, $5,492,000 are reserved to retire Nos. 1 and 2 at maturity, $7,546,000 for general improvements at not over $500,000 per year, beginning 1917; $9,000,000 for new construction, including double-tracking, etc. Those now outstanding are designated Series A. Interest rate on balance may be at less rate than 5%. Third lien on 290.49 miles, following Nos. 1 and 2. Legal for S. B. in N. H., N. J., R. I., Wis. Normal income tax deducted from interest.

4. Auth. and outstanding, $300,000. Dated Dec. 21, 1895; due July 1, 1945. Int. paid at Mercantile Trust & Deposit Co., Baltimore. Coupon, $1,000. Int. guar. under lease by Alabama Great Southern Ry. First lien on terminals at Chattanooga, Tenn., about 50 miles. There are also outstanding $24,000 income 4s, following these bonds on same property. Interest on latter has been regularly paid since 1901. Interest paid without deduction for normal income tax.

5. Auth., $1,000,000; outstanding, $250,000. Dated July 1, 1909; due $50,000 each Jan. 1 and July 1 to July 1, 1919, inc. Int. paid at Empire Trust Co., New York. Coupon, $1,000. First lien on equipment, $1,207,904. Interest paid without deduction for normal income tax.

6. Auth., $1,100,000; outstanding, $1,045,000. Dated June 1, 1916; due, $55,000 each June and Dec. 1, to June 1, 1926. Coupon, $1,000. First lien on equipment costing $1,313,500. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Alabama Gt. Southern preferred stock..... Par $50. Outstanding, $3,380,350.	6% F&A	$10,904	$2,665	$655*	75%	High	High	A.
Alabama Gt. Southern common stock..... Par $50. Outstanding, $7,830,000.	5% J&D	25,258	2,010	1,263†	37%	Good	"	Baa.†

* For 6% dividend. † For 5% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 19 to 21.

Note: Auth., $4,000,000 preferred and $7,830,000 common. Preferred is 6% cumulative entitled to share with common after latter receives 6%. Dividends of 6% regularly paid F. & A. on preferred. Paid 1% extra in Aug., 1916 and ½% extra Feb., 1917. On common: 1909, 2%; 1910, 4½%; 1911 to 1915, 5%. Paid 2% extra June, 1916, and 1% extra Dec., 1916. Southern Railway Co. owns $1,725,000 preferred and $4,540,050 common, making 55.89% of total capital. Both issues listed on Baltimore and London Stock Exchanges. Transfer Office: 120 Broadway, New York.

COMPANY CONTROLLED BY ALABAMA GREAT SOUTHERN R.R. CO.

BELT RAILWAY COMPANY OF CHATTANOOGA

Origin: Incorporated under the laws of Tennessee, Sept. 28, 1895, as a reorganization of the Chattanooga Union Ry. Co., sold under foreclosure, July 17, 1895. Leased for fifty years from July 1, 1895, to the Alabama Great Southern R.R. Co., rental being interest on bonds issued. Line of road in and around Chattanooga, Tenn., 54.99 miles; other main tracks, 26.42 miles; sidings, 28.57 miles.

Management: OFFICERS: Fairfax Harrison, Pres., Washington, D. C.; T. C. Powell, Vice-Pres., Cincinnati, O.; E. M. Durham, Jr., Vice-Pres., Chattanooga, Tenn.; F. S. Wynn, Sec., New York; H. C. Ansley, Treas., Washington, D. C.; R. F. Huoth, Aud., Cincinnati, O. OFFICE: Chattanooga, Tenn.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$930,924	$843,364	$784,609	$777,375	$770.267	$765,652
Working assets	.....	7,500	7,500	7,500	7,500	7,500
Total	$930,924	$850,864	$792,109	$784,875	$777,767	$773,152
LIABILITIES:						
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	630,924	542,947	360,503	360,503	360,503	360,503
Working liabilities	.....	7,500	131,606	124,372	117,264	112,649
Accrued liabilities not due	.....	417	.....	.....	.....	.....
Total	$930,924	$850,864	$792,109	$784,875	$777,767	$773,152

Bonded Debt: (1) $300,000 Belt Ry. Co. of Chattanooga 1st 5s. Dated Dec. 31, 1895; due July 1, 1945. Int. Jan. and July 1, at office of Mercantile Trust & Deposit Co., Baltimore, Md., trustee. Coupon, $1,000. First lien on entire property. Int. guar. under lease by Ala. Great Southern R.R. Co. For rating, see Bond Table of that company, page 700.

(2) $24.000 Belt Ry. Co. of Chattanooga 2d 4s. Dated Dec. 31, 1895; due July 1, 1945. Int. paid J. and J. 1, nt Mercantile Trust & Deposit Co., Baltimore, Md., trustee. Coupon, $240. Callable at par and accrued interest. Follows No. 1 on same property.

Capital Stock: Authorized and outstanding, $300,000. Par, $100. All owned by Alabama Great Southern R.R. Co. TRANSFER AGENT: F. S. Wynn, New York.

GEORGIA SOUTHERN & FLORIDA RAILWAY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Georgia, May 22, 1895, as successor to Georgia Southern & Florida Railroad. In November, 1902, absorbed the Atlantic, Valdosta & Western Ry., and in October, 1903, acquired control of the Hawkinsville & Florida Southern Ry., and guarantees the first mortgage bonds of the latter. (The Hawkinsville & Florida Southern Ry. has since been reorganized and has absorbed the Gulf Line Ry.)

Location: The operated lines of the Georgia Southern & Florida consist of 402.47 miles, as follows: Macon, Ga., to Palatka, Fla., 285 miles; Valdosta to near Jacksonville, Fla., 106.61 miles; trackage rights, 10.86 miles.

Control: The company is controlled by Southern Railway Company, which owns a majority of stock.

Management: OFFICERS: Fairfax Harrison, Pres.; John B. Munson, Vice-Pres.; H. B. Spencer, Asst. to Pres.; F. S. Wynn, Secy.; H. C. Ansley, Treas.; A. H. Plant, Compt. DIRECTORS: T. C. Burke, W. R. Cox, T. B. Gresham, E. C. Long, W. A. Merryday, J. N. McCaw, J. B. Munson, A. S. Pendleton, H. H. Tift, T. D. Tinsley, A. D. Schofield, E. P. McBurney, H. M. Wortham, Fairfax Harrison. MAIN OFFICE, Macon, Ga.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	20.12%	24.02%	21.60%	20.59%	19.66%	16.79%	14.63%	16.06%	21.03%	17.82%
Products of Animals.....	2.70	2.60	1.70	2.14	2.03	6.26	5.61	6.05	4.88	4.75
Products of Mines.....	4.89	4.82	7.69	8.08	12.40	16.47	28.36	26.49	22.04	21.10
Products of Forests.....	47.13	42.85	40.71	37.52	36.74	28.83	25.92	21.63	20.79	24.17
Manufactures.....	23.10	23.54	25.46	28.03	23.75	20.59	17.48	20.00	21.58	22.17
Merchandise and Miscel...	2.06	2.17	2.84	3.64	5.42	11.06	8.00	9.77	9.68	9.99

Total revenue tonnage in 1908, 737,668 tons; in 1909, 904,362 tons; in 1910, 1,015,622 tons: in 1911, 1,017,863 tons; in 1912, 1,017,863 tons; in 1913, 1,239,438 tons; 1,246,307 tons in 1914; 1,052,778 tons in 1915; 1,170,849 tons in 1916.

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MOODY'S INVESTORS SERVICE

35 NASSAU STREET NEW YORK CITY

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	395	....	54	55	3,141	55%	67,623	268,985	192	$1.51	2.59c	1.17c
1908.....	395	....	54	60	3,045	56	67,526	246,809	161	1.43	2.46	1.12
1909.....	395	....	54	60	2,997	58	68,921	279,122	161	1.46	2.22	1.04
1910.....	395	....	56	53	2,895	57	80,826	315,271	172	1.58	2.22	1.04
1911.....	395	....	61	55	2,935	55	90,661	319,006	209	1.63	2.19	1.02
1912.....	395	....	54	55	2,756	51	95,801	333,950	244	1.72	2.20	.97
1913.....	395	....	64	66	2,728	55	93,888	411,055	291	1.76	2.24	.87
1914.....	395	49	61	62	2,392	56	95,260	389,737	286	1.79	2.21	.95
1915.....	395	....	60	60	2,196	58	74,599	340,841	257	1.81	2.19	.95
1916.....	402	49	50	59	2,460	60	75,400	396,359	351	1.91	2.16	.92
10-Year Average	396	10	57	59	2,755	56%	81,051	330,114	232	$1.66	2.27c	1.01c

Yard tracks and sidings, 110.07 miles.

Comment: During the year ended June 30, 1916, the freight density on the Georgia Southern & Florida property rose to much better figures, and was higher than in any year during the decade except in 1913. The average freight train load was moved up to a new high total, and the train mile earnings were also better than for many years past. The freight tonnage of the road was as usual widely diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$5,755	$846	$1,133	$1,979	$2,578	$1,198	$1,238	$203	$1,035	$735	29%	$300	$223
1908.....	5,498	504	1,082	1,586	2,701	1,211	1,242	234	1,008	731	27	277	223
1909.....	5,055	490	840	1,330	2,320	1,405	1,478	250	1,228	721	41	507	223
1910.....	5,879	599	1,260	1,859	2,703	1,317	1,480	265	1,215	832	32	383	223
1911.....	6,074	642	1,211	1,853	2,777	1,444	1,667	285	1,382	740	47	642	223
1912.....	6,272	659	1,186	1,845	3,037	1,390	1,610	319	1,291	848	35	443	224
1913.....	6,498	794	1,179	1,973	3,189	1,336	1,698	336	1,362	867	37	495	224
1914.....	6,574	806	1,287	2,093	3,254	1,227	1,632	345	1,287	907	30	380	224
1915.....	5,603	746	1,063	1,809	2,858	936	1,274	296	978	965	1	13	.....
1916.....	6,075	673	1,162	1,835	2,727	1,513	1,833	342	1,491	894	40	597	219
10-Year Average	$5,928	$676	$1,140	$1,816	$2,814	$1,298	$1,515	$287	$1,228	$824	35%	$404	$201

Note: Above table is based on average mileage operated for each year. For example, in 1916, the "balance for charges" (per mile) was $1,491; fixed charges consumed 60% of this, or $894 per mile, leaving $597, a "margin of safety" of 40%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$2,441,983	$2,213,248	$2,595,201	$2,566,550	$2,447,529	$2,399,398	$2,322,158
Maintenance of way	270,527	294,555	318,224	313,480	260,495	253,846	236,273
Maintenance of equipment	467,120	420,101	508,529	465,904	468,623	478,274	497,781
All other operating expenses	1,096,206	1,129,006	1,285,210	1,259,754	1,169,304	1,096,974	1,067,856
Net operating revenues	$608,130	$369,586	$483,238	$527,412	$549,107	$570,304	$520,248
Operating ratio	74.9%	83.2%	81.4%	79.4%	77.6%	76.2%	77.6%
Other income	128,687	133,655	161,459	143,316	86,695	125,628	64,431
Total net income	$736,817	$503,241	$644,697	$670,728	$635,802	$695,932	$584,679
Taxes accrued	137,502	116,779	136,219	132,838	125,998	112,460	104,709
Balance for charges	$599,315	$386,462	$508,478	$537,890	$509,804	$583,472	$479,970
Fixed charges	379,529	381,442	358,225	342,412	334,814	329,447	328,844
Surplus	$219,786	$5,020	$150,253	$195,478	$174,990	$254,025	$151,126
Dividends paid	88,400	.....	88,400	88,400	88,400	88,400	88,400
Approps. for impvmts., etc	.....	761	1,279	1,724	445	5,627	.....
Balance	$131,386	$4,259	$60,574	$105,354	$86,145	$159,998	$62,726

Earned on stock: 1912, first pfd., 25.7%; second pfd., 12.8%; common, 4.3%; 1913, first pfd., 28.6%; second pfd., 14.9%; common, 5.4%; 1914, first pfd., 22%; second pfd., 10.7%; common, 3.1%; 1915, first pfd., 0.74%; 1916, first pfd., 32.1%; second pfd., 10.5%; common, 6.5%.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $1,517,283; credit balance transferred from income, $131,386; profit on road and equipment sold, $2,214; unrefundable overcharges, $80; donations, $2,008; miscellaneous credits, $220; total, $1,653,191. Contra: Dividend appropriations of surplus, $44,200; surplus appropriated for investment in physical property, $575; loss on retired road and equipment, $19,526; miscellaneous debits, $24,699; credit balance carried to balance sheet, $1,564,191; total, $1,653,191.

Comment: Gross revenues on the Georgia Southern & Florida during the year ended June 30, 1916, were much better than in 1915, while the net revenues reached the best figures of the decade. The balance available for charges was very high and enabled the company to report a final surplus which exceeded that of any year since 1911. Results on the property since the close of the fiscal year have continued to be very favorable indeed.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	First Preferred Dividend. Amt. per Mile.	First Preferred Dividend. Rate.	Second Preferred Dividend. Amt. per Mile.	Second Preferred Dividend. Rate.	Margin of Safety 1st Preferred.	Margin of Safety 2d Preferred.
1907	$9,539	38%	$15,849	62%	.....	$25,388	$649	$24,739	5%	$86	5%	$137	5%	70%	36%
1908	9,539	38	15,659	62	.....	25,198	616	24,582	5.1	86	5	137	5	69	28
1909	9,539	38	15,940	62	.....	25,479	1,038	24,441	6	86	5	137	5	83	67
1910	9,539	30	17,527	70	.....	27,066	1,304	25,762	5.8	86	5	137	5	78	54
1911	9,539	30	17,718	70	.....	27,257	1,518	25,739	6.5	86	5	137	5	87	75
1912	9,539	30	18,195	70	.....	27,734	2,327	25,407	6.2	86	5	137	5	81	62
1913	9,539	33	19,504	67	.....	29,043	2,833	26,210	6.5	87	5	137	5	80	66
1914	9,539	33	19,775	67	.....	29,314	3,577	25,737	6.3	87	5	137	5	77	53
1915	9,539	33	19,539	67	.....	29,078	3,632	25,446	5	87	5	137	5	...	...
1916	9,373	31	20,652	69	.....	30,025	3,900	26,125	7	85	5	135	5	84	71
10-Year Average	$9,522	33%	$18,038	67%	.....	$27,558	$2,139	$25,419	5.9%	$86	5%	$137	5%	79%	58%

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$12,444,045	$11,897,536	$11,871,273	$12,036,163	$11,566,043	$11,352,242
Working assets	2,038,275	1,843,106	2,005,238	1,766,286	1,443,718	1,163,701
Deferred debit items	158,515	201,932	182,624	91,436	77,984	86,432
Total	$14,640,835	$13,942,574	$14,059,135	$13,893,885	$13,087,745	$12,602,375
Liabilities:						
Capital stock	$3,768,000	$3,768.000	$3,768,000	$3,768,000	$3,768,000	$3,768,000
Funded debt	8,302.265	7,718.000	7,811,000	7,704,000	7,187,000	6,999,000
Working liabilities	677,804	771,280	713,022	717,173	539,263	360,563
Accrued liabilities not due	95,795	79,940	84,810	83,765	67,725	62,412
Deferred credit items	162.090	52,156	59,753	77,035	78,321	63,909
Appropriaed surplus	80.690	35,915	79,497	78,218	76,494	76,049
Profit and loss surplus	1,564,191	1,517,283	1,543,053	1,465,694	1,370,942	1,272,442
Total	$14,650,835	$13,942,574	$14,059,135	$13,893,885	$13,087,745	$12,602,375

Comment: There was a slight increase in the funded debt of this property during the year ended June 30, 1916. The property, however, is very lightly capitalized and in recent years the company has had no difficulty in reporting a substantial net income on net capital.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Ga. Southern & Fla. first 5s.	J&J	Jl 1945	(con.) 392	$9,800	$1,228	$477	61%	Very high	High	Aa.
2 Ga. Southern & Fla. con. 4s.	J&J	Jl 1952	(con.) 392	5,100	751	200	73%	High	"	A.
3. Equip. trusts, Series "C" 4½s	M&S	1917–20	(see text)	.....	551	19	81%	"	"	A.
4. Equip. trusts, Series "D" 4½s	F&A	1917–22	"	.....		28	81%	"	"	A.
5. Equip. trusts, Series "E" 4½s	M&N	1917–25	"	.....		45	81%	.....	.....	....

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $4,000,000; outstanding, $3,838,000; in treasury, $112,000. Dated July 1, 1895; due July 1, 1945. Int. paid at Mercantile Trust & Deposit Co., Baltimore, and at New York. Coupon, $1,000. First lien on 285 miles from Macon, Ga., to Palatka, Fla.; second lien on 106.61 miles from Valdosta, Ga., to Grand Crossing, near Jacksonville,

Fla., subject to the first lien of the Georgia Southern & Florida Cons. 4s of 1952 (No. 2). Underlies $684,000 first preferred stock, which is a second lien on the 285 miles described above; also underlies Georgia Southern & Florida 1st Cons. 4s (upon the same milcage), which provides for the retirement of this issue and of the first preferred stock. All of the outstanding Cons. 4s are owned by the Southern Ry. and deposited under its Dev. and Gen. Mortgage 4s. Listed on Baltimore and Richmond Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth., $10,000,000; outstanding, $2,000,000; in treasury, $1,200,000. Dated Oct. 16, 1902; due July 1, 1952. Int. paid at Mercantile Trust & Deposit Co., Baltimore. Coupon, $1,000. First lien on 106.61 miles (underlying No. 1) and third lien on 285 miles which is covered by No. 1 as first lien and by first preferred stock as second lien. Of total auth. issue, $4,684,000 are reserved to retire No. 1, and first preferred stock. Entire outstanding amount ($2,000,000) owned by Southern Railway Co. Interest paid without deduction for normal income tax.

3. Auth., $500,000; outstanding, $175,000. Dated March 15, 1910; due $25,000 each March and Sept. 15 to March 15, 1920, inc. Int. paid at Equitable Trust Co., New York. Coupon, $1,000. First lien on equipment costing $575,000. Interest paid without deduction for normal income tax.

4. Auth., $425,000; outstanding, $253,000. Dated Aug. 1, 1912; due $21,000 each Feb. 1 and $22,000 each Aug. 1 to Aug. 1, 1917, inc.; thereafter $21,000 on each interest date to Aug. 1, 1922. Int. paid at Bankers Trust Co., New York. Coupon, $1,000. First lien on equipment costing $504,150. Interest paid without deduction for normal income tax.

5. Auth., $450,000; outstanding, $405,000. Dated Nov. 15, 1915; due $22,000 each May 15 and $23,000 each Nov. 15 to Nov. 15, 1925. Int. paid at Old Dominion Trust Co., Richmond, Va. Coupon, $1,000. First lien on equipment, costing $535,000. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Georgia Southern & Fla. first preferred..... Par $100. Outstanding, $684,000.	5% M&N	$702	$404	$85	79%	High	High	A.
2. Georgia Southern & Fla. second preferred... Par $100. Outstanding, $1,084,000.	5% M&N	2,700	319	135	58%	"	"	Baa.
3. Georgia Southern & Fla. common stock..... Par $100. Outstanding, $2,000,000.	.....	5,000	184	.....	.....	Fair	"	Caa.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30. 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Auth., $684,000. This issue is a mortgage lien on 285 miles, prior to the first consol. 4s of 1952, but subject to the first 5s of 1945. Callable at par at any time, at company's option. Full 5% dividend has been paid for many years.

2. Auth., $1,084,000. Follows No. 1 in claim for 5% dividends; after common has received 5% all classes of the stock thereafter share alike. Received full 5% from 1906 to date.

3. Auth., $2,000,000. Entitled to 5% dividends after first and second preferred have received 5% each; any further surplus to be divided pro rata. No dividends have been paid on this issue. Transfer Agent, Mercantile Trust & Deposit Co., Baltimore. Listed on Baltimore Stock Exchange.

Southern Railway owns $1,691,500 common, $309,000 second preferred, $177,700 first preferred, and $2,000,000 of the first cons. 4% bonds due 1952.

COMPANY CONTROLLED BY GEORGIA SOUTHERN & FLORIDA RY.

HAWKINSVILLE & FLORIDA SOUTHERN RAILWAY

Origin: Incorporated under the laws of Georgia, May 25, 1896, and acquired the property of the Gulf Line Railway. Controlled through stock ownership by the Georgia Southern & Florida Ry., which owns the capital stock.

Location: Line of road operated, Hawkinsville to Worth and Ashburn to Camilla, Ga., 96.24 miles; sidings, 14.34 miles; locomotives 5, freight cars 45, passenger cars 7, service cars 11.

Management: Officers: J. B. Munson, Pres. and Gen. Mgr.; J. E. Hall, Vice-Pres. and Gen. Counsel; W. P. Hopper, Secy. and Treas. Directors: J. E. Hall. W. P. Hopper, J. B. Munson, R. S. Anderson, T. R. Bennett, C. W. Hillhouse, E. W. Stetson, C. F. Shingler, A. H. Pinson. Annual meeting, first Monday in May. Office: Macon, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$123.967	$134,172	$172.028	$18,000	$18,000	$18,000
Gross expenses	109,595	113,824	139,305	.....	.....	.....
Net revenues	$14,372	$20,348	$32.723	$18,000	$18,000	$18,000
Other income	4,799	409	1,900	53	.....	57
Total net income	$19.171	$20.757	$34.623	$18,053	$18,000	$18,057
Taxes	8.164	6.452	8.921	.....	80	80
Fixed charges	45,041	42.839	47,182	16,437	17,293	16,320
Surplus	(def.) $34,034	(def.) $28,534	(df.) $21,480	$1,616	$627	$1,657

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $1,679; miscellaneous credits, $94; debit balance carried to balance sheet, $91,991; total, $93,764. Contra: Debit balance at beginning of year, $58,790; debit balance transferred from income, $34,034; loss on retired road and equipment, $435; miscellaneous debits, $505; total, $93,764.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$729,539	$701,043	$736,788	$427,826	$427,826	$427,826
Working assets	43,098	44,291	85,949	10,757	936	286
Deferred debit items	1,888	654	1,633	.....	.....	.....
Profit and loss deficit	91,991	58,790	30,206	.....	.....	.....
Total	$866,506	$804,778	$854,576	$438,583	$428,762	$428,112
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	*676,109	623,425	661,000	325,000	325,000	325,000
Working liabilities	74,234	70,312	81,322	8,233	28	4
Accrued liabilities not due	15,777	10,818	12,047	.....	.....	.....
Deferred credit items	496	223	207	.....	.....	.....
Profit and loss surplus	.....	.....	.....	5,350	3,734	3,108
Total	$866,506	$804,778	$854,576	$438,583	$428,762	$428,112

* Included $90,109 Open Accounts.

Note: This small property has not shown any improvement in earning power in recent years, and the deficit after deducting charges has tended to be very heavy. It is doubtless of traffic value to the Georgia Southern & Florida, but as an investment has not proven very satisfactory. The position of the outstanding bonds, however, is assured by the guaranty.

Bonded Debt: (1) $586,000 Hawkinsville & Florida Southern Ry. first 5s; in Series A and B, of which Series A are dated April 1, 1902, and Series B, Aug. 1, 1913; due April 1, 1952; int. paid at Union Savings Bank & Trust Co., Cinn. Coupon. $1,000. First lien on all mileage owned, consisting of line from Hawkinsville to Camella. Of those outstanding, $571,000 are guar. prin, and int. by Georgia Southern & Florida Ry. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Auth. and issued, $100,000; par $100. All owned by Georgia Southern & Florida Ry.

MOBILE & OHIO RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Alabama laws, Feb. 3, 1848; main line completed in 1861. The division from Montgomery, Ala., to Columbus, Miss., was opened in 1898. In 1903, the Mobile & Bay Shore Ry. was acquired. In 1913, the company acquired the St. Louis & Cairo R.R., which had been operated under lease. The Warrior Southern Ry. is controlled by ownership of both its stock and bonds. Also controls the Mobile Docks Co. and is jointly interested with the Southern Ry. in the Gulf Terminal Co.

Location: The directly operated lines of the Mobile & Ohio consist of 1,122.48 miles, as follows: Main line, Mobile, Ala., to East St. Louis, Ill., 641 miles; Artesia, Miss., to Montgomery, Ala., 181.18 miles; Mobile & Bay Shore branch, 38.36 miles; smaller branches owned, 59.23 miles; Warrior Southern line, 13.60 miles; trackage rights, 189.12 miles. Mileage mainly in Mississippi, Alabama, Tennessee and Illinois. Population of these States in 1890, 8,396,486; in 1900, 10,222,133; in 1910, 11,758,587.

Control: The Southern Railway owns $5,670,200 out of $7,730,000 stock of the Mobile & Ohio R.R., and has issued its own stock certificates, par for par, against this stock, 4% per annum being paid on these certificates.

Management: OFFICERS: Fairfax Harrison, Pres.; R. V. Taylor, Vice-Pres. and Gen. Mgr.; H. C. Ansley, Treas.; F. S. Wynn, Secy. DIRECTORS: Henry Hall, Adrian Iselin, Jr., Ernest Iselin, W. Emlem Roosevelt, C. Sidney Shepard, Johnson De Forest, Samuel Woolverton, Fairfax Harrison, R. V. Taylor, Albt. P. Bush, Guy Cary, H. B. Spencer, H. M. Street. Annual meeting, third Wednesday in February. MAIN OFFICE: Mobile, Ala. NEW YORK OFFICE, 120 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	18.06%	20.79%	21.17%	22.18%	19.05%	18.92%	18.74%	16.57%
Products of Animals	.....	.....	2.54	1.80	1.89	1.97	2.11	4.26	4.03	3.38
Products of Mines	.....	.....	24.72	25.94	27.23	26.61	24.23	28.24	31.86	30.63
Products of Forests	.....	.....	35.44	33.00	30.18	29.20	35.03	32.63	30.41	33.94
Manufactures, Mdse., etc.	.....	.....	19.24	18.47	19.53	20.04	19.58	15.95	14.96	15.48

Total tons carried, 5,217,311 in 1909; 5,911,133 in 1910; 6,023,764 in 1911; 5,994,179 in 1912; 6,759,175 in 1913; 7,111,225 tons in 1914; 6,321,104 tons in 1915; 6,842,318 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	926	....	246	125	10,105	75%	56,885	1,407,118	262	$1.68	2.37c	.62c
1908	926	....	266	128	11,769	74	54,802	1,215,973	255	1.76	2.39	.63
1909	1,114	....	266	129	11,723	73	46,580	1,030,257	282	1.77	2.34	.62
1910	1,114	....	263	126	11,319	73	52,508	1,163,890	312	1.83	2.29	.60
1911	1,114	....	258	130	11,085	73	56,170	1,195,411	305	1.86	2.29	.68
1912	1,114	....	270	126	10,882	81	58,144	1,203,696	310	1.85	2.20	.68
1913	1,119	....	272	136	11,222	82	58,045	1,389,899	338	1.94	2.25	.66
1914	1,122	....	287	128	11,418	83	61,522	1,424,189	323	1.89	2.21	.67
1915	1,122	....	291	146	12,054	83	49,475	1,295,946	359	1.92	2.21	.63
1916	1,122	....	283	141	11,731	84	48,960	1,424,007	408	2.15	2.22	.63
10-Year Average	1,079	....	270	132	11,331	78%	54,309	1,275,039	315	$1.87	2.28c	.64c

Yard, track and sidings on June 30, 1916, 352.84 miles.

Comment: During the year ended June 30, 1916, there was substantial recovery in the freight density of the Mobile & Ohio Railroad, and the freight train load rose very rapidly. Train mile earnings were also better than in any previous year. The tonnage of the company was as usual very widely diversified and the amount of tonnage transported also underwent a substantial increase.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$11,609	$1,434	$1,968	$3,402	$4,549	$3,658	$3,875	$219	$3,656	$2,516	31%	$1,140	$325
1908	10,420	1,326	1,503	2,829	4,534	3,057	3,245	245	3,000	2,498	17	502	261
1909	8,732	930	1,285	2,275	3,640	2,817	2,971	217	2,754	2,362	14	392	264
1910	9,548	1,089	1,708	2,797	3,855	2,896	3,102	262	2,840	2,344	18	496	218
1911	10,051	1,154	1,714	2,868	4,230	2,953	3,159	270	2,889	2,338	19	551	218
1912	10,057	1,139	1,796	2,935	4,393	2,729	2,925	278	2,647	2,270	14	377	218
1913	11,061	1,245	2,101	3,346	4,759	2,956	3,186	320	2,866	2,292	20	574	215
1914	11,565	1,339	2,391	3,730	5,250	2,585	2,663	371	2,292	2,217	3	75	214
1915	9,788	945	1,665	2,610	4,461	2,717	2,790	345	2,445	2,152	12	293	215
1916	10,575	1,057	2,216	3,273	4,333	2,969	3,218	364	2,854	2,094	27	760	215
10-Year Average	$10,341	$1,172	$1,835	$3,007	$4,400	$2,934	$3,113	$289	$2,824	$2,308	18%	$516	$236

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) was $2,854; fixed charges consumed $2,094, or 73%, leaving $760 per mile, a "margin of safety" of 27%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$11,865,321	$10,980,009	$12,956,266	$12,360,419	$11,207,732	$11,197,346	$10,636,733
Maintenance of way	1,185,363	1,060,127	1,502,120	1,393,498	1,269,157	1,285,758	1,213,403
Maintenance of equipment	2,486,541	1,868,535	2,682,921	2,351,105	2,002,108	1,910,299	1,902,634
All other operating expenses	4,861,833	5,004,994	5,890,787	5,325,594	4,907,843	4,684,836	4,264,287
Net operating revenues	$3,331,584	$3,046,353	$2,880,438	$3,290,222	$3,028,624	$3,317,453	$3,256,409
Operating ratio	71.9%	72.2%	77.8%	72.5%	72.8%	70.5%	69.6%
Other income	279,163	83,649	107,944	274,619	229,973	230,188	229,880
Total net income	$3,610,747	$3,130,002	$2,988,382	$3,564,841	$3,258,597	$3,547,641	$3,486,289
Taxes accrued	408,147	387,601	416,519	358,471	309,565	301,025	292,221
Balance for charges	$3,202,600	$2,742,401	$2,571,863	$3,206,370	$2,949,032	$3,246,616	$3,194,068
Fixed charges	2,349,471	2,413,733	2,486,754	2,564,500	2,524,961	2,632,767	2,641,481
Surplus over charges	$853,129	$328,668	$85,109	$641,870	$424,071	$613,849	$552,587
Dividends paid	*	240,672	240,680	240,824	240,824	242,824	242,824
Other deductions	5,390	3,238	23,738	19,803	10,751	8,335	28,432
Balance	$847,739	$84,758	(d) $179,309	$381,243	$172,496	$362,690	$281,331

* Dividends paid from Profit and Loss in 1916.

Note: Fixed charges in 1916 included joint facility rents, $558,573; interest on bonds, notes, etc., $1,386,103; interest on equipment notes, $134,638.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $5,191,466; credit balance transferred from income account, $847,739; donations, $5,259; miscellaneous credits, $47,546; total, $6,092,010. Contra: Dividend appropriations of surplus, $240,672; surplus appropriated for investment in physical property, $7,881; loss on retired road and equipment, $3,187; delayed income debits, $2,224; miscellaneous debits, $15,194; credit balance carried to Balance Sheet, $5,822,852; total $6,092,010.

Comment: Gross revenues on this property during the year ended June 30, 1916, were substantially better than in 1915, while the net operating revenues rose to the best figures of recent years. As outside income also underwent substantial improvement the balance available for charges was higher than in any recent years. The surplus carried forward fully covered the dividend requirements, and enabled the company to report a substantial balance.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$6,555	17%	$30,788	83%	$9,915	$47,258	$3,979	$43,279	9%	.....	.....	$325	5%	.....	71%
1908	6,555	16	31,907	83	9,915	48,377	3,392	44,985	7.2	.....	.....	261	4	.....	48
1909	5,320	17	24,943	83	8,020	38,283	2,725	35,558	8.3	.....	.....	264	5	.....	33
1910	5,455	17	24,912	83	8,829	39,196	2,163	37,034	8.1	.....	.....	218	4	.....	56
1911	5,455	17	24,921	83	9,493	39,869	2,187	37,682	8.1	.....	.....	218	4	.....	60
1912	5,455	17	24,891	83	9,410	39,756	1,692	38,064	7.7	.....	.....	218	4	.....	43
1913	5,380	18	24,316	82	10,190	39,886	141	39,745	8	.....	.....	215	4	.....	63
1914	5,303	16	27,906	84	858	34,127	140	33,987	7.8	.....	.....	214	4	.....	...
1915	5,363	16	28,782	84	. .	34,145	170	33,975	8.2	.....	.....	215	4	.....	27
1916	5,363	15	29,256	85	. .	34,619	170	34,449	9.3	.....	.....	215	4	.....	72
10-Year Average	$5,626	17%	$27,262	83%	$6,663	$39,551	$1,675	$37,876	8.2%	.....	.....	$236	4.2%	.....	54%

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$44,393,242	$45,195,574	$43,695,574	$40,873,228	$40,410,340	$40,232,793
Working assets	4,412,604	3,932,568	4,458,235	4,316,576	4,209,092	3,701,580
Deferred debit items	1,900,680	823,201	429,451	405,130	831,521	374,247
Total	$50,706,526	$49,951,343	$48,583,260	$45,594,934	$45,450,953	$44,308,620
Liabilities:						
Capital stock	$7,730,000	$7,730,000	$7,730,000	$7,730,000	$7,730,000	$7,730,000
Funded debt	32,825,000	32,293,000	31,310,000	27,210,000	29,085,966	28,853,710
Working liabilities	2,567,597	3,248,546	3,339,178	4,097,703	2,645,946	1,988,808
Accrued liabilities not due.	509,098	537,755	500,448	481,890	470,122	460,980
Deferred credit items	974,474	686,138	343,906	408,161	382,292	362,662
Appropriated surplus	277,505	264,439	261,201	237,463	217,660	206,909
Profit and loss surplus	5,822,852	5,191,465	5,098,527	5,429,717	4,918,967	4,705,551
Total	$50,706,526	$49,951,343	$48,583,260	$45,594,934	$45,450,953	$44,308,620

Comment: The funded debt of the Mobile & Ohio property increased moderately during the year ended June 30, 1916, but there was no change in the outstanding capital stock. The net capitalization it will be noted has tended to decline per mile in recent years, and the net income on net capital has continuously ranged at substantial figures.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Mobile & Ohio first 6s	J&D	D 1927	(1st) 472	$14,830	$2,824	$375	87%	Very high	Very high	Aaa.
2. Mobile & Ohio first ext. 6s	QuJ	Jl 1927	(1st) 53 (2d) 472	2,000		55	84%	"	"	Aa.
3. Mobile & O. Mon. div. first 5s	F&A	F 1947	(1st) 190	21,053	2,449	180	84%	"	"	Aa.
4. St. Louis & Cairo first 4s	J&J	Ja 1931	(1st) 159	25,000		142	84%	"	"	Aa.
5. Mobile & Bay Shore first 5s	M&N	My 1949	(1st) 46	4,350		9	84%	"	High	A.
6. Mobile & Ohio general 4s	M&S	S 1938	(gen) 525	18,000	2,063	338	84%	High	Very high	A.
7. Mobile & Ohio St. Louis div. 5s	J&D	D 1927	(2d) 159	15,800		112	68%	"	High	A.
8. Mobile & Ohio term. & coll. 5s	F&A	1917-21	(mg & coll.)	(see text)	1,725	24	68%	"	"	A.
9. Equipment trusts, see text.	Var.	Var.	.....	.....		408*	68%	"	"	A.

* Includes instalments of principal.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $7,000,000. Dated May 1, 1879; due Dec. 1, 1927. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $500 and $1,000. First lien from Mobile to Columbus, Ky., 472 miles. Underlie Nos. 2 and 6. Legal for Savings Banks in Cal., Me., and N. Y. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth. and outstanding, $1,000,000. Dated July 1, 1883; due July 1, 1927. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. First lien on 52.98 miles, as follows: From a point opposite Cairo, Ill., to East Columbus, Ky., 18.99 miles; Artesia to Columbus, Miss., 13.99 miles; Artesia to Starkville, Miss., 11 miles; Muldon to Aberdeen, Miss., 9 miles; second lien on 472 following No. 1. Underlies No. 6. Legal for S. B. in Conn. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth. and outstanding, $4,000,000. Dated Feb. 1, 1897; due Feb. 1, 1947. Int. paid at Hanover National Bank, New York. Coupon, $1,000. First lien on 189.60 miles, as follows: From Columbus, Miss., to Montgomery, Ala., 167.19 miles, with branches from Tuscaloosa to Tidewater, Ala., 9.51 miles, and from Eoline to Tennessee Coal, Iron & R.R. Mine, Ala., 12.90 miles. Legal for S. B. in Me., Mich., Minn., N. H., N. J., Wis. Listed on New York Stock Exchange. Normal income tax deducted from interest.

4. Auth. and outstanding, $4,000,000. Dated April 1, 1886; due Jan. 1, 1931. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $500 and $1,000. Guar. as to int. by Mobile & Ohio R.R. by endorsement and now assumed. First lien on 158.60 miles, as follows: From East St. Louis to Cairo, Ill., 151.60 miles, and Millstadt to Millstadt Junc., Ala., 7.23 miles. Underlie No. 7. Legal for S. B. in Me., Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

5. Auth. and outstanding, $200,000. Dated May 1, 1899; due May 1, 1949. Int. paid at First National Bank, Mobile, Ala. Coupon, $500 and $1,000. Assumed by Mobile & Ohio R.R. First lien on 46.30 miles, as follows: From Mobile & Bay Shore Junc. to Bayou La Batre, Ala., 34.10 miles; Mann to Dawes, Ala., 7.94 miles; Delchamps to Alabama Port, Ala., 4.26 miles. Normal income tax deducted from interest.

6. Auth., $10,500,000; outstanding, $9,472,000 (closed). Dated May 15, 1888; due Sept. 1, 1938. Int. paid at Hanover National Bank, New York. Coupon, $500 and $1,000. Second lien on 52.98 miles, following No. 2; third lien on 472 miles, following No. 2. Listed on New York Stock Exchange. Normal income tax deducted from interest.

7. Auth., $3,000,000; outstanding, $2,500,000. Dated Aug. 1, 1913; due Dec. 1, 1927. Int. paid at Hanover National Bank, New York. Coupon, $1,000. Callable at 102½ and int. on eight weeks' notice. Second lien on 158.83 miles following No. 4. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

8. Auth., $1,200,000; outstanding, $540,000. Dated Feb. 15, 1911; due $60.000 semi-annually from Aug. 15, 1911, to Feb. 15, 1921. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. First lien upon real estate in Mobile, Ala., purchased to add to terminals, costing about $83.087; and upon station property in Birmingham, Ala., costing about $245,725; first collateral lien on 13.60 miles from Tidewater to Kellerman, Ala.; first collateral lien on 200 drop bottom gondola cars; on one-fourth interest in 63,785 Preferred "A" and 106,404 Deferred "B" shares of the Alabama, New Orleans & Texas Pacific Junc. Ry. Co., Ltd.; total value of property pledged about $1,796,094. Interest paid without deduction from normal income tax.

9. Outstanding: Series A, 5s, $498.000, due May 1, 1919; Series B, 5s, $499,000, due Oct. 1, 1919; Series F, 4½s, $248,000, due $22,000 each Sept. 1 and $23,000 each March 1 to March 1, 1922; Series G, 5s, $435,000, due $32,000 each M. and N. to May 1, 1922; $31,000 thereafter to Nov. 1, 1923; Series H, $759,000 5s, dated July 10, 1914; due, $50,000 each Jan. and July 15 to Jan. 15, 1923, $53,000 thereafter to July 15, 1924. Int. paid Jan. and July 15th. Original amount, $1,009,000. Series J, 4½s; dated June 1 1916; due $47,000 each Dec. 1 and $48,000 each June 1 to June 1, 1926. Int. paid J. and D. 1. Coupon, $1,000. Original amount. $950.000; now outstanding $903,000. First lien on equipment costing $1,057,000. Interest paid without deduction for normal income tax on Series A, B and F only.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Mobile & Ohio R.R. stock..... Par $100. Outstanding, $6,016,800.	4%	$5,363	$516	$215	58%	Good	.....	Baa.

Note: "Average income available" is the average net income available for interest charges, after deducting taxes, depreciation, etc., for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight. such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation. see Introduction. For Key to Stock Ratings, see pages 21 to 23.

Auth., $10.000.000; outstanding, $6,016,800, in treasury, $1,713,200. The Southern Railway owns $5,670,200 of the issue, for which it has exchanged its own 4% stock trust certificates. See that company. Dividends in recent years: 1908, 4%; 1909, 5%; 1910, 4%; 1911, 4%; 1912, 4%; 1913, 4%; 1914, 4%; 1915, 4%; 1916, 4%.

NEW ORLEANS & NORTH EASTERN RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19–26.

Origin: Organized in 1868, constructed in 1882 and 1883. Formerly controlled by Alabama, New Orleans, Texas & Pacific Junction Rys., Ltd., which owned $5,336.300 stock out of a total issue of $6,000,000; $5,295,000 general 4½s out of $6,162,000, and $1,500,000 (all) income 4½s of the New Orleans & North Eastern R.R. See below for new control.

Location: Forms part of "Queen and Crescent Route," between New Orleans and Cincinnati. Line of road owned extends from Meridian, Miss., to New Orleans, La., 195.52 miles; trackage rights over Alabama & Vicksburg, .38 mile; trackage rights on New Orleans Terminal Co. property, 7.83 miles, making a total operated mileage of

203.73 miles. At Meridian, the road connects with Alabama & Vicksburg, the Alabama Great Southern, the Mobile & Ohio, etc. Mileage chiefly in Mississippi. Population of Mississippi in 1890, 1,289,600; in 1900, 1,551,665; in 1910, 1,797,114.

New Control: In Nov., 1916, control of this company was acquired from the Alabama, New Orleans, Texas & Pacific Junc. Rys., Ltd., by J. P. Morgan & Co., in the interest of the Southern Ry. by the purchase of the $5,336,300 common stock, $5,595,000 general 4½s and $1,500,000 income 4½s held by the English company.

Management: OFFICERS: Fairfax Harrison, Pres.; T. C. Powell, Vice-Pres.; H. B. Spencer, Vice-Pres.; E. H. Coapman, Vice-Pres.; H. W. Miller, Vice-Pres.; T. F. Steele, Vice-Pres.; F. S. Wynn, Sec.; H. C. Ansley, Treas DIRECTORS: D. D. Curran, R. M. Walmsley, Pearl Wight, Alfred Slidell, W. P. Burke, T. F. Steele, W. R. Stauffer, Fairfax Harrison, T. C. Powell. Annual meeting, first Wednesday in November. OFFICES, New Orleans, La. NEW YORK OFFICE, 120 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	11%	13%	10%	11%	11%	13%	16%	13.38%	12.29%
Products of Animals.....	.....	1	1	1	1	1	1	1	1.69	1.33
Products of Forests.....	.....	36	38	36	32	34	39	38	38.61	37.24
Products of Mines.....	.....	18	16	18	20	19	18	17	18.01	16.29
Manufactures and Miscel..	.....	34	32	35	37	35	29	28	28.31	32.85

Total tonnage in 1909, 1,917,711 tons; in 1910, 2,452,727 tons; in 1911, 2,583,665 tons; in 1912, 2,807,707 tons; in 1913, 2,843,657 tons; in 1914, 3,026,893 tons; in 1915, 2,747,175 tons; in 1916, 2,827,642.

The chief items of freight tonnage on this line are lumber and logs, which aggregated 1,076,242 tons in 1913, 1,124,384 tons in 1914, and 1,033,566 in 1915; 1,052,917 in 1916. Coal aggregated 334,608 tons in 1915; 209,483 tons in 1916; cotton only 84,884 tons in 1915 and 70,420 in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	196	....	60	54	2,842	70%	140,707	1,223,712	303	$2.32	2.44c	.94c
1908.....	196	....	66	54	2,929	73	119,992	1,259,189	319	2.10	2.50	.84
1909.....	196	16	66	54	2,920	75	119,240	1,478,209	327	1.97	2.37	.78
1910.....	196	16	66	54	2,899	74	135,413	1,844,938	355	2.04	2.33	.71
1911.....	196	16	68	54	2,993	76	135,629	2,040,050	385	2.09	2.33	.67
1912.....	196	16	76	54	2,908	75	137,093	2,190,002	398	2.17	2.33	.67
1913.....	196	16	74	54	2,876	75	139,820	2,137,423	400	2.21	2.36	.68
1914.....	204	16	74	52	2,733	77	135,689	2,209,738	377	2 20	2.30	.68
1915.....	200	25	79	52	2,973	75	114,063	2,034,480	461	2.35	2.33	.65
1916.....	200	25	77	52	2,933	74	126,498	2,154,468	531	2.71	2.30	.67
10-Year Average	198	15	71	53	2,901	74%	130,414	1,866,221	386	$2.22	2.35c	.73c

Yard tracks and sidings, June 30, 1916, 104.64 miles. Main line and second track are laid with 75-lb. steel rails; balance with 75-lb. and 60-lb. rails.

Comment: This property has recently come under the control of the Southern Railway, but for the year ended June 30, 1916, was operated independently of that company. The passenger and freight density both underwent improvement during the year, while the freight train load rose to a new high total. Train mile earnings were also better than at any previous time, and are now ranging far higher than at any time in the decade, the proportion of high grade freight representing nearly one-third of the total during the year recently closed.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$16,593	$2,172	$2,841	$5,013	$5,993	$5,590	$5,613	$382	$5,231	$2,227	57%	$3,004	$1,530
1908.....	14,619	1,884	2,803	4,687	6,130	3,802	4,449	384	4,065	2,354	42	1,711	1,837
1909.....	15,485	1,570	2,747	4,317	6,387	4,781	5,224	480	4,742	2,432	50	2,310	1,224
1910.....	17,567	1,835	2,692	4,527	7,056	5,984	6,495	504	5,991	2,227	63	3,764	1,530
1911.....	18,008	1,809	2,743	4,552	7,757	5,699	6,252	551	5,701	2,915	48	2,756	1,990
1912.....	19,223	1,863	3,979	5,842	8,343	5,038	5,796	557	5,239	3,343	36	1,896	1,224
1913.....	19,206	2,014	3,824	5,838	8,784	4,584	5,674	751	4,923	2,977	40	1,946	1,531
1914.....	19,489	2,008	4,260	6,268	8,710	4,511	4,969	895	4,074	3,442	16	632	1,471
1915.....	17,431	1,792	3,688	5,480	7,732	4,219	4,959	881	4,075	3,052	25	1,023	300
1916.....	18,901	2,034	3,222	5,256	7,381	6,264	7,120	942	6,178	2,761	55	3,417	300
10-Year Average	$17,652	$1,798	$3,280	$5,178	$7,427	$5,047	$5,655	$633	$5,022	$2,776	43%	$2,246	$1,294

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after paying fixed charges. For example, in 1916 the "balance for charges" was $6,178; fixed charges consumed 45% of this, or $2,761, leaving $3,417, a "margin of safety" of 55%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,780,183	$3,485,516	$3,972,082	$3,764,458	$3,765,754	$3,527,931	$3,443,102
Maintenance of way	406,689	358,350	409.603	394,728	365,274	354,599	359,593
Maintenance of equipment	644,471	737,706	869,012	749,603	701,357	537,671	527,636
All other expenses	1,476,184	1,546,437	1,776,915	1,721,716	1,711,703	1,518,776	1,382,994
Net operating revenues	$1,252,839	$843,023	$916,552	$898,411	$987,420	$1,116,885	$1,172,879
Operating ratio	66.8%	75.9%	76.9%	76.1%	73.8%	68.3%	65.9%
Other income	171,195	148,702	97,116	213,636	148,578	108,364	100,184
Total net income	$1,424,034	$991,725	$1,013,668	$1,112,047	$1,135,998	$1,225,249	$1,273,063
Taxes accrued	188,399	176,872	182,586	147,147	109,185	108,027	98,786
Balance for charges	$1,235,635	$814,853	$831,082	$964,900	$1,026,813	$1,117,222	$1,174,287
Fixed charges	552,281	610,397	702,153	583,534	655,429	586,669	503,954
Surplus over charges	$683,354	$204,456	$128,929	$381,366	$371,384	$530,553	$670,323
Dividend paid	*	60,000	60,000	300,000	300,000	390,000	390,000
Balance	$683.354	$144,456	$68,929	$81.366	$71,384	$140,553	$280,323
Earned on stock	11.39%	3.41%	2.15%	6.35%	6.19%	8.84%	11.17%

* Dividend of $60,000 in 1916 paid out of profit and loss surplus.

NOTE: Other income in 1916 included joint facility and miscellaneous rents of $82.878. Fixed charges included interest on bonds, $431,885; hire of equipment debit, $35,530; joint facility rents, $82,878.

Profit and Loss Account for year ending June 30, 1916 shows credit balance on June 30, 1915, $1.351,263; credit balance transferred from income, $683,354; unrefundable overcharges, $1,275; donations, $739; miscellaneous credits, $3,763; total, $2,040,394. Contra: Dividend appropriations of surplus, $60,000; surplus appropriated for investment in physical property, $739; debt discount extinguished through surplus, $6,066; loss on retired road and equipment, $37,267; miscellaneous debits, $845; credit balance carried to balance sheet, $1,935,477; total, $2,040,394.

Comment: Gross revenues underwent substantial improvement on the New Orleans and North Eastern during the year ended June 30, 1916. The total income avilable for charges was more than double the fixed charge requirements, and enabled the company to report 11.4% earned on the outstanding stock as compared with less than 3½% during the previous year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.									Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$30,612	42%	$42,867	58%	.....	$73,479	.....	$73,479	7.5%	.....	.....	$1,530	5%	.....	49%
1908	30,612	41	43,276	59	.....	73,888	.....	73,888	6	.....	.....	1,837	6	.....	Def.
1909	30,612	41	44,296	59	.....	74,908	.....	74,908	7.1	.....	.....	1,224	4	.....	47
1910	30,612	40	45,490	60	.....	76,102	.....	76,102	8.5	.....	.....	1,530	5	.....	60
1911	30,612	40	45,092	60	.....	75,704	.....	75,704	8.3	.....	.....	1,990	6½	.....	57
1912	30,612	40	45,745	60	.....	76,357	.....	76,357	7.6	.....	.....	1,224	5	.....	35
1913	30,612	40	45,821	60	.....	76,433	.....	76,433	7.4	.....	.....	1,531	5	.....	52
1914	29,412	40	44,029	60	.....	73,441	.....	73,441	6.8	.....	.....	1,471	5*	.....	...
1915	30,000	39	46,525	61	.....	76,525	.....	76,525	6.5	.....	.....	300	1	.....	71
1916	30,000	38	48,360	62	.....	78,360	.....	78,360	9.1	.....	.....	300	1	.....	91
10-Year Average	$30,370	40%	$45,150	60%	.....	$75,520	.....	$75,520	7.5%	.....	.....	$1,294	4.3%	.....	42%

* Rate reduced to 1% in Sept., 1914.

Note: Above table is based on average mileage directly operated. Net income on net capital is the percentage of total net income available, before deducting taxes and charges, on the total net capital. "Margin of safety" is the proportion of the surplus for dividends left over after providing for the current dividend.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$15,797,775	$15,706,075	$15,357,888	$15,349,995	$15,324,835	$15,166,422	$15,009,708
Working assets	2,836,801	1,749,462	1,729,848	1,993,667	1,760,828	1,871,466	1,899,393
Deferred debit items	375,462	410,971	345,092	341,606	373,228	242,198	208,657
Accrued income not due	.....	.....	.....	.....	.....	.....	.....
Total	$19,010,038	$17,866,508	$17,432,828	$17,685,268	$17,458,891	$17,280,086	$17,117,857

LIABILITIES:	1916	1915	1914	1913	1912	1911	1910
Capital stock	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000
Funded debt	9,672,000	9,305,000	8,982,000	8,982,000	8,976,100	8,838,000	8,916,000
Working liabilities	847,920	610,632	644,708	768,072	753,133	693,570	630,661
Accrued liabilities not due	199,994	171,189	154,412	155,578	127,347	122,144	119,767
Deferred credit items	353,043	427,559	432,230	376,610	265,108	250,834	204,168
Appropriated surplus	1,604	865	485	.....	.....	.....	.....
Profit and loss surplus	1,935,477	1,351,263	1,218,993	1,403,008	1,347,203	1,375,538	1,247,261
Total	$19,010,038	$17,866,508	$17,432,828	$17,685,268	$17,458,891	$17,280,086	$17,117,857

Note: In the dividend record shown above, the rate is that paid out of the earnings of the prior year. Thus, although the company disbursed 6½% on its stock in the fiscal year 1911, this amount was really taken out of the earnings of 1910; that paid out of the 1911 income was 5%, disbursed in September, 1912. The 5% dividend charged against 1913 was disbursed in September of that year. Working assets in 1916 included cash, $1,930,357.

Comment: There was a slight increase in the outstanding funded debt of the New Orleans & North Eastern property during the year ended June 30, 1916. As measured on the mileage basis the property is heavily capitalized, but the earning power has always been substantial and for the year just closed, the net income on net capital exceeded 9%. Under present conditions it would seem that a return to the former substantial dividend rates is now justified.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. New Orleans & N.-E. prior lien extended 5s	M&N	N 1940	(1st) 196	$7,000	$5,022	$343	93%	Very high	High	Aaa.
2. New Orleans & N.-E. gen. 4½s	J&J	Ja 1952	(2d) 196	31,440	4,679	1,386	70%	High	"	Aa.
3. New Orleans & N.-E. inc. 4½s	Dec.1	Jl 1952	(3d) 196	7,602	3,293	337	90%	"	"	Aa.
4. New Orleans & N.-E. equip. 4½s	Var.	(see text)	Equip.	.....	2,956	136	95%	"	"	Aa

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $1,372,000; outstanding, $1,371,000. Dated Oct. 26, 1885; due Nov. 1, 1915; extended to Nov. 1, 1940. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien, 195.52 miles, Meridian, Miss., to New Orleans. Underlie Nos. 2 and 3, with provision by former to retire at maturity. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Market: Sutro Bros., F. J. Lisman Co., L. M. Prince & Co., New York.

2. Auth., $8,000,000; outstanding, $6,162,000. Dated May 1, 1902; due Jan. 1, 1952. Int. paid at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Second lien on 195.52 miles covered by No. 1 by first lien. Underlie No. 3. The Southern Ry. owns $5,595,000 of this issue either directly or through its subsidiaries. Interest paid without deduction for normal income tax. Market: New York.

3. Auth. and outstanding, $1,500,000. Dated June 25, 1902; due July 1, 1952. Int. paid in December. Follow No. 2. Entire issue owned by Southern Ry. or its subsidiaries. Interest paid without deduction for normal income tax.

4. Series D, 4½s; outstanding, $272,000. Dated Aug 15, 1914; due $17,000 each F. & A. 15 to Aug. 15, 1924. Int. paid F. & A. 15. Original amount, $340,000. First lien on 8 locomotives, 97 gondola cars and 243 box cars. Series E, 4½s; outstanding, $333,000; dated June 1, 1916; due $17,000 each Dec. 1 and $18,000 each June 1 to June 1, 1926; int. paid J. & D. 1. Original amount, $350,000. First lien on 400 box cars costing $410,000 of which the company paid $60,000 in cash. Coupon, $1,000. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME AND DETAILS OF ISSUE.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	BASIS FOR RATING. Equity.	BASIS FOR RATING. Salability.	Net Rating.
New Orleans & North Eastern R.R. stock ..... Full voting power. Par $100. Outstanding, $6,000,000.	Sept.	$30,000	$2,246	$300*	87%	High	.....	A.*

* For 1% dividend.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUE

Auth. and outstanding, $6,000,000; par $100. Dividends paid: 1908, 6%; 1909, 5%; 1910, 5%; 1911, 6½%; 1912, 5%; 1913, 5%; 1914, 1% and 1915, 1%. Latter was paid in the 1916 "fiscal year," but was taken out of 1915 income results. Stock transferred at Company's Office, New Orleans, La.

VIRGINIA & SOUTHWESTERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Virginia laws, Jan. 19, 1899, as a consolidation of the Bristol, Elizabethton & North Carolina Ry., and the South Atlantic & Ohio Ry. In April, 1908, acquired the Holston River R.R., and the Black Mountain Ry. The company leases a line from Bull's Gap to Rogersville, Tenn., from the Southern Ry.

Location: The directly operated lines of the Virginia Southwestern Ry. consisted on June 30, 1916, of 225.14 miles as follows: Lines owned, Mountain City, Tenn., to St. Charles, Va., 151.30 miles, and Moccasin Gap., Va., to Persia, Tenn., 37.76 miles; lines leased, 14 miles; trackage rights, 22.08 miles.

Control: The Southern Railway acquired all the capital stock of this company on May 1, 1906, from the Virginia Iron, Coal & Coke Co. Lease: Effective July 1, 1916, the Southern Ry. began to operate the property under lease as the Appalachia division of the middle district. Lease is for one year and thereafter for periods of one year until terminated. Lessee is to maintain and operate property, paying as rental all taxes and interest charges.

Management: OFFICERS: Fairfax Harrison, Pres.; H. W. Miller, Vice-Pres.; J. M. Culp, Vice-Pres.; H. B. Spencer, Vice-Pres.; E. H. Coapman, Vice-Pres. and General Manager; F. S. Wynn, Secretary; H. C. Ansley, Treas. DIRECTORS: William C. Lane, Fairfax Harrison, Robt. L. Pennington, John H. Prentice, Henry B. Spencer, Guy Cary, Fredk. S. Wynn. Annual meeting, third Tuesday in September, at Bristol, Va. GENERAL OFFICE, Bristol, Va. NEW YORK OFFICE, 120 Broadway.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	1.21%	.93%	.90%	.75%	.71%	.60%	.52%
Products of Animals	.....	.....	.....	.18	.31	.39	.38	.34	.37	.30
Products of Mines	.....	.....	.....	84.40	85.56	89.56	88.39	89.95	88.74	88.25
Products of Forests	.....	.....	.....	10.66	9.17	6.49	7.39	6.30	7.55	7.97
Manufactures	.....	.....	.....	1.91	1.69	1.19	1.71	1.33	1.39	1.78
Miscellaneous	.....	.....	.....	1.64	2.34	1.47	1.38	1.37	1.35	1.18

Total revenue tonnage in 1910, 1,609,185 tons; in 1911, 1,706,872 tons; in 1912, 2,184,302 tons; in 1913, 2,263,458 tons; 2,509,972 tons in 1914; 2,436,011 tons in 1915; 2,880,238 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	161	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	169	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1909	188	....	29	14	2,822	83%	24,571	578,346	240	$1.83	2.89c	.86c
1910	188	....	29	14	2,768	85	24,784	615,726	319	2.25	2.91	.88
1911	227	....	30	14	2,718	85	23,143	571,894	338	2.47	2.88	.92
1912	240	....	36	15	3,284	88	23,521	766,213	394	2.66	2.88	.84
1913	240	....	36	15	3,174	88	25,849	778,256	434	2.92	2.81	.85
1914	240	....	39	15	3,460	88	27,677	834,393	451	2.96	2.73	.85
1915	240	....	41	15	3,928	88	23,865	824,224	494	2.94	2.71	.81
1916	231	....	42	16	3,379	88	27,398	981,650	506	2.96	2.70	.76
8-Year Average	212*	....	35	15	3,192	87%	25,101	743,838	397	$2.62	2.83c	.85c

Yard tracks and sidings, 95 miles. * 10-year average.

Comment: During the year ended June 30, 1916, there was a sharp increase in the freight density on the Virginia & Southwestern Railway, and the average freight train load was also moved up to a new high figure. Train mile earnings were substantial notwithstanding the fact that average freight rates tended to decline. As usual the company depended primarily on the transportation of soft coal for its tonnage.

The volume of business has shown a progressive increase ever since it came under the control of the Southern Railway in 1909. It will be noted that the total tonnage last year was nearly twice that reported in 1910. The tendency has been toward a steady improvement in the amount of coal carried each year, and a falling off in the amount of tonnage and other items. Freight rates are apparently profitable, as is indicated by the growth of train mile earnings.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$6,811	.....	.....	.....	.....	$2,182	$2,182	$207	$1,975	$878	56%	$1,097	.....
1908	6,258	$741	$1,647	$2,388	$2,122	1,748	2,222	254	1,968	1,126	43	842	.....
1909	6,032	769	1,208	1,977	2,130	1,925	2,369	262	2,107	1,584	25	523	.....
1910	6,350	982	1,446	2,428	2,066	1,856	2,528*	293	2,235	1,409	37	826	.....
1911	6,139	713	1,420	2,133	2,000	2,006	2,350	234	2,116	1,634	23	482	.....
1912	7,325	896	1,511	2,407	2,769	2,149	3,073	251	2,822	1,709	40	1,113	$417
1913	7,528	1,165	1,710	2,875	2,351	2,302	3,346	305	3,041	1,730	43	1,311	417
1914	8,080	1,122	1,971	3,093	2,619	2,368	3,210	323	2,887	1,764	39	1,123	833
1915	7,497	1,318	1,759	3,077	2,501	1,919	2,692	337	2,355	1,911	20	444	833
1916	8,483	1,334	2,319	3,653	2,675	2,154	3,224	370	2,854	1,862	35	992	866
10-Year Average	$7,050	$1,004*	$1,666*	$2,670*	$2,359*	$2,061	$2,720	$284	$2,436	$1,561	36%	$875	$337

* 9-year average.

Note: Above table is based on average mileage directly operated for each year. Margin of safety is the proportion of surplus left over after providing for all fixed charges. For example, in 1916 the "balance for charges" (per mile) was $2,854; fixed charges consumed 65% of this, or $1,862 per mile, leaving $992, a "margin of safety" of 35%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,959,634	$1,799,290	$1,939,104	$1,806,626	$1,757,924	$1,393,448	$1,196,194
Maintenance of way	308,180	316,328	269,328	279,700	212,341	160,803	165,777
Maintenance of equipment	535,793	422,070	472,966	410,422	362,599	302,182	271,202
All other operating expenses	617,991	600,308	628,573	564,146	567,783	475,157	409,614
Net operating revenues	$497,670	$460,584	$568,237	$552,358	$615,201	$455,306	$349,601
Operating ratio	74.6%	74.4%	70.7%	69.4%	65%	67.3%	70.7%
Other income	246,982	185,564	202,120	250,646	122,431	77,888	85,564
Total net income	$744,652	$646,148	$770,357	$803,004	$737,632	$533,194	$435,165
Taxes accrued	85,428	80,815	77,410	73,260	60,249	53,113	55,157
Balance for charges	$659,224	$565,333	$692,947	$729,744	$677,383	$480,081	$380,008
Fixed charges	430,135	458,702	423,548	415,205	410,431	370,793	275,395
Surplus over charges	$229,089	$106,631	$269,399	$314,539	$266,952	$109,288	$114,613
Dividends paid	*	*	200,000	100,000	100,000	.....	.....
Other deductions	.....	70	564	1,111	3,259	224	1,012
Balance	$229,089	$106,561	$68,835	$213,428	$163,693	$109,064	$113,601
Earned on stock	11.45%	5.33%	13.5%	15.7%	13.4%	5.5%	5.8%

* Dividend charged to surplus in 1915 and 1916.

Note: Fixed charges in 1915 included $350,000 as interest on bonds, $53,920 as interest on equipment notes, $46,864 as rentals, misc. charges, $1,977.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $656,379; credit balance transferred from income, $229,089; donations, $1,067; miscellaneous credits, $1,958; total, $888,493. Contra: Dividend appropriations of surplus, $200,000; surplus appropriated for investment in physical property, $1,067; loss on retired road and equipment, $830; delayed income debits, $5,147; miscellaneous debits, $1,449; credit balance carried to balance sheet, $680,000; total, $888,493.

Comment: Both gross and net revenues underwent substantial improvement on this property during the year ended June 30, 1916. There was a tendency toward lower fixed charges, and therefore the final balance carried forward was more than double that of the previous year. The property is now directly operated by the Southern Ry. under lease as part of the main system.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$12,500	50%	$12,500	50%	.....	$25,000	.....	$25,000	8.7%	.....	.....	.....	.....	.....	.....
1908	11,835	35	24,092	65	.....	35,927	.....	35,927	6.2	.....	.....	.....	.....	.....	.....
1909	10,638	22	38,105	78	.....	48,743	$2,380	46,363	5.1	.....	.....	.....	.....	.....	.....
1910	10,638	22	37,870	78	.....	48,508	2,460	46,048	5.5	.....	.....	.....	.....	.....	.....
1911	8,810	22	32,480	78	.....	41,290	1,894	39,396	6	.....	.....	.....	.....	.....	.....
1912	8,333	21	31,146	79	.....	39,479	Nom.	39,479	7.7	.....	.....	$417	5%	.....	63%
1913	8,333	23	32,708	77	.....	41,041	"	41,041	8.2	.....	.....	417	5	.....	68
1914	8,333	20	34,267	80	.....	42,600	"	42,600	7.5	.....	.....	833	10	.....	26
1915	8,333	20	33,683	80	.....	42,016	"	42,016	6.4	.....	.....	833	10	.....	...
1916	8,658	20	34,390	80	.....	43,048	"	43,048	7.5	.....	.....	866	10	.....	11
10-Year Avcrage	$9,641	24%	$31,124	76%	.....	$40,765	$673	$40,092	6.9%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$10,038,047	$10,339,831	$9,906,560	$9,517,729	$9,602,851	$9,450,583
Working assets	706,868	450,875	711,699	590,293	425,714	246,711
Deferred debit items	406,797	413,640	925,401	983,424	515,365	604,761
Total	$11,151,712	$11,204,346	$11,543,660	$11,091,446	$10,543,930	$10,302,055
Liabilities:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	7,944,000	8,084,000	8,224,000	7,850,000	7,475,000	7,360,000
Working liabilities	208,487	184,141	236,699	217,632	223,576	193,282
Accrued liabilities not due.	115,412	113,790	111,315	101,026	95,911	90,556
Deferred credit items	109,253	72,543	130,887	50,014	49,192	34,939
Appropriated surplus	94,560	93,493	91,608	91,044	89,933	186,674
Surplus	680,000	656,379	749,151	781,730	610,316	436,603
Total	$11,151,712	$11,204,346	$11,543,660	$11,091,446	$10,543,930	$10,302,055

Comment: There were practically no changes in the capitalization exhibit in the Virginia & Southwestern Railway during the year ended June 30, 1916. In view of its volume of business the net capitalization is really not high, although it ranges at far higher figures than it did ten years ago. Net income on net capital equals 7½%.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Virg. & Sou'wst. Ry. first 5s.	J&J	Ja 2003	(1st) 189	$10,590	$2,436	$433	82%	High	Good	Aa
2. Virg. & Sou'wst. Ry first consol. 5s	A&O	Ap 1958	(2d) 189	26,400	2,003	1,082	36%	Fair	Fair	Baa.
3. Equipment trust 4½s & 5s	Var.	1917–24	(see text)	.....		190	36%	Good	"	A.

Note: Average income available is the ten year average surplus per mile, after deducting taxes, for the period ending June 30, 1916. Interest requirements are the present requirements. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $2,000,000. Dated Sept. 18, 1902; due Jan. 1, 2003. Int. paid at Guaranty Trust Co., New York. Coupon, $1,000. Guar. prin. and int. by Virginia Iron, Coal & Coke Co. First lien on 189.06 miles as follows: Mountain City, Tenn., to St. Charles, Va., 151.30 miles; Moccasin Gap, Va., to Persia Junc., Tenn., 37.76 miles. Underlie No. 2, which provides for retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $7,000,000; outstanding, $5,000,000; reserved for retirement of No. 1, $2,000,000. Dated April 29, 1908; due April 1, 1958. Int. paid at Guaranty Trust Co., New York. Coupon and reg., $1,000. Second lien on 189.06 miles, following No. 1, providing for their retirement. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Series E, 4½s: Auth., $500,000; outstanding, $250,000; redeemed, $250,000. Dated Nov. 1, 1911; due $25,000 s.a. to Nov. 1, 1921. Int. May and Nov. 1, paid at Bankers' Trust Co., New York. Coupon, $1,000. Secured on equipment costing $640,850. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

Series F, 5s: Auth., $425,000; outstanding, $275,000. Dated June 16, 1913; due $21,000 each Dec. 15, and $22,000 each June 15 to June 15, 1918, thereafter $21,000 semi-annually to June 15, 1923. Int. June and Dec. 15, at Bankers' Trust Co., New York. Coupon, $1,000. Secured on equipment costing $500,230. Interest paid without deduction for normal income tax.

Series G, 5s: Auth., $467,000; now unmatured, $350,000. Dated March 2, 1914; due $24,000 each March 1 and $23,000 each Sept. 1 to Sept. 1, 1921, and $23,000 s.a. thereafter to March 1, 1924. Coupon, $1,000. Int. paid M. and S. 1 at Guaranty Trust Co., New York. Coupon, $1,000. First lien on equipment costing $550,346. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $2,000,000; par $100. First dividend of 5% was paid 1912; 1913, 5%; 1914, 1915 and 1916, 10% each. The entire issue is owned by the Southern Ry., which acquired the stock at $200 per share in 1906.

TENNESSEE CENTRAL RAILROAD

Origin: Incorporated in Tennessee, April 30, 1902. Consolidation of Tennessee Central Ry., Nashville & Knoxville R.R., Cumberland Plateau Ry. and Kingston Bridge & Terminal Co.

Receivership: In 1912, H. B. Chamberlain and W. K. McAlister were appointed receivers. The property was advertised for sale Feb. 15, 1917, at the upset price of $1,350,000, subject to prior lien 4s.

Location: Harriman, Tenn., to Hopkinsville, Ky., 24.35 miles; branches, 41.66 miles; trackage rights, 5.92 miles; total operated, about 294.93 miles. Operates bridge over Cumberland River and Terminal Station, at Nashville, under lease, until May, 2001.

Management: OFFICERS: H. B. Chamberlain, W. K. McAlister, Recs.; H. C. Price, Chairman; Eben Richards, Pres.; S. W. Fordyce, Jr., Vice-Pres.; H. B. Chamberlain, Vice-Pres.; E. R. Burr, Treas. DIRECTORS: H. C. Pierce, E. Richards, S. W. Fordyce, Jr., C. A. Pierce, H. B. Chamberlain, J. T. Lellyett, T. W. White, C. Cohn, Geo. T. Priest, J. H. Carpenter. Annual meeting, first Monday in October, at Nashville. OFFICES: Nashville, Tenn., and 25 Broad St., New York.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	...	...	13.3%	12.1%	10.3%	9.9%	10.8%	13.8%	13.9%	12.8%
Products of Animals	...	...	2.0	1.6	1.8	2.3	2.4	2.4	2.8	2.7
Products of Mines	...	...	41.6	37.5	35.4	39.2	36.6	34.6	43.7	45.8
Products of Forests	...	...	21.8	23.8	27.4	23.0	24.4	24.2	16.9	16.8
Manufactures	...	...	14.4	17.7	15.4	16.3	17.3	16.1	15.0	14.3
Merchandise and Miscel.	...	...	6.9	7.3	9.7	9.3	8.5	8.9	7.7	7.6

Total revenue tonnage, year ended June 30, 1909: 917,198 tons; 1910, 1,005,503 tons; 1911, 990,547 tons; 1912, 1,020,255 tons; 1913, 1,120,210 tons; 1914, 1,100,392 tons; 1915, 1,010,976 tons; 1916, 1,145,013 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	...	....	...	...	...	....	...	...	...	...	...	...
1908	...	....	...	...	...	....	...	...	...	...	...	...
1909	311	....	32	25	720	67%	48,550	209,300	150	$1.42	2.34c	1.35c
1910	294	....	31	26	729	68	55,211	249,230	182	1.60	2.29	1.33
1911	294	...	32	26	715	69	57,044	263,507	201	1.74	2.32	1.35
1912	294	....	32	29	715	68	55,031	272,991	199	1.73	2.46	1.31
1913	294	....	34	29	706	69	59,475	308,461	193	1.76	2.49	1.27
1914	294	....	37	29	706	69	59,776	327,900	190	1.72	2.49	1.22
1915	294	....	37	29	696	68	52,179	315,242	198	1.55	2.49	1.09
1916	295	....	37	29	662	71	52,662	362,684	208	1.61	2.45	1.08
8-Year Average	296	....	34	28	706	69%	54,992	288,664	190	$1.64	2.42c	1.25c

Yard track and sidings, 74.72 miles.

Comment: While this company has shown a considerable improvement in its freight density and train load during the past few years, yet the average train mile earnings have ranged at low figures. Freight rates are today very much lower than ten years ago, and there seems little prospect of improvement. A large proportion of the company's business is represented by products of mines, but the hauls are short and therefore the margin of profit apparently is not heavy.

This property has never been a success and there does not appear to be much possibility of developing enough volume of tonnage to make it really profitable. Possibly, with a radical scaling down of capital, and far lower fixed charges, it might develop into a moderately successful enterprise.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$4,232	$622	$507	$1,129	$1,986	$1,117	$1,123	$162	$961	$2,206	.....	$1,245*	.....
1910	4,849	766	507	1,273	1,988	1,588	1,598	163	1,435	2,338	.....	903*	.....
1911	5,162	736	531	1,267	2,175	1,720	1,734	172	1,562	2,418	.....	856*	.....
1912	5,250	964	695	1,659	2,471	1,120	1,128	174	954	2,422	.....	1,468*	.....
1913	5,729	1,156	590	1,746	2,468	1,515	1,529	173	1,356	2,495	.....	1,139*	.....
1914	5,807	1,146	772	1,918	2,576	1,313	1,326	183	1,143	2,616	.....	1,473*	.....
1915	5,038	1,169	646	1,815	2,469	754	766	191	575	2,731	.....	2,156*	.....
1916	5,488	1,044	779	1,823	2,508	1,157	1,176	190	986	2,724	.....	1,738*	.....
8-Year Average	$5,194	$950	$629	$1,579	$2,330	$1,285	$1,298	$176	$1,122	$2,494	.....	$1,372*	.....

* Deficit.

Note: Above table is based on average mileage directly operated. Margin of safety is the proportion of surplus left over after deducting fixed charges. It will be noted that results have been so unsatisfactory on this property that there has been no margin of safety.

Comparative Income Account, Years Ended June 30	1916	1915	1914	1913	1912	1911
Gross revenues	$1,619,238	$1,481,231	$1,707,339	$1,684,334	$1,543,690	$1,517,751
Maintenance of way	308,100	343.617	336.986	339,940	283,308	216,405
Maintenance of equipment.	229,780	189.901	205.029	173,478	204,437	156,021
All other operating exps.	738,966	725,933	757,234	725,504	726,596	639,501
Net operating revs.	$341,392	$221.780	$408,090	$445,412	$329.349	$505,824
Operating ratio	78.9%	85%	76.1%	73.6%	78.7%	66.7%
Other income	5,645	3,342	3,779	4,140	2,282	3,960
Total net income	$347.037	$225.122	$411.869	$449.552	$331,631	$509,784
Taxes accrued	55,758	56,256	53,763	50,946	51,147	50,542
	$291,279	$168,866	$358.106	$398.606	$280,484	$459.242
Fixed charges	803,527	802,769	769,075	733,398	711,962	710,892
Deficit	$512,248	$633,903	$410,969	$334,792	$431,478	$251,650

Profit and Loss Account, year ended June 30, 1916: Donations, $6.809; miscellaneous credits, $98; debit balance carried to Balance Sheet, $4,985,013; total, $4.991.920. Contra: Debit balance at beginning of year, $4.468.380; debit balance transferred from income. $512,248; surplus appropriated for investment in physical property, $7,172; loss on retired road and equipment, $3,841; miscellaneous debits, $279; total, $4,991,920.

Comment: Gross and net revenues on this property improved substantially during the year ended June 30, 1916, but still continue to range far below the figures of half a dozen years ago. Fixed charges are unusually heavy, and in the past eight years the company has at no time reported a surplus above its fixed charges. The position of the bonds on this property therefore are purely speculative.

TABLE C—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Can. at 5 Per Cent.*	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$25,723	40%	$39,337	60%	$3,859	$68,919	.....	$68,919	1.6%	.....	.....	.....	.....	.....	.....
1910	27,211	39	42,108	61	4,369	73,688	.....	73,688	2.2	.....	.....	.....	.....	.....	.....
1911	27,211	39	42,108	61	4,462	73,781	.....	73,781	2.4	.....	.....	.....	.....	.....	.....
1912	27,211	39	42,108	61	4,194	73,513	.....	73,513	1.5	.....	.....	.....	.....	.....	.....
1913	27,211	39	42,619	61	4,205	74,035	.....	74,035	2.1	.....	.....	.....	.....	.....	.....
1914	27,211	39	43,231	61	4,232	74,674	.....	74,674	1.8	.....	.....	.....	.....	.....	.....
1915	27,211	39	43,557	61	4,232	75,000	.....	75,000	1	.....	.....	.....	.....	.....	.....
1916	27,119	39	42,640	61	4,217	73,976	.....	73,976	1.6	.....	.....	.....	.....	.....	.....
8-Year Average	$27,014	39%	$42,213	61%	$4,222	$73,450	.....	$73,450	1.8%	.....	.....	.....	.....	.....	.....

* Represents rents paid for lease of road, capitalized at 5%.

Note: Above table is based on average mileage directly operated.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$19,658,344	$19,790,981	$19,929,148	$19,916,567	$19,726,565	$19,731,309
Working assets	241,464	229,088	347,155	275,629	253,337	223,537
Deferred debit items.....	21,795	59,652	88,474	116,420	156,779	182,352
Profit and loss deficit.....	4,985,013	4,468,380	3,814,050	3,340,412	3,010,720	2,574,468
Total	$24,906,616	$24,548,101	$24,178,827	$23,648,928	$23,147,401	$22,711,666
LIABILITIES:						
Capital stock	$8,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000
Funded debt	12,578,799	12,805,799	12,709,900	12,529,900	12,379,900	12,379,900
Working liabilities	3,905,244	3,339,986	3,070,539	2,733,836	2,383,829	1,946,381
Accrued liabilities	27,445	29,679	27,023	24,322	24,323	24,395
Deferred credit items	379,035	363,717	362,444	360,870	359,349	360,990
Appropriated surplus	16,093	8,920	8,921	.....	.....	.....
Total.....	$24,906,616	$24,548,101	$24,178,827	$23,648,928	$23,147,401	$22,711,666

Comment: This heavily capitalized property reported no change of importance in capitalization in 1916. In view of its light earning power the capitalization is very high, and it will be noted in recent years there has been no tendency toward reduction. The property has been reporting each year a larger profit and loss deficit, and at the present time appears to be in a completely insolvent condition.

TABLE D. Bond Record and Ratings (Based on 8-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1 Tenn. Cen. R. R. prior lien 4s	J&J	Ja 1934	(1st) 289	$13,900	$1,122	$548	51%	Fair	.....	Ba.
2. Tenn. Cen. R. R. gen. 5s ...	J&J	Ja 1954	(2d) 289	28,400	574	See text	.....	Poor	.....	C.

Note: Average income available is the annual average surplus after deducting taxes for the ten years ended June 30, 1916. The company has, on the average, earned a surplus above the interest requirement on the prior lien 4s, but not on the general 5s. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $4,200,000; outstanding, $4,014,000. Dated Jan. 1, 1904; due Jan. 1, 1934. Int. paid at Mississippi Valley Trust Co., St. Louis. Coupon, $1.000. Callable at 110, on any interest date. First lien on entire property, subject to $12,000 Nashville & Knoxville 6s of 1918 as to part for retirement of which sufficient of this issue is reserved. Underlie No. 2, which provides for retirement. $12,000 reserved to retire Nashville & Knoxville 6s. Interest paid without deduction for normal income tax.

2. Auth., $20,000,000; outstanding, $8,206,000. Dated Jan. 1, 1904; due Jan. 1, 1954. Interest paid at Mercantile Trust Co., St. Louis. Second lien on entire property following No. 1. Issuable at $37,500 per mile on present mileage, including $4,200,000 reserved to retire No. 1, and at $25,000 per mile of new mileage. In default. Protective committee, A. J. Hemphill, Chm.; L. B. Franklin, 140 Broadway, Secretary. Depositary, Guaranty Trust Co., New York.

Receivers' Certificates: There were also outstanding on June 30, 1916, $345,899 6% receivers' certificates, as follows: $15,899 dated Feb. 20, 1915; due Aug. 20, 1916. Int. Feb. and Aug. 20. $330,000 dated Apr. 1, 1916; due April 1, 1917. Int. A. & O. 1.

Capital Stock: Auth. and outstanding, $8,000,000; par, $100.

TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS

Origin: Incorporated under the laws of Missouri in July, 1889, as a consolidation of the Terminal Railroad of St. Louis and the Union Railway & Transit Company. The Association is a corporation jointly controlled by fifteen railroad companies which have their terminals in St. Louis, and include the C. C. C. & St. Louis, Louisville & Nashville, Wabash, Missouri Pacific, Baltimore & Ohio, St. Louis & San Francisco, Rock Island, Chicago & Alton, C. B. & Q., M. K. & T., Southern Ry., Illinois Central R.R., Vandalia, St. Louis, L. M. & S., St. Louis Southwestern. These fifteen companies agree, under contract, to use the property forever, and pay as tolls all interest, taxes, rentals, and other charges, each line contributing its proportion to the extent of 1-15, to make up any possible deficiency. The company controls, in addition to its trackage in and about St. Louis, all the properties of the Union Depot Co., of St. Louis, together with those in East St. Louis held under lease by the St. Louis Bridge Co. Under contract, the tenant lines use the St. Louis passenger station, paying as rental 5% per annum on the original cost, and cost of additions and betterments and all expenses of maintenance and operation. In 1902, the East St. Louis & Carondelet Ry. was leased, and the St. Louis Belt & Terminal Ry. was acquired by purchase. The Terminal Association also leases the St. Louis Bridge Co., and owns all the capital stock of the St. Louis Merchants' Bridge Terminal Ry., the Interstate Car Transfer Co., and the Wiggins Ferry Co.

Location: Mileage operated in and about St. Louis consists of 55 miles of main track, with 113.57 miles of second tracks and sidings. Equipment owned: Locomotives, 109; passenger cars, 10; service cars, 151.

Management: OFFICERS: Julius S. Walsh, Chairman of Board; W. S. McChesney, Pres.; C. A. Vinnedge, Secy. and Aud.; F. C. Daab, Treas.; I. L. Burlingame, Gen. Mgr., St. Louis, Mo. DIRECTORS: C. E. Schaff, B. F. Bush, F. H. Britton, A. Robertson, W. C. Nixon, E. F. Kearney, John Fitzgerald, T. B. Hamilton, W. S. McChesney, St. Louis, Mo.; T. H. Beacom, W. L. Park, E. P. Bracken, W. G. Bierd, Chicago, Ill.; T. C. Powell, J. M. Davis, H. A. Worcester, Cincinnati, Ohio. Annual meeting, second Monday in April. OFFICE: Union Station, St. Louis, Mo.

Note: As this company is mainly engaged in the switching business; it is not possible to present a classification of freight tonnage and such figures as freight density, train mile earnings, etc.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenuea	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$76,365	$7,019	$2,963	$9,982	$19,566	$46,817	$77,526	$4,666	$72,860	$54,768	25%	$18,092	.....
1908	60,395	4,898	4,081	8,979	23,892	27,524	71,946	6,217	65,729	51,762	21	13,967	.....
1909	51,791	10,165	3,502	13,667	13,678	24,446	60,762	5,014	55,748	42,554	24	13,194	.....
1910	59,370	6,897	4,169	11,066	23,328	24,976	59,639	7,613	52,026	41,904	19	10,122	.....
1911	57,286	7,465	4,734	12,199	23,910	21,177	48,398	6,422	41,976	41,101	2	875	.....
1912	60,575	8,731	5,210	13,941	26,310	20,324	48,269	6,500	41,769	42,600	....	831*	.....
1913	66,649	8,989	4,242	13,231	29,308	24,110	54,919	6,398	48,521	43,101	11	5,420	.....
1914	62,109	9,112	4,352	13,464	28,296	20,349	51,129	6,584	44,545	43,743	2	802	.....
1915	55,519	4,006	2,890	6,896	22,078	26,545	53,832	6,552	47,280	44,879	5	2,401	.....
1916	63,784	6,808	3,346	10,154	22,664	30,966	60,668	6,158	54,510	43,005	20	11,505	.....
10-Year Average	$61,384	$7,409	$3,949	$11,358	$23,303	$26,723	$58,709	$6,212	$52,497	$44,942	13%	$7,555	.....

* Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues†	$3,508,103	$3,053,560	$3,167,544	$3,332,454	$3,028,764	$2,978,866	$3,027,848
Maintenance of way	374,410	220,330	464,720	449,433	436,550	388,153	351,750
Maintenance of equipment	184,055	158,953	221,939	212,134	260,515	246,183	212.630
All other operating expenses†	1,246,527	1,214,331	1,443,084	1,465,409	1,315,481	1,243,326	1,189,721
Net operating revenue†	$1,703,111	$1,459,946	$1,037,801	$1,205,478	$1,016,218	$1,101,204	$1,273,747
Operating ratio	51.45%	52.19%	67.24%	63.83%	66.45%	63.03%	57.93%
Other income	1,633,631	1,500,841	1,569,788	1,540,451	1,397,215	1,415,475	1,767,834
Total net income	$3,336,742	$2,960,787	$2,607,589	$2,745,929	$2,413,433	$2,516,679	$3,041,581
Taxes accrued	338,784	360,380	335,811	319,885	325,011	333,930	388,248
Balance for charges	$2,997,958	$2,600,407	$2,271,778	$2,426,044	$2,088,422	$2,182,749	$2,653,333
Fixed charges	2,365,256	2,468,345	2,230,858	2,155,053	2,129,981	2,137,276	2,137,134
Surplus over charges	$632,702	$132,062	$40.920	$270,991	def.$41,559	$45,463	$516,199
Other deductions*	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Balance	$532,702	$32,062	‡$59,080	$170,991	‡$141,559	‡$54,527	$412,199
Earned on stock	20.49%	4.28%	1.33%	8.78%	.....	1.47%	17.91%

* Appropriations for sinking and reserve funds. † Includes revenues and expenses of auxiliary operations. ‡Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915, $4,883,388; credit balance transferred from income, $532,702; miscellaneous credits, $192; total, $5,416,282. Contra: Loss on retired road and equipment, $14,942; miscellaneous debits, $1,143; credit balance carried to balance sheet, $5,400,197; total, $5,416,282.

Comment: This property is both a leasing company and an operating company. It will be noted that the gross and net operating revenues in recent years have been maintained at a substantial level, and in 1916 were better than at any time during the past nine years. Income from rentals and other sources in 1916 was above the average for the decade.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$67,023	9%	$711,395	91%	$15,509	$793,927	†	†	.....	.....	.....	.....	.....	.....	.....
1908	67,023	8	741,628	92	12,160	820,811	†	†	.....	.....	.....	.....	.....	.....	.....
1909	56,510	8	628,706	92	10,253	695,469	$17,411	$678,058	9%	.....	.....	.....	.....	.....	.....
1910	56,510	8	629,098	92	10,253	695,861	19,764	676,097	8.8	.....	.....	.....	.....	.....	.....
1911	59,381	9	624,692	91	10,056	694,129	27,077	667,052	7.3	.....	.....	.....	.....	.....	.....
1912	61,756	9	653,680	91	10,458	725,894	31,940	693,954	7	.....	.....	.....	.....	.....	.....
1913	61,756	8	670,960	92	10,458	743,174	21,280	721,894	7.6	.....	.....	.....	.....	.....	.....
1914	60,545	8	674,549	92	10,253	745,347	28,417	716,930	7.1	.....	.....	.....	.....	.....	.....
1915	56,142	8	656,400	92	9,507	722,049	14,873	707,176	7.6	.....	.....	.....	.....	.....	.....
1916	56,142	8	670,655	92	9,507	736,304	29,493	706,811	8.6	.....	.....	.....	.....	.....	.....
10-Year Average	$60,279	8%	$666,176	92%	$10,841	$737,296	$23,782*	$695,996*	8.4%	.....	.....	.....	.....	.....	.....

Above table is based on the mileage of all main tracks operated. * Eight-year average. †Data not available.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$41,445,557	$40,766,829	$38,539,022	$40,204,334	$39,789,415	$39,355,308
Working assets	3,092,766	2,055,412	3,389,761	2,920,309	3,662,553	3,341,955
Deferred debit items	5,308,646	5,306,713	6,016,642	2,450,622	338,112	324,550
Total	$49,846,969	$48,128,954	$47,945,425	$45,575,265	$43,790,080	$43,021,813
LIABILITIES:						
Capital stock	$3,087,800	$3,087,800	$3,087,800	$3,087,800	$3,087,800	$3,087,800
Funded debt	36,886,000	36,102,000	34,402,000	33,548,000	32,684,000	32,484,000
Working liabilities	1,806,210	1,664,867	3,327,425	2,752,437	2,081,610	1,438,310
Accrued liabilities not due	459,271	473,052	459,092	440,086	471,058	439,434
Deferred credit items	1,107,491	917,847	917,726	37,040	21,815	11,163
Appropriated surplus	1,100,000	1,000,000	900,000	800,000	700,000	600,000
Profit and loss surplus ...	5,400,197	4,883,388	4,851,382	4,909,902	4,743,797	4,961,106
Total	$49,846,969	$48,128,954	$47,945,425	$45,575,265	$43,790,080	$43,021,813

Comment: The Terminal Railroad Association property has in the past few years shown only slight changes in its capitalization figures. The capitalization is extremely heavy as measured on a mileage basis, but the revenues on the property are also large and in 1916 the net income on net capital was above the average during the past decade. The position and credit of the property is strong for the reason that practically all the outstanding bond issues are protected by strong guaranties, and the sources of income are very stable.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Term. R. R. Ass'n first 4½s	A&O	O 1939	(1st) Term.	....	$52,497	$5,727	81%	Very high	High	Aaa.
2. Term. R. R. Ass'n first cons. 5s	F&A	Ag 1944	(2d) Term.	.....	46,770	4,555	90%	"	"	Aaa.
3. Term. R. R. Ass'n gen. ref. 4s	J&J	Ja 1953	(3d) Term.	.....	42,215	17,245	59%	"	"	Aaa.
4. St. Louis Bge. Co., first 7s ..	A&O	Ap 1929	(1st) Bge.	....	24,970	6,363	74%	"	"	Aa.

Note: Average income available is the annual average surplus per mile for the ten years ended June 30, 1916. Interest requirements are the present requirements. For full explanation of basis for classifying, etc., see Introduction. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $7,000,000. Dated Oct. 1, 1889; due Oct. 1, 1939. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Guar., as to int., by the following companies: Cleveland, Cincinnati, Chicago & St. Louis Ry., Louisville & Nashville R.R., Missouri Pacific Ry., Wabash Ry., Baltimore & Ohio, Southwestern R.R., St. Louis, Iron Mountain & Southern Ry., Vandalia R.R., St. Louis-San Francisco Ry., Chicago, Rock Island & Pacific Ry., Chicago & Alton R.R., Chicago, Burlington & Quincy R.R., Missouri, Kansas & Texas R.R., Southern Ry., Illinois Central R.R., and the St. Louis Southwestern Ry. First lien on entire property of the company, consisting of 1.07 miles in St. Louis, Mo., together with valuable real estate and terminal property in the most central business portion of St. Louis. First collateral lien on railroad yards and real estate in East St. Louis, operated for the interchange of freight and passenger traffic. Also a first lien on leasehold interest in St. Louis Bridge Co. and Tunnel R.R. of St. Louis. Underlies Nos. 2 and 3 with provision by latter for retirement. Legal for S.B. in Conn. and R. I. Listed on New York, Boston and St. Louis Stock Exchanges. Normal income tax deducted from interest.

2. Auth., $12,000,000; outstanding, $5,000,000 (closed). Dated Aug. 1, 1894; due Aug. 1, 1944. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Guar., as to int., by proprietary companies named in No. 1. Direct obligation of the company, and secured by a mortgage on all the property of the Association, subject to No. 1, except as to the stocks and bonds of the St. Louis Terminal Ry. and the East St. Louis Belt R.R., and the stock of the St. Louis Merchants' Bridge Terminal Ry., on which this issue is a first lien. Underlies No. 3. Legal for S.B. in Conn. and R. I. Listed on New York and St. Louis Stock Exchanges. Interest paid without deduction for normal income tax.

3. Auth., $50,000,000; outstanding, $23,712,000. Dated Jan. 1, 1903; due Jan. 1, 1953. Int. paid at J. P. Morgan & Co., New York. Coupon and reg., $1,000. Callable at 110 and int., on 60 days' notice. Sinking fund: Provision is made for the retirement of $100,000 of these bonds annually at not to exceed 110 and int. Auth., $50,000,000, of which sufficient are reserved to retire Nos. 1, 2 and $3,500,000 St. Louis Merchants Bridge Term. Ry. 1st 5s and $2,000,000 St. Louis Merchants Bridge Co. first 6s, and balance for improvements, additions, etc. Guar., as to interest and sinking-fund payments, by proprietary companies named in No. 1. Direct obligation of the Association and secured on all its property, subject to Nos. 1 and 2, except on the stocks of the East St. Louis & Carondelet Ry., the Illinois Transfer R.R. Co., the Granite City & Madison Belt R.R., the St. Louis Belt & Terminal R.R., and the Terminal Realty Co. Legal for S.B. in Conn. and R. I. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $5,000,000. Dated April 1, 1879; due April 1, 1929. Int. paid at J. P. Morgan & Co., New York. Coupon, $500 and $1,000. Prin. and int. guaranteed, by endorsement, by the Terminal R.R. Association of St. Louis. First lien on entire bridge properties of the company. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. St. Louis Bridge Co. guar. 1st pfd ..... Par $100. Outstanding, $2,490,000.	6% J&J	.....	$13,254	$2,717	57%	High	High	Aa.
2. St. Louis Bridge Co. guar. 2d pfd ..... Par $100. Outstanding, $3,000,000.	3% J&J	.....		1,636	57%	"	"	Aaa.
3. Tunnel R.R. of St. Louis guar. stock ..... Par $100. Outstanding, $1,250,000.	6% J&J	.....		1,346	57%	"	"	A.
4. Term. R.R. Assoc. of St. Louis stock..... Par $100. Outstanding, $3,087,800.	.....	.....	7,555	.....	.....	"	"	A.

REFERENCE NOTES ON STOCK ISSUES

1 and 2. Company owns bridge from St. Louis, Mo., to East St. Louis, Ill. Leased to Terminal R.R. Association of St. Louis for 500 years from Dec. 18, 1878, at rental of dividends of 6% on first preferred stock and 3% on second preferred, interest on bonds and $2,500 organization expenses.

3. Company owns tunnel .93 mile in length at St. Louis. Leased in perpetuity to Wabash, St. Louis & Pacific and Missouri Pacific from July 1, 1881. Lease transferred to and assumed by Terminal R.R. Association of St. Louis, Oct. 1, 1889, at annual rental of 6% on stock.

4. Auth., $50,000,000; outstanding $3,087,800; all jointly owned by the fifteen railroad companies that use the terminals, and guarantee the interest and sinking fund installments on all the mortgage bonds of the company.

COMPANY CONTROLLED BY TERMINAL RAILROAD OF ST. LOUIS, SEPARATELY OPERATED

ST. LOUIS MERCHANTS' BRIDGE TERMINAL RAILWAY

Origin: Incorporated in Missouri, August 18, 1897. Leases St. Louis Merchants' Bridge, for interest on bonds. Owns the capital stock of the Madison, Illinois & St. Louis Rys. and leases the Granite City & Madison Belt Line R.R.

Location: Owns 9.26 miles of terminal main line in St. Louis, of which 4.01 miles is owned. 5.25 miles leased; the latter from St. Louis Merchants' Bridge Co., Granite City & Madison Belt R.R. and Madison, Illinois & St. Louis Ry. Miles of second track, 7.91; miles of sidings, 83.49.

Management: Officers: F. E. Anderson, Pres.; Thos. M. Pierce, Vice-Pres.; C. A. Vinnedge, Sec.; F. C. Daab, Treas. Directors: T. M. Pierce, Wm. G. O'Fallon, H. D. Heuer, F. E. Anderson, J. L. Howell, H. W. Cox, S. P. McChesney, C. A. Vinnedge, F. C. Daab, A. S. Johnson, J. E. Williams. Annual meeting, second Tuesday in November. Office: St. Louis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$2,245.527	$1,813.393	$1,921.263	$2,080,439	$1,767.953	$1,646,280
Maintenance of way	318.654	227.537	362.182	374,856	285,315	261,463
Maintenance of equipment	111.361	91.804	123.825	114.902	101.477	81,583
All other operat. expenses.	1.095,876	998.356	1,124,061	1,151,237	1,034,828	908,973
Net oper. revenues..	$719.636	$495.696	$311.195	$439,444	$346.333	$394.161
Operating ratio	68%	72.7%	83.7%	78.9%	80.9%	76%
Other income	620,800	551,851	527,425	580,000	417,906	627,778
Total net income.....	$1,340.436	$1,047.547	$838.620	$1,019,444	$764.239	$1,021.939
Taxes accrued	103,625	91,480	73.150	69,418	68.932	73,116
Fixed charges	1,116,419	980,547	1,040,301	1,056,936	871,664	867,425
Surplus	$120,392	(def.) $24,480	(def.) $274,831	(def.) $106,910	(def.) $176,356	$81,398

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $120,392; miscellaneous credits, $68; debit balance carried to balance sheet, $599,851; total, $720,311. Contra: Debit balance at beginning of year $715,366; loss on retired road and equipment, $4,826; miscellaneous debits, $119; total, $720,311.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$7,718.640	$7,700.483	$7,679.185	$7,306.100	$6,765.427	$6,745.854
Working assets	614.784	445.704	428.249	547.445	546.793	697,587
Deferred debit items.....	13.102	12.771	8.541	86.832	74.890	74.179
Profit and loss deficit.....	599.851	715,366	669,168	394,095	286,483	110,072
Total	$8,946,377	$8,874,324	$8,785,143	$8,334,472	$7,673,593	$7,627,692
Liabilities:						
Capital stock	$2.939.500	$2.939.500	$2.939.500	$2.939.500	$2.939.500	$2.939,500
Funded debt	5,045 000	5,045.000	3.500.000	3,500.000	3.500 000	3,500,000
Working liabilities	453.234	451.858	1,909.932	1,756.727	1,095.201	1,054,798
Accrued liabilities not due	133.520	130.878	129.313	137,744	138.345	133,102
Deferred credit items	365,123	307,088	306.398	501	547	292
Total	$8.946,377	$8,874.324	$8,785,143	$8,334,472	$7,673,593	$7,627,692

Note: Funded debt in 1916 includes $1,545,000 advances by proprietary company.

Bonded Debt: (1) $3,500,000 first 5s; dated Oct. 1, 1890; due Oct. 1, 1930. Int. April and Oct. at Farmers' Loan & Trust Co., New York, and at St. Louis. Coupon, $500 and $1,000. First lien on the property owned. Guar., prin. and int., by Terminal R.R. Association of St. Louis. An equal amount of Terminal R.R. Association General 4s are reserved to retire this issue. Legal for S.B. in Conn., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Net Rating, Aaa.

(2) $2,000,000 St. Louis Merchants' Bridge Co. first 6s; dated Feb. 1, 1889; due Feb. 1, 1929. Int. Feb. and Aug., at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Callable at 110 and int. First lien on the bridge property. Leased to St. Louis Merchants Bridge Terminal Ry. Co. Int. guar. by Terminal R.R. Association of St. Louis. Normal income tax deducted from interest. Net Rating, A.

Capital Stock: Auth., $3,500,000; outstanding, $2,939,500; par, $100. All is owned by the Terminal R.R. Association of St. Louis.

WIGGINS FERRY COMPANY

Origin: Incorporated under laws of Illinois, Feb. 11, 1853. Owns the entire stock of the East St. Louis Connecting Ry. and the St. Louis Transfer Ry., and operates the Wiggins Car Transfer and Wiggins Wagon Ferries.

Location: Company owns extensive freight yards and 11.74 miles of yard tracks in St. Louis, Mo., leased to and operated by St. Louis Transfer Ry. Co. Equipment: Wagon ferries, 4; car transfer boats, 2; tug, 1.

Management: OFFICERS: W. S. McChesney, Pres.; E. B. Pryor, Vice-Pres.; C. A. Vinnedge, Sec. and Aud.; F. C. Daab, Treas., St. Louis, Mo. DIRECTORS: W. S. McChesney, T. C. Powell, A. Robertson, E. B. Pryor, C. E. Schaff, St. Louis, Mo. OFFICE, St. Louis, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$424.569	$388,340	$522,028	$575,522	$531,453
Maintenance of way and structure	10,557	10,832	12,732	14,002	37,797
Maintenance of equipment	11,371	16,572	18,297	47,469	59,866
All other operating expenses	27,897	46,904	260,728	224,757	247,473
Net operating revenues	$374,744	$314,032	$240,271	$289,294	$186,316
Other income	200,741	242,838	248,895	244,776	198,453
Total net income	$575.485	$556,870	$489.166	$534,070	$384,769
Taxes	30,969	56,384	29,590	33,490	27,292
Fixed charges	131,886	120,119	87,165	81,911	65,235
Surplus	$412.630	$380.367	$372,411	$418,669	$292,242
Dividends paid	330,000	330,000	330,000	330,000	330,000
Balance	$82,630	$50,367	$42,411	$88,669	(def.)$37,758

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $2,380,344; credit balance transferred from income, $82,630; miscellaneous credits, $138; total, $2,463,112. Contra: Loss on retired road and equipment, $19,567; miscellaneous debits, $613; credit balance carried to balance sheet, $2,442,932; total, $2,463,112.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$3,403.196	$3,484.932	$2,113.184	$2,146,769	$1,995,652
Working assets	464,103	214.102	430.717	954,120	938.518
Deferred debit items	9,677	12,020	1,200,355	612,652	737,849
Total	$3,876,976	$3,711,054	$3,744,256	$3,713,541	$3,672,019
LIABILITIES:					
Capital stock	$1,000.000	$1,000,000	$1,000,000	$1,000.000	$1,000,000
Working liabilities	288 234	193.180	281.240	286.014	332.430
Accrued liabilities not due	28.002	27.744	30,640	28,321	36,453
Deferred credit items	117,808	109,786	227	226	80,450
Appropriated surplus	.....	.....	98,657	89,281	.....
Profit and loss surplus	2,442,932	2,380,344	2,333,492	2,309,699	2.222,686
Total	$3,876,976	$3,711,054	$3,744,256	$3,713,541	$3,672,019

Capital Stock: Authorized and outstanding, $1.000.000; par, $100. All owned by Terminal R.R. Association of St. Louis. Regular dividends of 33% have been paid for many years. No bonded debt.

TEXAS MIDLAND RAILROAD

Origin: Incorporated under laws of Texas, December, 1892, and acquired the Northeastern Division of the Texas Central R.R.

Location: Line of road operated: Paris to Commerce 37.48 miles; Greenville to Ennis, 73.70 miles; Commerce to Greenville; operated under trackage rights, 13.97 miles; total, 125.15 miles.

Management: OFFICERS: E. H. R. Green, Pres., Gen. Mgr. & Pur. Agt.; W. P. Allen, Vice-Pres.; T. E. Corley, Sec., Treas. and Aud. DIRECTORS: E. H. R. Green, W. P. Allen, Terrell, Texas; J. H. McDonough, Wm. J. Quinlan, New York; Henry Hamilton, E. M. Reardon, F. J. Kiest, Dallas, Texas. Annual meeting, second Tuesday in May. OFFICE: Terrell, Texas.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	36.9%	32.9%	25.5%	20.9%	27.7%	40.3%	32.2%	31.7%	41.9%	32.5%
Products of Animals.....	2.1	3.4	2.5	1.6	1.2	1.2	1.2	1.3	1.4	1.3
Products of Mines.....	20.6	18.3	40.0	53.2	37.0	30.4	40.7	34.7	26.9	33.4
Products of Forests.....	12.4	13.0	8.3	9.5	12.0	11.1	9.6	12.4	11.5	12.4
Manufactures.....	18.6	24.0	16.4	5.9	10.9	9.7	9.5	10.7	18.3	12.1
Merchandise and Miscel...	9.4	8.4	7.3	8.9	11.2	7.3	6.8	9.2	.....	8.3

Total revenue tonnage, year ended June 30, 1907, 217,919 tons; 1908, 176,222 tons; 1909, 278,981 tons; 1910, 405,618 tons; 1911, 387,200 tons; 1912, 383,192 tons; 1913, 490,792 tons; 1914, 377,488 tons; 1915, 271,651 tons; 1916, 321,509 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	125	....	17	16	370	70%	35,977	90,110	110	$1.70	2.49c	3.13c
1908.....	125	....	17	16	355	65	33,752	67,997	65	1.31	2.50	3.13
1909.....	125	....	17	16	348	71	32,124	140,460	153	1.72	2.65	2.05
1910.....	125	....	17	16	348	71	36,870	247,266	175	1.56	2.59	1.28
1911.....	125	....	17	16	348	71	43,906	185,420	153	1.81	2.53	1.84
1912.....	125	....	17	16	348	72	43,358	171,340	147	2.05	2.58	2.28
1913.....	125	....	17	18	348	72	57,397	263,399	179	1.80	2.58	1.76
1914.....	125	....	19	18	350	64	66,900	161,00	36	1.71	2.57	2.32
1915.....	125	....	19	18	350	66	45,747	97,11	39	1.62	2.62	3.06
1916.....	125	....	19	18	346	70	43,254	122,651	161	2.14	2.53	2.66
10-Year Average	125	....	18	17	351	69%	43,979	154,676	145	$1.74	2.56c	2.35c

Yard track and sidings, June 30, 1916, 33.84 miles.

Comment: During the year ended June 30, 1916, the Texas Midland R.R. reported a moderate improvement in its freight density in train load. It will be noted, however, that during the past ten years, there has been no real expansion of business on this property, and although the average freight and passenger rates are high, the train mile earnings have not moved up radically. The tonnage of the road is well diversified, and the amount of business transported has recently substantially improved.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$3,954	$767	$598	$1,365	$1,818	$771	$771	$105	$666	$507	24%	$159	.....
1908.....	3,257	771	912	1,683	1,983	409*	409*	121	530*	483	.....	1,013*	.....
1909.....	4,037	991	720	1,711	1,754	622	622	121	501	850	.....	349*	.....
1910.....	4,492	935	804	1,739	2,135	618	618	127	491	1,001	.....	501*	.....
1911.....	4,846	1,038	859	1,947	2,485	414	414	129	285	1,088	.....	803*	.....
1912.....	5,410	1,068	1,111	2,179	2,357	874	874	153	721	1,115	.....	394*	.....
1913.....	6,474	1,214	1,015	2,229	2,944	1,301	1,301	151	1,150	1,203	.....	53*	.....
1914.....	5,818	1,158	786	1,944	2,882	992	992	191	801	1,292	.....	491*	.....
1915.....	4,481	910	574	1,484	2,235	762	769	183	586	1,047	.....	461*	.....
1916.....	4,663	1,098	663	1,761	2,020	882	886	216	670	1,032	.....	362*	.....
10-Year Average	$4,748	$1,000	$804	$1,804	$2,261	$683	$684	$150	$534	$962	.....	$428*	.....

* Deficit.

Note: Above table is based on average mileage directly operated for each year. Margin of safety is the proportion of surplus left over after deducting all fixed charges. Since 1907 the Texas Midland has never shown a surplus above fixed charges, and therefore has no "margin of safety."

Comment: Gross and net revenues underwent a moderate improvement on the Texas Midland Railroad during the year ended June 30, 1916. The surplus available for charges, however, while better than in 1915, was considerable below that reported in earlier years and the company therefore once more was obliged to report a final deficit. There does not seem to be much possibility of this property developing sufficient new earning power to place it substantially on its feet.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$582,812	$560,074	$727,201	$809,270	$676,235	$605,784	$561,402
Maintenance of way	137,216	113,722	144,780	151,787	133,490	136,030	116,862
Maintenance of equipment	82,833	71,787	98,254	126,803	138,847	107,399	100,470
All other operating expenses	252,546	279,415	360,192	368,006	294,672	310,674	266,872
Net operating revenue	$110,217	$95,150	$123,975	$162,674	$109,226	$51,681	$77,198
Operating ratio	81.1%	83%	83%	79.8%	83.8%	91.5%	86.3%
Other income	515	976	.....	.....	.....	.....	.....
Total net income	$110,732	$96,126	$123,975	$162,674	$109,226	$51,681	$77,198
Taxes	27,010	22,886	23,884	18,934	19,150	16,093	15,830
Balance for charges	$83,722	$73,240	$100,091	$143,740	$90,076	$35,588	$61,368
Fixed charges	128,981	130,817	161,486	150,405	139,327	136,044	125,089
Deficit	$45,259	$57,577	$61,395	$6,665	$49,251	$100,456	$63,721

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $6,018; debit balance carried to balance sheet, $432,214; total, $438,232. Contra: Debit balance at beginning of year, $390,050; debit balance transferred from income, $45,259; miscellaneous debits, $2,923; total, $438,232.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$4,000	36%	$7,200	64%	....	$11,200	.....	$11,200	6.9%	.....	.....	.....	.....	.....	.....
1908	4,000	36	7,200	64	....	11,200	.....	11,200	.....	.....	.....	.....	.....	.....	.....
1909	896	4	20,000	96	....	20,896	.....	20,896	3	.....	.....	.....	.....	.....	.....
1910	896	4	20,000	96	....	20,896	.....	20,896	3	.....	.....	.....	.....	.....	.....
1911	896	4	20,000	96	....	20,896	.....	20,896	2	.....	.....	.....	.....	.....	.....
1912	896	4	20,000	96	....	20,896	.....	20,896	4.2	.....	.....	.....	.....	.....	.....
1913	896	4	20,000	96	....	20,896	.....	20,896	6.2	.....	.....	.....	.....	.....	.....
1914	896	4	20,000	96	....	20,896	.....	20,896	4.7	.....	.....	.....	.....	.....	.....
1915	896	4	20,000	96	....	20,896	.....	20,896	3.7	.....	.....	.....	.....	.....	.....
1916	896	4	20,000	96	....	20,896	.....	20,896	4.2	.....	.....	.....	.....	.....	.....
10-Year Average	$1,517	8%	$17,440	92%	....	$18,957	.....	$18,957	3.6%	.....	.....	.....	.....	.....	.....

Note: The above table is based on the average mileage directly operated.

Comment: While the Texas Midland Railroad is lightly capitalized as measured on the mileage basis, yet the earning power is also very light, and in recent years there has been no distinct improvement. The company does not appear to be in a very strong financial condition as it has been unable to accumulate any surplus.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$2,625,055	$2,637,298	$2,649,020	$2,609,467	$2,544,025	$2,557,181	$2,570,337
Working assets	147,694	105,477	130,484	150,478	117,298	111,787	129,276
Deferred debit items	7,032	5,520	.....	.....	.....	.....	.....
Profit and loss deficit	432,214	390,050	332,462	264,998	257,161	207,910	$113,462
Total	$3,211,995	$3,138,345	$3,111,966	$3,024,943	$2,918,484	$2,876,878	$2,813,075
Liabilities:							
Capital stock	$112,000	$112,000	$112,000	$112,000	$112,000	$112,000	$112,000
Funded debt	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Working liabilities	563,498	484,823	493,949	412,943	306,484	264,878	195,057
Accrued liabilities not due	33,333	33,333	.....	.....	.....	.....	.....
Deferred credit items	3,164	2,171	.....	.....	.....	.....	.....
Appropriated surplus	.....	6,018	6,017	.....	.....	.....	6,018
Total	$3,211,995	$3,138,345	$3,111,966	$3,024,943	$2,918,484	$2,876,878	$2,813,075

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Texas Midland R. R. first ref. 4s	F&A	Ag 1938	(1st) 111	$18,000	$534	$640	.....	Moderate	.....	Ca.

For Reference Note, see next page.

REFERENCE NOTE ON BOND ISSUE

1. Auth. and outstanding, $2,000,000. Dated Aug. 1, 1908; due Aug. 1, 1938. Int., at Chemical Nat. Bank, New York. Coupon, $1,000. Principal may be registered. First lien on 111.18 miles as follows: Paris to Commerce, 37.61 miles; Greenville to Ennis, 73.57 miles. Interest paid with deduction for normal income tax.

Capital Stock: Auth. and outstanding, $1[illegible]2,000 (reduced from $500,000 in 1908); par, $100. No dividends.

THE TEXAS & PACIFIC RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated March 3, 1871, under United States and Texas laws. The company acquired the Memphis, El Paso & Pacific R.R., the Southern Pacific of Texas Ry., and the Southern Transcontinental Ry. In 1881, the New Orleans Pacific Ry. was acquired. The company now also controls the Denison & Pacific Suburban Ry. and the Weatherford, Mineral Wells & Northwestern Ry. On April 1, 1915, the Opelousas, Gulf and Northwestern Railway was directly merged.

Location: The directly operated lines of the company consist of 1,944.07 miles, as follows: Main lines, New Orleans to Shreveport, Texarkana to Fort Worth, Fort Worth to El Paso, Reisor to Marshall; branches, including Port Allen to Ferriday, La., Cyprus to Shreveport, etc., 1,851.92; trackage rights, 92.15 miles. Mileage mainly in Texas and Louisiana. Population of these States in 1890; 3,344,110; in 1900, 4,430,335; in 1910, 5,521,930.

Affiliations: Of the total outstanding stock ($38,763,810), the Missouri Pacific Ry. owns $6,525,000 and the St. Louis, Iron Mountain & Southern Ry. $30,000. Further, the Second consolidated income 5s of the Texas Pacific (see Table D) have nearly all been exchanged for St. Louis, Iron Mountain & Southern refunding 4s at 65% of their par value.

Receivership: J. L. Lancaster and Pearl Wight were appointed receivers of the company by Judge Foster in the U. S. District Court at Shreveport, La., in Oct., 1916, on application of B. F. Bush, receiver of the St. Louis, Iron Mountain & Southern Ry. for an unpaid judgment against the company. For details as to reorganization, etc., consult our Investors Service.

Management: OFFICERS: J. L. Lancaster and Pearl Wight, Recs.; George J. Gould, Pres.; J. L. Lancaster, Vice-Pres.; Kingdon Gould, Vice-Pres.; C. W. Veitch, Secy. and Treas. DIRECTORS: Geo. J. Gould (Chairman), R. C. Clowry, Howard Gould, Chas. H. Sabin, Wm. C. Osborn, B. D. Caldwell, John I. Waterbury, Henry A. Bishop, J. L. Lancaster, N. S. Meldrum, E. J. Pearson, Benjamin Nicoll, Kingdon Gould, H. E. Cooper, D. Milbank. NEW YORK OFFICE: 165 Broadway. GENERAL OFFICE: Dallas, Texas.

Classification of Freight Tonnage (Years Ending Dec. 31, 1906–11; June 30, 1913–16)

	1906	1907	1908	1909	1910	1911	1913	1914	1915	1916
Products of Agriculture....	29.02%	26.43%	28.88%	23.62%	26.22%	27.80%	28.36%	28.05%	36.2%	26.40%
Products of Animals.....	5.56	5.03	5.88	5.39	4.86	4.66	6.27	6.33	5.6	5.47
Products of Mines.....	10.39	13.97	12.13	10.67	10.69	9.20	15.27	19.83	18.3	21.53
Products of Forests.....	24.86	25.50	21.60	22.69	22.42	22.04	20.93	17.57	13.2	15.61
Mfs., Mdse., and Miscel...	30.17	29.07	31.51	37.63	35.81	36.30	29.17	28.22	26.61	30.99

Total revenue tonnage in 1908, 4,944.853 tons; in 1909, 5.431,180 tons; in 1910, 5.990,801 tons; in 1911, 5,937,019 tons; in 1912, 6,442,082 tons; in 1913, 6,915,402 tons; 7.019,103 tons in 1914; 7,116,383 tons in 1915, 7,417,606 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1906 Dec. 31	1,848	39	331	187	9,439	67%	80,994	520,124	219	$2.04	2.41c	1.03c
1907 "	1,885	49	374	198	12,311	69	91,906	611,916	215	1.98	2.40	.99
1908 "	1,885	49	390	203	12,047	67	77,978	485,459	221	1.80	2.43	1.03
1909 "	1,885	49	390	204	11,735	68	82,164	533,834	222	1.91	2.43	1.03
1910 "	1,885	49	390	207	11,802	68	88,785	585,635	222	1.96	2.47	1.01
1911 "	1,885	49	382	212	11,774	68	90,610	565,668	219	1.99	2.44	1.03
1913 June 30	1,885	51	394	227	11,807	69	98,915	681,083	230	1.91	2.42	.97
1914 "	1,885	51	392	225	11,622	68	100,998	696,123	249	2.05	2.45	.97
1915 "	1,901	45	369	230	11,699	69	85,904	708,378	266	2.02	2.49	.92
1916 "	1,944	43	345	213	11,408	70	91,395	757,627	292	2.25	2.41	.92
10-Year Average	1,889	47	376	211	11,564	68%	88,965	614,585	236	$1.99	2.44c	.99c

Yard tracks and sidings, 625 miles.

Comment: A substantial improvement was shown in the freight density and train load of the Texas & Pacific Railroad during the year ended June 30, 1916. There was no change of importance in the freight or passenger rates, but there was considerable improvement in train mile earnings. As usual the freight tonnage was widely diversified and in 1916 the proportion of high grade freight was larger than has been the case in recent years.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid on Incomes
1906 Dec. 31....	$8,110	$823	$995	$1,818	$3,541	$2,751	$2,768	$181	$2,587	$919	65%	$1,668	$667
1907 "	8,978	891	1,209	2,100	4,134	2,743	2,802	320	2,482	898	64	1,584	664
1908 "	7,383	955	1,152	2,107	3,351	1,925	1,993	296	1,697	1,077	37	620	458
1909 "	7,937	1,031	1,276	2,307	3,480	2,150	2,181	284	1,897	990	48	907	.....
1910 "	8,687	1,023	1,580	2,603	3,907	2,177	2,233	317	1,916	1,034	46	882	.....
1911 "	8,562	993	1,413	2,406	4,092	2,064	2,197	353	1,844	1,098	40	746	.....
1913 June 30....	9,591	1,261	1,580	2,841	4,996	1,754	1,827	368	1,459	1,145	22	314	.....
1914 "	9,895	1,175	1,579	2,754	4,799	2,342	2,400	402	1,998	1,210	39	788	.....
1915 "	9,440	1,029	1,534	2,563	4,726	2,151	2,297	458	1,839	1,314	28	525	.....
1916 "	9,849	1,039	1,565	2,604	4,503	2,742	2,951	476	2,475	1,293	48	1,182	.....
10-Year Average	$8,843	$1,022	$1,388	$2,410	$4,153	$2,280	$2,365	$346	$2,019	$1,098	44%	$921	$179

Note: Above table is based on average mileage directly operated for each year. "Margin of safety" is the proportion of surplus left over after providing for all fixed charges.

Comparative Income Account, Years Ended December 31, 1910-1911; June 30, 1913-1916

	1916	1915	1914	1913	1911	1910
Gross revenues	$19,147,049	$17,939,175	$18,590,149	$18,049,616	$16,139,029	$16,375,805
Maintenance of way	2,019,739	1,956,172	2,215,514	2,376,175	1,872,180	1,928,901
Maintenance of equipment	3,042,806	2,916,464	2,976,734	2,978,754	2,664,043	2,979,804
All other operat. expenses	8,753,430	8,984,751	9,045,759	9,417,851	7,711,794	7,364,136
Net oper. revenues...	$5,331,074	$4,081,788	$4,352,142	$3,276,836	$3,891,010	$4,102,964
Operating ratio	72%	77.2%	76.3%	81.7%	75.9%	74.9%
Other income	407,348	283,872	172,860	167,077	250,729	107,060
Total net income.....	$5,738,422	$4,365,660	$4,525,002	$3,443,913	$4,141,739	$4,210,024
Taxes accrued	926,133	870,500	757,341	693,441	664,815	596,636
Balance for charges..	$4,812,289	$3,495,160	$3,767,661	$2,750,472	$3,476,924	$3,613,388
Fixed charges	2,513,839	2,498,333	2,281,814	2,158,630	2,070,311	1,945,410
Surplus over charges.	$2,298,450	$996,827	$1,485,847	$591,842	$1,406,613	$1,667,978
Other deductions	1,125,713	744,774	1,108,960	1,352,183	1,219,637	1,220,600
Balance	$1,172,737	$252,053	$377,778	(def.) $760,341	$186,976	$447,378
Earned on income bonds..	9.32%	.....	5.95%	2.37%	5.63%	6.67%

Note: Fixed charges in 1916 included $441,645 for hire of equipment, $267,166 for joint facility rents, $1,561,072 for interest on bonds, $206,818 for other interest.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $1,172,737; unrefundable overcharges, $15,264; donations, $471; miscellaneous credits, $7,628; total, $1,196,100. Contra: Debit balance June 30, 1915, $755,806; debt discount extinguished through surplus, $735; loss on retired road and equipment, $11,020; delayed income debits, $62,821; miscellaneous debits, $45,709; credit balance carried to balance sheet, $320,009; total, $1,196,100.

Comment: Both gross and net revenues underwent a sharp advance on this property during the year ended June 30, 1916, and the surplus available for fixed charges was higher than in any recent year. The balance carried over after covering all fixed charge requirements, was equal to no less than 9.3% on the capital stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Income Dividend. Amt. per Mile.	Income Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Income.	Margin of Safety Common.
1906 Dec. 31	$20,076	40%	$29,491	60%	.....	$50,467	$350	$50,117	5.5%	$667	5%	.....	.....	62%	.....
1907 "	20,874	40	29,598	60	.....	50,472	1,015	49,457	5.7	664	5	.....	.....	59	.....
1908 "	20,564	40	30,658	60	.....	51,222	1,082	50,140	4	458	3½	.....	.....	26	.....
1909 "	20,564	40	30,612	60	.....	51,176	993	50,183	4.4	.....	.....	.....	.....	.....	.....
1910 "	20,564	38	33,150	62	.....	53,714	1,528	52,186	4.3	.....	.....	.....	.....	.....	.....
1911 "	20,564	38	33,150	62	.....	53,714	1,740	51,974	4.2	.....	.....	.....	.....	.....	.....
1913 June 30	20,564	39	32,236	61	.....	52,800	1,035	51,765	3.5	.....	.....	.....	.....	.....	.....
1914 "	20,564	39	32,154	61	.....	52,718	1,038	51,680	4.6	.....	.....	.....	.....	.....	.....
1915 "	20,387	41	29,946	59	.....	50,333	1,060	49,273	4.7	.....	.....	.....	.....	.....	.....
1916 "	19,940	41	29,162	59	.....	49,102	1,552	47,550	6.2	.....	.....	.....	.....	.....	.....
10-Year Average ..	$20,556	40%	$31,016	60%	.....	$51,572	$1,140	$50,432	4.7%	$179	1.3½%	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of December 31, 1910-1911; June 30, 1913-1916

ASSETS:	1916	1915	1914	1913	1911	1910
Property investment	$108,975,112	$107,060,276	$106,915,698	$106,610,264	$105,706,902	$105,312,424
Working assets	4,781,875	4,280,700	3,833,685	2,936,810	4,748,276	4,691,459
Deferred debit items	216,663	207,270	1,206,840	771,927	538,014	410,342
Accrued income not due	38,330	4,950	.....	.....	.....	.....
Profit and loss	.....	755,806	10,264	494,923	.....	.....
Total	$114,011,980	$112,309,001	$111,966,487	$110,813,924	$110,993,192	$110,414,225
LIABILITIES:						
Capital stock	$38,763,810	$38,763,810	$38,763,810	$38,763,810	$38,763,810	$38,763,810
Funded debt	56,691,000	56,927,199	56,687,714	57,203,332	57,396.353	57,884,353
Working liabilities	6,339,957	6,208,389	7,063,394	6,600,808	5,483,125	6,032,159
Accrued liabilities not due	514,328	598,326	505,112	468,475	220,858	220,858
Deferred credit items	801,381	355,495	235,449	174,560	1,832.814	1.285,789
Appropriated surplus	10,581,495	9,455,782	8,711,008	7,602,939	5,445,531	4.571,062
Profit and loss surplus	320,009	.....	.....	.....	1,850,701	1,656,194
Total	$114,011,980	$112,309,001	$111,966,487	$110,813,924	$110,993,192	$110,414,225

Securities Owned, at book value, on June 30, 1916, amounted to $1,969,191. Working assets in 1916 included $791,490 in cash.

Comment: There were practically no financial changes on the Texas & Pacific during the year ended June 30, 1916. As measured on the mileage basis, the capitalization today is lower than in earlier years, and in 1916, the net income on net capital was higher than at any time during the past decade. The company during the year was able to eliminate its former profit and loss deficit, and reported a considerable surplus.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Texas & Pacific con. (now first) 5s	J&D	Je 2000	(1st) 1,393	$17,942	$2,019	$643	68%	High	Very high	Aa.
2. Texas & Pacific Lou. Div. Br. Line first 5s	J&J	Ja 1931	(1st) 400	12,425	1,376	128	76%	"	High	A.
3. Texas & Pacific Second Income 5s	An. if earned	D 2000	.....	.....		See Text	.....	Moderate	Fair	Ca.
4. Equipment trusts	Var.	Var.	(see text)	.....		214*	76%	High	"	A.

For Key to Bond Ratings, see page 19.

* Includes instalments of principal.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $25,000,000; outstanding, $24,989,000. Dated Feb. 1, 1888; due June 1, 2000. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. First lien on 1,393.18 miles; warehouses and other structures, terminal properties in Westwego, Gouldsboro, and New Orleans, coal mine at Gordon, transfer steamers, etc., said mileage comprising: From New Orleans to Shreveport, La., 326.04 miles; Texarkana to Ft. Worth, Texas, via Marshall, 245.45 miles; Texarkana to Ft. Worth, Texas, *via* Whitesboro, 244.26 miles; Ft. Worth to Sierra Blanca, Texas, 521.49 miles; Reisor (near Lucas), La., to Marshall, Texas, 34.13 miles; Placquemine to Indian Village, La., 7.12 miles; Baton Rouge Junc. to Port Allen, La., 8.40 miles; main line to coal mine, 6.29 miles. Underlies No. 3, of which $23.703,000 are deposited with Trustee of the St. L., I. M. & So. Unify. and Ref. 4s of 1929 and $339,000 are held in treasury of Texas & Pacific Ry. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $7,000,000; outstanding, $4,970,000. Dated Jan. 1, 1901; due Jan. 1, 1931. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. First lien on 399.44 miles, as follows: Cypress, via Shreveport, La., to Texarkana, Ark., 151.20 miles; Reisor to Lucas, La., 8.10 miles; Port Allen to Ferriday, La., 101.60 miles; Melville via Simmesport and Bunkie to Eunice, La., 84.59 miles; and branch to Marksville, La., 8.85 miles; Donaldsville to Napoleonville, La., 15.50 miles; Donaldsville to Thibodaux, La., 28.60 miles; Westwego Junc. to Westwego, La., 1 mile. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $25.000.000; outstanding in hands of public, $958,000; deposited under St. Louis, Iron Mountain & So. R.R. 1st and ref. 4s, $23,703.000; in treasury, $339,000. Dated Feb. 1, 1888; due Dec. 1, 2000. Int. paid, when earned, at Bankers' Trust Co., New York. Coupon, $1,000. Non-cumulative. Last payment, 3½% in 1908. Second lien on 1,393.18 miles, following No. 1. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Protective committee, Mortimer N. Buckner, chairman; H. W. Morse, Secy., 26 Broad Street, New York. Depositary, New York Trust Co.

4. In several series as follows:

Tex.-Pcf. Equip. Assn. Series H, 5s. Dated Jan. 1, 1908; due $25.000 annually to Jan. 1, 1918. Original issue, $250 000; now unmatured, $25.000. Int. paid quar., Jan. 1, at Bankers' Trust Co., New York. First lien on equip. costing $254 599. Interest paid without deduction for normal income tax.

Tex. & Pcf. Equip. Assn. Series J. 5s. Dated Aug. 1, 1910; due $18,000 annually to Aug. 1, 1920. Original issue, $180 000; now unmatured, $72.000. Int. paid quar., Feb. 1, at Bankers' Trust Co., New York. First lien on equip. costing $206,500. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

Series AA, 5s. Dated June 1, 1907; due $155,000 s.a. to June 1, 1917. Original issue, $3,100.000; now unmatured, $155,000. Int. paid J. and D. 1, at Blair & Co., New York. First lien on equip. costing $3,696,000. Interest paid without deduction for normal income tax.

Series BB, 5s. Dated June 1, 1912; due $30,000 s.a. to June 1, 1922. Original issue, $600.000; now unmatured, $330,000. Int. paid J. and D. 1, at Blair & Co., New York. Interest paid without deduction for normal income tax.

Series CC, 6s. Dated Nov. 1, 1915; due $22.000 s.a. to Nov. 1, 1920. Original issue, $220,000; now unmatured, $176,000. Int. paid M. & N. at Equitable Trust Co., New York. First lien on equipment costing $296,000. Normal income tax deducted from interest.

Series DD, 5s. Dated July 1, 1916; due $25.000 s.a. to July 1, 1926. Original issue, $500,000; now unmatured, $475,000. Int. paid J. and J. at Equitable Trust Co., New York. First lien on equipment costing $615,026. Normal income tax deducted from interest. All issues are coupon $1,000.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Texas & Pacific Ry. stock ..... Par $100. Outstanding, $38,763,810.	None	$19,940	Note	None paid.	.....	Small	Good	C.

For Key to Stock Ratings, see page 21.

Note: Auth., $50,000,000. On June 30, 1916, the Missouri Pacific Ry. Co. owned $6,555,000 of this stock. No dividends. Surplus income not available for dividends, as no interest has been deducted for income bonds. Listed on New York, Philadelphia and Amsterdam Stock Exchanges.

COMPANIES CONTROLLED BY TEXAS & PACIFIC RAILWAY CO.

DENISON & PACIFIC SUBURBAN RAILWAY

Origin: Incorporated under the laws of Texas, April 5, 1895. Opened in 1896. Controlled by the Texas & Pacific Railway Co., which owns entire capital stock.

Location: Line of road, Sherman Junction to Denison, Tex., 7.63 miles; sidings, 1.49 miles.

Management: J. L. Lancaster, Pres. and Gen. Mgr., New Orleans, La.; J. H. Elliott, Vice-Pres., Dallas, Tex.; L. S. Smth, Treas.; A. J. Biard, Sec.; A. J. Biard, Aud., Dallas, Tex. Directors: J. H. Elliott, W. H. Patterson, W. H. Abrams, Geo. Thompson, Dallas, Tex.; J. L. Lancaster, New Orleans, La.; C. C. Littleton, Ft. Worth, Tex.; H. C. Platter, Denison, Tex. Annual meeting in May. Office: Denison, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$22,583	$46.287	$43.984	$61,238	$86,399	$35,681
Gross expenses	21,110	39,871	36,771	45,066	40,667	27,296
Net income	$1,473	$6.416	$7,213	$16,172	$45,732	$8,385
Other income	9,154	6,954	3,114	.....	.....	.....
Total net income....	$10,627	$13,370	$10.327	$16,172	$45,732	$8,385
Taxes	1,997	2.644	2.213	1,705	1,473	1,146
Fixed charges	7,929	8,237	6,846	4,077	2,250	2,250
Surplus	$701	$2,489	$1,268	$10,390	$42,009	$4,989

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$214.657	$213,956	$211,467	$210,199	$209,667	$208,371
Working assets	2,567	.....	.....	.....	.....	.....
Total	$217,224	$213,956	$211,467	$210,199	$209,667	$208,371
Liabilities:						
Capital stock	$100.000	$100.000	$100.000	$100.000	$100.000	$100.000
Funded debt	100.000	100,000	100,000	100,000	100,000	100,000
Accrued liabilities not due	2,567	.....	.....	.....	.....	.....
Appropriated surplus ...	14,657	13,956	11,467	10,199	9,667	8,371
Total	$217,224	$213,956	$211,467	$210,199	$209,667	$208,371

Bonded Debt: $100,000 Denison & Pacific Suburban Ry. first 5s, dated August 1, 1900; due March 1, 1930. Interest March and Sept. in New York, N. Y. Coupon, $1,000. Bonds are guaranteed by the Texas & Pacific Ry. Co. Trustee: Bankers' Trust Co., New York, N. Y. Secured on the line as above, 7.63 miles. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $100,000; all owned by the Texas & Pacific Ry. Co. Par $100. Registrar and transfer agent, secretary of company.

WEATHERFORD, MINERAL WELLS & NORTHWESTERN RAILWAY

Origin: Incorporated under laws of Texas, July 26, 1889. Completely opened in 1908. Controlled by Texas & Pacific Ry, which owns 95% capital stock.

Location: Line of road, Weatherford to Garford, Texas, 41.2 miles. Sidings, 9.44 miles. Equipment: Locomotives, 4; passenger and freight cars, 43.

Management: OFFICERS: J. L. Lancaster, Pres., New Orleans, La.; J. H. Elliott, 1st Vice-Pres., Dallas, Tex.; B. C. Crow, 2d Vice-Pres. and Gen. Supt., Weatherford, Texas; A. J. Biard, Sec., Dallas, Tex.; J. W. Boot, Treas. and Aud., Weatherford, Tex. DIRECTORS: W. H. Abrams, J. H. Elliott, E. J. Gannon, Dallas, Tex.; B. C. Crow, G. M. Bowie, Weatherford, Tex.; J. L. Lancaster, T. J. Freeman, New Orleans, La.; H. N. Frost, Mineral Wells, Tex.; E. L. Flippen, Dallas, Tex. Annual meeting, second Tuesday in June. OFFICE: Weatherford, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$132,193	$141,955	$143,449	$175,484	$130,956	$135,823	$134,966
Operating expenses	103,083	91,526	93,821	96,284	79,785	75,543	78,148
Net operating revenue	$29,110	$50,429	$49,628	$79,208	$51,171	$60,280	$56,818
Operating ratio	78%	64.5%	65.4%	55%	60.9%	55.6%	57.9%
Other income	10,607	11,013	11,448	3,264	.....	.....	346
Total net income	$39,717	$61,442	$61,076	$82,472	$51,171	$60,280	$57,164
Taxes accrued	7,196	7,906	7,624	5,371	5,685	4,900	4,955
Fixed charges, etc	39,891	44,937	41,144	36,842	38,730	35,858	38,825
Balance	(def.)$7,370	$8,599	$12,308	$40,259	$6,755	$19,522	$13,384

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $316,906; miscellaneous credits, $3,069; total, $319,975. Contra: Debit balance transferred from income, $7,370; credit balance carried to Balance Sheet, $311,958; miscellaneous debits, $647: total $319,975.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$987,722	$987,386	$986,278	$985,900	$923,126	$922,180
Working assets	202,055	337,479	326,800	320,294	331,117	319,825
Deferred debit items	422	.....	.....	323	322	323
Total	$1,190,149	$1,324,865	$1,313,078	$1,306,517	$1,254,565	$1,242,328
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	660,000	780,000	780,000	780,000	780,000	780,000
Working liabilities	10,152	13,784	15,919	26,426	15,153	12,465
Accrued liabilities not due	13,817	13,750	13,750	13,750	13,750	13,750
Deferred credit items	5,992	6,782	5,426	5,597	5,264	4,938
Appropriated surplus	88,280	93,643	89,662	86,314	22,451	19,984
Profit and loss	311,958	316,906	308,321	294,430	317,947	311,191
Total	$1,190,149	$1,324,865	$1,313,078	$1,306,517	$1,254,565	$1,242,328

Bonded Debt: $660,000 Weatherford, Mineral Wells & Northwestern Ry. first 5s; dated Feb. 1, 1913; due Aug. 1, 1930; int. Feb. 1 and Aug. 1, at office of Bankers' Trust Co., New York. Secured by first mortgage on all property owned. Coupon, $1,000. Auth. issue, $1,354,000. Guar. as to prin. and int. by endorsement by the Texas & Pacific Ry. Co. Legal for S. B. in Texas. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth., $500,000; outstanding June 30, 1915, $100,000, of which $94,680 is owned by Texas & Pacific Ry. Co. Par, $100. TRANSFER AGENT and REGISTRAR: A. J. Biard, secretary of the company, Dallas, Tex. Annual meeting, second Tuesday in June at Weatherford, Texas.

TOLEDO, PEORIA & WESTERN RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Illinois, March 22, 1887, as successor through reorganization of the Toledo, Peoria & Western Railroad. The latter company was sold under foreclosure, October 29, 1886.

Location: Operated lines of this company consist of 247.7 miles, as follows: Effner to Peoria, Ill., 110.9 miles; Hollis to Warsaw, Ill., 108.8 miles; La Harpe to Iowa Jc., Ill., 10.4 miles; Hamilton to Keokuk Bridge, 0.6 mile; trackage rights, 17 miles. The company, jointly with the Wabash Ry., owns the Keokuk Bridge crossing the Mississippi River to Keokuk, Iowa. Mileage operated all in Illinois. Population of Illinois, in 1890, 3,826,351; in 1900, 4,821,550; in 1910, 5,638,591.

Control: The Toledo, Peoria & Western Ry. is jointly controlled by the Pennsylvania Company and the Chicago, Burlington & Quincy R.R., the former owning $2,011,200 out of $4,076,900 capital stock, and the latter owning most of the balance. The bond issue is not guaranteed.

Management: OFFICERS: E. N. Armstrong, Pres.; F. L. Fox, Secy. and Treas. DIRECTORS: C. M. Dawes, E. N. Armstrong, Hale Holden, J. J. Turner, G. L. Peck. Annual meeting, second Wednesday in September. MAIN OFFICE: Peoria, Ill.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	33.37%	36.39%	29.74%	32.35%	36.61%	32.30%	29.20%	25.50%	28.97%	33.65%
Products of Animals.....	3.73	3.10	3.28	2.73	2.46	2.71	2.30	3.04	2.88	2.54
Products of Mines.....	41.88	39.34	39.55	32.81	31.36	40.59	42.71	42.45	43.14	38.70
Products of Forests.....	2.96	3.49	3.74	3.64	3.54	3.10	3.84	4.08	3.59	3.08
Manufactures.....	6.25	4.49	6.44	6.21	7.18	13.49	14.81	16.65	13.06	22.03
Merchandise and Miscel...	11.81	13.19	17.25	22.26	18.85	7.81	7.14	8.28	8.36	....

Total revenue tons, year ended June 30, 1909, 794,226; in 1910, 851,890 tons; in 1911, 991,738 tons; in 1912, 975,501 tons; 1,071,462 tons in 1913; 967,622 tons in 1914; 899,944 tons in 1915; 931,084 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	247	....	28	31	1,840	64%	64,652	261,474	188	$1.69	2.11c	1.23c
1908.....	248	....	28	31	1,801	66	72,661	264,755	198	1.62	1.96	1.24
1909.....	248	....	28	31	1,780	60	79,967	195,281	159	1.48	1.92	1.35
1910.....	248	....	27	31	1,774	60	85,048	200,214	153	1.43	1.95	1.41
1911.....	248	....	29	30	1,764	60	90,749	237,437	180	1.56	1.96	1.32
1912.....	248	....	31	31	1,754	60	91,796	231,141	179	1.56	1.96	1.32
1913.....	248	....	31	31	1,765	59	98,650	260,527	198	1.64	1.97	1.28
1914.....	248	....	33	32	1,737	56	100,781	236,776	154	1.41	1.95	1.23
1915.....	248	....	32	32	2,102	56	90,392	215,489	167	1.40	1.96	1.23
1916.....	248	....	31	31	1,997	56	90,768	216,790	189	1.63	1.97	1.28
10-Year Average	248	....	30	31	1,831	60%	86,546	231,988	176	$1.54	1.97c	1.29c

Yard tracks and sidings, 45.62 miles.

Comment: During the year ended June 30, 1916, there was practically no change in the density figures in the Toledo, Peoria & Western property. The company, however, moderately improved its train load, and the train mile earnings averaged better than in any recent years. As usual the tonnage was widely diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$5,261	$1,088	$1,123	$2,211	$1,882	$1,171	$1,171	$190	$981	$974	.....	$7	.....
1908.....	4,925	936	1,057	1,993	2,081	851	1,005	198	807	1,131	.....	324*	.....
1909.....	4,412	768	881	1,649	1,939	824	932	202	730	934	.....	206*	.....
1910.....	4,732	838	867	1,705	2,028	999	1,142	246	896	948	.....	52*	.....
1911.....	5,216	904	1,039	1,943	2,236	1,037	1,215	230	985	933	.....	52	.....
1912.....	5,148	807	1,155	1,962	2,256	930	1,165	235	930	921	.....	9	.....
1913.....	5,617	991	1,210	2,201	2,377	1,039	1,330	258	1,072	920	15 %	152	.....
1914.....	5,216	1,019	1,317	2,332	2,652	232	653	298	355	1,112	.....	757*	.....
1915.....	4,739	807	1,339	2,146	2,432	161	572	295	277	1,205	.....	928*	.....
1916.....	4,912	755	1,358	2,113	2,107	692	1,367	298	1,069	1,213	.....	144*	.....
10-Year Average	$5,018	$891	$1,135	$2,026	$2,199	$793	$1,056	$245	$811	$1,030	.....	$219*	.....

* Deficit.

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus remaining after payment of all fixed charges. Only once within tho past nine years has this property reported any margin of safety.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$1,218,162	$1,175,244	$1,293,609	$1,392,961	$1,276,600	$1,293,562
Maintenance of way	187,349	200,049	252,675	245,669	200,036	224,147
Maintenance of equipment	336,868	332,007	325,691	300,203	286,529	257,837
All other operating exps.	522,370	603,213	657,789	589,376	559,472	554,491
Net operating revs.	$171,545	$39,975	$57,454	$257,713	$230,583	$257,087
Operating ratio	85.9%	96.60%	95.6%	81.5%	81.9%	80.1%
Other income	167,394	101,951	104,398	72,200	58,314	44,491
Total net income	$338,939	$141,926	$161,852	$329,913	$288,897	$301,578
Taxes accrued	74,000	73,200	73,921	63,887	58,213	57,149
Balance for charges	$264,939	$68,726	$87,931	$266,026	$230.684	$244,429
Fixed charges	300,864	298,793	275,773	228,354	228,380	231,243
Surplus over charges	(def.) $35,925	(def.) $230,067	(def.) $187,842	$37,672	$2,304	$13,186

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $841,123; debit balance transferred from income, $35,925; miscellaneous debits, $8,705; total, $885,743. Contra: Miscellaneous credits, $23,-317; debit balance carried to Balance Sheet, $862,426; total, $885,743.

Comment: Gross revenues improved moderately while net operating revenues underwent much expansion on the Toledo, Peoria & Western road in the year 1916. Outside income was also better than usual and therefore the company's net income available for charges reached the best figure reported in some years past. Fixed charges, however, continued high, and the company was obliged to report a further profit and loss deficit.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	$16,506	42%	$23,163	58%	$696	$40,365	$419	$39,946	2.9%	.....	.....	.....	.....	.....	.....
1908	16,440	42	23,089	58	587	40,116	411	39,705	2.5	.....	.....	.....	.....	.....	.....
1909	16,440	42	23,089	58	298	39,827	411	39,416	2.4	.....	.....	.....	.....	.....	.....
1910	16,440	42	23,192	58	268	39,900	411	39,489	2.9	.....	.....	.....	.....	.....	.....
1911	16,440	42	23,130	58	116	39,686	411	39,275	3.1	.....	.....	.....	.....	.....	.....
1912	16,440	42	23,000	58	.....	39,440	411	39,029	3	.....	.....	.....	.....	.....	.....
1913	16,440	42	22,635	58	188	39,263	411	38,852	3.4	.....	.....	.....	.....	.....	.....
1914	16,439	45	19,834	55	127	36,400	415	35,985	1.8	.....	.....	.....	.....	.....	.....
1915	16,439	44	20,973	56	127	37,539	415	37,124	1.5	.....	.....	.....	.....	.....	.....
1916	16,439	44	20,785	56	129	37,353	415	36,938	2.9	.....	.....	.....	.....	.....	.....
10-Year Average	$16,446	42%	$22,289	58%	$254	$38,989	$413	$38,576	2.6%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$9,751,557	$9,849,407	$9,633,199	$9,587,305	$9,573,831	$9,521,834
Working assets	223,303	186,057	284,972	324,113	274,428	279,466
Deferred debit items	112,739	114,493	24,563	30,856	15,049	27,697
Accrued income not due	3,500	3,500	3,500	3,500	3,500	3,500
Profit and loss deficit	862,426	841,113	511,280	323,718	359,604	362,008
Total	$10,953,525	$10,994,570	$10,457,514	$10,269,492	$10,226,412	$10,194,505
Liabilities:						
Capital stock	$4,076,900	$4,076,900	$4,076,900	$4,076,900	$4,076,900	$4,076,900
Funded debt	5,154,690	5,201,288	4,918,834	4,925,549	4,966,142	4,958,203
Working liabilities	1,629,775	1,622,504	1,446,201	1,261,736	1,182,194	1,158,546
Accrued liabilities not due	38,689	42,325	20	116	212	307
Deferred credit items	*9,515	*11,433	15,559	5,191	964	549
Appropriated surplus	62,986	62,986	.....	.....	.....	.....
Total	$10,953,525	$10,994,570	$10,457,514	$10,269,492	$10,226,412	$10,194,505

* Reverse entry.

Comment: In comparison with its average earning power, the capitalization of this property is heavy, and in recent years the net income on net capital has tended to decline. The result for 1916, however, was better than usual and the income was slightly above the average for the decade.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile on Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Toledo, Peoria & W. first 4s..	J&J	Jl 1917	(1st) 231	$21,200	$811	$800	1%	Moderate	Poor	Ca.

For Key to Bond Ratings, see page 19.

Comment: The only change in the financial statement of this property for the year ended June 30, 1915, was a moderate increase in the total funded debt. While the property is not very heavily capitalized as measured on a mileage basis, yet the earning power is very poor and in recent years the net income on net capital has been declining to nominal figures.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $5,000,000; outstanding, $4,895,000. Dated July 1, 1887; due July 1, 1917. Int. paid at American Exchange National Bank, New York. Coupon, $1,000. First lien on 230.70 miles, as follows: From Effner, near the Illinois-Indiana State line to Peoria, Ill., 110.90 miles; from Hollis to Warsaw, Ill., 108.80 miles; La Harpe to Iowa Junc., Ill., 10.40 miles; Hamilton & Keokuk Bridge (owned jointly with the Wabash), .60 mile. Listed on New York Stock Exchange. Not guaranteed. There are also outstanding a nominal amount of equipment trust notes, maturing serially. Interest paid without deduction for normal income tax.

Capital Stock: Outstanding, $4,076,900; par, $100. The Pennsylvania Company owns $2,011,200 and the Chicago, Burlington & Quincy Ry. owns nearly all the balance. No dividends.

TOLEDO, ST. LOUIS & WESTERN RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Successor in 1900 to Toledo, St. Louis & Kansas City R.R. Controls Detroit & Toledo Shore Line R.R. and in August, 1907, acquired a majority of capital stock of Chicago & Alton R.R., separately operated. See that company.

Location: Lines extend from Toledo, Ohio, to East St. Louis, Ill., crossing Indiana and Illinois. Total lines directly operated, 450.58 miles. Population of these States in 1890, 6,018,755; in 1900, 7,338,012; in 1910, 8,339,467.

Receivership: Judge Killits in the United States District Court at Columbus, Ohio, on Oct. 22, 1914, appointed President W. L. Ross, receiver.

Protective Committees: Default having occurred in the payment of the August, 1914, coupon on the 4% collateral trust gold bonds of 1917, series "A" and "B," deposits of the bonds with the August coupon, and all unmatured coupons attached, were solicited, to be made with the Union Trust Co., of New York, the depositary of the protective committee, which consists of Edwin G. Merrill, Chairman, R. Walter Leigh, A. V. Morton and Roberts Walker, with L. C. Krauthoff, as counsel, and G. K. B. Wade, 80 Broadway, New York, N. Y., as secretary.

Committee for Preferred and Common Stock: Jules S. Bache, Chairman, Walter S. Crandall, Edmund G. Hammersley, Colgate Hoyt, Walter C. Taylor, Secy.; and E. P. Goetz.

Management: Officers: W. L. Ross, Pres.; M. L. Crowell, Sec. and Treas.; B. C. Stevenson, Vice-Pres. Directors: T. P. Shonts, E. J. Berwind, James Steuart MacKie, Frank H. Davis, W. L. Ross, J. S. Bache, Clarence Brown, S. D. Carr, Colgate Hoyt, John Hubbard, Wm. Shillaber. Annual meeting, Wednesday preceding last Tuesday in October. General Office: Toledo, Ohio. New York Office: 60 Wall Street.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	15.94%	18.98%	16.30%	14.92%	15.98%	17.95%	17.42%	16.11%	17.5%	17.91%
Products of Animals.....	5.36	4.73	4.00	3.74	4.83	7.31	5.15	4.89	6.4	5.39
Products of Mines.....	37.17	38.50	38.23	39.11	42.16	33.72	30.19	31.60	30.7	24.94
Products of Forests.....	7.13	7.42	8.66	9.42	7.99	8.98	10.90	16.46	16.5	16.69
Manufactures.....	23.07	19.13	20.54	18.37	14.52	16.25	14.55	23.07	20.1	27.43
Merchandise and Miscel...	11.33	11.24	12.27	14.44	14.52	15.79	21.79	7.87	8.8	7.64

Total revenue tonnage in 1902, 1,665,423 tons; in 1910, 3,240,531 tons; in 1911, 3,440,371 tons; in 1912, 3,186,952 tons; 3,502,205 tons in 1913; 3,615,910 tons in 1914; 3,600,543 tons in 1915; 4,026,866 tons in 1916.

Diversified Investing

Price of the Book, $2.00 per copy net

This subject is fully covered in a small volume entitled "*How to Invest Money Wisely*," by John Moody, which we have recently published. For many years Mr. Moody has made a careful study of this subject in connection with his work as an analyst and adviser for bankers, financial institutions and investors, both at home and abroad. These principles for wisely and intelligently diversifying investment capital have been adopted within the past few years by numerous institutions and several thousand individual investors with satisfaction and profit.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	451	....	95	41	3,871	83%	63,714	1,486,365	470	$1.80	1.79c	.51c
1908	451	....	98	40	3,727	80	72,115	1,358,419	465	1.70	1.60	.50
1909	451	....	97	40	3,475	80	61,367	1,179,885	461	1.72	1.65	.51
1910	451	....	94	42	3,380	82	59,108	1,374,787	481	1.75	1.68	.50
1911	451	....	94	42	3,327	82	56,788	1,298,165	451	1.73	1.78	.53
1912	451	....	94	42	3,242	83	49,401	1,318,951	412	1.72	1.83	.54
1913	451	....	94	42	3,152	86	46,896	1,581,630	456	1.90	1.69	.52
1914	451	....	99	40	4,367	85	52,095	1,675,938	420	1.79	1.57	.52
1915	450	....	92	37	3,577	86	48,504	1,708,118	436	1.83	1.51	.52
1916	450	....	93	37	2,898	87	73,074	2,253,422	487	2.09	1.18	.53
10-Year Average	451	....	95	40	3,502	83%	58,306	1,523,568	454	$1.80	1.63c	.52c

Yard tracks and sidings, 175.80 miles.

Comment: During the fiscal year ended June 30, 1916, the Toledo, St. Louis & Western reported a substantial improvement in its train load but the freight density rose to a new high figure. The company's passenger business was also better than for many years past and although passenger rates feel sharply, the train mile earnings were marked up to a new high figure. The company's freight business is well diversified and the proportion of high-grade freight is now much larger than formerly.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$9,273	$1,230	$1,084	$2,314	$3,902	$3,057	$3,132	$296	$2,836	$1,406	50%	$1,430	$443
1908	8,472	1,093	1,013	2,106	3,603	2,763	3,692	308	3,384	2,302	32	1,082	883
1909	7,602	830	838	1,668	2,939	2,995	4,955	330	4,625	2,544	45	2,081	883
1910	8,365	904	1,182	2,086	3,204	3,075	4,479	364	4,115	2,453	40	1,662	883
1911	8,375	1,011	1,262	2,273	3,505	2,597	3,029	379	2,650	2,489	6	161	883
1912	8,578	940	1,376	2,316	3,604	2,658	2,933	398	2,535	2,661	.....	126*	442
1913	9,612	1,203	1,254	2,457	3,973	3,182	3,329	398	2,931	2,789	5	142	.....
1914	10,173	1,041	1,315	2,356	4,602	3,215	4,043	454	3,589	3,282	9	307	.....
1915	10,302	1,275	1,876	3,151	4,620	2,531	2,855	556	2,299	3,478	.....	1,179*	.....
1916	12,534	1,458	1,830	3,288	4,765	4,481	4,741	462	4,279	3,560	17	719	.....
10-Year Average	$9,329	$1,099	$1,303	$2,402	$3,872	$3,055	$3,719	$395	$3,324	$2,696	22%	$628	$442

* Deficit.

Note: Above table is based on average mileage directly operated for each year. Margin of safety is the proportion of surplus left over after deducting all fixed charger. For example, in 1916, the "balance for charges" (per mile) was $4,279; fixed charges consumed $3,560 or 83% of this, leaving $719, a "margin of safety" of 17%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$5,640,398	$4,636,059	$4,588,121	$4,305,046	$3,836,530	$3,772,636
Maintenance of way	656,200	573,700	469,619	542,644	423,902	456,134
Maintenance of equipment	823,580	844,224	592,935	565,563	620,322	560,026
All other operating exps.	2,144,112	2,079,030	2,075,592	1,792,050	1,621,634	1,586,812
Net operating revs.	$2,016,506	$1,139,105	$1,449,975	$1,404,789	$1,170,672	$1,169,664
Operating ratio	64.2%	75.5%	68.4%	66.7%	68.9%	69%
Other income	117,152	145,686	373,640	96,482	151,768	214,139
Total net income	$2,133,658	$1,284,791	$1,823,615	$1,501,271	$1,322,440	$1,383,803
Taxes accrued	208,068	250,182	204,836	179,505	179,543	171,052
Balance for charges	$1,925,590	$1,034,609	$1,618,779	$1,321,766	$1,142,897	$1,212,751
Fixed charges	1,601,901	1,565,090	1,480,264	1,258,004	1,198,824	1,139,954
Surplus over charges.	$323,689	(def.) $530,484	$138,514	$63,762	(def.) $55,927	$72,797
Dividends paid	.....	.....	.....	.....	199,052	398,104
Other deductions	14,520	17,424	20,208	.....	.....	.....
Balance	$309,169	(def.) $547,905	$118.306	(sur.) $63,762	(def.) $254,979	(def.) $325,307
Earned on stock: Pfd.	.....	.....	1.38%	.64%	.....	.73%
Common	3.24%	.....	.....	.....	.....	.....

Profit and Loss Account, year ended June 30, 1916: Credits, credit balance July 1, 1915, $2,213,628; credit balance transferred from income, $309,169; donations, $10; miscellaneous credits, $28,578; total, $2,551,385. Contra: debit discount extinguished through surplus, $85; loss on retired road and equipment, $17,597; miscellaneous debits, $4,060; credit balance carried to balance sheet, $2,529,643; total, $2,551,385.

Comment: Both gross and net revenues underwent a very sharp advance in the Toledo, St. Louis & Western property during the year 1916. The net operating revenues were nearly twice those of the previous year and as fixed charges increased only moderately, the company was able to report a very substantial surplus as compared with a heavy deficit in 1915. Although the company is still in receivers' hands, it will be noted that there has been a very substantial improvement in its position.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$44,341	55%	$36,554	45%	.....	$80,895	$1,114	$79,781	3.9%	$443	2%	.....	.....	.....	.....
1908	44,341	43	63,031	57	.....	107,374	27,363	80,011	4.6	883	4	.....	.....	68%	.....
1909	44,230	43	62,810	57	.....	107,040	27,339	79,701	6.2	883	4	.....	.....	18	.....
1910	44,346	43	62,587	57	.....	106,933	27,575	79,358	5.6	883	4	.....	.....	58	.....
1911	44,342	43	62,146	57	.....	106,488	28,460	78,028	3.9	883	4	.....	.....	47	.....
1912	44,342	43	62,144	57	.....	106,486	28,458	78,028	3.8	442	2	.....	.....	.....	.....
1913	44,342	43	62,144	57	.....	106,486	28,458	78,028	4.3	.....	.....	.....	.....	.....	.....
1914	44,346	41	65,177	59	.....	109,523	28,909	80,614	5	.....	.....	.....	.....	.....	.....
1915	44,346	41	64,586	59	.....	108,932	29,104	79,828	3.6	.....	.....	.....	.....	.....	.....
1916	44,444	41	64,200	59	.....	108,644	29,105	79,539	6	.....	.....	.....	.....	.....	.....
10-Year Average	$44,342	44%	$60,538	56%	.....	$104,880	$25,588	$79,292	4.7%	$442	2%	.....	.....	30%	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$52,290,984	$51,779,295	$51,932,677	$50,894,115	$50,923,072	$50,934,137
Working assets	1,880,759	1,797,667	1,701,215	1,654,350	2,044,021	1,714,713
Deferred debit items	1,389,195	1,682,765	519,511	289,026	231,834	203,513
Accrued income not due	5,180	5,680	7,500	5,912	5,913	8,694
Total	$55,566,118	$55,446,907	$54,160,903	$52,843,403	$53,204,830	$52,861,057
Liabilities:						
Capital stock	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000
Funded debt	28,889,814	29,128,406	29,394,937	28,377,500	28,477,000	28,577,000
Working liabilities	2,511,096	1,794,866	1,410,696	1,156,933	1,544,712	834,366
Accrued liabilities not due	404,331	872,019	366,234	385,971	329,476	338,089
Deferred credit items	1,110,482	1,310,957	110,277	132,934	107,402	110,112
Appropriated surplus	120,752	127,032	133,608	113,400	91,800	70,200
Profit and loss surplus	2,529,643	2,213,627	2,745,151	2,677,165	2,644,440	2,931,290
Total	$55,566,118	$55,446,907	$54,160,903	$52,843,403	$53,204,830	$52,861,057

Comment: The Toledo, St. Louis & Western property is heavily capitalized as measured on the mileage basis and during the recent years there has been little tendency toward improvement in the net income on net capital. In 1916, however, the exhibit made was an unusually favorable one. It is expected that when reorganized, the fixed charge requirements of the property will be radically reduced.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Tol. St. L. & W. p. l. 3½s	J&J	Jl 1925	(1st) 451	$21,230	$3,324	$745	78%	High	High	Baa.
2. Tol. St. L. & W. first 4s	A&O	Ap 1950	(2d) 451	14,410	2,579	578	77%	Fair	"	B.
3. Tol. St. L. & W. rec. ctfs. 6%	F&A	Ag 1918	(Coll.)	.....		13	77%	.....	.....	....
4. Tol. St. L. & Western coll. tr. "A" 4s	F&A	Ag 1917	(C&A col)	.....	1,988	576*	48%	Small	Poor	C.
5. Tol. St. L. & Western coll. tr. "B" 4s	F&A	Ag 1917	(C&A col)	.....	1,988	449*	48%	"	"	C.

* In default.

Note: "Average Income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $10,000,000; outstanding, $9,575,000; balance in treasury. Dated July 1, 1900; due July 1, 1925. Int. paid at company's office, 60 Wall St., New York. Coupon, $1,000; reg., $1,000 and $5,000. First lien on entire property now owned or hereafter acquired, including 450.58 miles from Toledo, Ohio, to East St. Louis, Ill. Underlies No. 2, which provides for retirement. Legal for Savings Bank in Maine, Mo. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $16,500,000; outstanding, $6,500,000; balance may be issued only to retire No. 1. Dated July 1, 1900; due April 1, 1950. Int. paid at company's office, 60 Wall St., New York. Coupon, $1,000; reg., $1,000 and $5,000. Redeemable on any interest date after July 1, 1925, at par and int. on six months' notice. Second lien on 450.58 miles, following No. 1. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $500,000; outstanding, $100,000. Dated Aug. 1, 1916; due Aug. 1, 1918. Int. paid in Toledo, Ohio. Coupon, $1,000. Callable at par after Aug. 1, 1917, on 30 days' notice. Secured by deposit of 7.140 shares of common stock of the Detroit & Toledo Shore Line R.R.

4 *and* 5. Auth., $12,000,000; outstanding, $6,480,000 Series "A," $5,047,000 Series "B." Dated Aug. 1, 1907; due Aug. 1, 1917. Int. paid at 60 Wall St., New York. Coupon, $1,000. Both issues equally secured by pledge of $6,480,000 preferred and $14,420,000 common stock of Chicago & Alton R.R. Series "A" were issued for the Chicago & Alton preferred, dollar for dollar, and Series "B" were issued for the Chicago & Alton common on the basis of $35 in bonds for $100 in stock. On Series "B," interest (since July 1, 1912) is at rate of 4% per annum. Both series defaulted on interest payment Aug. 1, 1914. Of those outstanding, the Chic., R. I. & Pacific Ry. owns $400,000 Series "A," and all of Series "B." Listed (Series "A") on New York Stock Exchange. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Toledo, St. Louis & Western preferred stock. Par $100. Outstanding, $10,000,000.	See text	$22,222	$628	.....	.....	Small	Fair	C.
2. Toledo, St. Louis & Western common..... Par $100. Outstanding, $10,000,000.	.....	22,222	.....	.....	.....	"	"	D.

For Key to Stock Ratings, see page 21.

Note: Auth., $10,000,000 preferred and $10,000,000 common. Preferred is 4% non-cumulative. Preferred paid 2% in 1907; 4% in 1908, 1909, 1910, 1911; none since. Of the stock outstanding, the company has in its treasury $47,400 preferred and $5,000 common. Transfer Agent: Chas. R. Bosse, 60 Wall Street, New York. Both issues are listed on New York Stock Exchange.

THE CHICAGO & ALTON RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Formed in 1906 as consolidation of Chicago & Alton Ry. and Chicago & Alton Railroad. Since August, 1907, has been controlled by Toledo, St. Louis & Western by stock ownership. See that company.

Location: Main lines extend from Chicago to St. Louis, with extension westward to Kansas City, with branches. Total lines operated, 1,052.65 miles, classified as follows: Lines owned, 637.84 miles; lines leased, 327,79 miles; trackage rights, 37.02 miles. Mileage chiefly in Illinois and Missouri. Population of these States in 1890, 6,505,635; in 1900, 7,928,215; in 1910, 8,931,926.

Control: Toledo, St. Louis & Western Ry. owns $6,480,000 out of $19,544,000 preferred and $14,420,000 out of $19,542,800 common stock, all being deposited under its collateral trust bonds. The Union Pacific R.R. owns $10,343,100 of the preferred stock.

Management: Officers: W. G. Bierd, Pres.; F. H. Davis, Vice-Pres. and Treas.; James Steuart MacKie, Sec. Directors: Joy Morton, W. G. Beale, J. J. Mitchell, Roberts Walker, W. G. Bierd, Samuel Insull, Robt. S. Lovett, Jas. Steuart MacKie, Louis C. Krauthoff, Julius Kruttschnitt, V. D. Skipworth. Annual meeting, first Tuesday in October. Main Office, Railway Exchange, Chicago, Ill. New York Office, 60 Wall Street.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	15.68%	16.51%	13.82%	15.53%	15.88%	14.04%	13.85%	15.96%	19.77%	17.62%
Products of Animals.....	5.69	6.72	6.27	6.30	7.15	6.27	5.67	7.65	8.97	7.64
Products of Mines.....	55.24	53.64	55.30	49.71	51.57	56.39	56.66	46.93	41.26	42.69
Products of Forests.....	6.31	5.66	5.04	6.01	5.40	5.06	6.58	8.84	8.42	8.36
Manufactures.....	8.36	7.69	9.18	10.94	9.92	8.72	12.39	14.78	16.34	18.55
Merchandise and Miscel...	8.72	9.78	10.29	11.51	10.08	9.52	4.85	5.84	5.24	5.14

Total revenue tonnage in 1902, 4,922,391 tons; in 1910, 8,511,682 tons; in 1911, 9,484,618 tons; in 1912, 10,123,710 tons; 10,678,122 tons in 1913; 8,484,525 tons in 1914; 7,864,283 tons in 1915; 9,515,262 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	970	146	249	205	10,937	66%	186,296	1,429,398	406	$1.92	2.05c	.59c
1908.....	998	146	247	204	10,806	63	190,597	1,264,672	407	1.98	1.85	.61
1909.....	998	146	261	203	12,739	62	210,263	1,352,532	410	1.86	1.82	.57
1910.....	998	146	271	210	12,656	61	218,917	1,365,832	383	1.89	1.89	.60
1911.....	1,018	193	316	210	12,625	65	212,478	1,493,435	396	2.00	1.97	.61
1912.....	1,026	193	316	210	12,551	63	205,285	1,576,270	424	2.03	1.95	.58
1913.....	1,026	195	345	205	12,563	65	209,592	1,722,506	481	2.15	1.96	.54
1914.....	1,033	195	302	205	14,888	63	211,581	1,417,388	441	2.09	1.89	.61
1915.....	1,050	256	328	203	14,309	65	188,960	1,367,001	418	2.07	1.94	.64
1916.....	1,052	256	326	201	14,194	68	194,227	1,710,920	468	2.23	1.92	.62
10-Year Average	1,017	187	296	206	12,827	64%	202,820	1,469,995	423	$2.02	1.92	.60c

Yard tracks and sidings, 450 miles.

Comment: For the year ended June 30, 1916, the Chicago & Alton property reported a very substantial improvement in its freight density and the average nearly reached the high figures of 1913. Train load and train mile earnings were also better than usual, while freight and passenger rates were maintained near the recent averages. The company as usual reported a wide diversification of its freight tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$13,206	$1,473	$1,647	$3,120	$5,152	$4,934	$4,935	$380	$4,555	$2,670	40%	$1,885	$843
1908.....	12,124	1,409	1,529	2,938	4,700	4,486	4,486	357	4,129	2,803	32	1,326	973
1909.....	12,525	1,223	1,251	2,474	4,949	5,102	5,196	381	4,815	3,146	35	1,669	1,637
1910.....	13,385	1,499	1,497	2,996	5,661	4,728	4,731	448	4,283	3,209	25	1,074	1,228
1911.....	14,335	1,709	2,353	4,062	6,199	4,074	4,076	415	3,661	3,506	4	155	401
1912.....	14,167	1,846	2,628	4,474	6,135	3,558	3,558	450	3,108	3,404	.....	296*	.....
1913.....	14,868	2,485	3,293	5,778	6,736	2,354	2,363	474	1,889	3,724	.....	1,835*	.....
1914.....	13,704	1,875	3,529	5,404	6,349	1,951	2,196	551	1,645	4,319	.....	2,674*	.....
1915.....	13,564	1,569	3,176	4,745	5,800	3,019	3,342	485	2,857	4,466	.....	1,609*	.....
1916.....	15,509	1,758	3,252	5,010	6,018	4,481	4,859	539	4,320	4,484	.....	164*	.....
10-Year Average	$13,739	$1,685	$2,415	$4,100	$5,770	$3,869	$3,974	$448	$3,526	$3,573	.....	$47*	$508

* Deficit.

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after payment of all fixed charges. This company has failed to earn its full charges in every year since 1911, so shows no margin of safety in recent years.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$16,315,772	$14,242,130	$14,114,309	$15,220,447	$14,535,722	$14,592,519
Maintenance of way.....	1,849,002	1,647,541	1,936,994	2,550,080	1,894,536	1,739,917
Maintenance of equipment	3,421,350	3,334,943	3,645,152	3,379,145	2,696,132	2,395,998
All other operating exps..	6,331,442	6,090,223	6,559,206	6,910,847	6,294,533	6,310,721
Net operating revs...	$4,713,978	$3,169,423	$1,972,957	$2,380,375	$3,650,521	$4,145,883
Operating ratio....	71.1%	77.7%	86%	84.1%	74.8%	71.5%
Other income	398,156	339,396	295,120	43,480	834	11,484
Total net income....	$5,112,134	$3,508,819	$2,268,077	$2,423,855	$3,651,355	$4,157,367
Taxes accrued	566,839	509,724	568,938	486,760	461,657	422,604
Balance for charges..	$4,545,295	$2,999,095	$1,699,139	$1,937,095	$3,189,698	$3,734,763
Fixed charges	4,716,873	4,689,251	4,461,429	3,820,385	3,493,420	3,577,289
Surplus	(df.)$171,578	(df.)$1,690,156	(df.)$2,762,290	(df.)$1,883,290	(df.)$303,722	$157,474
Dividends paid	.....	.....	.....	.....	35,172	408,466
Balance	(df.)$171,578	(df.)$1,690,156	(df.) $2,762,290	(df.)$1,883,290	(df.)$338,894	(df.)$250,992
Earned on stock: Pfd....	.....	.....	.....	.....	.....	.62%
Common	.....	.....	.....	.....	.....	.....

Note: Fixed charges, as shown above, include hire of equipment, interest and rentals, and discount on securities. The dividend item in 1912 income account is the 4% payment from profit and loss on the small issue of prior lien and participating stock, of which there is $868,700 outstanding. In 1916, rental guarantees amounted to $366,056; interest on bonds, $3,244,743; facility rents, $391,208; hire of equipment, $447,822.

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $78,649; delayed income credits, $19.805; unrefundable overcharges, $4,044; donations, $85,171; miscellaneous credits, $24,239; debit balance carried to Balancc Sheet, $8,094,027; total, $8,305,935. Contra: Debit balance at beginning of year, $7,674,340; debit balance from income account, $171,578; surplus appropriated for property, $142,091; debit discount, $728; loss on retired road and equipment, $199,352; delayed income debits, $108,293; miscellaneous debits, $9,552; total, $8,305,935.

Comment: The best gross revenues ever reported were shown by the Chicago & Alton property during thc year ended June 30, 1916. The net revenues were also better than during any ycar since 1910 and as outside income also increased, the company was able to show surplus profits almost equal to the heavy fixed charges.

No progress has been made in the reorganization of this property but as the controlling interests are continuing to advance funds for the payment of current obligations, the securities still remain on a fairly substantial basis.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.									Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	$41,220	34%	$81,068	66%	$4,086	$126,375	$10,546	$115,829	4.3%	$843	4%	.....	.....	55%	.....
1908	40,046	34	77,845	66	4,830	122,721	10,239	112,482	4	784	4	$189	1%	40	65%
1909	40,046	36	73,917	64	4,830	118,793	375	118,418	4.6	784	4	853	4	53	4
1910	40,046	33	81,288	67	4,830	126,164	478	125,686	3.8	784	4	444	2	27	.....
1911	39,249	34	76,691	66	4,868	120,808	540	120,268	3.4	401	2	.....	.....	.....	.....
1912	38,943	34	76,866	66	4,698	120,507	211	120,296	3	.....	.....	.....	.....	.....	.....
1913	38,943	32	81,155	68	4,698	124,796	36	124,760	1.9	.....	.....	.....	.....	.....	.....
1914	38,679	32	83,136	68	4,841	126,656	36	126,620	1.7	.....	.....	.....	.....	.....	.....
1915	38,053	32	82,641	68	4,763	125,457	13	125,444	2.7	.....	.....	.....	.....	.....	.....
1916	38,216	30	88,389	70	4,582	131,187	45	131,142	3.7	.....	.....	.....	.....	.....	.....
10-Year Average	$39,344	33%	$83,300	67%	$4,702	$124,346	$2,252	$122,094	3.2%	$360	1.8%	$149	.....	.....	.....

Note: Bond column includes direct obligations of company; rental column includes guaranteed dividends of leased lines, capitalized; unpeldged investments are nominal. In above table, stock outstanding does not include stocks of subsidiary companies, but does include the Chicago & Alton prior lien preferred stock as well as the regular preferred and common stock issues. "Owned by Company" includes unpledged securities only. See next page.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$129,840,872	$123,282,397	$123,200,969	$122,371,986	$121,672,477	$121,755,086
Working assets	4,437,350	3,460,081	3,608,973	5,056,324	3,384,809	3,257,001
Deferred debit items	3,093,268	2,406,430	2,379,565	2,051,608	862,132	693,876
Accrued income not due	5,555	719	.....	.....	.....	.....
Profit and loss deficit	8,094,028	7,674,340	5,715,442	2,460,291	324,521	.....
Total	$145,471,068	$136,823,967	$134,904,949	$131,940,209	$126,243,939	$125,705,963
Liabilities:						
Capital stock	$43,896,000	$43,916,000	$43,916,000	$43,648,700	$43,648,700	$43,648,700
Funded debt	92,985,615	86,773,342	85,879,666	83,265,000	74,810,500	75,751,500
Working liabilities	6,147,774	4,788,241	4,140,266	3,958,859	6,839,523	5,538,713
Accrued liabilities not due	700,326	699,770	662,003	634,423	692,779	688,328
Deferred credit items	1,375,945	423,297	307,014	433,227	252,437	34,130
Appropriated surplus	365,408	223,317	.....	.....	.....	.....
Profit and loss surplus	.....	.....	.....	.....	.....	44,592
Total	$145,471,068	$136,823,967	$134,904,949	$131,940,209	$126,243,939	$125,705,963

Note: In above balance sheet the guaranteed capital stocks of subsidiaries as well as that of the main company are included. In bonded debt the obligations of subsidiaries are not includcd. The main increase of funded debt in 1913 was causcd by the issue of new general mortgage 6s. This issue amounted to $11,880,000 and was partly used to replace short term notes, equipment trusts, and floating debt. In 1914, further general mortgage 6s were issued.

Comment: The Chicago & Alton property is very heavily capitalized and bonded debt during recent years has shown a steady advance. It will be noted that net income on net capital is very low as compared with requirements and if it were not for the fact that the finances of the company have been taken care of by the Union Pacific interests, the company would long ago have gone into bankruptcy. As matters stand, it is apparently the intention of the management to try to work the property back to a sound financial basis.

Securities Owned June 30, 1916

Securities pledged—	
K. C., St. L. & Chic. R.R., preferred stock	$3,000,000.00
K. C., St. L. & Chic. R.R. Co., common stock	157,100.00
La. & Missouri River R.R. Co., preferred stock	999,800.00
La. & Missouri R.R. Co., common stock	2,300,500.00
Kan. City Terminal Ry. Co., common stock	100,000.00
Miss. River Bridge Co., common stock	300,000.00
Peoria Ry. Terminal Co., capital stock	499,300.00
Term. R.R. Ass'n of St. Louis capital stock	205,800.00
Rutland, Toluca & No. R.R. Co., capital stock	96,300.00
Total par value	$7,658,800.00
Total book value	4,027,745.24
Securities unpledged—	
Alton Grain Elevator Co., stock	$23,000.00
Cleveland Athletic Ass'n	100.00
Joliet & Chicago R.R. Co., guaranteed stock	5,000.00
K. C., St. L. & Chic. R.R. Co., common stock	500.00
La. & Missouri River R.R. Co., preferred stock	5,900.00
La. & Missouri River R.R., common stock	1,200.00
Rutland, Toluca & No. R.R. Co., capital stock	700.00
Joliet Union Depot Co., capital stock	10,000.00
Peoria Ry. Terminal Co., capital stock	$700.00
Peoria Ry. Terminal Co., 1st mtge. bonds	
One-half interest in 3 bonds owned jointly with C. R. I. & P. Ry. Co.	1,500.00
Springfield Hotel Co., stock	1,000.00
Total par value	$49,600.00
Total book value	46,841.50
Deducted from capital liabilities—	
C. & A. R.R. Co. 4% pr. lien & par. stk.	10,600.00
C. & A. R.R. Co., gen. mtge. 6s	216,000.00
C. & A. R.R. Co., 20 yr. imp. and eq. bds.	6,817,000.00
Total par and book values	$7,043,600.00

Recap. of Sec. Owned—	Par value	Book value.
Securities pledged	$7,658,800.00	$4,027,745.24
Securities unpledged	49,600.00	46,841.50
Securities owned, deducted from capital liabilities	7,043,600.00	7,043,600.00
Totals	$14,752,000.00	11,118,186.74

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Chic. & A. R. R. refund 3s	A&O	O 1949	(1st) 592	$76,600	$3,526	$1,293	63%	High	Good	Aa.
2. Chic. & A. Ry. first lien 3½s	J&J	Jl 1950	(1st) 88 (2d) 592	32,350	2,233	732	67%	Strong	Fair	B.
3. Chic. & A. deben. 5s	J&D	Je 1922	(gen) 688	1,300	1,501	42	32%	Fair	"	Ca.
4. Chic. & A. gen. 6s	J&J	Jl 1932	(gen) 688	24,468		960	32%	"	"	C.
5. Equipment trusts	Var.	Var.	(see text)	.....		27	32%	High	Good	Baa.

Note: "Average income available" is the average net income per mile available for interest charges after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $55,000,000; outstanding, $45,350,000. Dated Oct. 1, 1899; due Oct. 1, 1949. Int. paid at 60 Wall Street, New York. Coupon, $1,000; reg., $1,000, $5,000 and $10,000. First lien on 591.73 miles, together with securities, leaseholds, lands, terminals, etc., mileage being as follows: From Joliet to Alton, Ill., 220.10 miles; Alton to East St. Louis, Ill., 23.40 miles; Dwight to Washington, Ill., 69.75 miles; Varna to Lacon, Ill., 10 miles; Joliet to Coal Branch Junc., Ill., 18.58 miles; Coal Branch Junc. to Mazonia, Ill., 5.90 miles; Bloomington to Godfrey, Ill., 150.60 miles; Godfrey to Wann, Ill., 7.40 miles; Roodhouse, Ill., to Center of Mississippi River, 37.20 miles, and Eidred to Barnet, Ill., 48.80 miles; first lien on leasehold rights of 300.61 miles, as follows: The Joliet & Chicago R. R., from Chicago to Joliet, Ill., 37.20 miles; the Louisiana & Missouri River R.R., Louisiana to Cedar City, Mo., 101.59 miles; the Kansas City, St. Louis & Chicago R.R., Mexico to Kansas City, Mo., 161.82 miles; first collateral lien on $3,000,000 preferred and $157,000 common stock of the Kansas City, St. Louis & Chicago R.R., $989,300 preferred and $2,268,800 common stock of the Louisiana & Missouri River R.R., $100,000 capital stock of the Kansas City Terminal Co.; $300,000 capital stock of the Mississippi Bridge Co. Underlie Nos. 2, 3 and 4. Legal for Savings Banks in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $22,000,000. Dated April 1, 1900; due July 1, 1950. Int. paid at 60 Wall Street, New York. Coupon and reg., $1,000. Callable at par on six months' notice. First lien 87.90 miles, Grove to Springfield and Iles to Murrayville, Ill.; also by second lien on 591.73 miles, following No. 1. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $2,000,000; outstanding, $889,000; retired by sinking fund, $777,000. Dated June 1, 1907; due June 1, 1922. Int. paid at company's office, 60 Wall Street, New York. Coupon, $1,000. Redeemable as whole only at 102½ and int. on any interest date on sixty days' notice. Sinking fund: On and after May 15, 1908, an annual amount equal to 7½% of the bonds outstanding for purchase of these bonds at not exceeding 102½ and interest. Equally secured with No. 4 on 687.84 miles (total owned). Refunding: Equal amount of No. 4 is reserved to retire this issue. Interest paid without deduction for normal income tax.

4. Auth., $20,000,000; outstanding, $16,834,000. Dated July 1, 1912; due July 1, 1932. Int. paid at 60 Wall Street, New York. Coupon and reg., $500 and $1,000. Those in treasury are partly reserved to retire balance of No. 3, and also balance of No. 5. Callable at 105 on 90 days' notice. Secured on entire property, jointly with No. 3, following Nos. 1 and 2, and issued to replace the improvement and equipment 5s, as well as for improvements, betterments, etc. There are deposited under this issue $6,817,000 improvement and equipment 5s of 1930 (entire issue). The Union Pacific R.R. owns $8,417,000 of this issue. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

5. In several series, as follows: Chicago & Alton Equip. Assn. Series E, 4½s; dated Nov. 1, 1908; due $82,000 s.a. to Nov. 1, 1918. Original issue, $1,640,000; now unmatured, $328.000. Int. paid M. and N. 1 at Bankers' Trust Co., New York. Coupon, $1,000. First lien on equipment costing $2,051,519. Series F, 4½s; dated Feb. 1, 1909; due $12,000 each Feb. 1, and $13,000 each Aug. 1 to Feb. 1, 1919. Original issue, $250,000; now unmatured, $62.000. Int. paid Feb. and Aug. 1 at Bankers Trust Co., New York. Reg., $1,000. First lien on equipment costing $313,543. Series G, 5s; dated Oct. 1, 1910; due $72,000 annually to Oct. 1, 1918, and $73,000 Oct. 1, 1919 and 1920. Int. A. and O. 1, at Penn. Co. for Ins. on Lives, etc., Philadelphia. Coupon, $1,000. Original issue, $722,000; now unmatured, $290,000. First lien on equipment costing $849,500. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Kansas City, St. Louis & Chic. "gtd." pfd... Par $100. Outstanding, $1,750,000.	6% QuF	$10,800		$100	.....	High	High	B.
2. Joliet & Chicago gtd. stock..... Par $100. Outstanding, $1,500,000.	7% QuJ	40,540	$175	100	.....	"	"	B.
3. Louisiana & Missouri River gtd. pfd. stock... Par $100. Outstanding, $329,000.	7% F&A	3,226		22	.....	"	"	B.
4. Chic. & Alton prior lien pfd. stock..... Outstanding, $868,700.	See text	826		.....	.....	Fair	Fair	C.
5. Chicago & Alton R.R. preferred stock..... Par $100. Outstanding, $19,544,000.	See text	18,578		.....	.....	Poor	"	C.
6. Chicago & Alton R.R. common stock..... Par $100. Outstanding, $19,542,800.	See text	18,576	.....	.....	.....	Small	"	D.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Kansas City, St. Louis & Chicago Ry., from Mexico to Kansas City, Mo., 161.9 miles, is directly operated by the Chicago & Alton R.R., being leased in perpetuity for 35% of gross earnings, this being sufficient to pay dividends of 6% on $1,750,000 "guaranteed" preferred, and 7% on $3,000,000 "plain" preferred and $271,800 common. The Chicago & Alton R.R. owns $157,100 common and all the "plain" preferred, but no "guaranteed" preferred.

2. Joliet & Chicago R.R., from Joliet to Chicago, 37.15 miles, is directly operated by the Chicago & Alton R.R., being leased in perpetuity for guaranty of 7% on stock. Issue listed on New York Stock Exchange.

3. Louisiana & Missouri River R.R., from Louisiana to Cedar City, Mo., 101.77 miles, is directly operated by Chicago & Alton R.R., being leased in perpetuity at a rental of 7% on $329,000 guaranteed preferred stock. There is also outstanding, $1,010,000 non-guaranteed preferred and $2,312,700 common stock, nearly all owned by Chicago & Alton R.R.

4. Auth., $879,300. Entitled to 4% cumulative dividends, and in addition to further dividends equaling rate paid on common stock. No dividends paid since 1911.

5. Auth., $19,544,000. Entitled to 4% after No. 4 has received 4%; has preference over No. 6 as to assets. The Toledo, St. Louis & Western R.R. owns $6,380,000, which is deposited under its own collateral bond issue, and the Union Pacific owns $10,343,100. No dividends since 1911. Listed on New York Stock Exchange.

6. Auth., $19,542,800. Toledo, St. Louis & Western R.R. owns $14,420,000, which is deposited under its own collateral mortgage. Listed on New York Stock Exchange. Transfer Agent: C. R. Bosse, 60 Wall Street, New York.

COMPANIES LEASED BY CHICAGO & ALTON RAILROAD COMPANY

JOLIET & CHICAGO RAILROAD

Incorporated under laws of Illinois, Feb. 15, 1855. Line of road: Joliet to Chicago, 37.15 miles; second track, 37.15 miles; third, 1.10 miles; fourth track, 1.01 miles; yard tracks. 84.23 miles. Leased in perpetuity to Chicago & Alton R.R. from Jan. 1, 1864, rental being 7% on stock and $1,800 per annum for organization expenses. Lessee operates the property.

Management: Officers: W. G. Bierd, Pres.; H. T. Douglas, Jr., Vice-Pres.; H. E. H. Wood, Sec. and Treas. Annual meeting, first Monday in April. Office, Chicago, Ill.

Capital Stock: Auth. and outstanding, $1,500,000; par, $100. For rating, see Chicago & Alton R.R. stock table.

LOUISIANA & MISSOURI RIVER RAILROAD

Incorporated under laws of Missouri, March 24, 1868. Line of road, Cedar City to Louisiana, Mo., 101.77 miles; sidings, 26.22 miles. Leased in perpetuity from Aug. 1, 1870, to Chicago & Alton Railroad, rental now being 7% on the guaranteed preferred stock and principal and interest on bonds (bonds have now all been retired). Lessee operates the property.

Management: Officers: E. F. Swinney, Pres.; W. G. Bierd, Vice-Pres.; H. E. H. Wood, Secy. and Treas. Annual meeting, first Wednesday in May. Office, St. Louis, Mo.

Capital Stock: Auth. and issued, $329,000 7% guaranteed preferred, $1,010,000 plain preferred and $2,312,700 common; par, $100. Each holder has the right to sell his plain preferred to the lessee at $29.50 per share, and the common at $10 per share. Nearly all has been so disposed of. For rating on guaranteed preferred, see Chicago & Alton R.R. stock table.

RUTLAND, TOLUCA & NORTHERN RAILROAD

Incorporated under Illinois laws, Nov. 9, 1909, as successor of the Toluca, Marquette & Northern R.R. Leased for 999 years to Chicago & Alton at guaranty of principal and interest on bonds. Operated by lessee. Line of road: Rutland to Granville, 26.97 miles; sidings, 6.17 miles.

Management: OFFICERS: W. G. Bierd, Pres.; V. M. Alexander, Vice-Pres.; H. E. H. Wood, Sec. and Treas. Annual meeting, third Thursday in November. OFFICE, Chicago, Ill.

Bonded Debt: $225,000 Rutland, Toluca & Northern R.R. first 4s; dated Oct. 1, 1910; due Oct. 1, 1930. First lien on entire property. Guaranteed principal and interest by Chicago & Alton R.R. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and issued, $97,000; par, $100. All owned by Chicago & Alton R.R.

KANSAS CITY, ST. LOUIS & CHICAGO RAILROAD

Incorporated under Missouri laws April 18, 1877. Line of road, Kansas City to Mexico, Mo., 161.9 miles; sidings, 63.43 miles. Leased in perpetuity to Chicago & Alton R.R., rental being 35% of gross earnings less taxes and assessments. If rental is in excess of 6% on preferred and 7% on common stock in any year, all excess goes to the lessee.

Management: OFFICERS: E. F. Swinney, Pres.; W. G. Bierd, Vice-Pres.; H. E. H. Wood, Sec. and Treas. Annual meeting, second Tuesday in March. OFFICE, St. Louis, Mo.

Capital Stock: Auth. and issued, $1,750,000 6% guaranteed preferred, $3,000,000 unguaranteed preferred, and $271,800 common; par, $100. The Chicago & Alton owns $157,600 common and all the unguaranteed preferred. Dividends of 6% quarterly February are paid on guaranteed preferred, and 7% May and Nov. 1, on unguaranteed preferred and common. For rating, see Chicago & Alton stock table.

TONOPAH & GOLDFIELD RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Nov. 1, 1905, under Nevada laws, as a consolidation of the Tonopah R.R. and the Goldfield R.R.

Location: Operates 113.39 miles, from Tonopah Junc. to Milltown, Mina to Tonopah Junc., etc.

Control: Company is controlled by Tonopah Mining Co., of Nevada, through ownership of $988,700 out of $1,650,000 common and $283,400 of the $500,000 preferred.

Management: OFFICERS: M. B. Cutter, Pres.; J. S. Austin, Vice-Pres.; C. A. Higbee, Vice-Pres. and Treas.; Wm. F. Henhaw, Sec. DIRECTORS: H. D. Moore, C. A. Higbee, R. G. Park, M. B. Cutter, C. A. Heller, J. S. Austin, Wm. M. Potts, J. H. Whiteman, C. A. Daniel, S. Bell, Jr., C. R. Miller, Geo. Wingfield, C. E. Knox. MAIN OFFICE: Goldfield, Nev. PHILADELPHIA OFFICE: Bullitt Building.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	5.29%	3.21%	3.28%	2.70%	2.14%	2.30%	2.44%	2.47%	2.54%	2.32%
Products of Animals.....	1.35	.86	1.14	.64	.42	.40	.51	.47	.33	.43
Products of Mines.....	58.36	79.71	83.82	84.37	85.94	84.40	80.62	80.53	78.56	77.83
Products of Forests.....	17.38	6.00	3.44	3.93	4.24	5.11	6.06	5.68	7.64	8.69
Manufactures.....	9.27	4.73	3.70	3.53	4.08	5.16	6.78	7.36	7.51	7.23
Merchandise and Miscel...	8.35	5.49	4.62	4.83	3.18	2.63	3.59	3.49	3.42	3.50

Total revenue tonnage in 1907, 420,371 tons; 1908, 429,250 tons; 1909, 349,455 tons; 1910, 344,359 tons; 1911, 382,257 tons; 1912, 380,735 tons; 1913, 313,138 tons; 1914, 305,430 tons; 1915, 302,591 tons; 1916, 245,537 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	106	....	18	13	256	73%	87,552	*	*	$7.92	6.16c	*
1908.....	109	....	14	13	259	72	53,511	187,234	244	7.28	5.62	5.42c
1909.....	109	....	14	13	219	73	31,433	109,759	152	5.12	5.59	5.52
1910.....	110	....	14	13	215	76	23,322	118,271	168	5.08	5.34	4.62
1911.....	110	....	14	13	214	80	18,865	112,547	173	4.01	5.44	5.07
1912.....	110	....	14	12	180	80	16,835	95,092	152	6.58	5.51	5.88
1913.....	110	....	13	12	176	79	17,603	87,092	140	6.19	5.48	5.72
1914.....	110	....	10	5	157	79	16,551	83,692	129	7.59	5.49	5.91
1915.....	110	....	10	5	157	80	15,605	93,458	134	6.12	5.49	5.28
1916.....	112	....	11	5	169	79	14,421	101,951	157	6.14	5.40	4.73
10-Year Average	110	....	13	10	200	77%	29,570	109,899†	161†	$6.20	5.55c	5.35c†

Yard tracks and sidings, 11.56 miles. * Not available. † Nine-year average.

Comment: During the fiscal year ended June 30, 1916, the Tonopah & Goldfield Railroad reported a slight improvement in its freight density and average freight train load was better than in any year since 1911. Train mile earnings also ranged at higher figures and there was only a moderate decline in average freight rates. As usual, this company depended during the past year to a very large extent on the products of mines for its freight tonnage.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$22,462	$2,697	$1,435	$4,132	$7,269	$11,061	$11,128	$415	$10,713	$1,371	89%	$9,342	$6,085
1908	13,923	1,573	1,556	3,129	6,815	3,979	4,089	508	3,581	1,035	74	2,546	.....
1909	8,349	832	1,073	1,905	4,348	2,096	2,125	421	1,704	737	57	967	.....
1910	7,175	684	1,013	1,697	3,623	1,855	1,884	329	1,555	591	62	964	.....
1911	7,173	669	1,299	1,968	3,132	2,073	2,099	266	1,833	527	71	1,306	.....
1912	6,913	806	1,077	1,883	2,305	2,725	2,809	273	2,536	488	80	2,048	.....
1913	6,331	617	815	1,432	1,942	2,957	3,119	252	2,867	427	86	2,440	1,368
1914	6,262	601	1,179	1,780	1,955	2,527	2,698	281	2,417	407	83	2,010	1,366
1915	6,206	595	697	1,292	2,019	2,895	3,127	360	2,767	390	86	2,377	1,368
1916	6,087	550	720	1,270	1,901	2,916	3,094	380	2,714	311	89	2,403	1,344
10-Year Average	$9,088	$962	$1,087	$2,049	$3,531	$3,508	$3,617	$348	$3,269	$628	76%	$2,641	$1,153

Note: Above table is based on average mileage directly operated whether owned or leased. Margin of safety is the proportion of surplus left over after providing for interest and all other fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$681,781	$682,714	$688,850	$696,398	$760,442	$788,977	$789,204
Maintenance of way	61,562	65,483	66,181	67,823	88,691	73,548	75,214
Maintenance of equipment	80,618	76,648	129,685	89,698	118,485	142,918	111,457
All other operating expenses	212,913	222,112	215,008	213,564	253,494	344,469	398,469
Net operating revenue	$326,688	$318,471	$277,976	$325,313	$299,772	$228,042	$204,064
Operating ratio	52.1%	53.4%	59.6%	53%	60.6%	71.1%	74,1%
Other income	19,818	25,509	18,760	17,746	9,258	2,825	3,161
Total net income	$346,506	$343,980	$296,736	$343,059	$309,030	$230,867	$207,225
Taxes accrued	42,563	39,650	30,944	27,747	29,983	29,283	36,234
Balance for charges	$303,943	$304,330	$265,792	$315,312	$279,047	$201,584	$170,991
Fixed charges	34,834	42,834	44,806	46,965	53,638	57,943	64,942
Surplus over charges	$269,109	$261,496	$220,986	$268,347	$225,409	$143,641	$106,049
Dividends	*	*	*	*	.....	.....	.....
Other deductions†	78,925	103,190	111,680	90,200	86,425	78,925	78,925
Balance	$190,184	$158,306	$109,306	$178,147	$138,984	$64,716	$27,124
Earned on stock: Preferred	53.82%	52.30%	44.20%	53.67%	45.08%	28.73%	21.21%
Common	14.19%	13.73%	11.27%	14.14%	.....	.....	.....

* Dividends of $150,500 declared from profit and loss in 1916, 1915, 1913, and $150,227 in 1914.

† Appropriations for sinking funds, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $733,252; credit balance transferred from income, $190,184; miscellaneous credits, $113; total, $923,549. Contra: Dividend appropriations of surplus, $150,500; loss on retired road and equipment, $9,059; miscellaneous debits, $442; credit balance carried to balance sheet, $763,548; total, $923,549.

Comment: During the fiscal year ended June 30, 1916, the Tonopah & Goldfield Railroad maintained its earning power at recent levels and the balance available for charges was as usual far in excess of the requirements. It will be noted that after providing for dividends on the preferred stock, the surplus carried forward was equal to over 14% on the common stock.

Diversified Investing

Price of the Book, $2.00 per copy net

This subject is fully covered in a small volume entitled "*How to Invest Money Wisely*," by John Moody, which we have recently published. For many years Mr. Moody has made a careful study of this subject in connection with his work as an analyst and adviser for bankers, financial institutions and investors, both at home and abroad. These principles for wisely and intelligently diversifying investment capital have been adopted within the past few years by numerous institutions and several thousand individual investors with satisfaction and profit.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$20,283	67%	$10,123	33%	.....	$30,406	.....	$30,406	36.6%	$1,415	30%	$4,670	30%	85%	·41%
1908.....	19,725	65	12,703	35	.....	32,428	$3,215	29,213	14	.....	.....	.....	.....	.....	.....
1909.....	19,725	61	11,642	39	.....	31,367	3,211	28,156	7.6	.....	.....	.....	.....	.....	.....
1910.....	19,545	65	10,836	35	.....	30,381	3,182	27,199	6.9	.....	.....	.....	.....	.....	.....
1911.....	19,545	66	10,136	34	.....	29,681	3,182	26,499	7.8	.....	.....	.....	.....	.....	.....
1912.....	19,545	67	9,436	33	.....	28,981	3,182	25,799	10.9	.....	.....	.....	.....	.....	.....
1913.....	19,545	69	8,636	31	.....	28,181	3,182	24,999	12.5	318	7	1,050	7	87	50
1914.....	19,545	72	7,645	28	.....	27,190	3,182	24,008	11.2	318	7	1,048	7	84	38
1915.....	19,545	75	6,610	25	.....	26,155	3,182	22,973	13.6	318	7	1,050	7	85	49
1916.....	19,196	88	2,643	12	.....	21,839	3,125	18,714	16.5	313	7	1,031	7	87	51
10-Year Average } ..	$19,620	68%	$9,041	32%	.....	$28,661	$2,864	$25,797	14%	$268	5.8%	$887	5.8%	....	....

Note: The above table is based on average mileage directly operated.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$3,491,947	$3,532,148	$3,571,822	$3,668,666	$3,704,282	$3,755,086
Working assets	597,768	877,149	829,971	785,422	764,441	607,427
Deferred debit items	32,224	25,044	51,017	56,833	58,757	29,795
Total	$4,121,939	$4,434,341	$4,452,810	$4,510,921	$4,527,480	$4,392,308
Liabilities:						
Capital stock	$2,150,000	$2,150,000	$2,150,000	$2,150,000	$2,150,000	$2,150,000
Funded debt	300,000	727,000	841,000	950,000	1,038,000	1,115,000
Working liabilities	70,863	68,931	67,974	77,238	98,689	77,897
Accrued liabilities not due	21,509	16,801	18,666	18,795	19,802	19,769
Deferred credit items	3,555	2,895	2,850	2,377	6,215	4,508
Appropriated surplus	812,463	735,462	621,463	516,588	431,962	39,463
Profit and loss surplus...	763,548	733,252	750,857	795,923	782,812	985,671
Total	$4,121,939	$4,434,341	$4,452,810	$4,510,921	$4,527,480	$4,392,308

Comment: The Tonopah & Goldfield Railroad is very lightly capitalized as measured on a mileage basis, and it will be noted that the bonded debt outstanding now represents only about 12% of the total capitalization. The bonds have been steadily retired through sinking fund payments and in the course of another year the issue will be completely retired.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Tonopah & Goldfield R. R. [redacted] first Gs.....	J&J	Ja 1921	(1st) 101	$2,000	$3,269	$108	97%	High	Fair	Aa.

Note: Average income available is the annual average surplus per mile for the ten years ended June 30, 1916. Interest requirement is present requirement. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $1,500,000; outstanding, $200,000; dated Jan. 1, 1906; due Jan. 1, 1921. Int. paid at Land Title & Trust Co., Philadelphia. Coupon, $1,000. In addition to those outstanding as shown above, there are $350,000 in treasury. Callable at 102½ on three weeks' notice. Sinking fund retires one-fifteenth of bonds annually. First lien on 101.13 miles, as follows: Tonopah Junct. to Goldfield, Nev., 89 miles; branches, 12.13 miles, and equipment consisting of 10 locomotives and 162 cars. Interest paid without deduction for normal income tax. Market: Mellor & Petry, Philadelphia.

Capital Stock: Auth. and outstanding, $500,000 7% preferred and $1,650,000 common; par, $100. Preferred shares with common after latter has received 7%. Dividends paid as follows; On preferred—May 1, 1906, 3½%; Nov. 1, 1906, 13½%; Dec. 20, 1906, 10%; April 10, 1907, 10%; Oct. 3, 1912, 7%; Oct., 1913, 7%; 7% in 1914, 1915, 1916; on common—May 1, 1906, 13½%; Aug. 1, 1906, 3½%; Nov. 1, 1906, 10%; Dec. 20, 1906, 10%; April 10, 1907, 10%; 1913, 1914, 1915 and 1916, 7% each.

THE ULSTER & DELAWARE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Successor in 1902 to old Ulster & Delaware R.R., Kaaterskill R.R., Stony Cove & Catskill Mountain R.R., Hobart Branch R.R., and Delaware & Otsego R.R.

Location: Maine line extends from Kingston Point to Oneonta, N. Y., 107.03 miles; branches, Phoenicia to Kaaterskill, 19.19 miles; Kaaterskill Junc. to Hunter, N. Y., 2.66 miles; total operated, 128.88 miles.

Management: OFFICERS: E. Coykendall, Pres.; Thos. C. Coykendall, Vice-Pres.; Frank Coykendall, Treas.; H. H. Flemming, Secy. DIRECTORS: Frank Coykendall, T. C. Coykendall, E. Coykendall, Fredk. Coykendall, G. I. Wilber, H. G. Young, C. S. Sims, H. H. Flemming, P. E. Schoomaker. Annual meeting, first Tuesday after first Sunday in December. MAIN OFFICE: Kingston, N. Y.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	9.15%	7.37%	6.27%	8.20%	9.22%	8.16%	9.77%	8.62%	9.73%
Products of Animals	.....	7.36	6.70	5.30	5.85	6.73	5.89	6.95	6.37	1.85
Products of Mines	.....	64.65	58.65	66.64	63.22	59.34	62.43	64.01	64.77	66.01
Products of Forests	.....	3.69	3.38	2.50	2.38	3.44	2.66	2.55	2.54	3.99
Manufactures	.....	4.76	8.30	10.60	13.16	15.01	10.17	9.94	8.52	9.07
Merchandise and Miscel.	.....	10.39	15.60	8.69	7.19	6.26	10.69	6.78	9.18	9.35

Total tons of freight carried, 615,734 in 1909; 812,626 in 1910; 765,912 in 1911; 647,999 in 1912; 751,435 tons in 1913; 657,458 tons in 1914; 653,536 tons in 1915; 595,248 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	129	....	30	41	246	60%	94,300	241,478	114	$1.54	2.62c	1.72c
1908	129	....	30	41	208	60	99,230	306,486	133	1.55	2.59	1.42
1909	129	....	30	41	193	62	104,182	340,035	167	1.66	2.54	1.44
1910	129	....	30	41	193	65	108,320	484,500	210	1.73	2.52	1.18
1911	129	....	30	41	153	63	107,407	438,712	198	1.74	2.57	1.26
1912	129	....	29	41	146	61	113,369	355,181	176	1.71	2.50	1.40
1913	129	....	29	44	202	63	117,531	433,409	191	1.76	2.47	1.27
1914	129	....	29	44	202	62	109,246	376,277	178	1.76	2.49	1.38
1915	129	....	29	44	202	51	102,266	369,721	269	1.78	2.49	1.11
1916	129	....	29	44	202	51	90,613	329,684	196	3.10	2.57	1.23
10-Year Average	129	....	30	42	195	60%	104,646	367,548	183	$1.83	2.54c	1.34c

Yard tracks and sidings, 35.53 miles.

Comment: During the fiscal year ended June 30, 1916, the Ulster & Delaware reported a considerable decline in its volume of passenger and freight business and the average freight train load fell to relatively low figures. There was, however, substantial improvement in the train mile earnings, which improvement was partly due to an increase in average freight rates. As usual about two-thirds of the company's freight business was represented by mining products.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$6,890	$1,093	$619	$1,712	$3,529	$1,649	$1,676	$237	$1,439	$1,059	28%	$380	.....
1908	7,261	992	1,148	2,140	3,547	1,574	1,611	272	1,339	1,326	1	13	.....
1909	7,941	990	968	1,958	3,476	2,507	2,532	305	2,227	1,364	39	863	.....
1910	8,831	1,056	1,126	2,182	3,863	2,786	2,822	306	2,516	1,451	42	1,065	.....
1911	8,705	1,379	1,123	2,502	3,965	2,238	2,269	298	1,971	1,536	22	435	.....
1912	8,232	1,149	1,069	2,218	3,744	2,270	2,297	305	1,992	1,488	25	504	.....
1913	8,822	1,092	1,218	2,310	4,092	2,420	2,450	319	2,131	1,567	26	564	.....
1914	8,342	1,095	1,147	2,242	4,234	1,866	2,126	311	1,815	1,631	10	184	$442
1915	8,013	1,248	1,700	2,948	4,169	896	1,476	329	1,147	1,604	.....	457*	442
1916	7,948	824	953	1,777	3,706	2,465	3,086	378	2,708	1,540	43	1,168	442
10-Year Average	$8,099	$1,092	$1,107	$2,199	$3,833	$2,067	$2,235	$306	$1,929	$1,457	25%	$472	$133

* Deficit.

Note: Above table is based on average miles operated for each year. Margin of safety is the proportion of surplus left over after deducting all fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,025,265	$1,033,334	$1,076,626	$1,138,767	$1,061,015	$1,222,929	$1,139,253
Maintenance of way	106,238	160,990	141,306	140,833	148,244	177,719	136,217
Maintenance of equipment	122,902	219,249	148,014	157,108	137,463	144,925	145,342
All other operating expenses	478,020	537,799	546,167	527,860	481,975	611,395	498,322
Net operating revenues	$318,105	$115,296	$241,139	$312,966	$293,333	$288,890	$359,372
Operating ratio	69.0%	88.8%	77.6%	73%	72.4%	74.3%	68.4%
Other income	79,959	75,159	33,056	3,083	2,954	4,106	4,614
Total net income	$398,064	$190,455	$274,195	$316,049	$296,287	$292,996	$363,986
Taxes accrued	48,708	42,394	40,129	41,148	39,309	38,462	39,588
Balance for charges	$349,356	$148,061	$234,066	$274,901	$256,978	$254,534	$324,398
Fixed charges	198,666	206,936	210,446	202,200	191,893	198,415	187,202
Surplus over charges	$150,690	$58,875	$23,620	$72,701	$65,085	$56,119	$137,196
Dividends paid	†57,000	†57,000	57,000	.....	.....	.....	.....
Balance	$93,690	*$115,875	*$33,380	$72,701	$65,085	$56,119	$137,196

* Deficit. † Charged to profit and loss account.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $799,552; credit from income account, $93,690; miscellaneous credits, $100. Contra: Loss on retired road and equipment, $4,312; delayed income debits and miscellaneous debits, $193; credit balance carried to balance sheet, $888,837.

Comment: Gross revenues fell off on the Ulster & Delaware Railroad in 1916 to a moderate extent, but as operating costs were sharply reduced, the net revenues were far in excess of those of the previous year. There was a slight further decrease in fixed charges and therefore the company succeeded in reporting a surplus of an important amount as compared with a serious deficit during 1915. Dividends were paid during the year at the rate of 3% on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$14,729	40%	$23,256	60%	.....	$37,985	.....	$37,985	4.4%	.....	.....	.....	.....	.....	.....
1908	14,729	40	23,256	60	.....	37,985	.....	37,985	4.2	.....	.....	.....	.....	.....	.....
1909	14,729	40	23,256	60	.....	37,985	.....	37,985	6.7	.....	.....	.....	.....	.....	.....
1910	14,729	40	23,256	60	.....	37,985	.....	37,985	7.4	.....	.....	.....	.....	.....	.....
1911	14,729	40	23,256	60	.....	37,985	.....	37,985	5.9	.....	.....	.....	.....	.....	.....
1912	14,729	40	23,256	60	.....	37,985	.....	37,985	6	.....	.....	.....	.....	.....	.....
1913	14,729	40	23,256	60	.....	37,985	.....	37,985	6.4	.....	.....	.....	.....	.....	.....
1914	14,729	40	23,256	60	.....	37,985	.....	37,985	5.6	.....	.....	$442	3%	.....	.....
1915	14,729	40	23,256	60	.....	37,985	.....	37,985	3.9	.....	.....	442	3	.....	.....
1916	14,729	40	23,256	60	.....	37,985	.....	37,985	8.1	.....	.....	442	3	.....	.....
10-Year Average	$14,729	40%	$23,256	60%	.....	$37,985	.....	$37,985	5.9%	.....	.....	$133	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	*$6,730,722	$5,476,654	$5,473,414	$5,446,311	$5,299,587	$5,321,340	$5,314,643
Working assets	487,711	460,923	598,938	621,244	629,094	535,941	452,714
Deferred debit items	23,485	1,264,738	1,251,411	1,113,263	470,575	1,078,126	128,479
Accrued income not due	31,250	51,687	.....	.....	.....	.....	.....
Total	$7,273,168	$7,254,002	$7,323,763	$7,180,818	$6,399,256	$6,935,407	$5,895,836
Liabilities:							
Capital stock	$1,900,000	$1,900,000	$1,900,000	$1,900,000	$1,900,000	$1,900,000	$1,900,000
Funded debt	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Working liabilities	78,763	139,822	93,302	155,762	99,633	171,060	126,484
Accrued liabilities not due	18,415	18,423	18,508	18,333	18,333	18,333	18,333
Deferred credit items	200	1,259,252	1,250,000	1,084,441	419,412	945,941	.....
Appropriated surplus	136,953	136,953	136,953	136,953	136,953	136,953	136,953
Profit and loss surplus	888,837	799,552	925,000	885,329	824,925	763,120	714,066
Total	$7,273,168	$7,254,002	$7,323,763	$7,180,818	$6,399,256	$6,935,407	$5,895,836

* Includes "$1,250,000 notes" held as other investments.

Comment: There were no capitalization changes in the Ulster & Delaware property for the year ended June 30, 1916. The property is really not heavily capitalized, and during the past ten years has been able to show an average of about 6% net income on net capital. The company appears to be in a substantial credit position.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Ulster & Del. first cons. 5s...	J&D	Je 1928	(1st) 100	$20,000	$1,929	$775	60%	High	High	Aa.
2. Ulster & Del. first ref. 4s....	A&O	O 1952	(con.)129	7,752	1,154	310	73%	"	"	Baa.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $2,000,000. Dated June 1, 1888; due June 1, 1928. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien on about 92 miles, from Kingston Point, via Hobart, to Phoenicia, N. Y., and to the extent of $125,000 on 8.70 miles from Hobart to Bloomville, N. Y. Underlies No. 2, which provides for retirement. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth., $3,200,000; outstanding, $1,000,000. Dated Oct. 1, 1902; due Oct. 1, 1952. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien on 28.32 miles, as follows: Bloomville to Oneonta, N. Y., 20.76 miles, and Kaaterskill Junc. to Kaaterskill, N. Y., 7.56 miles; second lien on about 100.34 miles, following No. 1. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Ulster & Delaware stock..... Par $100. Outstanding, $1,900,000.	3%	$14,729	$472	$442*	6%	Fair	Fair	Ca.

For Key to Stock Ratings, see page 21. * For 3%.

Note: Capital stock auth., $3,000,000; outstanding, $1,900,000. First dividend of 3% was paid in 1914; 3% in 1915 and 1916. Transfer Agent, Lincoln National Bank, New York.

UNION PACIFIC RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Utah, July 1, 1897, as successor by reorganization of the Union Pacific Railway Company. Under this reorganization the Oregon Short Line and the Oregon Railway & Navigation Co., were independently reorganized, but in 1899 their control was acquired by the new company. In February, 1901, the Union Pacific acquired $75,000,000 common stock of the Southern Pacific, giving it virtual control. The holdings were later still further added to, until at the end of 1912 the Union Pacific (through the Oregon Short Line) owned over $126,650,000 Southern Pacific stock, out of a total of $272,672,405. Still other lines were acquired or constructed from time to time.

Location: On June 30, 1916, the directly operated lines consisted of 7,934.08 miles, as follows: Lines owned by Union Pacific R.R. Co., 3,551.32 miles; lines owned by Oregon Short Line R.R. Co., 2,073.73 miles; lines owned by Oregon-Washington R.R. & Navigation Co., 1,857.43 miles; lines operated under leases from companies whose entire capital stock is owned by Union Pacific R.R. Co., 122.65 miles; other leased lines of 9.54 miles; lines owned jointly with other companies, 78.69 miles; lines operated under trackage rights, 240.72 miles. The Oregon-Washington Railroad & Navigation Co. conducts water transportation service over a distance of 187 miles. Mileage mainly in States of Nebraska, Kansas, Colorado, Wyoming, Idaho, Oregon and Washington. Population of these States in 1890, 3,713,451; in 1900, 4,262,437; in 1910, 5,968,501.

Interests in Other Companies: Aside from its interest in "proprietary, affiliated, and controlled companies," the Union Pacific R.R. owns $13,800,000 and the Oregon Short Line R.R. $8,700,000 stock of Illinois Central R.R. and through the Railroad Securities Co. controls $8,000,00 more Illinois Central stock. Also owns $10,343,100 preferred stock and $8,417,000 6% bonds of Chicago & Alton R.R., while Oregon Short Line owns $4,018,700 Chicago & North Western common stock, $1,845,000 Chicago, Milwaukee & St. Paul preferred stock and $20,000,000 New York Central stock.

Separation of Union Pacific and Southern Pacific: Under the decree of the United States Supreme Court in Dec., 1912, the Union Pacific R.R. was obliged to dispose of its stock interest in the Southern Pacific. This was done partly by an exchange with the Pennsylvania R.R. for the stock holdings of the Baltimore & Ohio of the latter, and partly through a subscription offer, as outlined below.

$38,292,400 of the Southern Pacific Co. stock was on July 16, 1913, exchanged for the entire holdings of $42,547,200 Baltimore & Ohio stock (one-half preferred) owned by the Pennsylvania Railroad and subsidiaries. The remaining $88,357,600 Southern Pacific stock formerly owned has been deposited with Central Trust Co., of New York, as trustee, which has issued certificates of interest in the stock. Certificate holders will have no voting rights and will receive no dividends until they exercise the optionto convert their certificates into Southern Pacific Co. stock, after first making affidavit to the effect that the applicant owns no Union Pacific stock and is not acting for any stockholder thereof or in concert, agreement, or understanding with any one seeking to control the Southern Pacific

Co. in the interest of the Union Pacific. The Southern Pacific stock is to be voted by the trustee only under direction of the Court. If by Jan. 1, 1916, any certificates of interest remain outstanding, the Court may direct the trustee to sell the stock represented thereby and pay the proceeds to the lawful holders. Union Pacific stockholders in 1913, under an offer, which was underwritten, subscribed for $84,426,700 of said $88,357,600 certificates of interest at 92.

Distribution of Baltimore & Ohio Stock: On Jan. 8, 1914, the directors of the company voted to distribute to the common stockholders on April 1, 1914, 12% in Baltimore & Ohio preferred and 22% in Baltimore & Ohio common, then held in the treasury, and also $3 per share in cash; and at the same time to reduce the dividend on the common stock from 10% to 8% per annum. These dividends in Baltimore & Ohio stock called for $25,996,248 preferred and $48,746,925 common of the Baltimore & Ohio, thus disposing of all the Union Pacific's stock interest in that property, except $3,594,035 common and $1,805,992 preferred stock. The final distribution was made in July, 1914.

Management: OFFICERS: Robert S. Lovett, Chairman; E. E. Calvin, Pres.; C. C. Stillman, Vice-Pres.; C. B. Seger, Vice-Pres. and Compt.; W. A. Harriman, Vice-Pres.; B. L. Winchell, Director of Traffic; F. V. S. Crosby, Treas.; Alexander Millar, Secy. DIRECTORS: Oliver Ames, A. J. Earling, R. W. Goelet, Marvin Hughitt, R. S. Lovett, C. A. Peabody, W. G. Rockefeller, Joseph F. Smith, Frank A. Vanderlip, Mortimer L. Schiff, Wm. Rockefeller, W. V. S. Thorne, Otto H. Kahn, W. A. Harriman, Frank Trumbull. Annual meeting, second Tuesday in October. NEW YORK OFFICE: 165 Broadway.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	26.35%	23.55%	24.31%	25.06%	27.69%	29.45%	35.38%	31.06%
Products of Animals	.....	.....	7.00	6.42	6.55	6.44	6.25	5.82	6.29	6.67
Products of Mines	.....	.....	35.36	33.89	33.81	33.84	29.69	29.83	27.93	29.24
Products of Forests	.....	.....	12.12	14.31	14.51	15.16	16.25	16.76	12.89	13.27
Manufactures	.....	.....	12.14	13.93	13.33	12.07	12.85	11.10	10.57	13.16
Merchandise and Miscel	.....	.....	7.03	7.90	7.49	7.43	7.27	7.04	6.94	6.60

Total revenue tonnage in 1909, 13,726,025 tons; 1910, 15,312,211 tons; 1911, 15,550,758 tons; 1912, 15,767,388 tons; 16,638,054 tons in 1913; 17,155,390 tons in 1914; 16,791,412 tons in 1915; 19,867,068 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	5,645	288	1,051	643	28,306	72%	120,520	1,185,367	475	$3.11	2.19c	.96c
1908	5,781	382	1,088	703	29,086	71	131,548	1,086,611	512	3.23	2.19	1.00
1909	6,062	475	1,088	711	30,201	70	131,175	1,054,427	452	3.40	2.17	1.02
1910	6,296	539	1,134	825	30,729	70	152,589	1,155,577	452	3.21	2.12	1.02
1911	6,678	761	1,324	948	34,677	69	139,587	1,100,131	441	3.00	2.20	1.00
1912	7,150	884	1,331	1,026	34,182	67	125,706	1,022,263	425	2.89	2.20	.99
1913	7,349	990	1,501	1,110	36,509	68	122,863	1,117,379	430	3.22	2.24	.97
1914	7,597	1,026	1,471	1,155	37,760	69	116,938	1,052,249	429	2.95	2.27	.98
1915	7,784	1,097	1,524	1,224	41,222	68	107,224	986,032	441	2.98	2.21	.97
1916	7,917	1,127	1,474	1,167	39,436	72	115,952	1,041,343	491	3.19	2.14	.89
10-Year Average	6,826	757	1,299	951	34,211	70%	126,410	1,080,138	455	$3.12	2.19c	.98c

Yard tracks and sidings, 2,504 miles.

Comment: A very substantial improvement occurred in the freight density of the Union Pacific System during the year ended June 30, 1916. There was also an important increase in both train mile earnings and average freight train load. Average freight and passenger rates both tended to decline as compared with earlier years.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$13,402	$1,784	$1,391	$3,175	$3,939	$6,288	$8,425	$368	$8,057	$1,648	80%	$6,409	$4,163
1908	13,153	1,539	1,384	2,923	4,289	5,941	8,712	423	8,289	2,110	76	6,179	4,070
1909	12,991	1,267	1,226	2,493	3,767	6,731	9,657	424	9,233	2,371	76	6,862	3,903
1910	14,057	1,575	1,439	3,014	4,154	6,889	9,988	518	9,470	2,242	77	7,228	4,079
1911	13,325	1,564	1,378	2,942	4,515	5,868	8,623	519	8,104	2,117	74	5,987	3,839
1912	12,025	1,343	1,372	2,715	4,333	4,977	7,620	611	7,009	2,248	68	4,761	3,587
1913	12,742	1,454	1,455	2,909	4,443	5,390	8,003	635	7,368	2,364	69	5,004	3,490
1914	11,887	1,420	1,596	3,016	4,012	4,859	7,174	670	6,504	2,148	65	4,356	3,128
1915	11,171	1,400	1,555	2,955	3,743	4,473	6,183	596	5,587	1,937	63	3,650	2,797
1916	13,237	1,752	1,565	3,317	4,083	5,827	7,508	671	6,837	1,937	69	4,900	2,749
10-Year Average	$12,799	$1,510	$1,436	$2,946	$4,128	$5,725	$8,189	$544	$7,645	$2,112	72%	$5,533	$3,580

Note: Above table is based on average mileage directly operated each year, whether such mileage is owned, leased or otherwise controlled. Margin of safety is the proportion of surplus left over after providing for all charges prior to dividends. These charges in 1916 consumed 31%, thus leaving a "margin of safety" of 69%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$104,717,005	$86,958,295	$90,308,751	$93,638,459	$85,977,609	$88,983,108
Maintenance of way	13,869,369	10,900,925	10,785,783	10,688,564	9,594,538	10,445,203
Maintenance of equipment	12,388,809	12,101,212	12,123,174	10,694,011	9,812,175	9,208,725
All other operat. expenses	32,324,592	29,134,578	30,482,863	32,647,642	30,982,694	30,153,906
Net operating revenue	$46,134,235	$34,821,580	$36,916,932	$39,608,242	$35,588,202	$39,175,274
Operating ratio	55.9%	60%	59.1%	57.7%	58.7%	56%
Outside operations, net	.....	.....	*211,851	.....	.....	.....
Other income	13,303,843	13,303,161	17,795,500	19,207,971	18,896,509	18,643,589
Total net income	$59,438,078	$48,124,741	$54,500,581	$58,816,213	$54,484,711	$57,818,863
Taxes accrued	5,310,698	4,641,474	5,078,867	4,666,277	4,368,788	3,464,147
Balance for charges	$54,127,380	$43,483,267	$49,421,714	$54,149,936	$50,115,923	$54,354,716
Fixed charges	15,338,246	15,078,908	16,327,770	17,372,831	16,075,930	14,378,955
Surplus over charges	$38,789,134	$28,404,359	$33,093,944	$36,777,105	$34,039,993	$39,975,761
Dividends paid	21,765,068	21,765,068	23,762,518	25,645,110	25,646,482	25,641,315
Approps. for impmts., etc.	3,536,116	1,095,259	.....	.....	.....	.....
Balance	$13,487,950	$5,544,032	$9,331,426	$11,131,995	$8,393,511	$14,334,446
Earned on stock: Pfd.	38.97%	28.54%	33.25%	36.94%	34.19%	40.16%
Common	16.38%	10.98%	13.10%	15.14%	13.88%	16.61%

* Deficit.

Note: In above Income Account, for all years except 114, outside operations are included in gross revenues and operating expenses. "Other Income" in 1916 included interest on bonds and notes owned, $6,528,971; dividends on stocks owned, $4,331,904; other interest, $839,878; rental income, $1,208,491; hire of equipment, $220,155. Fixed charges included $13,810,313 for interest on bonds; $1,348,895 for rentals; $179,038 for other charges.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915, $96.962.242; credit balance transferred from income account, $13,487,950; net profit from sale of Southern Pacific Co. stock, $16,099,-190; proceeds from sale of bonds of Union Pacific Coal Co. to its sinking fund, $210,000; difference between proceeds of sale of property and book value thereof, $12,153; liabilities written off, being unclassed, $57,909; miscellaneous credits, $5,471; total, $126,825,915. Contra: Loss on retired road and equipment, $117,267; cost of surveys of projected lines not constructed, $47,205; difference between investment in the Oreg. & Wash. R.R. Co. and appraised value of lands owned by said company, $2,150,000; loss arising from liquidation of Occidental & Oriental S.S. Co., $310,199; uncollectible account, $8,191; adjustment in accounts, $5,548; miscellaneous debits, $10,695; credit balance carried to balance sheet, $124,176,810; total, $126,825,915.

Comment: Gross and net revenues of the Union Pacific for the fiscal year ended June 30, 1916, were far in excess of any ever reported before. The surplus available for fixed charges was more than $10,000,000 larger than during the previous year and after payment of all charges and preferred dividends, the final surplus left over was equal to over 16 1-3% on the outstanding capital stock. Results since the close of the fiscal year have continued to show moderate improvement.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	$52,269	59%	$35,618	41%	.....	$87,887	$37,096	$50,791	16.6%	$700	4%	$3,463	10%	89%	39%
1908	51,038	50	51,567	50	.....	102,605	37,739	64,866	13.4	689	4	3,381	10	89	38
1909	49,302	48	53,247	52	.....	102,549	34,638	67,911	14.2	658	4	3,246	10	90	48
1910	50,214	52	47,244	48	.....	97,458	48,043	49,415	20	632	4	3,447	10	91	49
1911	47,347	48	49,301	52	.....	96,648	48,220	48,428	18	597	4	3,242	10	90	40
1912	44,222	48	48,080	52	.....	92,302	47,036	45,266	16.9	557	4	3,030	10	88	28
1913	43,023	48	46,804	52	.....	89,827	31,881	57,946	13.8	542	4	2,948	10	89	34
1914	42,364	49	43,971	51	.....	86,335	19,091	67,244	10.7	524	4	2,604	9	88	32
1915	41,346	49	42,911	51	.....	84,257	23,011	61,246	10.1	512	4	2,285	8	86	27
1916	40,651	49	42,267	51	.....	82,918	22,884	60,034	12.5	503	4	2,246	8	90	50
10-Year Average	$46,178	50%	$46,101	50%	.....	$92,279	$34,964	$57,315	14.6%	$591	4%	$2,989	9.5%	89%	40%

Note: Above table is based on average mileage directly operated for each year. Net income on net capital is the percentage of total net income, before deducting taxes, on the net capitalization per mile, as shown. Securities owned consist of stocks, bonds and notes unpledged.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$805,523,754	$806,473,156	$765,170,141	$831,560,067	$815,594,081	$775,626,219
Working assets	50,133,381	31,154,565	46,716,151	39,235,001	94,069,017	89,195,658
Deferred debit items	2,918,183	2,801,641	19,154,908	26,173,560	5,177,051	4,625,691
Accrued income not due	2,623,195	2,745,630	2,570,909	5,745,306		
Reserve extra div. (B.&O.)	.....	.....	74,020,372	.....	.....	.....
Total	$861,198,513	$843,174,992	$907,632,481	$902,713,934	$914,840,149	$869,447,568
LIABILITIES:						
Capital stock	$321,836,600	$321,836,600	$321,836,000	$316,178,900	$316,189,400	$316,172,900
Funded debt	334,629,850	334,022,265	334,045,665	343,965,980	343,976,005	329,232,380
Working liabilities	23,296,414	21,273,344	20,771,728	25,614,949		
Accrued liabilities not due	11,060,666	10,710,011	10,439,678	11,226,553	60,128,975	37,127,357
Deferred credit items	5,706,724	21,451,492	20,124,658	4,229,279		
Appropriated surplus	40,471,469	36,919,038	109,827,728	50,344,886		
Profit and loss surplus	124,176,810	96,962,242	90,586,424	151,153,387	194,545,769	186,914,931
Total	$861,198,513	$843,174,992	$907,632,481	$902,713,934	$914,840,149	$869,447,568

Note: The securities owned by Union Pacific on June 30, 1916, amounted to $241,311,088 of which $60,140,700 were pledged and balance unpledged. See details on next page.

Comment: There were practically no changes in the financial statement of the Union Pacific System for the year ended June 30, 1916. As measured on a mileage basis there has been a tendency toward a moderate increase in net capitalization during the past ten years, but it will be noted that the net income on net capital has continuously ranged at high figures. During the year just closed this net income was equal to 12½%.

Stocks Owned, June 30, 1916, Affiliated Companies

Camas Prairie Railroad	$50,000
Denver Union Terminal Railway	5,000
Kansas City Terminal Railway	100,000
Leavenworth & Topeka Railway	25,000
Leavenworth Depot & Railroad	62,500
Ogden Union Railway & Depot	150,000
Pacific Fruit Express	5,400,000
St. Joseph & Grand Island Railway:	
First Preferred	4,558,850
Second Preferred	3,309,079
Common	4,239,700
San Francisco & Portland Steamship	500,000
San Pedro, Los Angeles & Salt Lake R.R.	12,500,000
Yakima Valley Transportation	500,000
Union Pacific Coal	5,000,000
Oregon & Washington Railroad	999,300
Riverside Homestead	100,000
Short Line Land and Improvement	50,000
Union Land	10,000
Green River Water Works	225,000
Rattlesnake Creek Water	78,300
Union Pacific Water	100,000
Colorado-Pacific Development	549,750
McKeen Motor Car	550,000
Union Pacific Equipment Association	100,000
Total	$39,162,479

Bonds and Notes Owned, June 30, 1916, Affiliated Companiies

Denver Union Terminal Railway.	
First Mortgage 4½% Bonds	$4,000,000
Kansas City Terminal Railway.	
Two-Year 5¼% Notes	2,000,000
Leavenworth & Topeka Railway.	
First Mortgage 4% Bonds	125,000
Demand Notes 4%	188,643
Leavenworth Depot & Railroad.	
First Mortgage 5% Bonds	57,000
Northern Pacific Terminal.	
First Mortgage 6% Bonds	182,000
Ogden Union Railway & Depot.	
First Mortgage 5% Bonds	163,000
Portland Terminal Investment.	
Certificate of Indebtedness	2,899,047
St. Joseph & Grand Island Railway.	
First Mortgage 4% Bonds	103,000
Demand Notes 5%	274,900
Demand Notes 6%	59,154
San Francisco & Portand Steamship.	
Purchase Money Notes 6%	275,000
San Pedro, Los Angeles & Salt Lake Railroad.	
First Mortgage 4% Bonds	28,526,000
Union Pacific Coal.	
First Mtge. 5% Bonds, due May 1, 1921.	2,473,000
Green River Water Works.	
First Mtge. 6% Bonds, due Jan. 1, 1919	194,000
Rattlesnake Creek Water.	
First Mtge. 6% Bonds, due July 1, 1920	146,000
Total	$41,665,744

Equipment Trust and Short Term Note Investments, June 30, 1916

Company	Maturity	Par Value
Baltimore & Ohio Railroad		
Equip. Trust, 4½% Cert.	1917-1923	$511,000
Chesapeake & Ohio Railway		
Equip. Trust 4½% Cert.	1916-1926	1,240,000
Chicago & Alton Railroad		
Equipment Trust, 4%	1916-1917	429,000
Equipment Trust, 4½%	1916-1917	246,000
Equipment Trust, 5%	1916	72,000
One Year 6% Notes	1917	450,000
Chicago & North Western Railway		
Equip. Tr. of 1912, 4½% C.	1916-1923	697,000
Florida East Coast Railway		
5% Equip. Tr., Series "A"	1917-1922	210,000
Hocking Valley Railway		
Equip. Tr., S. of 1914, 4½%c.	1917-1924	640,000
Illinois Central Railroad		
Equip. Trust 4½% Cert.	1917-1923	$95,000
Equip. Trust 5% Cert.	1919-1923	33,000
Long Island Railroad		
Equipment Trust 5% Cert.	1917-1924	838,000
Louisville & Nashville Railroad		
Equipment 5% Gold Bonds.	1916-1923	261,000
New York, New Haven & Hartford Railroad		
5% Equipment Trust Notes.	1917-1924	800,000
Norfolk & Western Railway		
Equip. Tr. 4½% Cert., 1914.	1916-1924	2,059,000
Pennsylvania Railroad		
Gen. Freight Eq. 4½% Tr.	1917-1923	2,100,000
Southern Pacific Company		
Equip. Tr. 4½% Cert.	1916-1923	593,000
Total		$11,202,000

Bond Investments, June 30, 1916

Company	Par Value
Baltimore & Ohio Railroad	
Ref. and Gen. Mortgage Series A 5%..	$4,000,000
Southwestern Div. First Mtge. 3½%..	2,000,000
Chicago & Alton Railroad	
General Mortgage 6%.....	8,417,000
Chicago & North Western Railway	
General Mortgage 4%.....	2,000,000
General Mortgage 5%.....	2,500,000
Chicago, Milwaukee & St. Paul Railway	
Convertible 4½%	387,400
Con. Gen. and Refunding Mortgage 5%.	230,600
General Mortgage 4½%.....	1,857,000
General and Refunding Mortgage 4½%	2,500,000
Chicago, St. Paul, Minneapolis & Omaha R.R.	
5% Debenture Gold.....	1,000.000
Chicago Union Station Co.	
First Mortgage 4½%.....	500,000
Delaware & Hudson Co.	
Convertible 5%	500,000
Ill. Cen. R.R. & Chic., St. L. & New Orleans	
Joint First Refunding Mortgage 5%...	5,000,000
Lehigh Valley Railroad	
General Consolidated Mortgage 4½%..	605,000
New York Central Railroad	
Ref. and Improvement Mortgage 4½%.	$3,000,000
Convertible Debenture 6%.....	8,000,000
New York Connecting Railroad	
First Mortgage 4½%.....	3,000,000
Northern Pacific-Great Northern	
4% Joint (C. B. & Q. Collateral).....	4,132,000
Pennsylvania Co.	
Gold 4½%	5,0000,000
Pennsylvania Railroad	
Consolidated Mortgage 4½%.....	1,000,000
General Mortgage 4½%.....	2,500,000
Southern Pacific Company	
4% Twenty-Year Convertible.....	927,000
4½% Twenty-Year Gold.....	66,000
4% (Central Pacific Stock Collateral).	6,399,000
San Francisco Terminal 1st Mtge. 4%..	6,000,000
Southern Pacific Railroad	
First Refunding Mortgage 4%.....	14,568,000
Utah Light & Traction	
First and Refunding Mortgage 5%....	11,864,000
Miscellaneous	64,300
Total	$101,017,300

Stock Investments, June 30, 1916

Company	Par Value
* Baltimore & Ohio Railroad	
Common.....	$3,594,035
Preferred.....	1,805,992
Chicago & Alton Railroad	
Preferred.....	10,343,100
Chicago & North Western Railway	
Common.....	4,018,700
Chicago, Milwaukee & St. Paul Railway	
Preferred.....	1,845,000
Illinois Central Railroad	
Capital.....	$22,500,000
New York Central Railroad	
Capital.....	20,000,000
Railroad Securities Company	
Common.....	3,484,920
Preferred.....	1,936,900
Total.....	$69,528,647

* Stock reserved for extra dividend is not included herein.

Statistical Record of the Union Pacific Railroad

Year	Investments Par Value	Invest't Acct. Income from	Yield	Maint. Way, etc.	Maint. Equip.	Trans. Costs	Total Expenses
1901.....	$187,212,204	$2,197,493	1.174%				
1902.....	209,683,499	4,372,594	2,085	12.75%	9.79%	25.06%	49.91%
1903.....	209,004,871	4,209,927	2.014	10.54	12.00	27.44	52.58
1904.....	211,863,871	2,801,927	1,332	11.98	11.26	25.75	51.52
1905.....	214,295,930	5,515,767	2.574	12.50	11.71	23.70	50.69
1906.....	187,610,200	7,535,828	4.017	14.80	10.64	24.23	53.07
1907.....	324,240,960	12,064,412	3,724	13.42	10.54	25.16	51.74
1908.....	320,940,150	16,763,069	5.223	12.24	11.19	27.98	53.99
1909.....	317,642,925	17,387,622	5.474	9.93	9.61	25.18	47.18
1910.....	307,098,550	19,121,781	6.227	11.20	10.25	27.34	51.01
1911.....	307,106,625	18,005,752	5.863	11.98	10.56	29.83	54.94
1912.....	336,308,725	18,697,243	5.559	11.39	11.66	31.93	57.66
1913.....	320,882,762	17,750,215	5.531	11.64	11.65	28.40	56.75
1914.....	234,112,538	16,351,924	5.37*	11.94	13.42	28.04	59.12
1915.....	241,249,494	10,974,602	4.549	12.65	14.03	26.57	58.63
1916.....	241,311,088	10,860,875	4.507	13.23	11.82	24.63	55.90

Year	Surplus after Dividends	Per Cent. on Common	Earnings on Common	Freight Rate	% Low Grade	Train Load Tons	Freight Haul Miles
1901.....	$4,554,088	4.463	8.46%	1.040c	.....	289.44	331
1902.....	6,315,961	6.069	10.07	1.080	.....	331.47	364
1903.....	6,943,474	6.383	10.38	1.060	.....	326.71	349
1904.....	8,263,456	7.595	11.59	1.080	.....	357.64	353
1905.....	11,698,446	7.096	11.60	0.991	.....	402.05	430
1906.....	12,232,249	6.257	14.26	0.914	.....	398.08	410
1907.....	12,646,885	6.458	16.47	0.960	.....	376.67	405
1908.....	12,188,752	6.234	16.23	1.003	.....	406.02	403
1909.....	17,938,250	8.999	18.87	1.025	47.48	434.56	384
1910.....	19,819,824	9.104	19.17	1.024	48.20	452.00	391.66
1911.....	14,344,445	6.618	16.64	1.003	48.32	441.30	391.96
1912.....	8,393.511	2.874	13.87	0.989	49.00	424.77	381.18
1913.....	11,131,995	5.139	15.14	0.971	45.68	437.22	381.80
1914.....	9,331,426	4.198	13.09	0.975	46.59	430.62	359.58
1915.....	6,639,291	2.986	10.98	0.968	40.82	441.73	357.43
1916.....	17,024,066	7.658	16.38	0.885	42.51	491.81	414.97

* This yield is estimated, as it is not known precisely what average amount of securities said income was derived from. Train loads from 1901 to 1909, both inclusive, are here estimated, since the figures for back years as ordinarily given improperly include company freight.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Union Pacific R.R. L. G. & first 4s	J&J	Jl 1947	(1st) 2,080	$48,076	$7,645	$505	94%	Very high	Very high	Aaa.
2. Union Pacific R. R. first lien and ref. 4s	M&S	Je 2008	(1st) 1,480 (2d) 2,080	15,735	•	331	92%	"	"	Aaa.
3. Oregon R. R. & Nav. cons. 4s	J&D	Je 1946	(1st) 1,121	20,875	7,140	118	92%	"	"	Aaa.
4. Utah & Nor. Ry. first ext. 4s	J&J	Jl 1933	(1st) 475	10,500		25	92%	"	"	Aaa.
5. Utah & Nor. Ry. cons. 5s	J&J	Jl 1926	(2d) 475	3,672		11	92%	"	"	Aaa.
6. Oregon Sh. Line Ry. first 6s	F&A	F 1922	(1st) 611	24,110		113	92%	"	"	Aaa.
7. Oregon Sh. Line R. R. cons. first 5s	J&J	Jl 1946	(1st) 353 (2d) 611 (3d) 475	8,567		78	90%	"	"	Aaa.
8. Oregon Sh. L. R. R. ref. 4s	J&D	D 1929	(coll.)	.....		227	90%	"	"	Aaa.
9. Union Pacific convt. 4s	J&J	Jl 1927	(convt.)	.....		136	90%	High	"	Aa.
10. Oregon S. Line Series "A" inc. 5s	Sept.	Jl 1946	(see text)	.....	6,542	1	90%	"	"	Aaa.
11. Oregon S. Line Series "B" inc. 4s	Oct.	Jl 1946	(see text)	.....		1	90%	"	"	Aaa.
12. Oreg. Wash. R.R. & Nav. 4s	J&J	Ja 1961	(1st) 781 (2d) 1,121	20,854		200	90%	"	"	Aa.

Note: "Average income available is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation see "Introduction." For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $100,000,000. Dated July 1, 1897; due July 1, 1947. Int. paid at company's office, 165 Broadway, New York. Coupon and reg., $500 and $1,000. First lien on 2,080.55 miles, terminals, land grants, securities, etc., mileage being as follows: From Council Bluffs, Ia., to five miles west of Ogden, Utah, 1,002.52 miles (the five miles west of Ogden being leased to the Central Pacific Ry.); from Kansas City, Kan., *via* Denver, Colo., to Corlett Junc., near Cheyenne, Wyo., 738.45 miles; portion from Kearney to Stapleton, Neb., 65.79 miles; Cheyenne to Ft. Russell, Wyo., 2.04 miles (owned jointly with and operated by the Colorado & Southern Ry.); Echo to Park City, Utah, 27.59 miles; Leavenworth to Lawrence, Kan., 31.49 miles; Junction City to Concordia, Kans., 70.86 miles; Lawrenceberg to Belleville, Kan., 17.15 miles; Solomon to Beloit, Kan., 56.97 miles; Salina to McPherson, Kan., 35.46 miles; Speer to Borle Junc., Wyo., 5.37 miles; Brighton to Boulder, Col., 27 miles; first lien on $4,993,000 first 4s and on $99,400 out of $100,000 capital stock of the Union Pacific Land Co. The net proceeds from sales of lands, and all receipts on account of principal and interest of bonds and dividends on stock of Union Pacific Land Co. are held by trustee as a cash fund for improvements, etc. On these accounts there was received during the year ending June 30, 1916, $460,000. The total sum expended to date in these accounts is $22,611,091. Underlies No. 2, which provides for retirement. Legal for Savings Banks in Cal., Conn., Fla., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth., $200,000,000; outstanding, $65,458,090. Dated June 1, 1908; due June 1, 2008. Int. paid at company's office, 165 Broadway, New York. Coupon and reg., $500, $1,000; £100, £200. Callable as a whole only at 107½ and int. on Sept. 1, 1918, or on any int. date thereafter upon three months' notice. First lien on 1,479.77 miles, as follows: From Julesberg to La Salle, Col., 151.53 miles; Valley, Neb., to Manhattan, Kan., 189.10 miles; Valparaiso, *via* Stromsberg, to Central City, Neb., 75.28 miles; Columbus to Norfolk, Neb., 50.00 miles; Oconee to Albion, Neb., 34.54 miles; Genoa to Spalding, Neb., 44.42 miles; Grand Island to Ord, Neb., 60.77 miles; St. Paul to Loup City, Neb., 39.40 miles; Boelus to Pleasanton, Neb., 22.09 miles; O'Fallons to near Haig, Neb., 153.95 miles; Salina, *via* Colby, to Oakley, Kan., 225.35 miles; Leavenworth to Miltonvale, Kan., 165.37 miles; Menoken to Carden, Kan., 69.82 miles; Sand Creek Junc. to La Salle Junc., Col., 45.26 miles; Greeley Junc. to Briggsdale, Col., 26.17 miles; Summit to Lane, Neb., 20.56 miles; Cloverly to Hungerford, Col., 14.15 miles; Callaway to Stapleton, Neb., 36.87 miles; Dent to Fort Collins, Col., 25.24 miles; and branches aggregating 49.90 miles; second lien on 2,085.55 miles, following No. 1. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

3. Auth., $24,500,000; outstanding, $23,380,000 (closed). Dated Aug. 17, 1896; due June 1, 1946. Int. paid at New York or in Berlin or Frankfort-on-Main, Germany. Coupon, $1,000. First lien on 1,120.58 miles, as follows: From Portland to Huntington, Ore., 398.87 miles; East Portland to Peninsular Junc., 5.50 miles; Umatilla, Ore., to Walla Walla, Wash., 57.78 miles; Winona to Seltice, Wash., 47.84 miles; Heppner Junc. to Heppner, Ore., 45.40 miles; La Grande to Joseph, Ore., 83.58 miles; Pendleton, Ore., to Spokane, Wash., 245.99 miles; Bolles to Turner, Wash., 25.06 miles; Starbuck to Pomeroy, Wash., 30 miles; Tekoa, Wash., to Burke, Idaho, 86.81 miles; La Crosse to Connell, Wash., 53.12 miles; Colfax, Wash., to Moscow, Idaho, 28.56 miles; and from Winona to Farmington, Wash., 63.12 miles; and branches aggregating 12.40 miles. Underlies No. 12, which provides for retirement. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

4. Auth., $4,993,000; outstanding, $4,991,000 (closed). Dated July 1, 1878; due July 1, 1933. Int. paid at 165 Broadway, New York. Coupon, $1,000. Assumed by Oregon Short Line R.R. First lien on 475.39 miles, as follows: From Ogden, Utah, to McCammon, Idaho, 110.96 miles; Butte to Garrison, Mont., 56.59 miles; Cache Junc., Utah, to Preston, Idaho, 51.35 miles; Pocatello to Silver Bow, Mont., 256.49 miles. Underlie Nos. 5, 7, 10, 11, and new cons. 4s of 1960 with provision by latter to retire. Legal for S. B. in Mich., Minn., N. J., R. I., Wis. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

5. Not to exceed $15,000 per mile, inc. 1st 4s; outstanding, $1,744,000 (closed). Dated July 1, 1886; due July 1, 1926. Int. paid at company's office, 165 Broadway, New York. Coupon, $1,000. Sinking fund: Beginning July 1, 1887, and annually thereafter a sum equal to two-thirds of 1% of bonds issued and not canceled to be used for purchase of these bonds at not exceeding 105 and int. Second lien on 475.39 miles, following No. 4. Underlie Nos. 7, 10, 11, and new cons. 4s of 1960 with provision by latter to retire. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

6. Auth., $25,000 per mile; outstanding, $14,931,000 (closed). Dated Nov. 1, 1881; due Feb. 1, 1922. Int. paid at 165 Broadway, New York. Coupon, $1,000. First lien from Granger, Wyo., to Huntington, Ore., 541.18 miles; from Shoshone to Ketchum, Idaho, 70.05 miles; total, 611.23 miles. Underlie Nos. 7, 10, 11 and new cons. 4s of 1960, with provision by latter to retire. Legal for S. B. in Mich., Minn., N. H., N. J., R. I., Wis. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

7. Auth., $36,500,000; outstanding, $12,328,000 (closed). Dated Mar. 1, 1897; due July 1, 1946. Int. paid at 165 Broadway, New York. Coupon, $500 and $1,000. First lien on 352.60 miles, as follows: From Ogden, Utah, to Sandy, Utah, 49.28 miles; Nampa to Junction of the B. C. Ry. & T. Line, Idaho, 16.41 miles; Salt Lake, Utah, to west side Jordan Bridge, 1.24 miles; Salt Lake yard connection, 1.02 miles; Clearfield to Syracuse, Utah, 4.99 miles, and upon the following mileage totaling 279.81 miles sold to the Los Angeles & Salt Lake R.R., subject to this mortgage; from Sandy to Frisco, Utah, 226.07 miles; Lehi Junc. to Tintic, Utah, 43.27 miles; and branches aggregating 10.33 miles, making a total under first mortgage of 352.60 miles; second lien on 611.23 miles, following No. 6; third lien on 475.39 miles, following No. 5. Underlie Nos. 10, 11 and new cons. 4s of 1960, with provision by latter to retire. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

8. Auth., $100,000,000; outstanding, $45,000,000 (closed). Dated Dec. 1, 1904; due Dec. 1, 1929. Int. paid at 165 Broadway, New York. Coupon and reg., $1,000. Callable at 102½ and int. on any interest date upon three months' notice. Guar. prin. and int. by Union Pacific R.R., by endorsement. First collateral lien on the following securities. $20.000,000 New York Central R.R. stock; $25,577,000 San Pedro, Los Angeles & Salt Lake R.R. first 4s of 1959; $4,018.700 Chicago & North Western common stock; $1,845,000 Chicago, Milwaukee & St. Paul Ry. common; $8.700.-000 Illinois Central stock. Collateral may be substituted. Legal for S. B. in Minn., N. H., R. I. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

9. Auth., $75,000,000; outstanding, $26,835,225; retired by conversion, $46,926,775. Dated July 1, 1907; due July 1, 1927. Int. paid at company's office, 165 Broadway, New York. Coupon and reg., $500 and $1,000. Callable as whole only at 102½ and int. on any interest date on ninety days' notice. Convertible at any time before July 1, 1917, into the company's common stock at $175 per share, unless called for redemption. Not a mortgage. Legal for S. B. in N. H., R. I. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

10. Auth., $7,185.000; outstanding, $272,500 (closed). Dated Mar. 1, 1897; due July 1, 1946. Int. paid (if earned) at 165 Broadway, New York, and Old Colony Trust Co., Boston. Coupon, $500 and $1,000. Second lien on 352.61 miles, following No. 7; third lien on 611.23 miles, following No. 7; fourth lien on 475.39 miles, following No. 7. Underlie Nos. 11 and 13, with provision by latter to retire; also Los Angeles & Salt Lake City R.R. Mtge. on a portion of mileage. Normal income tax deducted from interest.

11. Auth., $15.000.000; outstanding, $25,000 (closed). Dated Mar. 1, 1897; due July 1, 1946. Int. paid (if earned) at New York. Third lien on 352.61 miles, following No. 10; fourth lien on 611.23 miles, following No. 10; fifth lien on 475.39 miles, following No. 10. Underlies No. 13, with provision to retire; also Los Angeles & Salt Lake City R.R. Mtge. on a portion of mileage. Normal income tax deducted from interest.

12. Auth., $175,000,000; outstanding, $39,665,035. Dated Jan. 3, 1911; due Jan. 1, 1961. Int. paid at New York or London. Coupon and reg., $500, $1,000; £100, £200. Callable as whole only at 105 and int. on any interest date on ninety days' notice. Guar. prin. and int. by Union Pacific R.R., by endorsement. First lien on 780.95 miles, as follows: From Biggs Station to Shaniko, Ore., 69.08 miles; Arlington to Condon, Ore., 44.83 miles; Wallula to Spokane, Wash., 156.88 miles; Reparia Junc. to Lewiston, Idaho, 71.46 miles; Enaville to Paragon, Idaho, 32.83 miles; Bell, Wash., to Amwaco, Idaho, 14.18 miles; Attalia to North Yakima, Wash., 98.12 miles; Pilot Rock Junc. to Pilot Rock, Ore., 14.21 miles; Malheur Junc. to Brogan, Ore., 37.32 miles; Vale to Riverside, Ore., 78.07 miles; Blakes to Homestead, Ore., 58 miles; Megler to Nahcotta, Wash., 26.98 miles; Centralia Junc. to Portola, Wash., 11.22 miles; Black River Junc. to Seattle, 9.42 miles; Wabash to Tono, Wash., 6.06 miles; Peninsula Junc. to Troutdale, Ore., 16.22 miles; Ayer Junc. to Riparia, Wash., 17.73 miles; North River Junc. to Primo, Wash., 12.04 miles; and branches aggregating 6.47 miles; second lien on 1,120.58 miles, following No. 3. Legal for S. B. in Minn., N. H., N. J., R. I. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

13. Note: Under date of Dec. 1, 1910, there was authorized an issue of $150,000,000 Oregon Short Line R.R. firsts and consol. fifty-year 4s, due Dec. 1, 1960. Sufficient of these bonds are reserved to retire Nos. 4, 5, 6, 7, 10 and 11, and balance for additions and betterments. On June 30, 1916, there were $45,074,000 issued, but all were in Union Pacific treasury.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Union Pacific R.R. pfd. stock ..... Par $100. Outstanding, $99,543,500.	4% A&O	$12,573	$5,533	$503	91%	Very high	Very high	Aaa.
2. Union Pacific R.R. ommon stock..... Par $100. Outstanding, $222,291,600.	8% QuJ	28,078	5,030	2,246*	54%	High	"	A.

* For 8% dividend.

Note: "Average income available" on stock issues is the average surplus after deducting all fixed and other charges for the ten years ending June 30, 1916. "Dividend requirement" is the requirement at the current rate on the present amount outstanding. For key to stock ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Auth., $200,000,000. Has preference to 4% non-cumulative dividends. Payments have been made as follows: 1898, 1½%; 1899, 3½%; 1900 to date, 4% per annum.

2. Auth., $296,178,700. Of total authorized amount, sufficient is reserved for conversion, at $175 per share, of the outstanding balance of 20-year 4% convertible bonds. Dividends have been paid as follows: 1900, 3½%; 1901 to 1904, 4% per annum; 1905, 4½%; 1906, 8%; 1907 to June 30, 1914, 10% per annum; since, 8% per annum. In Jan., 1917, paid 2% extra. (See full dividend record below.) Both issues listed on New York, Boston, London, and Amsterdam Stock Exchanges. TRANSFER OFFICE: 165 Broadway, New York.

Dividends: From Oct. 31, 1898, to Oct. 1, 1916, inclusive, there have been paid on the preferred stock a total of thirty-seven cash dividends aggregating 73% or $71,409,954; from April, 1900, to Oct. 1, 1916, inclusive, there have been paid on the common stock fifty-three dividends aggregating 127%, or $243,726,080. The annual rates and amounts of these dividends are shown in the following statement:

Dividends Paid on Preferred Stock (1898-1916).			Dividends Paid on Common Stock (1900-1916).					
Years.	P. C.	Amounts	Years	P. C.	Amounts	Years	P. C.	Amounts
1897-1898...	1½	$1,125,000	1909-1910...	4	$3,981,760	1904-1905...	4½	$7,104,250
1898-1899...	3½	2,625,000	1910-1911...	4	3,981,760	1905-1906...	8	15,550,392
1899-1900...	4	3,952,870	1911-1912...	4	3,981,744	1906-1907...	10	19,548,040
1900-1901...	4	3,979,580	1912-1913...	4	3,981,740	1907-1908...	10	19,548,790
1901-1902...	4	3,981,552	1913-1914...	4	3,981,740	1908-1909...	10	19,678,327
1902-1903...	4	3,982,064	1914-1915...	4	3,981,740	1909-1910...	10	21,703,865
1903-1904...	4	3,982,256	1915-1916...	4	3,981,740	1910-1911...	10	21,659,572
1904-1905...	4	3,982,356	1899-1900...	3½	3,350,757	1911-1912...	10	21,664,739
1905-1906...	4	3,981,764	1900-1901...	4	4,000,014	1912-1913...	10	21,663,370
1906-1907...	4	3,981,764	1901-1902...	4	4,205,082	1913-1914...	9	19,780,778
1907-1908...	4	3,981,764	1902-1903...	4	4,350,612	1914-1915...	8	17,783,328
1908-1909...	4	3,981,760	1903-1904...	4	4,350,836	1915-1916...	8	17,783,328

In addition, the special dividend in Baltimore & Ohio stock was paid in 1914.

LOS ANGELES & SALT LAKE RAILROAD

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Mar. 20, 1901, under laws of Utah, as San Pedro, Los Angeles & Salt Lake R.R.; name changed as above in 1916; first section opened in 1901; acquired from the Los Angeles Terminal Ry., 49.4 miles. Other lines were acquired from the Oregon Short Line in 1903. Controlled by the Union Pacific R.R. through the Oregon Short Line R.R. Co., which owns all but twelve shares of stock of road.

Location: Lines operated June 30, 1916, consisted of 1,154.18 miles, forming a continuous system from Salt Lake City to Los Angeles and Riverside, Cal., and to East San Pedro, Cal. Mileage is classified as follows: Lines owned, 1,023.35 miles; used under traffic rights, 130.83 miles. Second track, 50.67 miles. Sidings, 401.57 miles.

Management: OFFICERS: W. A. Clark, Pres.; E. E. Calvin, First Vice-Pres.; J. Ross Clark, Second Vice-Pres.; W. H. Leete, Treas.; W. H. Comstock, Sec. DIRECTORS: J. Ross Clark, W. H. Comstock, W. G. Kerckhoff, Oscar Lawler, T. F. Miller, J. F. Sartori, C. C. Barry, Los Angeles, Cal.; W. A. Clark, R. S. Lovett, New York; R. C. Kerens, St. Louis; E. E. Calvin, Thos. Kearns, Salt Lake City. Annual meeting, third Monday in November, at Salt Lake City, Utah. OFFICE, Los Angeles, Cal.

Tonnage: Total tons carried in 1916, 3,443,414, of which 60% was products of mines; 11% of forests; 10% of agriculture; 11% manufactures. In 1915 tons carried amounted to 2,838,571, of which 52% was products of mines; 12% of forests; 14% of agriculture and 13% of manufactures.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908.....	1,099	....	153	105	3,297	....	.....	.....	.....	.....	.....	.....
1909.....	1,105	....	151	105	3,277	....	.....	.....	.....	.....	.....	.....
1910.....	1,105	....	150	117	3,231	....	.....	.....	.....	.....	.....	.....
1911.....	1,106	....	150	119	3,141	....	.....	.....	.....	.....	.....	.....
1912.....	1,118	....	155	118	3,105	61%	124,319	392,329	313	$2.58	2.17c	1.26c
1913.....	1,134	....	155	119	3,334	62	118,257	480,621	371	2.95	2.34	1.16
1914.....	1,133	....	169	119	3,352	65	108,024	531,952	336	2.57	2.46	1.15
1915.....	1,132	....	169	119	3,320	63	99,624	465,708	345	2.50	2.34	1.14
1916.....	1,145	51	169	118	3,298	63	128,342	521,029	362	2.82	2.21	1.18
9-Year Average } ..	1,129	6	157	115	3,262	63%	115,713	478,328	344	$2.68	2.30c	1.18c

Yard tracks and sidings, June 30, 1915, 383 miles; June 30, 1916, 402 miles. * Five-year average.

Comment: This property has reported a moderate improvement in freight density during the year ended June 30, 1916, and a very pronounced improvement in its passenger density. The average train load also was much better than in 1915, while the train mile earnings were moved up to the best figure reported since 1913.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$6,841	$1,347	$1,037	$2,384	$3,073	$1,384	$1,397	$223	$1,174	$1,934	.....	$760*	.....
1909	6,742	921	916	1,837	2,659	2,246	2,283	258	2,025	1,976	2%	49	.....
1910	5,514	1,448	975	2,423	2,393	698	869	265	604	1,918	.....	1,314*	.....
1911	7,616	1,330	1,263	2,593	3,385	1,638	1,660	261	1,399	2,104	.....	705*	.....
1912	8,164	1,122	1,812	2,934	3,549	1,681	1,715	268	1,447	2,337	.....	890*	.....
1913	9,029	1,033	1,508	2,541	3,465	3,023	3,046	386	2,660	2,360	12	300	.....
1914	9,379	1,143	1,532	2,675	3,693	3,011	3,016	278	2,738	2,579	5	159	.....
1915	8,390	824	1,249	2,073	3,385	2,932	3,017	545	2,472	2,386	3	86	.....
1916	9,820	944	1,390	2,334	3,498	3,988	4,083	593	3,490	2,354	33	1,136	.....
9-Year Average	$7,944	$1,124	$1,298	$2,422	$3,233	$2,289	$2,343	$342	$2,001	$2,216	6%	$215*	.....

* Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$11,243,344	$9,497,314	$10,590,842	$10,217,978	$9,124,474	$8,423,197
Maintenance of way	1,081,049	932,581	1,294,669	1,170,866	1,253,689	1,471,369
Maint. of equipment	1,591,596	1,414,436	1,735,944	1,709,936	2,025,951	1,396,828
All other oper. expenses	4,005,535	3,831,811	4,184,097	3,929,709	4,010,765	3,744,563
Net oper. revenues.	$4,565,167	$3,318,486	$3,376,132	$3,407,467	$1,834,069	$1,810,437
Operating ratio	59.4%	65.0%	68.1%	66.7%	80%	78.5%
Other income	109,648	97,319	41,089	46,397	37,357	26,677
Total net income	$4,674,815	$3,415,805	$3,417,221	$3,453,864	$1,871,426	$1,837,114
Taxes accrued	679,309	617,407	532,484	437,596	300,087	288,740
Balance for charges	$3,995,506	$2,798,398	$2,884,737	$3,016,268	$1,571,339	$1,548,374
Fixed charges	2,695,672	2,701,365	2,704,927	2,676,086	2,612,255	2,326,871
Surplus over charges	$1,299,834	$97,033	$179,810	$340,182	*$1,040,916	*$778,497

* Deficit.

Note: Fixed charges, in 1914 and 1915, included interest, rentals and miscellaneous deductions.

Comment: The gross revenues of this property were the best ever recorded, while there was also a very sharp improvement in the total net revenues. As fixed charges underwent practically no change, the surplus carried forward was a very heavy one, and equaled over 5% on the outstanding capital stock. Since the close of the fiscal year the operating revenues have continued to improve.

TABLE C.—Capital zation Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$22,748	38%	$36,400	62%	.....	$59,148	Nom.	$59,148	2.3%	.....	.....	.....	.....	.....	.....
1909	22,624	38	36,200	62	.....	58,824	"	58,824	3.8	.....	.....	.....	.....	.....	.....
1910	22,624	35	42,431	65	.....	65,055	"	65,055	1.4	.....	.....	.....	.....	.....	.....
1911	22,600	34	44,136	66	.....	66,736	"	66,736	2.5	.....	.....	.....	.....	.....	.....
1912	22,362	33	49,333	67	.....	71,695	"	71,695	2.4	.....	.....	.....	.....	.....	.....
1913	22,046	31	48,638	69	.....	70,684	"	70,684	4.3	.....	.....	.....	.....	.....	.....
1914	22,065	31	49,668	69	.....	71,733	"	71,733	4.2	.....	.....	.....	.....	.....	.....
1915	22,085	31	50,220	69	.....	72,305	"	72,305	4.2	.....	.....	.....	.....	.....	.....
1916	21,834	31	49,650	69	.....	71,484	"	71,484	5.7	.....	.....	.....	.....	.....	.....
9-Year Average	$22,332	34%	$45,186	66%	.....	$67,518	Nom.	$67,518	3.4%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$76,760,764	$76,581,887	$75,995,458	$75,211,280	$70,645,161	$70,066,195
Working assets	4,044,150	3,400,617	3,290,707	3,155,817	2,252,038	1,863,155
Deferred debit items...	2,073,692	1,740,840	1,712,030	1,793,540	5,518,397	4,499,054
Accrued income not due	77	9,987	1,453	1,427	1,427	1,427
Profit and loss deficit...	2,139,479	3,429,388	3,513,618	3,680,709	4,034,749	2,985,253
Total	$85,018,162	$85,162,719	$84,513,266	$83,842,773	$82,451,772	$79,415,084
LIABILITIES:						
Capital stock	$25,000,000	$25,000,000	$25,000,000	$25,000,000	$25,000,000	$25,000,000
Funded debt	57,078,371	56,849,371	56,274,000	55,155,000	55,155,000	48,835,000
Working liabilities	2,458,286	2,780,285	2,919,923	3,438,857	2,146,400	5,372,194
Accrd. liabilities not due	183,808	158,490	143,390	92,658	18,190	95,050
Deferred credit items...	276,502	364,099	175,954	156,258	132,182	112,840
Appropriated surplus ..	21,195	10,474	.....	.....	.....	.....
Total	$85,018,162	$85,162,719	$84,513,266	$83,842,773	$82,451,772	$79,415,084

Comment: There were practically no capitalization changes on this property during the year 1916. As measured on the mileage basis, the net capitalization of the property is high and it has tended still higher in recent years, but the net income on net capital has steadily advanced, and it will be noted now ranges at the best figures in the history of the company.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. San Pedro, Los Angeles & Salt Lake first 4s.....	J&J	J1 1961	(1st) 729 (cons.) 280	$56,544	$2,001	$2,000	.....	.....	.....	Caa.

For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $70,000,000; outstanding, $57,053,000. Dated July 1, 1911; due July 1, 1961. Int. paid at Guaranty Trust Co., New York. Coupon and reg., $1,000. Callable at 105 and interest on 90 days' notice. Of those outstanding, $28,526,000 (one-half the issue) are owned by Oregon Short Line R.R. Covers by direct lien entire property, consisting of 1,009 miles, being a first lien on all but 279.81 miles. On the latter, the Oregon Short Line 5s of 1946 are a first lien, the Oregon Short Line A and B incomes are second and third lien respectively. The latter bonds are nearly all retired, so that practically this issue is a second lien on this section of the line. The total mileage covered is as follows: Los Angeles to Salt Lake City, 681.14 miles; Sandy to Lynn, Utah, 120.68 miles; Lehi Junc. to Boulder, Utah, 43.48 miles; East San Pedro to Los Angeles, 27.11 miles; Milford to Newhouse, Utah, 23.37 miles; Los Angeles to Millard Canyon, 14.31 miles; Tintic branch, 11.51 miles; Caliente to Pioche, Nev., 32.72 miles; Moapa to St. Thomas, Nev., 21.64 miles; Glendale Junc. to Verdugo, Cal., 7.11 miles; short branches, 25.35 miles. The sections covered by the Oregon Short Line mortgages as prior liens (included in above) include 226.07 miles, from Sandy to Frisco, Utah, the Tintic branch, and other short spurs in Utah. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and issued, $25,000,000; par $100. All but 12 shares owned by Oregon Short Line R.R. TRANSFER AGENT: W. H. Comstock, Sec., Los Angeles, Cal.

THE ST. JOSEPH & GRAND ISLAND RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated Feb. 23, 1897, under laws of Kansas and Nebraska, as successor to the St. Joseph & Grand Island Railroad. The company owns a half-interest in the St. Joseph Terminal R.R. and a one-tenth interest in the St. Joseph Union Depot Co.

Location: The operated lines of the St. Joseph & Grand Island Railroad consist of 257.93 miles, as follows: St. Joseph, Mo., to Grand Island, Neb., 251.14 miles; Stouts to Highland, Kansas, 6.79 miles. Population of Kansas and Nebraska in 1890, 2,486,006; in 1900, 2,536,995; in 1910, 2.883,163.

Control: The Union Pacific Railroad Company owns $1,558,850 out of $5,499,400 first preferred, $3,309,079 out of $3,500,000 second preferred, and $4,239,700 out of $4,600,000 common stock of the St. Joseph & Grand Island Railroad. In December, 1910, a committee was organized to protect the interests of the first and second preferred stocks, and on Nov. 6, 1911, suit was filed by this committee against the Union Pacific Railroad. Extensive litigation has followed and a decision was rendered May 27, 1914, by the United States District Court for the District of Nebraska, holding that the Union Pacific R.R. Co. and this company were competitors for interstate traffic amounting to some $48,000 in annual revenue to this company and some $18,000 in annual revenue to the Union Pacific R.R. Co.; that, although the whole amount of this traffic carried by both roads was less than one-tenth of 1% of the total revenue of the Union Pacific R.R. Co. and was only 3.88% of the total revenue of this company, it constituted a substantial amount of traffic subject to competition; and that, therefore, the ownership by the Union Pacific R.R. Co. of a majority of the capital stock of this company constituted a violation of the Federal anti-trust law. The decree of the court enjoined the voting of said stock by the Union Pacific Railroad Company, and the exercise of any control, direction or supervision by it over the affairs of this company; enjoined this company from making any further expend-

itures for the reconstruction of that portion of its line lying between Upland, Kan., and Hastings, Neb., or acquiring by purchase or lease the railroad of the Hastings & Northwestern Ry. Co., extending from Hastings to Gibbon, Neb., except upon authority of a board of directors chosen by stockholders other than the Union Pacific R.R. Co., and provided that unless within sixty days from the entry of the decree the management and control of this company should be surrendered to a board of directors chosen by stockholders other than the Union Pacific R.R. Co., a receiver of this company and of all its property and franchises would be appointed by the court. An appeal from this decree to the United States Circuit Court of Appeals was taken both by this company and by the Union Pacific R.R. Co. and the decree was superseded and its enforcement stayed pending the appeal. The appeal has been perfected and was set for argument in the Court of Appeals in January, 1915. In July, 1915, the decision was reversed and further litigation by minority stockholders has been discontinued.

Management: OFFICERS: E. E. Calvin, Pres.; G. G. Lacy, Vice-Pres. and Treas.; E. Stenger, Gen. Mgr.; Alexander Millar, Sec. DIRECTORS: G. G. Lacy, Jas. H. McCord, Huston Wyeth, E. Stenger, Milton Tootle, C. D. Lamme, Chas. F. Pusch, E. E. Calvin, R. M. Emery. Annual meeting, third Tuesday in October. MAIN OFFICE, St. Joseph, Mo.

Classification of Freight Tonnage (Years Ending June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	39.28%	37.09%	30.14%	28.57%	30.63%	27.33%	29.32%	29.46%	33.30%	34.69%
Products of Animals.....	16.63	16.84	19.15	16.33	15.23	13.89	11.71	10.09	10.51	9.58
Products of Mines.....	12.84	12.99	13.65	14.08	17.33	26.47	27.77	23.66	20.09	20.28
Products of Forests.....	5.38	5.76	5.27	4.41	4.65	3.46	4.17	6.10	6.56	6.54
Manufactures.....	10.75	14.63	17.47	21.00	19.36	16.02	15.16	22.26	22.20	23.11
Merchandise and Miscel...	15.12	12.69	14.32	15.61	12.80	12.83	11.87	8.43	7.34	5.80

Total revenue tonnage, year ended June 30, 1909, 657,436 tons; 1910, 669,341 tons; in 1911, 733,062 tons; in 1912, 726,293 tons; 763,645 tons in 1913; 853,333 tons in 1914; 825,898 tons in 1915; 1,207,228 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	312	....	27	28	1,101	73%	46,755	285,664	214	$1.98	2.34c	1.38c
1908.....	313	....	27	28	1,072	73	46,232	294,843	228	1.87	2.31	1.27
1909.....	319	....	27	29	1,057	70	56,954	305,551	223	1.76	2.09	1.09
1910.....	319	....	25	34	1,056	67	61,898	295,687	182	1.60	2.10	1.16
1911.....	319	....	25	32	1,050	66	68,721	304,557	199	1.79	2.08	1.14
1912.....	319	....	25	32	840	64	61,959	268,550	189	1.64	2.05	1.16
1913.....	319	....	24	32	776	66	55,689	313,156	221	1.60	2.17	1.03
1914.....	319	....	23	30	658	70	51,314	330,095	233	1.78	2.12	1.07
1915.....	264	....	23	31	648	73	52,234	355,453	237	1.98	2.15	1.17
1916.....	258	....	22	32	620	76	54,062	515,958	291	2.22	2.23	1.07
10-Year Avcrage } ..	306	....	25	31	888	70%	55,582	326,951	222	$1.82	2.16c	1.15c

Yard tracks and sidings, 57 miles on June 30, 1916.

Comment: During the year ended June 30, 1916, the operating exhibit of the St. Joseph & Grand Island Railroad underwent remarkable improvement. The freight density was nearly 60% higher than that of the previous year and the passenger density also improved. Average freight train loads rose to a figure which indicated a heavy business, while the train mile earnings, also increased a very profitable basis. The company's tonnage was widely diversified, and improved in practically all departments.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$5,389	$634	$495	$1,129	$1,939	$2,321	$2,519	$239	$2,280	$940	58%	$1,340	.....
1908.....	5,119	457	479	936	2,061	2,124	2,267	259	2,008	934	52	1,074	.....
1909.....	4,923	937	553	1,490	2,060	1,373	1,470	163	1,307	846	36	461	.....
1910.....	5,115	1,695	652	2,347	2,576	192	340	207	133	949	.....	816*	.....
1911.....	5,343	1,140	762	1,902	2,781	660	789	221	568	942	.....	374*	.....
1912.....	4,846	861	879	1,740	2,594	512	640	253	387	1,037	.....	650*	.....
1913.....	4,883	1,108	728	1,836	2,605	442	572	232	340	1,049	.....	709*	.....
1914.....	5,047	1,022	755	1,777	2,633	637	770	271	499	1,059	.....	560*	.....
1915.....	5,710	950	938	1,888	2,555	1,267	1,440	299	1,141	1,056	8	85	.....
1916.....	7,133	1,438	1,051	2,489	2,807	1,837	2,019	379	1,640	866	42	774	.....
10-Year Average }	$5,351	$1,024	$729	$1,754	$2,461	$1,136	$1,283	$252	$1,031	$968	20%	$63	.....

* Deficit.

Note: Above table is based on average mileage directly operated for each year, including mileage used under trackage rights, etc.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,840,421	$1,506,980	$1,610,081	$1,557,532	$1,551,391	$1,709,836	$1,631,739
Maintenance of way	371,023	250,822	326,115	353,567	274,732	363,924	546,530
Maintenance of equipment	271,168	247,677	240,915	232,204	280,465	243,113	208,132
All other operating expenses	724,150	674,426	840,043	830,847	832,769	892,214	815,906
Net operating revenues	$474,080	$334,055	$203,008	$140,914	$163,435	$210,585	$61,171
Operating ratio	74.2%	77.8%	87.4%	90.9%	89.5%	87.9%	96.3%
Other income	46,745	46,015	42,725	41,395	40,757	41,277	52,859
Total net income	$520,825	$380,070	$245,733	$182,309	$204,192	$251,862	$114,030
Taxes accrued	97,700	95,263	86,482	73,987	80,859	70,458	66,140
Balance for charges	$423,125	$284,807	$159,251	$108,322	$123,333	$181,404	$47,890
Fixed charges	223,446	263,371	337,902	334,612	330,790	300,572	308,162
Deficit	*$199,679	*$22,436	$178,651	$226,290	$207,457	$119,168	$260,270

* Surplus.

Fixed charges, as shown above, include rentals, interest, hire of equipment, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $436,097; credit balance from income account, $199,679; unrefundable overcharges, $688; miscellaneous credits, $569; total, $637,033. Contra: Loss on retired road and equipment, $50,168; miscellaneous debits, $31,291; credit balance at close of year, $555,574; total, $637,033.

Comment: Both gross and net revenues underwent substantial improvement during the year ended June 30, 1916, and the surplus carried forward available for charges was far in excess of that of any recent years. The fixed charges themselves seemed to further decline with the result that a very substantial surplus was finally reported. The radical change in the conditions of this property during the past two years have greatly strengthened its credit and the outstanding bond issue is now protected by a substantial margin of safety.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$43,590	76%	$13,269	24%	.....	$56,859	.....	$56,859	4.4%	.....	.....	.....	.....	.....	.....
1908	43,447	79	12,779	24	.....	56,226	.....	56,226	4	.....	.....	.....	.....	.....	.....
1909	42,629	79	12,539	21	.....	55,168	.....	55,168	2.7	.....	.....	.....	.....	.....	.....
1910	42,633	77	12,539	21	.....	55,172	.....	55,172	.6	.....	.....	.....	.....	.....	.....
1911	42,633	77	12,539	23	.....	55,172	.....	55,172	1.4	.....	.....	.....	.....	.....	.....
1912	42,636	77	12,539	23	.....	55,175	.....	55,175	1.2	.....	.....	.....	.....	.....	.....
1913	42,636	77	12,539	23	.....	55,175	.....	55,175	1	.....	.....	.....	.....	.....	.....
1914	42,633	77	12,539	23	.....	55,172	$77	55,095	1.4	.....	.....	.....	.....	.....	.....
1915	51,515	77	15,152	23	.....	66,667	96	66,571	2.2	.....	.....	.....	.....	.....	.....
1916	52,713	77	15,504	23	.....	68,217	.....	68,217	3	.....	.....	.....	.....	.....	.....
10-Year Average	$44,707	77%	$13,194	23%	.....	$57,901	.....	$57,882	2.2%	.....	.....	.....	.....	.....	.....

Note: Above table is based on the average mileage directly operated for each year.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$18,287,804	$18,326,435	$18,360,518	$18,440,553	$18,435,605	$18,545,937
Working assets	477,642	377,120	488,876	534,321	563,217	566,994
Deferred debit items	112,529	31,533	34,849	12,278	12,566	35,365
Total	$18,877,975	$18,735,088	$18,884,243	$18,987,152	$19,011,388	$19,148,296
Liabilities:						
Capital stock	$13,600,000	$13,600,000	$13,600,000	$13,599,400	$13,599,400	$13,598,500
Funded debt	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Working liabilities	656,820	656,466	803,324	584,059	381,770	313,509
Accr'd liabilities not due	43,807	42,525	43,477	116,885	116,636	112,532
Deferred credit items	21,774	.....	15,743	9,890	10,374	9,521
Profit and loss surplus	555,574	436,097	421,699	676,918	903,208	1,114,234
Total	$18,877,975	$18,735,088	$18,884,243	$18,987,152	$19,011,388	$19,148,296

Comment: There were no capitalization changes on the St. Joseph & Grand Island Railroad during the year ended June 30, 1916. The net capitalization is a heavy one, but the bonded debt represents only 23% of the total and therefore the company has found no difficulty in carrying its capitalization. During the year just closed, the net income on net capital was better than in any year since 1908.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. St. Joseph & G. Is. first 4s...	J&J	Ja 1947	(1st) 258	$15,500	$1,031	$620	40%	Fair	Fair	Baa.

Note: "Average income available" is the average net income available per mile for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $5,000,000; outstanding, $4,000,000. Dated July 1, 1897; due Jan. 1, 1947. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien on 251.14 miles from St. Joseph, Mo., to Grand Island, Neb., and 6.79 miles from Stouts to Highland, Kans., total, 257.93. Collateral lien on $125,000 out of $300,000 capital stock of the St. Joseph Terminal R.R., and $1,000 out of $10,000 capital stock of the St. Joseph Union Depot Co. Legal for Savings Banks in Me. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
St. Joseph & Grand Island first preferred ..... Par $100. Outstanding, $5,499,400.	None	$21,316	$63	.....	.....	Fair	Fair	Ca.
St. Joseph & Grand Island second preferred... Par $100. Outstanding, $3,500 000.	"	13,566	.....	.....	.....	Small	"	C.
St. Joseph & Grand Island common ..... Par $100. Outstanding, $4,600,000.	"	17,830	.....	.....	.....	Small	"	D.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

REFERENCE NOTE ON STOCK ISSUE

Note: First preferred entitled to 5% non-cumulative dividends; second preferred to 4% and common to balance. The Union Pacific Railroad Co. owned in 1916, $4,558,850 first preferred, $3,309,079 second preferred, and $4,239,700 common, having purchased, in 1911 and since, a large amount of the former minority stock at $53.91 per share for first preferred, $37.49 per share for second preferred and $20.07 per share for common. See "Control," on page 753, for details regarding lititgation.

THE VIRGINIAN RAILWAY COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past eight years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Virginia, Feb. 20, 1904, as the Tidewater R.R. Co., name changed as above on March 8, 1907. The property of the Deepwater Ry. Co. was acquired on April 22, 1907. Has since leased the White Oak Railway and the Piney River & Paint Creek Ry. Leases the property of the Norfolk Terminal Railway jointly with the Norfolk & Western Ry. and the Norfolk Southern R.R.

Location: The operated lines of the company on June 30, 1916, consisted of 505.25 miles, as follows: From Norfolk to Deepwater, W. Va., and branches, 471.38 miles; leased lines: Virginian Terminal Railway, 1.75 miles; White Oak Railway Co., 10.34 miles; Piney River & Paint Creek R.R., 6.69 miles; trackage rights, 15.09 miles.

Road taps the Pocahontas and New River coal fields, and forms the "shortest possible route to tidewater over the lowest grades." From Princeton, the main coal-gathering yard, 350 miles west of Sewell's Point, the eastbound grade does not exceed 0.2 of 1%, or 10½ feet per mile, except for a 9-mile section over the Allegheny Mountains, where the maximum grade is 0.6 of 1%, or 32 feet per mile; on this section a pusher will be used. One locomotive will haul 80 loaded 50-ton coal cars, or 4,000 tons of coal per train.

Management: Officers: C. W. Huntington, Chairman; Raymond DuPuy, Pres.; Geo. H. Church, Treas.; James Clarke, Sec. Directors: Raymond DuPuy, H. H. Rogers, U. H. Broughton, E. S. Marston, W. E. Benjamin, W. R. Coe, C. W. Huntington, Saml. McRoberts, G. M. Hyams, Samuel L. Fuller, John W. Sterling. Annual meeting, Saturday after fourth Tuesday in January. Main Office: Norfolk, Va. New York Office: 55 Wall Street.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	2.5%	1.4%	1.5%	1.2%	1.35%	1.53%	.96%
Products of Animals.....	.....	.....	.....	.1	.4	.4	.4	.42	.41	.33
Products of Mines.....	.....	.....	.....	70.9	82.9	87.2	88.0	88.94	89.11	91.14
Products of Forests.....	.....	.....	.....	10.9	11.4	7.8	8.0	6.60	6.11	5.18
Mfrs., Mdse., and Misc....	.....	.....	.....	16.4	3.9	3.1	2.4	2.69	2.84	2.39

Total revenue tonnage, 1910, 1,434,988 tons; 1911, 2,713,135 tons; 1912, 3,641,011 tons; 1913, 4,410,622 tons; 4,776,663 tons in 1914; 4,088,609 tons in 1915; 6,497,994 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908.....	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1909.....	444	....	37	26	3,450	78%	10,640	115,429	256	$1.23	2.01c	.84c
1910.....	448	....	48	40	3,583	85	22,547	908,952	809	2.08	2.08	.43
1911.....	475	....	82	40	6,607	90	25,277	1,930,266	1,132	2.64	2.15	.36
1912.....	475	....	92	40	6,570	91	25,669	2,666,893	1,049	2.96	2.17	.35
1913.....	491	....	108	44	7,226	92	27,480	3,174,355	1,111	3.41	2.52	.34
1914.....	503	5	108	44	7,398	91	30,133	3,368,816	1,410	3.59	2.54	.34
1915.....	504	6	108	44	8,002	87	30,951	2,932,063	1,469	3.70	2.48	.34
1916.....	505	7	108	46	7,864	71	33,956	3,784,626	1,578	4.11	2.55	.34
8-Year Average	481	2	86	40	6,338	86	25,832	2,360,175	1,102	$2.98	2.31c	.42c

Comment: During the year ended June 30, 1916, the Virginian Railway reported a very remarkable increase in both its freight density and raised its average freight train load to the high figure of 1,578 tons. There are few railroads of any size in the United States which show such heavy tonnage as this. Although the average freight rates still continue very low, the train mile earnings have steadily climbed and in 1916 were about double those reported in 1910. As the tonnage table indicates the company's business is chiefly that of the transportation of soft coal, this tonnage representing during the year just closed over 90% of the total business done.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909.....	$1,309	$272	$205	$477	$609	$223	$283	$85	$198	$166	.....	$32	.....
1910.....	4,605	673	777	1,450	1,762	1,393	1,556	323	1,233	5,030	.....	3,797*	.....
1911.....	7,735	926	1,319	2,245	2,350	3,140	3,355	385	2,970	5,318	.....	2,348*	.....
1912.....	10,193	1,342	1,409	2,751	3,514	3,928	4,123	409	3,714	5,295	.....	1,581*	.....
1913.....	11,896	1,509	2,221	3,730	3,140	5,026	5,740	436	5,304	3,229	40%	2,075	.....
1914.....	12,605	1,682	1,996	3,678	3,346	5,581	6,258	511	5,747	3,240	44	2,507	.....
1915.....	11,548	1,501	2,034	3,535	3,166	4,847	5,463	503	4,960	3,496	32	1,464	.....
1916.....	14,634	1,506	2,436	3,942	3,671	7,021	7,659	567	7,092	3,392	54	3,700	.....
8-Year Average	$9,316	$1,176	$1,550	$2,726	$2,695	$3,895	$4,304	$402	$3,902	$3,645	7%	$257	.....

* Deficit.

Note: Above table is based on average mileage directly operated for each year. Margin of safety is the proportion of surplus left over after deducting all fixed charges. For example, in 1916 the "balance for charges" was $7,092; fixed charges consumed $3,392, or 46% of this, leaving $3,700, a "margin of safety" of 54%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$7,390,212	$5,820,161	$6,422,950	$5,842,584	$4,837,598	$3,671,224	$2,063,190
Maintenance of way	760,604	756,274	846,211	741,069	637,739	439,752	301,632
Maintenance of equipment	1,229,934	1,025,056	1,004,113	1,090,727	868,927	626,658	348,253
All other operating expenses	1,854,088	1,595,521	1,682,896	1,542,361	1,465,126	1,113,261	789,133
Net operating revenues	$3,545,586	$2,443,310	$2,889,730	$2,468,427	$1,865,806	$1,491,553	$624,172
Operating ratio	52%	58%	55%	57.7%	61.4%	59.3%	69.5%
Other income	321,938	310,320	257,953	349,599	92,714	101,913	73,111
Total net income	$3,867,524	$2,753,630	$3,147,683	$2,818,026	$1,958,520	$1,593,466	$697,283
Taxes accrued	286,100	253,336	257,195	214,300	194,200	182,756	144,667
Balance for charges	$3,581,424	$2,500,294	$2,890,488	$2,603,726	$1,764,320	$1,410,710	$552,616
Fixed charges	1,713,170	1,762,374	1,629,635	1,585,291	2,512,721	2,524,065	2,233,141
Surplus over charges	$1,868,254	$737,920	$1,260,853	$1,018,435	*$748,401	*$1,113,355	*$1,680,525
Earned on stock: Preferred	6.7%	2.6%	4.5%	3.7%	.....	.....	.....

* Deficit.

Note: Fixed charges include interest on bonds, and on equipment trusts, joint rentals, etc. The reduction in fixed charges in 1913 was due to the exchange of $9,800,000 first 5s and $3,000,000 Virginian Terminal Railway 5s for preferred stock.

Current Earnings: The monthly bulletin, mailed free to each subscriber to this book, contains monthly reports of earnings since the close of the fiscal year.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,590,176; credit balance transferred from income account, $1,868,254; profit on road and equipment sold, $1,019; unrefundable overcharges, $379; donations, $50,527; miscellaneous credits, $976; total, $5,511,331. Contra: Loss on retired road and equipment, $92; miscellaneous debits, $496; credit balance transferred to balance sheet, $5,510,743; total, $5,511,331.

Comment: Both gross and net revenues underwent very sharp advances on the Virginian Railway during the year ended June 30, 1916. The surplus available for fixed charges was more than double the requirement and the company reported a final balance equal to 6.7% on the outstanding stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$74,318	47%	$83,990	53%	.....	$158,308	.....	$158,308	.....	.....	.....	.....	.....	.....	.....
1910	75,660	47	84,248	53	.....	159,908	.....	159,908	1 %	.....	.....	.....	.....	.....	.....
1911	72,094	48	79,490	52	.....	151,584	.....	151,584	2.1	.....	.....	.....	.....	.....	.....
1912	131,830	70	57,762	30	.....	189,592	.....	189,592	2.2	.....	.....	.....	.....	.....	.....
1913	120,624	69	55,116	31	.....	175,740	.....	175,740	3.2	.....	.....	.....	.....	.....	.....
1914	117,746	67	57,032	33	.....	174,778	$50	174,728	3.6	.....	.....	.....	.....	.....	.....
1915	117,512	68	56,175	32	.....	173,687	75	173,612	3.1	.....	.....	.....	.....	.....	.....
1916	117,280	66	60,271	34	.....	177,551	64	177,487	4.3	.....	.....	.....	.....	.....	.....
8-Year Average	$103,383	61%	$66,761	39%	.....	$170,144	$24	$170,120	2.5%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$90,246,340	$89,852,585	$88,132,642	$87,046,318	$85,685,281	$76,581,666
Working assets	5,264,678	2,187,785	2,851,774	879,039	1,436,676	1,170,145
Deferred debit items	594,225	19,022	102,713	150,204	521,312	411,376
Accrued income not due	41,583	25,000	25,000	.....	.....	.....
Profit and loss deficit	.....	.....	.....	.....	3,578,454	2,794,822
Total	$96,146,825	$92,084,394	$91,112,129	$88,075,562	$91,221,723	$80,958,009
Liabilities:						
Capital stock	$59,226,500	$59,226,500	$59,226,500	$59,226,500	$62,629,000	$34,245,000
Funded debt	30,437,000	28,312,000	28,687,000	27,062,000	27,437,000	37,757,000
Working liabilities	389,792	397,965	564,912	445,105	580,947	8,403,741
Accrd. liabilities not due	436,200	421,699	414,347	378,843	363,021	489,586
Deferred credit items	146,591	136,053	76,633	34,772	211,755	62,682
Profit and loss surplus	5,510,743	3,590,177	2,142,737	928,342	.....	.....
Total	$96,146,826	$92,084,394	$91,112,129	$88,075,562	$91,221,723	$80,958,009

Comment: There was a slight increase in the funded debt of the Virginian Railway during the fiscal year ended June 30, 1916. As measured on a mileage basis, this property is heavily capitalized, but the bonded debt represents only about 1/3 of the total capitalization, and therefore the company has no difficulty in carrying its obligations. During the past half dozen years it will be noted that the net income on net capital has tended to steadily advance.

TABLE D.—Bond Record and Ratings (Based on 6-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Virginian Railway Co. first 5s. Series A.....	M&N	My 1962	(1st) 470	$62,766	$4,964	$2,921	40%	High	High	Aa.
2. Virginian Railway equip. 5s.	M&N	N 1918	(see text)	.....		74	40%	"	"	A.

For Reference Notes on Bond Issues, see next page.

Note: The above table is based on a six-year average, as road was not fully operating until 1910.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $75,000,000; outstanding, $29,500,000. Dated May 1, 1912; due May 1, 1962. Int. paid at Farmers' Loan & Trust Co., New York, and in London. Coupon, $100, $500 and $1,000; reg., $1,000, $5,000 and $10,000. Callable at 110 and int. on any int. date on 4 weeks' notice. First lien on entire property owned (470.25) miles, and upon equipment of the company, subject to outstanding equipment notes on a portion thereof. First lien on entire capital stock ($500,000), except directors' shares, and the entire $3,000,000 First Mortgage Bonds of the Virginian Terminal Ry. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $3,750,000; outstanding, $750,000. Dated Nov. 1, 1908; due $188,000 May 1 each year and $187,000 Nov. 1 each year to Nov. 1, 1918. Int. paid at Equitable Trust Co., New York. Coupon, $1,000. Callable as whole at 105 and int. on 60 days' notice. First lien on equipment costing about 15% in excess of original amount of notes. Interest paid without deduction for normal income tax.

Capital Stock: Auth., $35,000,000 5% cumulative preferred and $46,000,000 common; outstanding, $27,955,000 preferred and $31,271,500 common; par $100. Preferred stock is callable after three years from date of issue (1913) at 105 and accumulated dividends. TRANSFER OFFICE, 55 Wall Street, New York.

Note: The preferred stock, as above, was issued in 1913 at par in exchange for the following: $9,800,000 Virginian Ry. first 5s, canceled; $3,000,000 Virginian Terminal Ry. first 5s; also cost of equipment, floating debt, accrued interest on bonds, etc.

WABASH RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

History: Incorporated under the laws of Indiana, October 2, 1915, as successor to the Wasbash Railroad, which was sold under foreclosure on July 21, 1915; the new company taking possession of the property on November 3, 1915.

Plan of Reorganization: Under the plan of reorganization of the old company, the bond issues were all left undisturbed except the First Refunding and Extension 4s, which were foreclosed. Three-year notes, due May 1, 1913, also foreclosed. The holders of the First Refunding and Extension 4s were offered 120% in Preferred Stock B; the old preferred stockholders, on payment of $30 per share, were offered 50% in new preferred stock A, and 50% in new common stock; the old common stockholders, on payment of $30 per share, were offered 50% in new preferred stock A and 45% in new common stock. The assessment not paid and the stock not taken by the old stockholders was underwritten by the holders of the First Refunding and Extension bonds, the latter being called upon to pay $684.82 per $1,000 bond, payable Oct. 8, 1915, or optionally 10% then and the remaining 90% on Jan. 8, 1916, with interest at 6%, for which each bondholder would receive, per $1,000 bond, $1,091.38 in new preferred A and $1,027.50 in new common. As very few of the stockholders paid the assessment, the bondholders received practically all the stock.

In addition to the stock issues, the new company created an issue of five-year 4% gold notes, due May 1, 1920 (pre-payment optional) and secured by 2,400 shares of Belt Railway of Chicago stock and 1,217 shares American Refrigerator Transit Co. stock. The new stock issues consist of $46,200,000 preferred A, $48,720,000 preferred B and $43,549,000 common stock. For further details see Reference Notes on Stock Issues, page 763.

Location: Main lines extend from Buffalo, N. Y., to Kansas City, Mo., passing through Detroit, Mich. Branches enter Toledo, Ohio, Chicago, Streator, Ill., St. Louis, Mo., Keokuk and Ottumwa, Ia., and Omaha, Neb. Mileage is classified as follows: Lines owned, 2,033.62 miles; leased line, 9.07 miles; trackage rights, 476.37 miles; total operated, 2,519.06 miles. Crosses populous parts of Michigan, Indiana, Illinois, Iowa and Missouri; also 245 miles in Province of Ontario, Canada. Population of States named in 1890, 12,703,724; in 1900, 15,097,512; in 1910, 16,667,746.

Management: OFFICERS: Wm. H. Williams, Chairman; E. F. Kearney, Pres.; W. C. Maxwell, Vice-Pres.; James L. Minnis, Vice-Pres. and General Solicitor; J. E. Taussig, Vice-Pres.; H. G. Winthrop, Vice-Pres.; J. C. Ottesen, Sec.; F. L. O'Leary, Treas. DIRECTORS: William H. Williams, Alvin W. Krech, Guy E. Tripp, H. K. Pomroy, J. Horace Harding, Geo. W. Davison, W. V. Stuart, Robert Goelet, E. F. Kearney, Winslow S. Pierce, H. R. Winthrop, W. A. Jamison, J. N. Willys, H. B. Joy, J. L. Replogle. Annual meeting, second Tuesday in October. MAIN OFFICE, St. Louis, Mo. NEW YORK OFFICE, 120 Broadway.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	18.20%	19.57%	17.38%	17.21%	18.66%	18.82%	17.77%	18.25%	21.85%	20.45%
Products of Animals.....	7.14	7.96	8.40	7.48	8.63	7.74	6.41	6.72	7.49	7.09
Products of Mines.....	33.38	33.60	36.18	33.25	31.77	35.02	36.65	35.65	35.26	34.31
Products of Forests.....	7.21	6.63	7.24	7.96	7.69	7.38	7.84	7.40	6.91	6.79
Manufactures and Miscel..	34.07	32.24	30.80	34.00	33.25	31.04	31.33	31.98	28.49	31.36

Total revenue tonnage in 1909, 12,556,220 tons; in 1910, 14,002,722 tons; in 1911, 14,137,433 tons; in 1912, 13,496,755 tons; 15,623,949 tons in 1913; 14,260,450 tons in 1914; 13,473,370 tons in 1915; 16,116,742 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	2,516	236	622	428	24,414	67%	146,770	1,320,475	365	$1.65	1.87c	.56c
1908.....	2,515	294	668	439	23,860	66	144,978	1,186,868	360	1.62	1.78	.57
1909.....	2,515	299	657	436	23,465	67	141,503	1,172,968	352	1.64	1.80	.58
1910.....	2,515	299	662	426	22,126	67	148,954	1,322,387	353	1.69	1.89	.59
1911.....	2,515	299	645	425	21,172	67	152,827	1,329,326	344	1.70	1.93	.60
1912.....	2,515	299	699	418	20,946	67	148,954	1,322,386	358	1.71	1.94	.61
1913.....	2,515	422	716	443	23,766	69	145,717	1,480,139	395	1.85	1.98	.58
1914.....	2,515	507	701	419	22,375	67	151,667	1,320,933	394	1.90	1.89	.61
1915.....	2,519	523	696	419	22,660	70	124,114	1,278,108	409	1.96	1.96	.63
1916.....	2,519	531	589	407	17,956	73	128,770	1,581,082	485	2.20	1.98	.64
10-Year Average	2,516	371	666	426	22,274	68%	143,425	1,331,467	382	$1.79	1.90c	.60c

Yard tracks and sidings, 1,184.03 miles.

Comment: The new Wabash Railway made a very satisfactory exhibit during the year ended June 30, 1916. The freight density underwent improvement and its freight train load rose to a new high figure. It will be noted also that the train mile earnings are apparently on a profitable basis. As usual the freight tonnage of the property was widely diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$10,904	$1,092	$1,557	$2,649	$5,104	$3,151	$3,525	$351	$3,174	$2,193	32%	$981	$188
1908.....	10,234	1,085	1,731	2,816	4,676	2,742	3,019	289	2,730	2,497	9	233	147
1909.....	10,286	1,238	1,577	2,815	4,644	2,827	3,205	322	2,883	2,653	8	230	294
1910.....	11,486	1,432	1,637	3,069	5,097	3,320	3,668	338	3,330	3,087	8	243	.....
1911.....	11,844	1,441	1,936	3,377	5,577	2,990	3,315	367	2,958	3,119	.....	161*	.....
1912.....	11,276	1,547	2,113	3,660	5,446	2,070	2,313	339	1,974	2,857	.....	883*	.....
1913.....	12,634	1,722	2,119	3,841	5,979	2,814	3,093	360	2,733	2,882	.....	149*	.....
1914.....	11,937	1,602	2,243	3,845	5,859	2,233	2,523	415	2,108	2,789	.....	681*	.....
1915.....	11,545	1,492	1,374	2,866	6,335	2,344	2,532	386	2,146	2,963	.....	817*	.....
1916.....	13,778	1,521	2,135	3,656	5,776	4,346	4,522	410	4,112	2,672	35	1,440	.....
10-Year Average	$11,592	$1,417	$1,842	$3,259	$5,449	$2,884	$3,173	$358	$2,815	$2,771	2%	$44	$63

* Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$34,698,219	$29,078,719	$29,966,715	$31,714,603	$28,354,764	$29,884,037
Maintenance of way...	3,831,588	3,759,026	4,028,044	4,330,278	3,889,590	3,629,763
Maintenance of equip..	5,378,450	3,461,031	5,640,347	5,330,497	5,312,741	4,868,474
All other oper. expenses	14,549,842	15,958,780	14,735,442	15,032,714	13,948,153	13,867,946
Net oper. revenues	$10,948,339	$5,899,882	$5,562,882	$7,021,114	$5,204,280	$7,517,854
Operating ratio....	68.4%	79.7%	81.4%	77.8%	81.6%	74.8%
Other income	442,719	453,309	781,338	756,733	610,820	819,532
Total net income..	$11,391,058	$6,353,191	$6,344,220	$7,777,847	$5,815,100	$8,337,386
Taxes accrued	1,033,550	972,545	1,044,309	905,891	851,629	920,872
Balance for charges	$10,357,508	$5,380,646	$5,299,911	$6,871,956	$4,963,471	$7,416,514
Fixed charges	6,730,357	7,438,371	7,012,946	6,767,636	6,917,570	7,625,786
Surplus	$3,627,151	def.$2,057,725	def.$1,713,035	$104,320	def.$1,954,099	def.$209,272
Other deductions	262,285	783,043	965,879	480,652	268,458	192,809
Balance	$3,364,866	def.$2,840,768	def.$2,678,914	def.$376,332	def.$2,222,557	def.$402,081

Note: The above income statement for 1915 is that of the property as operated by the receivers. The above income statement for 1916 includes the accounts of the Wabash R.R. Co. for the period July 1, 1915, to Oct. 31, 1915, and the accounts of the Wabash Ry. Co. for the period Nov. 1, 1915, to June 30, 1916.

Profit and Loss Account of the Wabash Railway Co. for the period Nov. 1, 1915, to June 30, 1916: Credit balance transferred from income account, $2,846,881; miscellaneous credits, $1,593; total, $2,848,474. Contra: Debt discount extinguished through surplus, $75; loss on retired road and equipment, $3,744; miscellaneous debits, $2,828; credit balance carried to balance sheet, $2,841,827; total, $2,848,474.

Comment: During the year ended June 30, 1916, the Wabash Railway reported a very substantial increase in its gross revenues, while its net operating revenues nearly doubled, as compared with the previous year. The fixed charges of the reorganized property were materially less than those of the old company and whereas in 1915 a very heavy deficit was reported, in 1916 we find a surplus in excess of $3,300,000. Conditions since the close of the fiscal year have continued to improve and the recent declaration of dividends on the "A" preferred stock seems justified for the time being.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Debenture Dividend. Amt. per Mile.	Debenture Dividend. Rate.	Dividend on Stocks. Amt. per Mile.	Dividend on Stocks. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$35,699	45%	$44,479	55%	$202	$80,380	$10,206	$70,174	5 %	$188	.....	.....	.....	.....	.....
1908.....	36,125	43	46,937	57	203	83,265	10,636	72,629	4.2	190	.....	.....	.....	.....	.....
1909.....	36,693	46	43,843	54	.....	80,536	6,703	73,833	4.3	294	.....	.....	.....	.....	.....
1910.....	37,239	45	45,278	55	.....	82,517	9,109	73,408	5	.....	.....	.....	.....	.....	.....
1911.....	36,739	43	51,008	57	.....	87,747	12,019	75,728	4.4	.....	.....	.....	.....	.....	.....
1912.....	36,739	44	46,620	56	.....	83,359	4,132	79,227	3	.....	.....	.....	.....	.....	.....
1913.....	36,739	44	46,199	56	.....	82,938	4,132	78,806	3.9	.....	.....	.....	.....	.....	.....
1914.....	36,739	43	49,381	57	.....	86,120	6,746	79,374	3.2	.....	.....	.....	.....	.....	.....
1915.....	36,681	43	49,613	57	553	86,847	4,820	82,027	3.1	.....	.....	.....	.....	.....	.....
1916.....	54,973	67	26,562	33	552	82,087	4,831	77,256	5.9	.....	.....	.....	.....	.....	.....
10-Year Average ..	$38,437	46%	$44,992	54%	$151	$83,580	$7,333	$76,247	4.2%	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property Investment...	$205,880,626	$199,664,756	$204,678,348	$196,487,702	$194,450,181	$202,370,196
Working assets	8,365,598	8,236,258	14,101,317	9,239,097	9,437,618	13,431,738
Deferred debit items...	1,349,943	1,708,841	3,046,744	22,088,703	23,133,208	11,204,077
Profit and loss deficit..	.....	27,096,778	13,430,196	7,216,499	6,916,432	6,126,934
Total	$215,596,167	$236,706,273	$235,256,605	$235,032,001	$233,937,439	$233,132,945
Liabilities:						
Capital stock	$138,475,349	$92,400,427	$92,400,427	$92,400,427	$92,400,427	$92,400,427
Funded debt	66,908,909	124,975,149	124,194,149	115,181,149	116,302,149	126,776,088
Working liabilities	4,885,969	12,945,994	13,814,106	1,979,333	2,043,927	
Accrd. liabilities not due	1,385,749	1,764,582	1,738,520	24,328,956	151,792	13,956,430
Deferred credit items..	1,041,734	1,224,239	3,109,403	.....	21,921,168	
Appropriated surplus ..	56,630	3,395,882	.....	1,142,136	1,117,976	
Profit and loss surplus..	2,841,827	.....	.....	.....	.....	.....
Total	$215,596,167	$236,706,273	$235,256,605	$235,032,001	$233,937,439	$233,132,945

Note: The above balance sheet for 1916 is that of the reorganized company.

Comment: For the year ended June 30, 1916, the new Wabash Railway presented its financial statement for the first time. It will be noted that in the reorganization of the property very radical changes were made in the capitalization figures, the stock outstanding increasing to 67% of the total capitalization and the bonds outstanding being reduced to 33%. This change in character of the capitalization has materially improved the credit of the property and although the net capitalization still remains high, yet the company should now have no difficulty in taking care of its obligations. The net income on net capital for the year recently closed equalled nearly 6%.

Public Utilities

If you are interested in any way in the securities of Gas, Electric Light, Electric Traction, Telephone and Telegraph or Power Companies, the "Public Utilities and Industrials" Edition of "MOODY'S ANALYSES OF INVESTMENTS" will prove indispensable. This whole field is covered in the same comprehensive and accurate way that Steam Railroads are covered in the Railroad Edition. In fact, the two volumes constitute a complete Service for the Banker and Investor. Separately, the editions sell at $15 each; in combination, they are supplied at $25, when ordered in advance.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Wabash R. R. first 5s.....	M&N	My 1939	(1st) 1,479 (2d) 21	$22,600	$2,815	$673	76%	Very high	Very high	Aaa.
2. Wahash R. R. second 5s...	F&A	F 1939	(2d) 1,009	13,875		277	76%	High	"	A.
3. Wahash R. R. deh. 6s.....	J&J	Jl 1939	(2d) 470 (3d) 1,030	167		6	76%	"	High	A.
4. Wabash R. R. Toledo & Chic. Div. 4s.....	M&S	Mr 1941	(1st) 75 (2d) 150	13,333		48	76%	"	Very high	A.
5. Wahash R. R. Det. & Chic. ext. first 5s.....	J&J	Jl 1941	(1st) 150	18,527	2,142	55	76%	"	"	Baa.
6. Wahash R. R. Omaha div. 3½s.....	A&O	O 1941	(1st) 144	22,000		44	76%	"	"	Baa.
7. Wahash R.R. Des M. div. 4s	J&J	Ja 1939	(1st) 94	17,000		25	76%	"	High	Baa.
8. Kan. City, Exc. Spgs. & Nor. R. R. first 4s.....	J&J	Ja 1928	(1st) 9	11,100		2	76%	"	Fair	Baa.
9. Columbia & St. Louis first 4s	M&N	My 1942	(1st) 22	9,100		3	76%	"	"	Baa.
10. Wabash R. R. first lien term. 4s.....	J&J	Ja 1954	(1st) Term.	.....		56	76%	Good	"	Baa.
11. Wabash Ry. 4% gold notes.	M&N	My 1920	Coll.	.....	1,626	24	High	"	"	Baa.
12. Equip. trust, 5s.....	M&S	1917-21	Text	.....		83*	"	"	Good	A.

* Includes maturing principal.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see "Introduction." For Key to Bond Ratings, see pages 19-21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $34,000,000; outstanding, $33,900,000. Dated May 1, 1889; due May 1, 1939. Int. paid at company's office, New York. Coupon, $1,000. First lien on 1,479.20 miles as follows: from Toledo, Ohio, *via* Fort Wayne and Bemont to East Hannibal, Ill., 460.50 miles; Bluffs to Camp Point, Ill., 39.80 miles; Clayton to Elvaston, Ill., 34.50 miles; Decatur to East St. Louis, Ill., 110 miles; Chicago & Western Indiana Junc. to Effingham, Ill., 2.05 miles, with branches from Shumway to Altamont, Ill., 9.40 miles; Fairbury Junc. to Streator, Ill., 30.90 miles; Edwardsville to Edwardsville Crossing, Ill., 8.50 miles; Delray, Mich., near Detroit, to Butler, Ind., 109.90 miles; Tayon Ave., St. Louis, to Harlem, near Kansas City, Mo., 275 miles; Carr St., St. Louis, to Ferguson, Mo., 10.70 miles; Moberly, Mo., to Ottumwa, Ia., 131.30 miles; Salisbury to Glasgow, Mo., 15.40 miles, and Brunswick to Chillicothe, Mo., 38.30 miles; second lien on 21.60 miles, following No. 9; first lien on the unencumbered leasehold interest of the company for 1,000 years from 1878, in the 41.40 miles from Chillicothe to Pattonsburg, Mo., of the St. Louis, Council Bluffs & Omaha R.R., practically all the capital stock of which is owned by the Wabash Ry., first lien on the leasehold interests of the company in the terminals at Detroit, Chicago, Hannibal, Quincy and Kansas City, and in the bridge over the Missouri River at Hannibal. Underlie No. 2. Legal for Savings Banks in Maine. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Auth. and outstanding, $14,000,000. Dated Feb. 1, 1889; due Feb. 1, 1939. Int. paid at company's office, New York. Coupon, $1,000. Second lien on 1,008.50 miles east of the Missouri River, following No. 1; second lien on leasehold interests, etc., following No. 1 and subject thereto. Listed on New York Stock Exchange. Normal income tax deducted from interest.

3. Auth. and outstanding, $250,000. Dated July 1, 1889; due July 1, 1939. Int. paid at company's office, New York. Reg., $1,000. Second lien on 470.70 miles, following No. 1; third lien on 1,030.10 miles, following Nos. 1 and 2. Normal income tax deducted from interest.

4. Auth. and outstanding, $3,000,000. Dated June 1,1901; due March 1, 1941. Int. paid at company's office, New York. Coupon, $1,000. First lien on 75.30 miles as follows: from Maumee to Montpelier, Ohio, 49.60 miles; from Butler to New Haven, Ind., 25.70 miles; second lien 149.50 miles, following No. 5. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. Auth., $3,500,000; outstanding, $2,779,000. Dated July 1, 1891; due July 1, 1941. Int. paid at company's office, New York. Coupon, $1,000. Redeemable for sinking fund at 110 on five weeks' notice. Sinking fund: Amount equal to 2% of bonds outstanding or the whole of the net earnings of the line after interest charges, if less than 2%, to be used for the purchase of these bonds at not exceeding 110. First lien on 149.50 miles from Montpelier, Ohio, to Clarke Junc., Ind., at a connection with the Chicago & Western Indiana R.R., together with depots, leaseholds, etc. Underlie No. 4. Legal for S. B. in Maine. Listed on New York Stock Exchange. Normal income tax deducted from interest.

6. Auth., $3,500,000; outstanding, $3,173,000 (closed). Dated Oct. 12, 1901; due Oct. 1, 1941. Int. paid at company's office, New York. Coupon, $500 and $1,000. First lien from Pattonsburg, Mo., to Council Bluffs, Ia., 143.70 miles, with lands, buildings, etc. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

REFERENCE NOTES ON BOND ISSUES (Continued)

7. Auth., $1,800,000; outstanding, $1,600,000 (closed). Dated Jan. 1, 1899; due Jan. 1, 1939. Int. paid at company's office, New York. Coupon, $1,000. First lien from Moulton June. to Chesterfield, near Des Moines, Iowa, 94.10 miles, together with depots, buildings, etc.; first lien on $50,000 capital stock of the Des Moines Union Ry. and on leasehold and rights of the company in the property of same. Legal for S. B. in Maine. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

8. Auth. and outstanding, $100,000. Dated Jan. 1, 1901; due Jan. 1, 1928. Int. paid at Wabash Ry. office, New York. Coupon, $1,000. Guar. prin. and int. by Wabash Ry. First lien from Excelsior Springs Junc. to Milwaukee June., Mo., 9.10 miles, together with lands, buildings, etc. Normal income tax deducted from interest.

9. Auth., $300,000; outstanding, $200,000 (closed). Dated May 1, 1902; due May 1, 1942. Int. paid at 120 Broadway, New York. Coupon, $1,000. Guar. prin. and int. by Wabash Ry. First lien from Centralia to Columbia, Mo., 21.60 miles, together with terminals, buildings, etc. Underlie No. 1. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

10. Auth., $10,000,000; outstanding, $3,555,000. Dated Jan. 1, 1904; due Jan. 1, 1954. Int. paid at company's office, New York. Coupon and reg., $1,000. First lien on terminal property, real estate, etc., in St. Louis, Chicago and Quincy. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

11. Wabash Ry. 4% Gold Notes: Dated Nov. 1, 1915; due May 1, 1920. Auth. and outstanding, $1,500,000. Interest paid at company's office, New York. Coupon, $1,000. Callable at par on 30 days' notice. Secured by pledge of 2,400 shares Belt Railway of Chicago stock and 1,217 shares of American Refrigerator Transit Co. stock. In the event of a new mortgage being placed on the property, these notes are to be equally secured therewith. Normal income tax deducted from interest.

12. Equipment Trusts: Series of 1901, 5s; due serially on March 1 of each year to March 1, 1921. Original issue, $3,000,000; now unpaid, $1,174,000. Int. paid M. and S. 1, at New York Trust Co. Coupon, $1,000. Secured on equipment originally costing $3,300,000. Interest paidwithout deduction for normal income tax.

Note: Provision was made in the plan of reorganization for a new refunding mortgage to be issued at a future date to provide for improvements and for maturing obligations.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Wabash Ry. pfd. A	4% QuJ	$18,336	$15.19	$734*	50%	Moderate	High	B.
2. Wabash Ry. pfd. B	.. ..	19,336	.....	.....	.....	Small	"	Caa.
3. Wabash Ry. common	.....	17,288	.....	.....	.....	"	"	C.

* For 4% dividend.

Note: Average income available as shown above is the ten year average, based on the reduced fixed charges of approximately $1,300 per mile, including taxes. For Key to Stock Ratings, see page 21.

REFERENCE NOTES ON STOCK ISSUES

1. Preferred A Stock: Authorized and outstanding, $46,200,000; par, $100. Has preference to 5% non-cumulative dividends, but after 5% dividends have been paid in any fiscal year on the preferred B and common stocks, this issue shall be entitled to share in any further dividends declared on the common stock in that year. Redeemable after October, 1920, at option of company at 110 on 12 weeks' notice. Has first preference in liquidation. Initial quarterly dividend of 1% paid in January, 1917.

2. Preferred B Stock: Authorized, $49,970,000; outstanding, $48,725,709; par, $100. Has preference over the common stock, but subject to the preferred A stock, as to 5% non-cumulative dividends. Convertible after Aug. 1, 1918, one-half into preferred A and one-half into common stock, at holder's option. Has second preference in liquidation.

3. Common Stock: Authorized, $47,290,000; outstanding, $43,557,126; par, $100. Entitled to 5% dividends after preferred A and preferred B have each received 5%, but must share equally with preferred A in any disbursements above 5%. In event of liquidation, as preferred A and preferred B have each received their par value, this issue shall receive its par value, after which all three issues share equally in any remaining assets.

All issues have equal voting power; all listed on New York Stock Exchange. Transfer Office, 120 Broadway, New York.

THE WESTERN RAILWAY OF ALABAMA

Note: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under Alabama laws, Mar. 15 1883, succeeding to the old main line of the Western R.R. of Alabama. Jointly controlled by the Louisville & Nashville R.R. and the Atlantic Coast Line R.R.

Location: Operates 133.42 miles, of which 130.15 miles are owned. Main lines extend from West Point, Ga., to Montgomery, Ala., and from Montgomery to Selma, Ala.

Management: Officers: Chas. A. Wickersham, Pres. and Gen. Mgr.; W. H. Bruce, Sec. and Treas.; Directors: Chas. A. Wickersham, Henry Walters, R. E. Steiner, A. R. Lawton, W. A. Winburn, N. P. Renfro, M. H. Smith. Annual meeting, third Tuesday in October. Main Office, Atlanta, Ga.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	.....	17.26%	17.21%	16.14%	16.65%	21.06%	20.49%
Products of Animals	.....	.....	.....	.....	13.93	10.71	7.51	7.17	4.49	4.17
Products of Mines	.....	.....	.....	.....	35.28	15.15	37.32	40.23	40.70	34.15
Products of Forests	.....	.....	.....	.....	8.20	19.71	9.81	9.45	10.11	13.43
Manufactures	.....	.....	.....	.....	18.33	10.42	15.02	15.44	13.46	16.75
Miscellaneous	.....	.....	.....	.....	7.00	26.80	14.20	11.06	10.18	11.01

Total revenue tonnage: 1908, 717,960 tons; 1909, 702,609 tons; 1910, 816,294 tons; 1911, 970,694 tons; 1912, 1,056,133 tons; 1913, 1,092,802 tons; 1,136,742 tons in 1914; 971,837 tons in 1915; 1,059,230 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	133	....	18	21	578	53%	135,560	354,203	289	$2.48	2.42c	1.29c
1909	133	....	18	21	603	53	137,110	318,312	272	2.38	2.28	1.34
1910	133	....	18	18	767	56	142,860	394,511	322	2.47	2.20	1.24
1911	133	....	21	22	932	56	156,915	445,300	368	2.53	2.20	1.22
1912	133	....	21	24	934	56	168,088	478,448	360	2.57	2.26	1.23
1913	133	....	22	24	1,039	54	170,158	459,312	357	2.43	2.42	1.23
1914	133	....	22	24	999	55	178,775	491,327	315	2.43	2.31	1.25
1915	133	....	22	25	980	55	146,320	428,164	278	2.39	2.20	1.21
1916	133	....	22	25	989	58	139,987	494,702	306	2.62	2.19	1.14
9-Year Average	133	....	20	23	869	56%	152,864	429,364	319	$2.48	2.28c	1.23c

Comment: During the year ended June 30, 1916, the Western Railway of Alabama reported a substantial recovery in its freight density and the freight train load was also better than during the previous year. The train mile earnings averaged well notwithstanding the fact that the average freight rates tended to decline. As usual the tonnage was broadly diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$8,592	$1,939	$1,371	$3,310	$3,346	$1,936	$2,136	$400	$1,736	$603	65%	$1,133	$1,128
1909	8,064	1,528	1,405	2,933	3,109	2,022	2,204	402	1,802	623	65	1,179	1,128
1910	8,773	1,546	1,531	3,077	3,249	2,447	2,622	332	2,290	624	73	1,666	1,128
1911	9,718	2,063	1,937	4,000	3,609	2,109	2,378	430	1,948	645	68	1,303	1,128
1912	10,453	1,942	2,088	4,030	4,096	2,327	2,804	411	2,393	650	73	1,743	1,128
1913	10,612	1,848	1,989	3,837	4,095	2,680	3,300	445	2,855	635	77	2,220	1,128
1914	11,172	2,006	2,240	4,246	4,261	2,665	3,352	449	2,903	632	78	2,271	1,353
1915	9,146	1,794	2,228	4,022	3,906	1,488	2,649	480	2,169	1,221	44	948	1,353
1916	9,793	1,600	1,959	3,559	3,738	2,496	3,840	492	3,348	1,318	61	2,030	1,353
9-Year Average	$9,621	$1,807	$1,861	$3,668	$3,712	$2,241	$2,809	$427	$2,382	$772	67%	$1,610	$1,203

Note: Above table is based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting all fixed charges. For example, in 1916 the "balance for charges" was $3,348; fixed charges consumed $1,318 or 39% of this, leaving $2,030, a "margin of safety" of 61%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,302,435	$1,251,678	$1,485,625	$1,412,153	$1,391,011	$1,293,272	$1,167,403
Maintenance of way	212,822	238,623	266,751	245,858	237,913	274,397	205,592
Maintenance of equipment	260,484	296,362	297,883	264,013	277,346	237,136	203,563
All other operating expenses	497,188	519,465	566,717	545,716	566,707	503,372	436,551
Net operating revenues	$331,941	$197,228	$354,274	$356,566	$309,045	$278,367	$321,697
Operating ratio	74.1%	84.2%	76.1%	74.7%	77.7%	78.3%	72.1%
Other income	178,805	155,061	91,569	82,367	63,868	37,851	26,975
Total net income	$510,746	$352,289	$445,843	$438,933	$372,913	$316,218	$348,672
Taxes accrued	65,471	63,854	59,673	59,245	54,722	57,228	44,110
Balance for charges	$445,275	$288,435	$386,170	$379,688	$318,291	$258,990	$304,562
Fixed charges	175,235	162,369	84,106	84,226	86,496	85,834	83,081
Surplus over charges	$270,040	$126,066	$302,064	$295,462	$231,695	$173,156	$221,481
Dividends paid	*	*	180,000	150,000	150,000	150,000	150,000
Balance	$270,040	$126,066	$122,064	$145,462	$81,695	$23,156	$71.481
Per cent. earned on stock	9%	4.2%	10.07%	9.85%	7.72%	5.77%	7.38%

* Dividends paid from surplus in 1915 and 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $521,988; credit balance from income account, $270,040; unrefundable overcharges, $24; donations, $3,115; miscellaneous credits, $433; total, $795,600. Contra: Dividends, $180,000; loss on retired road and equipment, $1,191; delayed income debits, $357; credit balance at close of year, $614,052; total, $795,600.

Comment: A slight improvement occurred in the gross revenues of the Western Railway of Alabama in 1916, while the net operating revenues underwent a very sharp advance. Outside income also was better than in the previous year. The balance carried forward was therefore far in excess of all fixed charge requirement. The final balance was equal to 9% on the outstanding capital stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$22,556	66%	$11,601	34%	.....	$34,157	Nom.	$34,157	6.6%	.....	.....	$1,128	5%	.....	.....
1909	22,556	66	11,601	34	.....	34,157	"	34,157	6.7	.....	.....	1,128	5	.....	4%
1910	22,556	66	11,601	34	.....	34,157	"	34,157	7.7	.....	.....	1,128	5	.....	32
1911	22,556	66	11,601	34	.....	34,157	.....	34,157	7.	.....	.....	1,128	5	.....	13
1912	22,556	66	11,601	34	.....	34,157	.....	34,157	8.2	.....	.....	1,128	5	.....	35
1913	22,556	66	11,601	34	.....	34,157	Nom.	34,157	9.6	.....	.....	1,128	5	.....	49
1914	22,556	66	11,601	34	.....	34,157	"	34,157	9.8	.....	.....	1,353	6	.....	40
1915	22,556	66	11,601	34	.....	34,157	"	34,157	7.7	.....	.....	1,353	6	.....	.....
1916	22,556	66	11,601	34	.....	34,157	"	34,157	11.2	.....	.....	1,353	6	.....	83
9-Year Average	$22,556	66%	$11,601	34%	.....	$34,157	.....	$34,157	8.3%	.....	.....	$1,203	5⅓%	.....	....

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$4,883,346	$4,968,603	$4,963,285	$4,979,361	$4,910,964	$4,949,802
Working assets	1,249,696	875,568	968,497	877,523	946,832	726,555
Deferred debit items	84,004	76,934	90,703	87,415	67,585	75,856
Total	$6,217,046	$5,921,105	$6,022,485	$5,944,299	$5,925,381	$5,752,213
Liabilities:						
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	1,543,000	1,543,000	1,543,000	1,543,000	1,543,000	1,543,000
Working liabilities	449,177	269,124	292,381	333,554	467,979	444,989
Accrd. liabilities not due	46,618	43,232	35,387	43,643	17,388	
Deferred credit items	62,601	42,163	68,190	55,992	75,370	21,741
Appropriated surplus	501,598	501,598	501,598	501,598	501,598	501,598
Surplus	614,052	521,988	581,929	466,442	320,076	240,885
Total	$6,217,046	$5,921,105	$6,022,485	$5,944,299	$5,925,381	$5,752,213

Comment: There were no capitalization changes in the Western Railway of Alabama in 1916. As measured on a mileage basis, the property is lightly capitalized and the funded debt represents only about one-third of the total capitalization. The company has in recent years been steadily reporting a heavy net income on net capital and its credit at the present time is very high.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Western Ry. of Alabama first 4½s.....	A&O	O 1918	(1st) 130	$12,000	$2,382	$522	78%	High	High	Aa.

Note: Average income available is the annual surplus per mile for the nine year period ended June 30, 1916. Interest requirement is present requirement. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Auth. and outstanding, $1,543,000. Dated Oct. 1, 1888; due Oct. 1, 1918. Int. April and October at Guaranty Trust Co., New York. Coupon, $1,000; prin. may be registered. First lien on entire mileage owned, 130.15 miles. Principal and interest guaranteed jointly by Central of Georgia Ry Co. and Georgia R.R. and Banking Co. Legal for S. B. in Mich., Minn., N. J., R. I., Wis. Normal income tax deducted from interest.

Capital Stock: Auth. and outstanding, $3,000,000. Louisville & Nashville R.R. and Atlantic Coast Line R.R. each own one-half of the issue. Dividends: 1902 to 1906, inclusive, 4% per annum; 1907 to 1913, 5% per annum; 1914, 1915 and 1916, 6% each.

SECTION TWO

MINOR RAILROAD COMPANIES

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ABERDEEN & ROCKFISH RAILROAD

History: Incorporated under North Carolina laws June 22, 1892. First section of road opened in June, 1895. Remainder put in operation in 1911 and 1913.

Location: Line of road, Aberdeen to Fayetteville, N. C., with branches from Raeford to Wagram and from Hope Mills Junc. to Driggers. Total operated, 65.35 miles. Locomotives, 6; passenger cars, 6; company cars, 10.

Management: OFFICERS: John Blue, Pres.; W. A. Blue, Secy., Treas. and Gen. Supt.; G. P. Bourdelat, Aud., Aberdeen, N. C. DIRECTORS: John Blue, W. A. Blue, J. W. Graham, J. M. Johnson, J. A. Bryant, H. W. Jackson. Annual meeting, fourth Wednesday in June. MAIN OFFICE, Aberdeen, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$83,762	$80,693	$105,474	$94,646	$76,419	$70,377
Maintenance of way	12,754	13,592	17,887	15,300		
Maintenance of equipment	10,101	11,813	8,444	9,694	56,679	57,875
All other operat. expenses	38,676	38,379	45,089	41,996		
Net oper. revenues	$22,231	$16,909	$34,054	$27,656	$19,740	$12,502
Operating ratio	73.5%	79%	67.7%	70.8%	74.2%	82.2%
Other income	542	400	400	.....	.....	.....
Total net income	$22,773	$17,309	$34,454	$27,656	$19,740	$12,502
Taxes accrued	3,526	2,580	1,975	1,850	2,118	2,244
Fixed charges, etc.	22,696	22,045	25,452	22,888	12,721	5,904
Surplus	(def.)$3,449	(def.)$7,316	$7,027	$2,918	$4,901	$4,354
Dividends paid	5,028	5,028	5,084	1,217	.....	.....
Balance	(def.)$8,477	(def.)$12,344	$1,943	$1,701	$4,901	$4,354

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,174; miscellaneous credits, $150; debit balance carried to balance sheet, $9,107; total, $12,431. Contra: Debit balance transferred from income, $8,477; miscellaneous debits, $3,954; total, $12,431.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$438,491	$449,250	$451,057	$445,084	$349,479	$266,667
Working assets	17,786	11,830	13,006	14,631	34,912	9,016
Deferred debit items	9,803	10,203	10,071	11,398	23,838	12,376
Profit and loss deficit	9,107	.....	.....	.....	.....	.....
Total	$475,187	$471,283	$474,134	$471,123	$408,229	$288,059
LIABILITIES:						
Capital stock	$208,800	$208,800	$208,800	$208,800	$100,000	$100,000
Funded debt	177,000	177,000	177,000	177,000	145,000	120,000
Working liabilities	85,941	74,036	19,063	24,220	149,920	59,901
Accrued liabilities not due	3,446	3,446	.....	3,236	1,850	1,600
Deferred credit items	.....	.....	.....	43,000	.....	.....
Appropriated surplus	.....	4,827	53,500	847	.....	.....
Profit and loss surplus	.....	3,174	15,771	14,020	11,459	6,558
Total	$475,187	$471,283	$474,134	$471,123	$408,229	$288,059

Bonded Debt: $177,000 Aberdeen & Rockfish R.R. first 6s; dated May 1, 1912; due May 1, 1932; int. paid May and Nov. 1, at Virginia Trust Co., Richmond, Va. Coupon, $1,000. Auth., $180,000. Issued to retire former first mortgage due in 1913 and to pay cost of extension to Fayetteville. First and only lien on entire property. Interest paid without deduction for normal income tax. Net Rating, B.

Capital Stock: Auth., $120,000 6% preferred and $145,000 common; par, $50. Outstanding, $83,800 preferred and $125,000 common. Full dividends paid on preferred, Mar. and Sept. 1, 1914, 1915 and 1916; on common, 12.94% was paid in 1910; none reported since.

ABILENE & SOUTHERN RAILWAY

History: Incorporated under the laws of Texas, Jan. 13, 1909. Road completed and in operation in Sept., 1910.

Location: Line of road, Abilene to Ballinger, Tex. with branches to Anson, Hamlin, etc. Total operated, 105.05 miles.

Equipment Owned: Locomotives, 6; passenger and freight cars, 108.

Management: OFFICERS: Morgan Jones, Pres. and Gen. Mgr.; Percy Jones, Vice-Pres.; W. E. Kaufman, Sec., Treas. and Aud., Abilene, Texas. DIRECTORS: Morgan Jones, J. M. Radford, W. E. Kaufman, Percy Jones, E. C. Brand, G. P. Witherspoon, John Guitar, Abilene, Texas; G. M. Dodge, Council Bluffs, Ia.; D. T. Bomar, Fort Worth, Texas. Annual meeting, second Tuesday in October. GENERAL OFFICE: Abilene, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$260,758	$258,973	$144,955	$164,718	$166,957	$140,789	$164,884
Maintenance of way	27,433	27,320	13,133	12,211			
Maintenance of equipment	20,751	22,231	16,037	11,981	92,112	78,736	50,318
All other operating expenses	83,899	81,660	62,035	55,124			
Net operating revenues	$128,675	$127,762	$53,750	$75,402	$74,845	$62,053	$114,566
Other income	9,115	4,558	2,401	.....	.....	.....	.....
Total net income	$137,790	$132,320	$56,151	$75,402	$74,845	$62,053	$114,566
Fixed charges, including taxes	58,200	53,309	45,268	48,013	34,458	42,983	4,920
Dividends paid	5,250	.....	.....	.....	.....	.....	.....
Surplus	$74,340	$79,011	$10,883	$27,389	$40,386	$19,070	$109,646

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $148,388; credit balance transferred from income, $74,340; miscellaneous credits, $16,569; total, $239,297. Contra: Credit balance carried to balance sheet, $239,297.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,117,941	$1,115,335	$1,114,104	$1,110,566	$1,106,168	$678,426
Working assets	235,100	151,980	67,611	50,557	23,823	25,780
Deferred debit items	938	574	.....	.....	.....	.....
Total	$1,353,979	$1,267,889	$1,181,715	$1,161,123	$1,129,991	$704,206
LIABILITIES:						
Capital stock	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000
Funded debt	1,012,066	1,012,066	1,012,066	1,012,066	1,012,066	.....
Working liabilities	20,538	16,231	8,867	10,562	8,826	490,902
Accrued liabilities not due	3,396	3,396	3,010	2,993	2,993	1,851
Deferred credit items	3,682	12,808	13,394	2,009	.....	.....
Profit and loss surplus	239,297	148,388	69,378	58,493	31,106	136,453
Total	$1,353,979	$1,267,889	$1,181,715	$1,161,123	$1,129,991	$704,206

Bonded Debt: $1,012,066 first 6s; dated June 1, 1911; due June 1, 1941; int. paid June and Dec. 1, at Fidelity Trust Co., Fort Worth, Tex. First lien on entire property and equipment. Issued for construction purposes. Temporary bonds were delivered to those advancing funds. Interest payable without deduction for normal income tax. Net Rating, Ba.

Capital Stock: Auth., $200,000; outstanding, $75,000; par $100. Dividend of 7% paid in 1916.

ADIRONDACK & ST. LAWRENCE RAILROAD

History: Incorporated under the laws of New York, April 19, 1906. Controlled by the St. Lawrence Pyrites Company through ownership of $96,300 of the $100,000 capital stock, and entire issue of bonds.

Location: Line of road from Hermon to DeKalb Junction, N. Y., 3.61 miles. Sidings, 1.47 miles. Equipment: Locomotives, 3; cars, combination, 2; freight, 16.

Management: S. H. March, Pres.; E. E. Thalmann, 1st Vice-Pres.; F. T. Rubidge, 2d Vice-Pres. and Gen. Mgr.; W. J. Kingsbury, Secy. and Treas., New York, N. Y. DIRECTORS: S. H. March, E. E. Thalmann, W. J. Kingsbury, Rudolf Metz, F. T. Rubidge, M. V. R. Weyant, F. B. Van Vrost. Albert L. Stillman, New York, N. Y.; H. L. Wallace, Hermon, N. Y. Annual meeting, first Wednesday in April at New York. OFFICE: 25 Broad Street, New York, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$33,257	$31,149	$30,259	$31,115	$29,269	$26,768
Operating expenses	23.692	24,072	24,290	26,982	21,824	19,110
Net income	$9,565	$7,077	$5,969	$4,133	$7,445	$7,658
Total net income	$9,565	$7,077	$5,969	$4,133	$7,445	$7,658
Taxes	632	516	521	514	412	557
Fixed charges	9,769	10,045	10,055	10,132	8,876	8,527
Surplus	(def.) $836	(def.) $3,484	(def.) $4,607	(def.) $6,513	(def.) $1,843	(def.) $1,426

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$223,258	$226,520	$227,580	$231,036	$227,156	$215,839
Working assets	4,969	5,127	6,539	5,814	5,806	3,577
Deferred debit items	471	.....	554	766	1,559	1,878
Profit and loss deficit	44,519	43,683	39.712	35,026	27,965	24,859
Total	$273,217	$275,330	$274,385	$272,642	$262,486	$246,153

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	100,000	100,000	100,000	100,000	100,000	105,431
Working liabilities	72,446	73,933	74,722	69,173	61,629	37,706
Accrued liabilities not due	771	892	.....	719	857	3,016
Deferred credit items	.....	505	(def.) 337	.....	.....	.....
Appropriated surplus	.....	.....	.....	2,750	.....	.....
Total	$273,217	$275,330	$274,385	$272,642	$262,486	$246,153

Bonded Debt: $100,000 Adirondack & St. Lawrence R.R. 1st purchase money 5s. Dated Jan. 2, 1907; due Jan. 2, 1927. Interest paid J. and J. 1, at New York Trust Co., New York. Secured on entire property. All owned by St. Lawrence Pyrites Co.

Capital Stock: Authorized and outstanding, $100,000. Par $100. REGISTRAR: New York Trust Co., New York. $96,300 owned by tbe St. Lawrence Pyrites Co.

AKRON & BARBERTON BELT RAILROAD

History: Consolidation on May 6, 1902, of Barberton, Akron & Eastern, Barberton Belt Line, and Cleveland, Barberton & Western R.R.

Location: Operates belt line around Barberton, Ohio, with extensions to East Akron, etc., in all 23.4 miles, Sidings, 19.69.

Management: OFFICERS: E. B. Taylor, Pres.; R. R. Reed, Treas.; S. H. Church, Sec. DIRECTORS: F. D. Underwood, E. B. Taylor, C. M. South, Daniel Willard, A. H. Smith. Annual meeting, second Tuesday in April. OFFICE: Barberton, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$190,914	$136,609	$158,404	$157,155	$139,599	$122,491
Operating expenses	119,201	90,725	124,648	99,029	92,537	75,175
Net oper. revenues	$71,713	$45,884	$63,756	$58,126	$47,062	$47,316
Other income	3,102	30,391	21,122	17,918	3,214	4,428
Total net income	$74,815	$76,275	$84,878	$76,044	$50,376	$51,744
Taxes accrued	9,824	11,225	9,167	6,957	7,141	5,030
Fixed charges, etc	64,991	38,983	39,574	40,259	39,374	40,028
Balance	.....	$26,067	$36,137	$28,828	$3,761	$6,686

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,991; miscellaneous credits, $560; total, $4,551. Contra: Credit balance carried to Balance Sheet, $4,551.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,315,801	$1,276,453	$1,271,603	$1,254,066	$1,232,479	$1,231,691
Working assets	35,634	42,340	32,762	34,350	37,818	28,637
Deferred debit items	.....	380	14,588	10,032	11,103	15,514
Total	$1,351,435	$1,319,173	$1,318,953	$1,298,448	$1,281,400	$1,275,842
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	1,136,183	963,000	982,000	999,000	977,000	994,000
Working liabilities	54,407	11,549	15,843	11,327	49,934	48,773
Accrued liabilities not due	3,659	4,545	4,075	4,054	4,302	3,781
Deferred credit items	6,225	3,655	319	3,996	.....	.....
Appropriated surplus	58,860	239,743	213,675	177,541	150,164	129,288
Profit and loss surplus	4,551	3,991	3,041	2,530	.....	.....
Total	$1,351,435	$1,319,173	$1,318,953	$1,298,448	$1,281,400	$1,275,842

Note: Funded debt in 1916 includes $192,183 advanced by proprietary companies.

Bonded Debt: $944,000 Akron & Barberton Belt R.R. first 4s; dated June 2, 1902; due June 1, 1942. Int. June 1 and Dec. 1, at U. S. Mortgage & Trust Co., New York. Authorized issue, $1,500,000, of which $1,140,000 has been issued; balance reserved for improvements. Coupon and reg., $1,000. Principal may be registered or coupon bonds may be exchanged for full registered bonds. Sinking fund, $11,550, per annum and increment thereto; bonds drawn by lot at 105 and interest. Now in fund, $196,000. Interest pro rated among controlling companies on "user" basis. First lien on entire property. Interest paid without deduction for normal income tax. Net Rating, A.

Capital Stock: $100,000; par, $100; owned equally by Baltimore & Ohio, Erie, Northern Ohio (New York Central System), and Cleveland, Akron & Cincinnati (Penna. System) railroad companies. Dividends, if any, not reported.

AKRON, CANTON & YOUNGSTOWN RAILWAY

History: Incorporated under Ohio laws, June 17, 1907, to build a railroad from Akron to Youngstown.

Location: The road projected extends from Akron to Youngstown, *via* Mogadore, Ohio, 50 miles, and from Mogadore to Canton, Ohio, 20 miles. In operation: Akron to Mogadore, Ohio, 7.30 miles; sidings, 9.69 miles.

Equipment: Locomotives, 5; freight cars, 99.

Management: OFFICERS: H. B. Stewart, Pres.; I. H. Taylor, Vice-Pres.; H. D. Raff, Vice-Pres.; Jay Taylor, Secy.; R. M. Raff, Treas.; Edward L. Smith, Aud., Canton, Ohio. DIRECTORS: H. B. Stewart, I. H. Taylor, H. D. Raff, R. M. Raff, Jay Taylor, R. F. Lind, J. H. Kenny, Canton, Ohio. Annual meeting in January. GENERAL OFFICE: Canton, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$276,104	$158,636	$111,893	$22,093
Operating expenses and taxes	118,283	96,141	78,972	56,450
Operating income	157,821	62,495	32,921	(def.) 34,357
Other income	1,318	468	157	14,796
Bond interest	125,125	*112,997	90,000	56,275
Other appropriations	5,188	4,198	10,097	602
Deficit for year	(sur.) 28,826	54,232	67,019	76,438

* Deductions from gross income.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $28,826; miscellaneous credits, $38; debit balance carried to Balance Sheet, $171,093; total, $199,957. Contra: Debit balance at beginning of year, $197,748; miscellaneous debits, $2,209, total, $199,957.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$3,012,619	$3,009,830	$30,006,733	$30,000,601
Working assets	301,604	91,143	60,775	31,870
Deferred debit items	*28,532,933	*28,547,364	1,508,646	1,500,000
Profit and loss deficit	171,093	197,748	143,367	76,438
Total	$32,018,249	$31,846,085	$31,719,521	$31,608,909
LIABILITIES:				
Capital stock	$15,000,000	$15,000,000	$15,000,000	$15,000,000
Funded debt	16,500,000	16,500,000	16,500,000	16,500,000
Working liabilities	495,871	331,440	209,103	107,390
Accrued liabilities not due	57	737	1,320	318
Deferred credit items	3,836	612	.....	.....
Appropriated surplus	18,485	13,296	9,098	1,201
Total	$32,018,249	$31,846,085	$31,719,521	$31,608,909

* Includes $28,500,000 "Deferred Assets" apparently formerly carried as investments.

Bonded Debt: (1) $1,500,000 Akron, Canton & Youngstown Ry. first 6s; dated Sept. 1, 1910; due July 1, 1930. Int. paid J. and J. 1, at the Cleveland (Ohio) Trust Co., Trustee, and also at National Bank, Ltd., London, Eng. Coupon, $100. Callable at 105 after Jan. 1, 1915, on 60 days' notice. Interest paid without deduction for normal income tax. Rating, Ba.

(2) $15,000,000 Akron, Canton & Youngstown Ry. 1st 5s; dated June 26, 1911; due July 1, 1941. Int. paid J. and J., at Cleveland (Ohio) Trust Co., Trustee. Authorized, $15,000,000. Coupon, $100, $500 and $1,000; principal may be registered. Callable at 105 and interest on any interest day. A first lien on entire property subject to No. 1. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Auth. and outstanding, $15,000,000; par, $100. The capital stock was increased in 1910 from $200,000 to $1,500,000 and to the present amount in June, 1911. No dividends reported.

AKRON UNION PASSENGER DEPOT COMPANY

History: Incorporated under laws of Ohio, May 6, 1891. Controlled jointly by the Baltimore & Ohio R.R. Co., and the Cleveland, Akron & Cincinnati Ry. Co.

Location: Owns station building at Akron, O., which is used by the Akron & Chicago Junction R.R. Co., the Cleveland, Akron & Cincinnati Ry. Co., and the Erie R.R. Co. Length of track, 0.35 mile.

Management: OFFICERS: E. B. Taylor, Pres., Pittsburgh, Pa.; J. T. Johnson, Vice-Pres., Cleveland, O.; C. W. Woolford, Secy.; J. V. McNeal, Treas.; W. D. Owens, Aud., Baltimore, Md. DIRECTORS: F. H. Goff, J. T. Johnson, Cleveland, O.; J. J. Henry, Nettelton Neff, Akron, O.; E. B. Taylor, Pittsburgh, Pa.; C. W. Woolford, Baltimore, Md. Annual meeting, Tuesday after fourth Monday in Sept. OFFICE: Cleveland, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$10,463	$11,538	$10,410	$10,348	$10,239	$10,018
Taxes	2,004	2,083	1,111	1,021	864	771
Fixed charges	2,100	3,290	4,200	4,420	9,375	9,247
Surplus	$6,359	$6,165	$5,099	$4,907	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$222,577	$212,792	$210,300	$210,300	$210,300	$200,000
Working assets	4,528	3,691	6,798	3,532	2,738	2,399
Deferred debit items.....	.....	68,786	64,728	59,628	54,831	50,317
Profit and loss.....	1,756	.....	.....	.....	.....	.....
Total	$228,861	$285,269	$281,826	$273,460	$267,869	$252,716
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	37,491	102,492	100,000	100,000	100,000	100,000
Working liabilities	12,239	11,976	15,520	12,599	12,157	1,684
Accrued liabilities not due	353	492	767	728	838	841
Deferred credit items.....	2,236	1,883	1,504	1,215	863	694
Appropriated surplus	76,542	68,426	64,035	58,918	54,011	49,497
Total	$228,861	$285,269	$281,826	$273,460	$267,869	$252,716

Bonded Debt: $35,000 Akron Union Passenger Depot Company, 1st 6s. Dated Nov. 1, 1891; due Nov. 1, 1922. Interest paid M. and N. 1, at Citizens Savings & Trust Co., Cleveland, O. Guaranteed principal and interest by Cleveland, Akron & Cincinnati Ry. and Akron and Chicago Junc. R.R. (B. & O. R.R.). Of the $100,000 issued, $65,000 are held in sinking fund. Rating, Aa.

Capital Stock: Authorized and outstanding, $100,000. Par, $100. All jointly owned by the Baltimore & Ohio R.R. Co., and the Cleveland, Akron & Cincinnati Ry. Co. No dividends.

ALABAMA & MISSISSIPPI RAILROAD

History: Incorporated under laws of Alabama and Mississippi, March 10, 1902. Road opened for operations in 1904.

Location: Line of road, Vinegar Bend to Cascagoula, Miss., 76.10 miles; sidings, 5.25 miles. Equipment owned: locomotives, 2; cars, 3. Use of the tracks is leased by the Vinegar Bend Lumber Co., at an annual rental of $5,000.

Management: OFFICERS: N. E. Turner, Pres. and Pur. Agt.; H. S. Turner, Treas.; U. E. Turner, Gen. Mgr.; A. R. Turner, Sec. and Aud., Vinegar Bend, Ala. DIRECTORS: N. E. Turner, H. S. Turner, A. R. Turner, M. Lankford, E. H. Turner, H. C. Heinie, E. J. Jane, G. M. Luce. Annual meeting, in March. GENERAL OFFICE: Vinegar Bend, Ala.

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$68,706	$36,399	$37,753	$48,626	$46,096	$35,096	$38,758
Maintenance of way.....	17,641	14,953		14,663			
Maintenance of equipment.....	11,435	2,841	28,700	5,097	26,704	27,998	24,344
All other operating expenses...	27,739	11,640		14,477			
Net operating revs.....	$11,891	$6,965	$9,053	$14,399	$19,392	$7,098	$14,414
Other income	6,381	.....	5,000	5,000	5,000	5,000	5,000
Total net income.....	$18,272	$6,965	$14,053	$19,399	$24,392	$12,098	$19,414
Fixed charges, including taxes.	7,766	14,247	14,038	13,787	13,795	6,292	6,416
Surplus	$10,506	(def.) $7,282	$15	$5,612	$10,597	$5,806	$12,998

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$209,788	$209,465	$218,682	$218,682	$212,477	$222,812
Working assets	93,816	28,890	35,262	34,858	57,260	.....
Total	$303,604	$238,355	$253,954	$253,540	$269,737	$222,812
LIABILITIES:						
Capital stock	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
Funded debt	.....	.....	185,000	185,000	185,000	.....
Working liabilities	.....	.....	185,000	185,000	185,000	.....
Accrued liabilities not due	188,354	185,000	.....	600	.....	139,572
Appropriated surplus ...	.....	.....	8,317	7,317	.....	.....
Profit and loss.....	105,250	43,355	50,637	50,623	74,737	73,240
Total	$303,604	$238,355	$253,954	$253,540	$269,737	$222,812

Capital Stock: Auth. and outstanding, $10,000; par, $100. No dividends reported.

ALABAMA CENTRAL RAILROAD

History: Incorporated under laws of Alabama, May 19, 1906.

Location: Road extends from Jasper to Sunlight, Ala., 13.10 miles; sidings, 1.13 miles. Equipment: Locomotive, 1; service car, 1.

Management: OFFICERS: Leon L. Loehr, Pres., Chicago, Ill.; W. C. Davis, Sec.; L. C. Britton, Gen. Mgr., Jasper, Ala. DIRECTORS: L. L. Loehr, Chicago; L. C. Britton, W. C. Davis, Jasper, Ala. Annual meeting, second Monday in February. OFFICE: Jasper, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1912	1911
Gross revenues	$18,646	$24,169	$13,002	$11,806	$12,133
Maintenance of way and structures	5,844	3,412	3,548	2,289	1,678
Maintenance of equipment	1,459	1,146	1,243	2,345	2,491
All other operating expenses	7,318	10,910	7,563	8,314	8,566
Net operating revenues	$4,025	$8,701	$648	(def.) $1,142	(def.) $602
Other income	.....	.....	67	.....	.....
Total net income	$4,025	$8,701	$715	(def.) $1,142	(def.) $602
Taxes	458	.....	.....	.....	.....
Fixed charges	2,107	.....	1,452	913	725
Surplus	$1,460	$8,701	(def.) $737	(def.) $2,055	(def.) $1,847

Profit and Loss Account, year ending June 30, 1916: Credit balance transferred from income, $1,460; debit balance carried to Balance Sheet, $15,465; total, $16,925. Contra: Debit balance at beginning of year, $16,857; miscellaneous debits, $68; total, $16,925.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1912	1911
Property investment	$111,622	$95,705	$95,073	$85,778	$86,290
Working assets	2,514	4,637	2,610	75	604
Deferred debit items	1,129	.....	946	.....	.....
Profit and loss deficit	15,465	.....	13,857	7,615	5,560
Total	$130,730	$100,342	$112,486	$93,468	$92,454
LIABILITIES:					
Capital stock	$65,000	$96,000	$65,000	$65,000	$65,000
Working liabilities	64,863	.....	46,530	28,468	27,454
Deferred credit items	867	.....	956	.....	.....
Profit and loss surplus	.....	4,342	.....	.....	.....
Total	$130,730	$100,342	$112,486	$93,468	$92,454

Capital Stock: Authorized and issued, $100,000, of which $35,000 is in treasury of company. Par, $100. Dividend of 12½% paid from Profit and Loss in 1915; none in 1916. TRANSFER AGENT and REGISTRAR: W. C. Davis, Jasper, Ala.

ALABAMA, FLORIDA & SOUTHERN RAILROAD

History: Incorporated under laws of Alabama, August 16, 1910. Road opened in 1911. Controlled by the E. L. Marbury Lumber Company through stock ownership.

Location: Road extends from Ardilla, Ala., to Malone, Fla., 15.5 miles. Sidings, 1.0 mile. Equipment: Locomotives, 3; cars, passenger, 1; freight, 13; total, 14. 12 cars and 1 locomotive leased to E. L. Marbury Lumber Co.

Management: OFFICERS: E. L. Marbury, Pres. and Treas.; W. S. Wilson, Vice-Pres. and Gen. Mgr.; J. W. Malone, Sec.; A. R. Fitz Simons, Aud., Malone, Fla. OFFICE, Malone, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	*1911
Gross revenues	$19,426	$19,773	$29,769	$29,546	$21,310	$11,702
Maintenance of way	4,853	4,809	6,008	6,329	5,114	2,924
Maintenance of equipment	3,059	2,118	6,844	2,671	1,053	473
All other operating exps.	6,836	6,643	8,714	9,514	7,482	3,758
Net operating revs.	$4,678	$6,203	$8,103	$11,032	$7,661	$4,547
Other income	2,580	1,860	.....	.....	.....	.....
Total net income	$7,258	$8,063	$8,103	$11,032	$7,661	$4,547
Taxes	961	1,247	600	600	415	350
Fixed charges	1,459	1,744	963	1,127	899	485
Surplus	$4,838	$5,072	$6,540	$9,305	$6,347	$3,712

* For seven months.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$73,843	$75,685	$79,443	$56,152	$55,207	$53,013
Working assets	2,920	1,760	2,591	14,098	6,240	3,552
Deferred debit items	.....	.....	415	104	.....	.....
Total	$76,763	$77,445	$82,449	$70,354	$61,447	$56,565

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000
Working liabilities	4,800	9,229	15,138	10,082	11,388	12,502
Accrued liabilities not due	.....	91	.....	.....	.....	350
Deferred credit items	.....	.....	1,417	1,008	.....	.....
Profit and loss surplus	32,963	28,125	25,904	19,364	10,059	3,712
Total	$76,763	$77,445	$82,449	$70,354	$61,447	$56,565

Capital Stock: Authorized and outstanding, $40,000. Par, $100. $39,700 owned by E. L. Marbury Lumber Company.

ALABAMA, TENNESSEE & NORTHERN RAILWAY

History: Incorporated under laws of Alabama in April, 1913, as a consolidation of the Alabama, Tennessee & Northern R.R., the Tombigbee Valley R.R. and Mobile Terminal & Railway. These latter properties had been operating partially for a series of years.

Location: Line of road: Main line, Nannahubba to Reform, Ala., 188 miles, with 7 miles of terminal tracks in and through the City of Mobile. Total owned, 195 miles; trackage (Southern Ry.) Mobile to Calvert, Ala., 34 miles; total operated, 229 miles. Yard tracks and sidings, 12 miles. The road is located in the counties of Mobile, Washington, Choctaw, Sumter and Pickens, Ala., running in a northerly and southerly direction, connecting the Birmingham coal and iron district with Mobile and the Gulf of Mexico. Gauge, standard. Equipment: Locomotives, 23; passenger cars, 15; freight cars, box, 150; flat, 60; gondolas, 40; total, 250; company's service equipment, 51.

The company also owns seven hundred by two thousand feet suitable harbor frontage near the business section of Mobile, and also harbor frontage of eleven thousand feet on Blakely Island, lying across Mobile River opposite the business section of Mobile.

Management: OFFICERS: Joseph F. McGowin, Receiver and Gen. Mgr.; K. R. Guthrie, Treas. and Asst. to Pres.; Frank M. Moody, Asst. Treas.; E. J. Buck, Asst. Treas.; E. A. Carstens, Secy.; Russell Houston, Traffic Mgr.; A. H. Guest, Aud., Mobile, Ala.; J. A. Caviezel, Gen. Supt., York, Ala. DIRECTORS: John T. Cochrane, K. R. Guthrie, E. A. Carstens, Wm. Toxey, Mobile, Ala.; F. J. Lisman, Wm. Goodman, New York; J. A. Caviezel, York, Ala. Annual meeting, first Monday in May. OFFICE, Mobile, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross earnings	$513,004	$413,134	$472,012	$466,266	$276,268
Operating expenses and taxes	366,031	313,522	288,130	291,830	176,480
Net earnings	$146,973	$99,612	$183,882	$174,396	$99,788
Fixed charges	216,376	187,386	168,548	142,852	84,424
Surplus	(def.)$69,403	(def.)$87,774	$15,334	$31,544	$15,364

Bonded Debt: (1) $896,000 Alabama, Tennessee & Northern R.R. first gold 5s. Dated Oct. 1, 1906; due Oct. 1, 1956. Interest A. and O. 1, at Columbia Trust Company, New York, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $1,500,000, but mortgage is closed. Assumed by Alabama, Tennessee & Northern Ry. at time of consolidation in April, 1913. Secured by first lien on 98 miles of road from Reform to near West Butler, Ala., and on the steel bridges over the Tombigbee and Noxubee Rivers. Interest paid without deduction for normal income tax. Rating, Ba.

(2) $450,000 Tombigbee Valley R.R. first gold 5s. Dated April 2, 1906; due April 2, 1956. Interest A. and O. 1, at Columbia Trust Company, New York, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $1,200,000, but mortgage is closed. Assumed by Alabama, Tennessee & Northern Ry. at time of consolidation in April, 1913. Secured by a first lien on 90 miles of road from Nannahubba to a point near West Butler, Ala. Interest paid without deduction for normal income tax.

(3) $270,000 Tombigbee Valley R.R. general gold 6s. Dated Jan. 1, 1910; due Jan. 1, 1935. Interest J. and J. 1, at New York Trust Co., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $400,000, but mortgage is closed. Subject to call at 105 and interest on any interest date on 30 days' notice. Secured by a second lien on the 90 miles covered by the first 5s described above. Interest paid without deduction for normal income tax.

(4) $500,000 Mobile Terminal & Ry. first gold 6s. Dated Sept. 1, 1910; due Sept. 1, 1935. Interest M. and S. 1, at City Bank & Trust Co., Mobile, Ala., Trustee, and its agency in New York. Coupon, $1,000; principal may be registered. Subject to call at 105 and interest on any interest date. Assumed by Alabama, Tennessee & Northern Ry. at time of consolidation in April, 1913. Secured by first lien on 7 miles of industrial line through the suburbs of North Mobile, Ala., together with about 1,000 acres of land on Blakely Island at Mobile, Ala., including 11,358 feet fronting on Mobile Harbor; also 700 by 2,000 feet on the west side of harbor with improvements, docks, etc. Interest paid without deduction for normal income tax.

(5) Alabama, Tennessee & Northern Ry. first and refunding 5% gold bonds. Dated May 1, 1913; due May 1, 1943. Interest M. and N., at Guaranty Trust Co., New York, Trustee.

There have been certified and issued to the company, $4,106,000, of which $43,000 are held in treasury and $4,063,000 were deposited by the company with Guaranty Trust Co., of New York, as collateral security for the payment of $2,031,000 3-year 6% secured gold notes, therefore none of these bonds are directly in the hands of the public.

Of the $2,031,000 3-year gold notes there are in the hands of the public the following: All of which are subject to call as a whole or in part at 101 and int. on the first day of each month on thirty days' notice. Coupon, $1,000; principal may be registered. Interest paid without deduction for normal income tax:

$406,000 3-year 6% secured gold notes, dated May 1, 1913; due May 1, 1916. Interest M. and N., at Guaranty Trust Co., New York, Trustee.

$500,000 3-year 6% secured gold notes, dated Oct. 1, 1914; due Oct. 1, 1917. Interest A. and O., at Guaranty Trust Co., New York, Trustee.

$140,000 3-year 6% secured gold notes, dated Aug. 1, 1915; due Aug. 1, 1918. Interest F. and A., at Guaranty Trust Co., New York, Trustee.

$19,000 3-year 6% secured gold notes, dated Aug. 1, 1915, in addition to the above are held to be exchanged for a like number of Mobile Terminal & Ry. 3-year notes now outstanding.

(6) $120,000 5% Car Trust Certificates; dated May 1, 1912; due $10,000 semi-annually M. and N. 1, to May 1, 1922, inclusive. Interest M. and N. 1, at Girard Trust Co., Philadelphia, Trustee. Original issue, $200,000 against $250,000 of equipment.

Capital Stock: Authorized, $25,000,000; outstanding, $7,350,000; par, $100.

ALBANY PASSENGER TERMINAL COMPANY

History: Incorporated under the laws of Georgia, Oct. 27, 1911, to build a passenger terminal at Albany, Ga. Gauge, standard. To Oct. 1, 1916, 1.69 miles of track completed. No equipment.

Management: OFFICERS: L. W. Baldwin, Pres., Savannah, Ga.; W. M. Legg, Vice-Pres. and Chm. Board of Control, Albany, Ga.; T. F. Smith, Sec., W. C. Askew, Treas., W. D. Beymer, Aud., Savannah, Ga. DIRECTORS: L. W. Baldwin, Lyman Dulano, H. W. Stanley, F. R. Pidcock, W. M. Legg. Annual meeting, second Friday in November. OFFICES, Accounting Dept., Savannah, Ga. GENERAL OFFICE, Savannah, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross income	$7,412	$7,268	$4,491
Taxes	1,662	1,518	781
Fixed charges	5,000	5,000	3,785
Surplus	$750	$750	$75
Dividend	750	750	.....
Balance	.....	.....	$75

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$104,233	$104,184	$103,906
Working assets	8,993	12,474	13,039
Deferred debit items	42	42	41
Profit and loss	5,000	4,993	5,000
Total	$118,268	$121,693	$121,986
LIABILITIES:			
Capital stock	$15,000	$15,000	$15,000
Funded debt	100,000	100,000	100,000
Working liabilities	794	4,268	4,538
Accrued liabilities not due	2,474	2,425	2,448
Total	$118,268	$121,693	$121,986

Bonded Debt: $100,000 Albany Passenger Terminal Co. 1st 5s. Dated Sept. 2, 1912; due Sept. 1, 1962. Interest paid M. and S. 1, at Savannah, Ga. Coupon, $1,000; prin. may be registered. Authorized, $110,000. First lien on property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $15,000. Par, $100. Of amount of stock the Atlantic Coast Line R.R. Co., Central of Georgia Ry. Co., Georgia Northern R.R. Co., and Seaboard Air Line Ry. Co. own $3,000 each, and the Georgia, Southwestern & Gulf R.R. Co., and Albany Northern R.R. Co., jointly own $3,000. A dividend of 5% was paid December 16, 1914 and 5% Dec. 31, 1915. Secretary of company acts as Registrar and Transfer Agent.

ALCOLU RAILROAD

History: Incorporated under the laws of South Carolina, March 18, 1902, for purpose of extending road, previously used as a logging road, from Alcolu to a point 40 miles distant on Lynch's River, Florence Co., S. C.

Location: Road extends from Alcolu to Kirby, S. C., 29 miles; total owned, 29 miles; leased, 9.50 miles; sidings, etc., 2.5 miles.

Equipment: Locomotives, 3; cars, 41.

Management: R. J. Alderman, Pres.; D. W. Alderman, Vice-Pres. and Gen. Mgr.; P. R. Alderman, Sec. and Treas.; C. D. Miller, Aud., Alcolu, S. C. DIRECTORS: R. J. Alderman, D. W. Alderman, P. R. Alderman, Alcolu, S. C. Annual meeting in July. GENERAL OFFICE, Alcolu, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$64,685	$41,929	$41,139	$33,754	$35,031
Operating expenses	52,951	43,882	35,325	30,173	27,514
Net revenue	$11,734	(def.) $1,453	$5,814	$3,581	$7,517
Other income	1,477	4,240	.....	.....	.....
Total net income	$13,211	$2,787	$5,814	$3,581	$7,517
Taxes	1,354	1,196	1,180	1,186	1,060
Fixed charges	.....	.....	1,566	11,827	10,383
Surplus	$11,857	$1,591	$3,068	(def.) $9,432	(def.) $3,926

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$131,510	$122,963	$153,733	$155,963	$151,907
Working assets	15,502	9,201	5,097	3,250	5,273
Deferred debit items	.....	.....	.....	.....	444
Profit and loss	$13,861	25,718	27,310	30,377	19,575
Total	$160,873	$157,882	$186,140	$189,590	$177,199
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$25,000	$25,000
Working liabilities	60,873	57,882	86,140	164,590	152,155
Deferred credit items	.....	.....	.....	.....	44
Total	$160,873	$157,882	$186,140	$189,590	$177,199

Capital Stock: Authorized and outstanding, $100,000. Par, $500. No bonded debt. A dividend of 6% was paid in 1904; none since.

ALQUIPPA & SOUTHERN RAILROAD

History: Incorporated under laws of Pennsylvania, Nov. 27, 1906. Road completed in 1910.

Location: Line of road extends from Alquippa to West Economy, Pa., 23.27 miles. Equipment: Locomotives, 12; cars, 259.

Management: B. F. Jones, Jr., Pres.; Wm. Larimer Jones, 1st Vice-Pres., A. B. Shepherd, 2nd Vice-Pres., W. C. Moreland, Sec. and Treas.; J. L. Moore, Aud., Asst. Sec. and Asst. Treas., Pittsburg, Pa.; J. H. Gano, Supt., Woodlawn, Pa. DIRECTORS: B. F. Jones, Jr., W. W. Willock, W. L. King, Wm. Lorimer Jones, A. B. Shepherd, W. C. Moreland, H. S. Kiehl, Pittsburg, Pa. Annual meeting, fourth Monday in January. GENERAL OFFICE, Pittsburg, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$321,146	$179,028	$273,854	$327,930	$134,919
Operating expenses	236,801	154,916	213,822	263,381	124,291
Net revenue	$84,345	$24,112	$60,032	$64,549	$10,628
Other income	12,208	3,761	4,343	824	535
Total net income	$96,553	$27,873	$64,375	$65,373	$11,163
Taxes	3,249	2,940	4,519	3,641	2,275
Fixed charges	43,176	41,739	41,732	37,936	8,742
Surplus	$50,128	(def.) $16,806	$18,124	$23,796	$146
Other deductions	33,322	.....	18,124	10,148	.....
Balance	$16,806	(def.) $16,806	.....	$13,648	$146

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$835,768	$860,501	$863,390	$876,478	$629,974
Working assets	131,737	157,242	169,219	147,160	86,707
Deferred debit items	117,121	5,872	197	2,937	203
Profit and loss	.....	16,806	.....	.....	13,649
Total	$1,084,626	$1,040,421	$1,032,806	$1,026,575	$730,533
LIABILITIES:					
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000
Working liabilities	869,918	859,008	851,179	863,511	579,482
Accrued liabilities not due	3,114	3,141	3,354	2,917	1,051
Appropriated surplus	61,594	28,272	28,273	10,147	.....
Total	$1,084,626	$1,040,421	$1,032,806	$1,026,575	$730,533

Capital Stock: Authorized and outstanding, $150,000. Par, $100. No bonded debt, and no dividends paid.

AMADOR CENTRAL RAILROAD

History: Incorporated under California laws, Sept. 24, 1908, succeeding as of Jan. 1, 1909, to the Ione & Eastern R.R. which was sold under foreclosure, Aug. 22, 1908.

Location: The road extends from Ione to Martell, Calif., 12 miles; siding, 2.48 miles. Equipment: Locomotives, 3; cars, 11.

Management: OFFICERS: Mrs. Meta J. Erickson, Pres.; F. G. Athearn, Vice-Pres., San Francisco, Cal.; J. A. McPherson, Secy., Treas., Aud., Gen. Mgr. and Supt., Martell, Cal. DIRECTORS: F. G. Ahearn, H. R. McGuinn, T. E. Havens, G. Petterson, Mrs. Meta J. Erickson, H. E. Havens, San Francisco, Cal.; J. A. McPherson, Martell, Cal. Annual meeting, first Monday in October at San Francisco. GENERAL OFFICE, Martell, Cal. SAN FRANCISCO OFFICE, 707 Balboa Building.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Passenger earnings	$12,852	$12,984	$15,353	$21,294	$23,730	$21,977	$21,950
Freight earnings	78,362	68,477	67,361	71,266	74,851	69,814	59,084
Total revenue	105,943	86,413	88,868	99,955	104,854	96,385	85,905
Operating expenses and taxes	65,882	55,837	51,938	58,906	66,479	57,631	43,962
Net earnings	40,061	30,576	36,930	41,049	38,375	38,754	41,943
Other income	2,113	1,305	1,350	.....	.....	503	225
Fixed charges	18,570	17,704	18,699	25,957	16,120	18,489	25,102
Dividends	.....	.....	.....	.....	25,000	4,000	.....
Surplus	23,604	14,177	19,581	15,092	(def.)2,745	16,768	17,066
Other deductions	.....	325	.....	.....	.....	.....	.....
Balance	$23,604	$13,852	.....	.....	.....	.....	.....

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $23,604. Contra: Debit balance at beginning of year, $6,174; surplus applied to sinking and other reserve funds, $6,000; surplus appropriated for investment in physical property, $7,841; credit balance carried to balance sheet, $3,589; total, $23,604.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$352,379	$342,730	$401,425	$714,587	$706,365	$709,415
Working assets	70,454	54,363	49,255	47,587	34,864	32,740
Deferred debit items	361,843	354,794	348,070	6,000	.....	1,038
Profit and loss deficit	6,053	9,322	12,492	.....	.....	.....
Total	$790,729	$761,209	$811,242	$768,174	$741,229	$743,193
LIABILITIES:						
Capital stock	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
Funded debt	300,000	300,000	300,000	300,000	300,000	300,000
Working liabilities	14,666	9,645	13,668	10,137	8,734	8,253
Accrued liabilities not due	1,093	1,081	.....	4,423	4,337	4,097
Deferred credit items	6,345	2,192	85,574	938	1,524	1,463
Appropriated surplus	68,625	48,291	12,000	10,957	.....	.....
Profit and loss surplus	.....	.....	.....	41,719	26,634	29,380
Total	$790,729	$761,209	$811,242	$768,174	$741,229	$743,193

Bonded Debt: $300,000 Amador Central Railroad first 5s; dated Nov. 2, 1908; due Nov. 2, 1938. Int. paid M. and N., at Union Trust Co., San Francisco, Trustee. Coupon, $500; principal may be registered. Sinking fund of 2% of bonds outstanding, began Feb. 1, 1913. Bonds are not callable. First lien on property. Authorized issue, $300,000. Normal income tax deducted from interest. Rating, Ba.

Capital Stock: Auth. and outstanding, $400,000; par, $100. Secretary of company acts as transfer agent. A dividend of 1% was paid in fiscal year 1910 to 1911; in 1911 to 1912, 6¼%; none reported since.

ANGELINA & NECHES RIVER RAILROAD

History: Incorporated under the laws of Texas, August 6, 1900. Purchased a logging road. In June, 1910, acquired from the Angelina County Lumber Co., 7.78 miles of road from Alco to Naclina, Texas. The extension from Naclina to Chereno, Texas, 10.74 miles, was put in operation in December, 1911.

Location: Keltys to Chereno, Tex., 30.63 miles; trackage, Prosser to Lufkin, Texas, 2.20 miles; total operated, 32.83 miles; sidings, 3.47 miles. Equipment: Locomotive, 1; cars, 4.

Management: OFFICERS: J. H. Kurth, Pres.; S. W. Henderson, Vice-Pres. and Gen. Mgr.; Eli Wiener, Sec. and Treas.; J. H. Alderman, Aud., Keltys, Texas. DIRECTORS: E. T. Clark, S. W. Henderson, J. H. Kurth, Eli Wiener, Keltys, Texas; E. J. Mantooth, Lufkin, Texas; J. S. Bonner, Houston, Texas.; Sam Weiner, Shreveport, La. Annual meeting in May. GENERAL OFFICE, Keltys, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$58,418	$40,597	$53,370	$50,052	$37,796
Operating expenses	48,230	49,693	56,834	45,187	44,921
Net revenue	$10,188	(def.)$9,096	(def.)$3,464	$4,865	(def.)$7,125
Taxes	2,399	1,744	1,988	842	507
Fixed charges	14,737	14,533	13,545	11,543	7,790
Surplus	(def.)$6,948	(def.)$25,373	(def.)$18,997	(def.)$7,520	(def.)$15,422

Profit and Loss Account, year ended June 30, 1916: Donations, $10,100; debit balance carried to balance sheet, $73,755; total, $83,855. Contra: Debit balance at beginning of year, $76,907; debit balance transferred from income, $6,948; total, $83,855.

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1912
ASSETS:					
Property investment	$238,406	$228,508	$229,515	$216,107	$220,071
Working assets	14,008	16,459	21,383	19,596	10,935
Deferred debit items	1,929	429	.....	.....	.....
Profit and loss	73,755	76,907	51,533	32,538	25,018
Total	$328,098	$322,303	$302,431	$268,241	$256,024
LIABILITIES:					
Capital stock	$55,000	$55,000	$55,000	$55,000	$55,000
Working liabilities	272,329	266,534	241,793	219,467	201,024
Accrued liabilities not due	769	769	5,638	3,774	.....
Total	$328,098	$322,303	$302,431	$268,241	$256,024

Capital Stock: Authorized, $75,000; outstanding, $55,000. Par, $100. No bonded debt.

APALACHICOLA NORTHERN RAILROAD

History: Incorporated on May 9, 1903, in Florida. Receiver appointed in 1907, but discharged in 1908. L. H. Dimmltt appointed receiver, May 28, 1914. Controlled, through stock ownership, by St. Joe Bay Company.

Location: Llne of road, River Junc. to Port St. Joe, Fla., 102.02 miles.

Equipment: 8 locomotives, 134 cars.

Management: OFFICERS: Arthur T. Perkins, Pres.; L. H. Dimmitt, 1st Vice-Pres. and Gen. Mgr.; S. W. Fordyce, 2d Vice-Pres.; R. R. Tompkins, Sec.; F. V. Dubrouillet, Treas. Annual meeting, second Wednesday in April. GENERAL OFFICE, Port St. Joe, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Miles operated	102.02	102	102	102	102	102	102
Gross revenues	$189,635	$141,335	$226,752	$261,739	$236,475	$184,003	$135,916
Maintenance of way	40,957	34,365	48,804	46,140			
Maintenance of equipment	51,752	24,205	32,420	31,643	152,673	131,455	100,177
All other operating expenses	64,558	62,353	83,492	95,006			
Net operating revenues	$32,368	$20,412	$62,036	$88,950	$83,802	$52,548	$35,739
Other Income	10,785	13	9,206	5,713	37	4,019	5,028
Total net Income	$43,153	$20,425	$71,242	$94,663	$83,839	$56,567	$40,767
Fixed charges, Including taxes.	129,191	15,339	115,181	113,638	112,494	9,642	9,430
Surplus	*$86,038	$5,086	*$43,939	*$18,975	*$28,655	$46,925	$31,337

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $139; debit balance carried to balance sheet, $759,502; total, $759,641. Contra: Debit bulance at beginning of year, $577,693; debit balance transferred from income, $86,038; debt discount extinguished through surplus, $95,895; miscellaneous debits, $15; total, $759,641.

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1912	1911
ASSETS:						
Property investment	$4,848,017	$4,880,047	$4,854,351	$4,405,425	$5,022,322	$4,976,656
Working assets	93,694	36,313	109,697	1,128,791	59,422	48,059
Deferred debit items	60,591	192,607	119,910	105,310	131,137	116,736
Profit and loss	759,500	577,990	584,189	541,483	516,810	488,155
Total	$5,761,804	$5,686,957	$5,668,147	$6,181,009	$5,729,691	$5,629,606
LIABILITIES:						
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	2,000,000	2,010,000	2,002,850	2,008,893	2,018,800	2,020,675
Working liabilities	753,893	646,884	656,054	629,694	704,524	601,963
Accrued llabilities not due	3,679	4,763	4,626	5,169	4,226	3,896
Deferred credit items	4,232	25,310	4,617	2,534	2,141	3,072
Profit and loss	.....	.....	.....	534,719	.....	.....
Total	$5,761,804	$5,686,957	$5,668,147	$6,181,009	$5,729,691	$5,629,606

Bonded Debt: $2,000,000 Apalachicola Northern R.R. first gold 5s; dated Sept. 15, 1905; due Sept. 15, 1925. Int. paid M. & S. 15 at Illinois State Trust Co., East St. Louis, Ill. Callable at par and interest. First lien on entire property. Entire Issue owned by St. Joe Bay Company. Now in default.

Capital Stock: Auth. and outstanding, $3,000,000; par $100. All owned by St. Joe Bay Company.

ARANSAS HARBOR TERMINAL RAILWAY

History: Incorporated under laws of Texas, July 13, 1892. Charter amended in 1912. Owns considerable water frontage suitable for terminals, wharves, warehouses, etc., at Aransas Pass, Tex. A syndicate formed by Alexander Brown & Sons of Baltimore, was formed in 1911, and acquired a majority of the capital stock and will finance the company's requirements.

Location: Completed 6.74 miles from main shore at town of Aransas Pass to Aransas Pass Channel & Dock Co.; 1.2 mile in Aransas Pass; 3.2 miles of old terminal and 8.24 miles of sidings.

Management: OFFICERS: Vacancy, Pres.; J. D. Wheeler, Vice-Pres.; J. A. Zimmerman, Treas. and Aud.; J. W. Holmes, Sec., Aransas Pass, Tex.; L. S. Zimmerman, Asst. Sec. and Asst. Treas., Baltimore; W. M. Hundley, Supt., Aransas Pass, Tex.; T. H. Franklin, Gen. Counsel, San Antonio, Tex. DIRECTORS: Thos. H. Franklin, San Antonio, Tex.; Y. van den Berg, New York; J. A. Zimmerman, C. W. Holmes, S. J. Conn, H. G. Fields, B. W. Lee, Aransas Pass, Tex. Annual meeting, first Tuesday in November. GENERAL OFFICE, Aransas Pass, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenue	$82,945	$72,896	$90,241	$34,952
Operating expenses	51,612	52,468	53,814	38,909
Net revenue	$31,333	$20,428	$36,427	(def.) $3,957
Other income	.....	.....	3,535	1,419
Total net income	$31,333	$20,428	$39,962	(def.) $2,538
Taxes	2,425	2,065	2,800	862
Fixed charges	58,121	7,470	9,582	1,995
Surplus	*$29,213	$10,893	$25,580	*$5,395

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $31,992; miscellaneous credits, $245; total, $32,237. Contra: Debit balance transferred from income, $29,213; credit balance carried to Balance Sheet, $2,483; miscellaneous debits, $541; total, $32,237.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$596,370	$402,284	$375,444	$325,192
Working assets	76,574	38,524	38,793	3,234
Deferred debit items	62,000	2,147	348	536
Profit and loss	.....	.....	.....	6,474
Total	$734,944	$442,955	$414,585	$335,436
LIABILITIES:				
Capital stock	$100,000	$100,000	$100,000	$100,000
Funded debt	304,667	33,333	38,000	24,000
Working liabilities	136,194	276,618	254,407	211,436
Deferred credit items	600	1,012	1,078	.....
Appropriated surplus	191,000	.....	.....	.....
Profit and loss	2,483	31,992	21,100	.....
Total	$734,944	$442,955	$414,585	$335,436

Bonded Debt: (1) $300,000 Aransas Harbor Terminal Ry. 1st 6s. Dated Feb. 1, 1915; due Feb. 1, 1945. Interest paid F. & A. at Alex. Brown & Sons, Baltimore, Md. Coupon and reg., $1,000. Authorized, $2,000,000. Callable on 60 days' notice at 110 and interest.

(2) $4,667 Equipment Trust 6s. Dated Jan. 30, 1914; due Jan. 30, 1917. Interest payable Jan. 30. Authorized, $14,000.

Capital Stock: Authorized, $250,000; outstanding, $100,000. Par $100. No dividends. TRANSFER AGENT: Alex. Brown & Sons, Baltimore.

ARCADIA & BETSEY RIVER RAILWAY

History: Incorporated under the laws of Michigan, Sept. 25, 1895. Right of way purchased from the Arcadia and Betsey River Tram Ry. Co. Road opened Dec. 12, 1896. Owned, built and financed by the Henry Starke Land & Lumber Co.

Location: Arcadia to Copemish, Mich., 21.0 miles. Equipment: Locomotives, 2; cars, combination, 2; freight, 43; total cars, 45.

Management: OFFICERS: Chas. J. Starke, Pres. and Gen. Mgr.; Henry Mauntler, Vice-Pres.; Adolphe Hasse, Secy. and Treas.; R. H. Starke, Aud., Arcadia, Mich. DIRECTORS: Chas. J. Starke, H. Mauntler, Adolphe Hasse, John Weldt, Maria Starke, Arcadia, Mich. Annual meeting in October at Arcadia, Mich. OFFICE: Arcadia, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$16,110	$22,329	$21,897	$21,560	$22,531	$21.574
Maintenance of way	4,624	6,630	5,877	7,486	9,839	10,309
Maintenance of equipment	3,560	3,600	5,012	5,070	5,562	4,522
All other operating exps.	7,963	9,012	9,421	7,641	8,418	7,933
Net operating revs.	$37	$3,081	$1,587	$1,363	*$1,288	*$1,180
Taxes	633	761	1,005	1,157	1,139	1,232
Fixed charges	157	280	1,332	712	259	585
Surplus	*$827	$2,046	*$750	*$506	*$2,686	*$3,007

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$158,500	$159,618	$167,194	$167,194	$158,804	$154,648
Working assets	2,575	3,050	5,970	3,894	10,284	10,497
Deferred debit items	561	.....	246	641	282	303
Profit and loss deficit	3,048	2,222	4,268	8,517	3,010	325
Total	$164,684	$164,890	$177,678	$175,246	$172,380	$165,773
Liabilities:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Working liabilities	14,332	14,637	20,343	19,391	22,380	15,773
Deferred credit items	352	253	7,335	5,855	.....	.....
Total	$164,684	$164,890	$177,678	$175,246	$172,380	$165,773

Capital Stock: Authorized, $165,000; outstanding, $150,000. Par, $100. Registrar: Adolphe Hasse, Arcadia, Mich. Transfer Agent: Chas. J. Starke, Arcadia, Mich. No dividends. No bonded debt.

ARCATA AND MAD RIVER RAILROAD

History: Incorporated under the laws of California, Dec. 29, 1881. Road opened in 1893.

Location: Road extends from Arcata Wharf to Korbel, 14 miles; Korbel to Canyon Creek, Cal., 7.25 miles; total, 21.25 miles. Sidings, 6.75 miles.

Equipment: Locomotives, 6; cars, passenger, 5; box, 7; flat 201; service, 40. Total, 253.

Management: Officers: James Tyson, Pres., San Francisco; H. W. Jackson, Vice-Pres. and Gen. Mgr., Arcata, Cal.; J. H. Prideaux, Sec.; The C. Nelson Co., Treas.; C. E. Renouf, Aud., San Francisco, Cal.; L. E. Everding, Supt., Korbel, Cal. Directors: G. H. Tyson, A. A. Baxter, James Tyson, San Francisco, H. W. Jackson, L. E. Everding, Korbel, Cal. Annual meeting in January. Main Office, 112 Market Street, San Francisco.

Capital Stock: Authorized, $300,000; outstanding, $187,740; par, $20. Owned by Northern Redwood Lumber Co. No bonded debt. A dividend of $7 per share paid in year ended June 30, 1913. None since reported.

ARIZONA & NEW MEXICO RAILWAY

History: Consolidation in 1883 of Clifton & Lordsburg and Clifton & Southern Pacific Railroads. Incorporated in Arizona and New Mexico as a consolidation, effective July 1, 1911, of Arizona & New Mexico Ry. and Lordsburg & Hachita Railroad.

Location: Operates 108.58 miles, Hachita, N. M. to Clifton, Ariz., branch lines, 3.66 miles; sidings, 20.17 miles.

Equipment: Locomotives, 9; cars, 103.

Management: Officers: J. G. Hopkins, Pres.; Norman Carmichael, Vice-Pres.; G. R. Drysdale, Secy. and Treas. Directors: N. Carmichael, J. G. Hopkins, E. M. Williams, Geo. Fraser, J. A. Leahy, R. K. Minson, W. C. McFarland, G. R. Drysdale, P. Reisinger. Annual meeting, first Wednesday after first Monday in October. Office: Clifton, Ariz.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$675,223	$645,192	$966,678	$1,060,291	$872,132	$834,945	$957,232
Maintenance of way	122,711	119,435	128,590	156,219	83,217	101,883	120,622
Maintenance of equipment	79,971	72,747	114,512	89,621	69,514	59,624	51,869
All other operating expenses	178,238	157,970	230,223	242,461	204,288	188,457	184,006
Net operating revenues	$294,303	$295,040	$493,353	$571,990	$515,113	$484,981	$600,708
Non-operating income	12,097	12,155	.....	.....	.....	.....	.....
Net income	$306,400	$307,195	.....	.....	.....	.....	.....
Taxes	50,168	47,684	.....	.....	.....	.....	.....
Deductions from income	110,184	100,459	.....	.....	.....	.....	.....
Surplus	$146,048	$159,052	.....	.....	.....	.....	.....

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $296,416; credit balance transferred from Income, $146,048; total, $442,464. Contra: Dividend appropriations of surplus, $48,475; surplus appropriated for investment in physical property, $97,282; credit balance carried to Balance Sheet, $296,707; total, $442,464.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,403,360	$4,330,032	$4,336,580	$4,249,763	$4,041,995	$3,581,785
Working assets	405,613	643,117	617,658	423,054	747,126	506,939
Accrued income not due...	.....	.....	939	1,404	.....	.....
Deferred debit items.....	146,373	113,569	95,191	298,480	.....	.....
Total	$4,955,346	$5,086,718	$5,050,368	$4,972,701	$4,789,121	$4,088,724
LIABILITIES:						
Capital stock	$2,770.000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,300,000
Funded debt	1,294,533	1,294,533	1,294,533	1,294,533	1,294,533	1,294,533
Working liabilities	66,463	78,088	95,799	101,715	78,703	73,582
Accrued liabilities not due	37,082	34,763	30,981	33,381	28,035	23,329
Deferred credit items....	38,278	27,918	20,815	12,624	9,327	500
Appropriated surplus ...	452,283	355,000	349,500	316,000	120,000	30,000
Profit and loss.....	296,707	296,416	258,740	214,447	258,523	366,780
Total	$4,955,346	$5,086,718	$5,050,368	$4,972,701	$4,789,121	$4,088,724

Bonded Debt: $1,294,533 Arizona & New Mexico Ry. first 6s; dated May 1, 1889; due May 1, 1928; interest May 1 and Nov. 1. First lien on 113 miles from Hachita, N. M., to Clifton, Ariz. Normal income tax deducted from interest. Net Rating, Baa.

Capital Stock: Authorized, $3,000,000; outstanding, $2,770,000. Par, $100. Dividends of 10% per annum paid from 1910 to June 30, 1914, inclusive; 3% in 1915; 1¾% in 1916.

ARIZONA SOUTHERN RAILROAD

History: Incorporated Jan. 20, 1904, under Arizona laws. Road opened in September of the same year. The company is controlled through stock ownership by the Imperial Copper Co. and connects the mines of the latter with the Southern Pacific R.R.

Location: Line of road, Red Rock to Silverbell, Ariz., 20.3 miles; sidings, 1.91 miles. Equipment owned: locomotives, 4; cars, 27.

Management: OFFICERS: Merrill P. Freeman, Pres., Tucson, Ariz.; Julius Kruttschnitt, Jr., Vice-Pres. and Gen. Mgr.; G. W. Dietz, Sec., Treas. and Aud. DIRECTORS: M. C. Freeman, J. B. Wright, Julius Kruttschnitt, Jr., Charles E. Woodell, Tucson, Ariz.; G. W. Dietz, Silverbell, Ariz. Annual meeting, second Tuesday in November. MAIN OFFICE, Silverbell, Ariz.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$36,133	*$500	Not reported	$2,198	$2,099	$29,629
Operating expenses	22,329	3,800	"	3,940	17,360	32,848
Net operating revs...	$13,804	(def.) $3,300	(def.) $2,813	(def.) $1,742	(def.) $15,261	(def.) $3,219
Taxes accrued	1,046	664	804	18	68	712
Fixed charges	12,499	1,425	10,850	898	241	1,001
Surplus	$259	(def.) $5,389	(def.) $13,088	(def.) $2,658	(def.) $15,570	(def.) $4,932

* Represents non-operating income.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $259; debit balance carried to balance sheet, $92.482; total, $92,741. Contra: Debit balance at beginning of year, $90,991; surplus appropriated for investment in physical property, $1,750; total, $92,741.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$804,851	$804,846	$843,589	$843.589	$806,591	$814,555
Working assets	74,924	14,738	14,494	32,093	28,461	222
Profit and loss.....	92,482	90,991	85,602	31,788	29,130	13,560
Total	$972,257	$910,575	$943,685	$907,470	$864,182	828,337
LIABILITIES:						
Capital stock	$800,000	$800.000	$800,000	$800,000	$800,000	$800,000
Working liabilities	129,783	68,381	65,962	70,471	63,521	27,348
Accrued liabilities not due	.....	1,469	.....	.....	.....	.....
Deferred credit items....	.....	.....	36.998	36,999	662	989
Appropriated surplus ...	42,474	40,725	40,725	.....	.....	.....
Total	.$972,257	$910,575	$943,685	$907,470	$864,182	$828,337

Capital Stock: Auth. and outstanding, $800,000; par, $100. Owned by Imperial Copper Co. No dividends reported since year ended June 30, 1911. No bonded debt.

ARKANSAS & LOUISIANA MIDLAND RAILWAY

History: This company succeeded to the property of the former Arkansas, Louisiana & Gulf Ry., which was sold at foreclosure sale Sept. 15, 1915, for $102,000 to Alfred Cowles, of Chicago. December 1, 1915, the company leased the Ashley, Drew & Northern Railway. The Arkansas, Louisiana & Gulf Ry. was incorporated under the laws of Ark. and La., July 20, 1906, to build a line of road from Monroe, La., to Pine Bluff, Ark., with a branch from Rolfe Junction to Crossett, Ark., 143 miles. The Ashley, Drew & Northern Ry. was incorporated under laws of Arkansas, August 8, 1912, to build a road from Cremer to Monticello, Ark. Purchased the Crossett, Monticello & Northern Ry.

Location: Monisela to Crossett, Ark., 52.7 miles; branch Rolfe Junction to Hamburg, Ark., 8.8 miles. Leased Crossett to Monticello, 40.68 miles. Sidings, 13.35 miles.

Equipment: Locomotives, 6; freight cars, 46; passenger cars, 10; service cars, 4; total, 60.

Management: OFFICERS: E. Ford, Pres.; Wm. A. Otis, Vice-Pres.; Alfred Cowles, Sec. and Treas.; J. H. Schaefer, Asst. Sec. and Treas.; L. B. Ferguson, Gen. Mgr.; J. T. Shelton, Traffic Mgr.; C. V. Allain, Aud.; J. C. Theus, Gen. Counsel. DIRECTORS: Alfred Cowles, Chicago, Ill.; Wm. A. Otis, Colorado Springs, Colo.; Edward Ford, New Orleans, La.; J. C. Theus, T. J. Shelton, Monroe, La. OFFICE, Crossett, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenue	$246,584	$123,926	$93,565	$100,363	$84,060
Operating expenses	175,452	82,026	135,160	133,810	113,364
Net revenue	$71,132	$41,900	(def.) $41,595	(def.) $33,447	(def.) $29,304
Other income	440	92	.....	.....	.....
Total net income	$71,572	$41,992	(def.) $41,595	(def.) $33,447	(def.) $29,304
Taxes	7,982	4,655	4,821	5,035	4,847
Fixed charges	67,034	38,652	19,219	67,019	67,205
Balance	(def.) $3,444	(def.) $1,315	(def.) $65,635	(def.) $105,501	(def.) $101,356

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $1,311; debit balance transferred from income, $3,444. Stock discount extinguished through surplus, $600; miscellaneous debits, $17,115; total $22,470. Contra: Miscellaneous credits, $1,303; Debit balance carried to balance sheet, $21,167; total, $22,470.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,203,512	$2,579	$2,459,691	$2,444,128	$2,458,704
Working assets	42,726	61,906	18,893	16,578	627
Accrued income not due	4,591	.....	.....	887	.....
Deferred debit items	4,591	626,005	3,496	17,390	19,560
Profit and loss	765	1,311	471,899	406,193	284,766
Total	$1,251,594	$691,801	$2,953,979	$2,885,176	$2,763,657
LIABILITIES:					
Capital stock	$1,000,000	$598,500	$1,231,100	$1,231,100	$1,231,100
Funded debt	200,000	.....	1,374,000	1,230,000	1,231,550
Accrued liabilities not due	4,294	85,001	335,334	430,876	298,525
Deferred credit items	1,091	4,753	11,445	3,200	2,482
Working liabilities	46,209	3,547	2,100	.....	.....
Total	$1,251,594	$691,801	$2,953,979	$2,885,176	$2,763,657

Bonded Debt: (1) $438,000 Ashley, Drew & Northern Railway 1st 6s. Dated Sept. 1, 1912; due Sept. 1, 1922. Interest paid Jan. and July 1 at Mercantile Trust Co., St. Louis, Mo. Coupon, $500. Auth., $600,000. Callable at 102. First lien on property. Rating, B.

Note: There have been issued $200,000 mortgage 6% notes which mature in 1921.

Capital Stock: Authorized and outstanding, $1,000,000. No further details available.

ARKANSAS & MEMPHIS RAILWAY BRIDGE & TERMINAL COMPANY

History: Incorporated under the laws of Tennessee and Arkansas, Jan. 3, 1912, for the purpose of constructing a bridge over the Mississippi River between Memphis, Tenn., and Hopefield, Ark. Opened for traffic July 15, 1916. The St. Louis Southwestern Ry., Chicago, Rock Island & Pacific Ry., and the St. Louis, Iron Mountain & Southern Ry., own equally the authorized capital stock, paid in, and will use the property under a fifty-year lease.

Management: OFFICERS: A. C. Ridgway, Pres.; Alex. Robertson, Vice-Pres.; F. A. Smith, Vice-Pres.; Geo. H. Crosby, Sec. and Treas.; R. E. Kimbell, Aud. and Asst. Sec.; W. H. Borsje, Asst. Sec.; C. C. Huitt, Asst. Sec and Asst. Treas.; W. Hodson, Asst. Treas.; J. W. Canada, Gen. Counsel. DIRECTORS: A. C. Ridgway, C. A. Morse, Alex. Robertson, J. G. Drew, F. H. Britton, C. D. Purdon. Annual meeting, third Monday in December at Memphis, Tenn. OFFICE, Chicago, Ill.

Bonded Debt: (1) $6,000,000 Arkansas & Memphis Ry. Bridge & Terminal Co. 1st 5s. Dated May 24, 1915; due March 1, 1964. Interest paid M. and S. at New York. Coupon, $1,000 and multiples thereof. Authorized, $7,500,000. The $6,000,000 issued deposited to secure three-year notes described below. Callable at 105 and interest prior to March 1, 1929; at 104 and interest prior to March 1, 1939, and at 103 and interest thereafter. Sinking

fund of 1% of bonds outstanding commences March 1, 1919. Guaranteed principal and interest by Chicago, Rock Island & Pacific Ry. Co., St. Louis, Iron Mountain & Southern Ry., and St. Louis Southwestern Ry. Co. First lien on bridge and other property. Rating, A.

(2) $3,870,000 Arkansas & Memphis Ry. Bridge & Terminal three-year 6% notes. Dated Jan. 2, 1915; due Jan. 1, 1918. Authorized, $5,000,000. Secured by deposit of issues described above. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $1,000,000; outstanding, $10,200. Par, $100. Owned equally by the three companies mentioned above.

ASHLAND COAL & IRON RAILWAY

History: Incorporated under Kentucky laws, Jan. 26, 1865, as the Lexington & Big Sandy R.R., Eastern Division. Name changed to the present title in 1880. Controlled by Ashland Iron & Mining Co., Inc.

Location: Line of road, Ashland to Seaton, Ky., 22.11 miles; in Ashland, 4.25 miles; trackage, 8.5 miles; total operated, 34.86 miles. Sidings, 19.42 miles. Equipment owned: 8 locomotives, 4 passenger, 2 combination and 154 freight and company cars.

Management: OFFICERS: W. B. Seaton, Pres. and Gen. Mgr., Ashland, Ky.; John Peebles, Vice-Pres., Portsmouth, O.; F. B. Moore, Sec. and Treas.; A. N. Richardson, Aud., Ashland, Ky. DIRECTORS: K. L. Butler, Catonsville, Md.; Frank Coles, D. G. Putnam, W. B. Seaton, John Russell, Ashland, Ky.; E. C. Means, Low Moor, Va.; John Peebles, S. C. Peebles, Portsmouth, Ohio. Annual meeting, third Wednesday in October. MAIN OFFICE, Ashland, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$200,779	$130,184	$163,558	$164,253	$132,444	$139,168	$135,527
Maintenance of way	19,630	14,919	17,515	19,484			
Maintenance of equipment	33,347	28,510	31,377	29,640	115,207	116,247	112,346
All other operating expenses	79,605	61,763	69,664	69,1$8			
Net operating revenues	$68,197	$24,992	$45,002	$46,021	$17,237	$22,921	$23,181
Operating ratio	66.0%	80.8%	71.9%	71.9%	87%	83.6%	82.9%
Other income	47,497	45,926	47,036	44,332	28,247	29,403	28,664
Total net income	$115,694	$70,918	$92,038	$90,393	$45,484	$52,324	$51,845
Taxes accrued	12,555	11,680	11,062	10,915	8,426	8,400	8,400
Fixed charges	25,104	26,511	27,092	26,837	18,723	39,287	15,101
Surplus	$78,035	$32,727	$53,884	$52,641	$18,335	$4,637	$28,344
Dividends paid	30,940	30,940	15,470	30,940	30,940	30,940	30,940
Balance	$47,095	$1,787	$38,414	$21,701	(df.) $12,605	(df.) $26,203	(df.) $2,604

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,489,482	$1,465,582	$1,442,653	$1,426,030	$1,387,980	$1,340,444
Working assets	85,294	66,431	78,731	101,018	57,209	56,800
Deferred debit items	331	330	709	720	.....	.....
Total	$1,575,107	$1,532,843	$1,552,093	$1,527,768	$1,445,189	$1,397,244
LIABILITIES:						
Capital stock	$773,500	$773,500	$773,500	$773,500	$773,500	$773,500
Funded debt	365,936	381,293	300,000	300,000	300,000	300,000
Working liabilities	105,555	93,888	166,675	214,998	155,725	95,630
Accrued liabilities not due	8,409	10,007	10,007	10,007	10,007	10,007
Deferred credit items	3,179	2,723	2,266	1,811	1,355	899
Appropriated surplus	33,580	33,579	35,579	33,578	33,579	33,579
Profit and loss	284,948	237,853	236,066	193,874	171,023	183,629
Total	$1,575,107	$1,532,843	$1,552,093	$1,527,768	$1,445,189	$1,397,244

Note: Funded debt in 1916 includes $65,936 advanced by Ashland Iron & Mining Co.

Bonded Debt: (1) $300,000 Ashland Coal & Iron Ry. first refunding 4s; dated May 1, 1900; due May 1, 1925; int. paid M. and N., at New York Trust Co. Coupon, $1,000; principal may be registered. Callable at 105 on any interest date. Auth., $400,000. First lien on entire property. Normal income tax deducted from interest. Rating, Baa.

Capital Stock: Auth., $2,000,000; outstanding, $773,500; par, $50. Dividends: 1903 to Dec. 25, 1913, 4% per annum; 1914, 2%; 1915, 4%; 1916, 4%.

ATCHISON & EASTERN BRIDGE COMPANY

History: Successor June 30, 1898 of Chicago & Atchison Bridge Company.

Location: Owns railroad bridge and tracks over Missouri River at Atchison, Kan., which are used by Missouri Pacific, Atchison, Rock Island, C. B. & Q., and other railways.

Management: OFFICERS: Howard P. Eells, Pres. and Treas.; J. H. Hoyt, Vice-Pres.; W. P. Kelly, Sec. DIRECTORS: H. P. Eells, J. H. Hoyt, W. P. Kelly, N. D. Todd, H. A. Kelley, Robt. H. Crowell, H. P. Eells, Jr., E. H. Gamble, G. L. Guthrie, R. W. Street, H. H. Todd, W. F. Guthrie, D. L. Selover. Annual meeting, second Wednesday in March. OFFICE: Atchison, Kan.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$149,315	$138,794	$146,627	$146,403	$140,137	$145,980	$141,941
Maintenance of way	34,204	34,098	39,270	41,651	3,380	10,007	14,261
All other operating expenses	16,892	15,826	15,796	16,391	27,119	28,088	22,084
Net operating revenues	$98,219	$88,870	$91,561	$88,501	$109,638	$107,885	$105,596
Operating ratio	34.2%	36%	37.6%	39.5%	21.8%	26.1%	25.6%

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $475,539; credit balance transferred from income, $15,824; miscellaneous credits, $3,105; total, $494,468. Contra: Dividend appropriations of surplus, $38,800; credit balance carried to balance sheet, $455,668; total, $494,468.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,120,000	$1,140,000	$1,160,000	$1,180,000	$1,200,000	$1,220,000
Working assets	115,108	138,419	463,098	493,348	512,999	317,775
Total	$1,235,108	$1,278,419	$1,623,098	$1,673,348	$1,712,999	$1,537,775
LIABILITIES:						
Capital stock	$521,300	$521,300	$700,000	$700,000	$700,000	$700,000
Funded debt	253,000	276,000	399,000	424,000	444,000	469,000
Working liabilities	5,140	5,580	5,880	6,020	6,280	6,580
Profit and loss	455,668	475,539	518,218	543,328	562,719	362,195
Total	$1,235,108	$1,278,419	$1,623,098	$1,673,348	$1,712,999	$1,537,775

Bonded Debt: $253,000 Atchison & Eastern Bridge Co. first 4s; dated July 1, 1898; due July 1, 1928; interest Jan. 1 and July 1, at Central Trust Company, New York. Coupon, $1,000. First lien on entire property. Sinking fund, equal to difference between annual interest on outstanding bonds and $30,000, retires bonds annually at par by lot if not purchasable in open market. Authorized and issued, $665,000, of which $412,000 had been redeemed up to July, 1916. Net Rating, Baa.

Capital Stock: Auth., $700,000; outstanding, $521,300; par, $100. Dividends of $54,400 paid out of surplus in 1915. Dividend of 12% in 1916.

ATHENS TERMINAL COMPANY

History: Incorporated in 1906 in Georgia. Owns freight terminals and approaches in Athens, Ga., used by Seaboard Air Line Ry. and Gainesville Midland Ry.

Management: OFFICERS: W. R. Beauprie, Pres.; Gordon C. Carson, Sec. and Treas. DIRECTORS: C. B. Griffith, J. E. Talmadge, Jr., W. R. Beauprie, John D. Moss, H. W. Stanly. Annual meeting, second Monday in February. OFFICE, Athens, Ga. NEW YORK OFFICE, 120 Broadway.

Bonded Debt: $200,000 Athens Terminal Co. first 5s; dated July 1, 1907; due July 1, 1937. Int. Jan. 1 and July 1, at New York Trust Co., New York. Authorized, $250,000. Coupon, $1,000; principal may be registered. Callable at 105, as a whole on four weeks' notice on any interest date. First lien on all property of company in Athens, Ga. The Seaboard Air Line Ry. and Gainesville Midland Ry. are under contract to pay all operating expenses and interest charges in proportion to tonnage use of terminals, and to use no other terminal in the city of Athens during life of these bonds. Int. paid without deduction for normal income tax. Market: Leonard Snider & Co., New York. Net Rating, Baa.

Capital Stock: Outstanding, $25,000; par, $100; one-half owned by Seaboard Air Line Ry. and one-half by Gainesville Midland Ry. Dividends, if any, not reported.

ATLANTA & ST. ANDREWS BAY RAILWAY

History: Incorporated under laws of Ala. and Fla., Feb. 14, 1906. Road opened for traffic July 15, 1908. Line of road, Dothan to Panama City, Fla., 82 miles. Leased from St. Andrews Bay Railway & Terminal Co., 2.38 miles; sidings, 6 miles. Equipment: 7 locomotives and 14 passenger and baggage cars, 113 freight and company cars.

Management: OFFICERS: A. G. Candler, Pres.; W. T. Candler, Treas., Walker White, Secy., Atlanta, Ga.; H. W. Woolf, Aud., Panama City, Fla.; R. A. McTyer, Gen. Mgr., Dothan, Ala. DIRECTORS: A. G. Candler, J. S. Candler, A. B. Steele, W. D. Thompson, Rea Steele, Atlanta, Ga.; R. A. McTyer, Dothan, Ala.; B. W. Steele, Atlanta, Ga.; R. L. McKenzie, Panama City, Fla.; J. H. Drummond, St. Andrews, Fla. Annual meeting in January. GENERAL OFFICE, Dothan, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$214,477	$177,076	$227,096	$237,082	$209,286	$179,805	$154,698
Maintenance of way	44,309	38,181	41,054	45,498			
Maintenance of equipment	31,634	29,614	24,638	37,372	124,284	111,878	96,909
All other operating expenses	70,702	62,877	69,713	69,661			
Net operating revenues	$66,832	$46,404	$81,691	$84,551	$85,002	$67,927	$57,789
Operating ratio	68.7%	73.8%	64%	64.3%	59.4%	62.2%	62.2%
Taxes accrued	18,313	16,424	9,295	6,647	6,900	3,200	3,000
Fixed charges, etc.	61,024	62,349	71,818	53,637	53,838	.....	.....
Surplus	† *$11,699	† *$31,307	$578	$24,266	$24,265	.....	.....

* Includes $1,062 other income in 1915 and $806 in 1916. † Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $28,652; debit balance carried to balance sheet, $22,139; total, $50,791. Contra: Debit balance at beginning of year, $30,730; debit balance transferred from income, $11,699; loss on retired road and equipment, $3,490; delayed income debit, $4,750; miscellaneous debit, $122; total, $50,791.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$1,489,349	$1,561,606	$1,560,249	$1,541,565
Working assets	19,722	12,715	18,226	38,162
Deferred debit items	702	3,456	.....	.....
Profit and loss	22,139	42,067	.....	.....
Total	$1,531,912	$1,619,844	$1,578,475	$1,579,727
LIABILITIES:				
Capital stock	$300,000	$300,000	$300,000	$300,000
Funded debt	850,000	850,000	850,000	850,000
Working liabilities	133,260	172,807	382,736	339,420
Accrued liabilities not due	13,575	32,266	28,083	6,375
Deferred credit items	235,077	253,433	.....	.....
Appropriated surplus	.....	11,338	17,078	.....
Profit and loss	.....	.....	577	83,932
Total	$1,531,912	$1,619,844	$1,578,475	$1,579,727

Bonded Debt: (1) $425,000 Atlanta & St. Andrews Bay Ry. first 6s; dated Sept. 30, 1908; due Oct. 1, 1938. Int. A. and O. 1, at Guaranty Trust Co., New York, and at Central Bank & Trust Corp., Atlanta, Ga. Auth. up to $500,000. Coupon, $1,000. First lien on entire road, 82 miles. Limited to $5,000 per mile; and on all equipment, terminals, real estate, etc., the entire mortgaged property having an estimated replacement value of $1,281,000. Interest paid without deduction for normal income tax. Net Rating, Baa.

(2) $425,000 Atlanta & St. Andrews Bay Ry. second 6s; dated June 1, 1909; due June 1, 1914, and extended. Int. paid J. and J., in New York and Atlanta. Follow No. 1 on same property. All owned by controlling interests. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $1,000,000; outstanding, $300,000. Par, $100. No dividends reported.

ATLANTA TERMINAL COMPANY

History: Incorporated on Feb. 11, 1903, in Georgia. Owns 5.32 miles of track and terminal station at Atlanta, Ga., which are used jointly by Atlanta & West Point, Central of Georgia, Southern Railways and Atlanta, Birmingham & Atlantic R.R., each paying its proportion of expenses on wheelage basis.

Management: OFFICERS: C. A. Wickersham, Chairman; J. W. English, Pres.; E. H. Coapman, Vice-Pres.; W. H. Bruce, Treas.; B. L. McGee, Sec. DIRECTORS: D. W. Appler, C. A. Wickersham, J. W. English, E. H. Coapman, H. W. Miller, O. T. Nelson, W. A. Winburn. Annual meeting, first Tuesday in December. OFFICE, Atlanta, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$99,723	$102,383	$99,916	$102,980	$94,289	$94,485
Taxes accrued	25,190	25,603	27,052	24,750	23,805	23,999
Fixed charges	68,533	70,780	66,864	72,230	64,484	64,486
Surplus	$6,000	$6,000	$6,000	$6,000	$6,000	$6,000
Dividends paid	6,000	6,000	6,000	6,000	6,000	6,000

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,711,645	$1,707,803	$1,697,500	$1,698,400	$1,682,002	$1,684,771
Working assets	41,056	45,259	30,072	36,810	23,821	28,014
Accrued income not due	5,000	5,000	5,000	5,000	5,000	5,000
Deferred debit items	6,541	3,464	5,053	1,375	5,252	1,923
Total	$1,764,242	$1,761,526	$1,737,625	$1,741,585	$1,716,075	$1,719,708
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Funded debt	1,585,105	1,571,860	1,557,924	1,551,860	1,535,669	1,535,186
Working liabilities	10,845	21,978	11,292	22,289	13,690	17,842
Accrued liabilities not due	17,685	17,481	18,081	17,130	16,641	16,643
Deferred credit items	607	207	328	306	75	37
Total	$1,764,242	$1,761,526	$1,737,625	$1,741,585	$1,716,075	$1,719,708

Bonded Debt: $1,500,000 Atlanta Terminal Co. first 4s; dated June 1, 1903; due June 1, 1953. Interest June 1 and Dec. 1; at Guaranty Trust Company, New York. Coupon and reg., $1,000. First lien on all property. Not guaranteed, but controlling companies each pay their proportion of operating expenses and interest charges on a wheelage basis. The Atlanta, Birmingham & Atlantic Ry. also uses the station under agreement beginning Feb. 1, 1914. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Authorized and issued, $150,000; par, $100. One-third each owned by Atlanta & West Point, Central of Georgia, and Southern Railways. Dividends of 4% per annum have been paid annually since March, 1906.

ATLANTIC & WESTERN RAILROAD

History: Chartered in perpetuity under the laws of North Carolina, March 7, 1899, to construct a railroad from Sanford to Goldsboro, N. C., a distance of 70 miles. The line from Sanford to Broadway was completed in 1905, and opened in July of that year. Broadway to Lillington, 16.5 miles, completed and opened in April, 1913.

Location: Road extends from Sanford to Lillington, N. C., 24 miles; 3.01 miles sidings. Equipment: Locomotives, 3; cars, 3.

Management: OFFICERS: H. C. Huffer, Jr., Pres., New York; B. W. Duer, Vice-Pres.; Wm. C. Cook, Sec. and Treas., Baltimore, Md.; H. P. Edwards, Gen. Supt.; T. L. Riddle, Aud., Sanford, N. C. DIRECTORS: H. C. Huffer, Jr., J. W. Middendorf, N. A. Campbell, Robt. S. Shriver, Baltimore, Md.; E. L. Howard, H. P. Edwards, Sanford, N. C.; B. W. Duer, Augusta, Ga.; J. R. Baggett, Lillington, N. C.; Louis d'Aillieres, Paris, France. Annual meeting, fourth Monday in January at Sanford, N. C. OFFICE: Sanford, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$50,223	$45,919	$50,708	$29,435	$19,518	$22,055
Maint. of way and structs.	7,407	7,484	5,811	4,817	3,454	4,201
Maintenance of equipment	3,223	3,108	2,893	1,969	1,384	788
All other operat. expenses	18,060	17,751	19,990	11,399	8,705	8,514
Net operating revenue	$21,533	$17,576	$22,014	$11,250	$5,975	$8,552
Taxes	1,255	1,029	955	414	338	230
Fixed charges, etc.	20,158	19,146	19,409	8,416	5,662	5,126
Surplus	$120	(def.) $2,599	$1,650	$2,420	(def.) $25	$3,196

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $2,597; credit balance transferred from income, $1,359; total, $3,956. Contra: Surplus appropriated for investment in physical property, $1,215; miscellaneous debits, $25; credit balance carried to balance sheet, $2,716; total, $3,956.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$624,964	$644,798	$620,026	$614,009	$65,282	$65,082
Working assets	8,278	50,067	4,375	5,785	4,102	1,840
Deferred debit items	4,468	494	246	2	98,594	99,066
Total	$637,710	$695,359	$624,647	$619,796	$167,978	$165,988
LIABILITIES:						
Capital stock	$303,000	$332,000	$300,000	$300,000	$53,400	$53,400
Funded debt	303,000	332,000	300,000	300,000	100,000	100,640
Working liabilities	19,944	21,488	12,233	8,425	1,872	1,667
Accrued liabilities not due	.....	.....	.....	.....	2,500	50
Deferred credit items	.....	55	.....	.....	.....	.....
Appropriated surplus	9,050	7,836	6,787	606	.....	.....
Profit and loss surplus	2,716	1,980	5,627	10,765	10,206	10,231
Total	$637,710	$695,359	$624,647	$619,796	$167,978	$165,988

Bonded Debt: $303,000 Atlantic & Western R.R. 1st mortgage 5s. Dated May 1, 1912; due May 1, 1952. Interest paid M. and N. 1, at the office of Fidelity Trust Co. (Trustee), Baltimore, Md. Coupon and registered, $500 and $1,000. Interchangeable. No sinking fund. Proceeds of issue used to pay off the $100,000 1st 5s due Jan. 1, 1944, and to provide for the construction of 16½ miles of road from Broadway to Lillington, N. C. Secured on the line from Sanford, N. C. to Lillington, N. C., 26 miles. Authorized, $1,500,000. Unissued bonds reserved for improvements and construction. Income tax deducted from interest. Rating, B.

Capital Stock: Authorized, $60,000 per mile. Outstanding, $303,000. Par, $100. Dividends payable July 1, at Baltimore, Md. Dividends of 4½% were paid in 1910; 3¼% in 1911; none since. Secretary and Treasurer of the company acts as Registrar.

AUGUSTA & SUMMERVILLE RAILROAD

History: Incorporated under laws of Georgia, March 20, 1866 for 30 years. In 1896 charter was renewed for 50 years. Owned and operated jointly by the Central of Georgia Ry., Charleston & Western Carolina Ry., Southern Ry., and the lessees of the Georgia R.R.

Location: Located in and around Augusta, Ga., owned, 3.41 miles; leased, 0.92 mile; trackage rights, 1.03 miles; total, 5.36 miles. Connects railroads entering city with industrial plants in vicinity.

Management: OFFICERS: Charles A. Wickersham, Pres.; J. A. Best, Sec.; W. S. Morris, Treas.; W. H. Vincent, Aud.; George A. Ferguson, Supt., Augusta, Ga. DIRECTORS: L. R. Baldwin, Savannah, Ga.; C. A. Wickersham, A. W. Anderson, Augusta, Ga.; J. R. Kenly, Wilmington, N. C.; E. H. Coapman, Washington, D. C. Annual meeting last Thursday in January. GENERAL OFFICE, Augusta, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross income	$6,790	$6,585	$1,990	$2,318	$2,900
Taxes	2,076	1,875	1,690	2,018	2,600
Fixed charges	4,714	4,710	300	300	300

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$261,843	$261,581	$260,465	$260,345	$260,345
Working assets	8,193	10,918	8,624	11,639	6.066
Deferred debit items	3,381	174	214	.....	.....
Totals	$273,417	$272,673	$269,303	$271,984	$266,411
LIABILITIES:					
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	.....	.....	.....	60,345	60,345
Working liabilities	71,723	71,030	67,056	4,267	994
Accrued liabilities not due	.....	.....	779	994	828
Deferred credit items	964	913	738	5,648	.....
Profit and loss	730	730	730	730	4,244
Totals	$273,417	$272,673	$269,303	$271,984	$266,411

Capital Stock: Authorized and issued, $200,000. Par, $100. Owned by Central of Georgia Ry. Co., Charleston & Western Carolina Ry. Co., Southern Ry. Co. and lessees of the Georgia R.R. No dividends. No bonded debt.

AUGUSTA UNION STATION COMPANY

History: Incorporated April 17, 1901, in Georgia to construct a railroad passenger station.

Location: Owns passenger terminal with trackage in Augusta, Ga., which is used by all railroads entering the city.

Management: OFFICERS: C. A. Wickersham, Pres.; W. H. Vincent, Acting Sec.; W. S. Morris, Treas. and Auditor. DIRECTORS: J. R. Kenly, W. K. Miller, C. A. Wickersham, Jos. B. Cumming, H. W. Miller, E. H. Coapman. Annual meeting, Tuesday before last Saturday in October. OFFICE, Augusta, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Other income	$21,479	$13,083	$19,973	$19,485	$19,486	$19,370
Fixed charges	15,123	8,658	14,891	14,622	14,622	14,622
Taxes accrued	6,108	4,274	4,932	4,713	4,714	4,598
Balance	* $248	* $150	$150	$150	$150	$150

* Dividend appropriation.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$237,554	$237,282	$237,282	$224,231	$224,231	$224,231
Working assets	7,806	11,103	15,414	7,528	7,486	7,444
Accrued income not due	4,500	4,500	4,538	4,538	4,538	4,538
Deferred debit items	59,758	71,500	72,037	71,250	71,250	71,250
Total	$309,718	$324,385	$329,271	$307,547	$307,505	$307,463
LIABILITIES:						
Capital stock	$75.000	$75,000	$75.000	$75,000	$75,000	$75,000
Funded debt	225,000	238,051	238,051	225,000	225,000	225,000
Working liabilities	6,899	8,777	13.400	4,746	4,704	4,663
Accrd. liabilities not due	2,819	2,397	2,820	2,801	2,801	2,800
Deferred credit items	.....	160	.....	.....	.....	.....
Total	$309,718	$324,385	$329,271	$307,547	$307,505	$307,463

Bonded Debt: $225,000 Augusta Union Station Co. first 4s; dated Aug. 1, 1903; due July 1, 1953. Interest July 1 and January 1, at Safe Deposit & Trust Company, Baltimore. Coupon and reg., $1,000. Auth., $250,000. First lien on entire property. Company is leased for fifty years to Southern Ry., Atlantic Coast Line R.R., lessees of Georgia R.R., Charleston & Western Carolina Ry., Central of Georgia Ry., and Augusta Southern R.R., at rental covering all expenses, interest on bonds, and dividends of 4% per annum on stock. Interest paid without deduction for normal income tax. Market: New York and Baltimore. Net Rating (based on above guarantee), A.

Capital Stock: Auth. and subscribed, $75,000; paid up, (5%), $3,750; par, $100; held as follows: by Atlantic Coast Line R.R., 50%; by Southern Railway, 33 1/3%; by Louisville & Nashville R.R., 16 2/3%. Dividends paid, 4% per annum.

BACHMAN VALLEY RAILROAD OF MARYLAND

History: Incorporated under laws of Maryland, April 7th, 1870. Road opened Jan. 1, 1873. Operated in connection with the Western Maryland Ry.

Location: Road extends from Black Rock to Ebbvale, Md., 4 miles; Ebbvale to Mines, 0.05 mile; operated under contract with Western Maryland Ry., 1.3 miles. Total, 5.8 miles.

Management: OFFICERS AND DIRECTORS: H. W. Laubenstein, Pres. and Gen. Mgr., Melrose, Md.; E. C. Laubenstein, V. P.; A. R. Laubenstein. Treas.; F. J. Laubenstein, Sec., Ashland, Pa. Annual meeting, second Tuesday in May. GENERAL OFFICE, Melrose, Md.

Capital Stock: Authorized and issued, $68,150; par, $100. No bonded debt. No dividends paid.

BARE ROCK RAILROAD

History: Incorporated under the laws of Pennsylvania October 19, 1892.

Location: Road extends from Bare Rock to Murdock, Pa., 2.5 miles. Equipment: Locomotive, 1; cars, 8.

Management: J. M. Murdock, Pres.; H. B. Murdock, Sec.; W. F. Murdock, Treas.; E. B. Murdock, Gen. Mgr.; N. H. Humphreys, Aud.; Johnstown, Pa. DIRECTORS: J. C. Duncan, Lockport, N. Y.; J. M. Murdock, W. F. Murdock, Johnstown, Pa.; E. B. McColly, Greensburg, Pa.; E. L. Fox, Somerset, Pa. Annual meeting first Thursday in December. GENERAL OFFICE, Johnstown, Pa.

Income Account, year ended June 30, 1916: Passenger earnings, $660; freight earnings, $1,500; total, $2,160; operating expenses and taxes, $2,166; deficit, $7; deficit forward, $5,067; total deficit, $5,074.

Condensed Balance Sheet, as of June 30, 1916: Assets, property investment, $26,012; other assets, $400; profit and loss deficit, $5,074; total, $31,486; liabilities, capital stock, $19,900; current liabilities, $11,586; total, $31,486.

Capital Stock: Authorized, $25,000; outstanding, $19,900. Par, $50. No bonded debt. A dividend of 12½% was paid in 1903. None since.

BAYFIELD TRANSFER RAILWAY

History: Incorporated under the laws of Wisconsin, June 26, 1883. Also operates the Bayfield Harbor & Great Western R.R., 6 miles, and the Bayfield, Superior & Minneapolis R.R., 6 miles, owned in same interest.

Location: Road extends from Bayfield to Red Cliff, Wis., 3.8 miles.

Management: OFFICERS: Vacancy, Pres.; J. M. Smith, Vice-Pres., Duluth, Minn.; H. C. Hale, Sec., Treas., Gen. Mgr. and Pur. Agt., Bayfield, Wis. DIRECTORS: The foregoing and C. E. Wales, Bayfield, Wis.; L. K. Larse, Superior, Wis. Annual meeting, second Tuesday in June. GENERAL OFFICE, Bayfield, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$2,714	$18,063	$27,052	$32,347	$37,829
Operating expenses	8,677	20,530	19,412	23,302	31,959
Net operating revenues	(def.) $5,963	(def.) $2,467	$7,640	$9,055	$5,870
Other income	3,313	.....	.....	.....	.....
Total net income	(def.) $2,650	(def.) $2,467	$7,640	$9,055	$5,870
Fixed charges including taxes	75,889	77,206	78,734	86,128	81,618
Net income	(def.) $78,539	(def.) $79,673	(def.) $71,094	(def.) $77,082	(def.) $75,748

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$3,406,510	$3,420,562	$3,421,606	$3,418,086	$3,418,910
Working assets	26,969	17,555	10,816	7,727	8,555
Profit and loss	1,430,308	1,351,769	1,272,093	1,204,372	1,127,168
Total	$4,863,787	$4,789,886	$4,704,515	$4,630,185	$4,554,633
LIABILITIES:					
Capital stock	$1,675,400	$1,675,400	$1,675,400	$1,675,400	$1,675,400
Funded debt	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Working liabilities	1,688,387	1,614,486	1,519,115	219,592	219,040
Accrued liabilities not due	.....	.....	.....	1,235,193	1,160,193
Total	$4,863,787	$4,789,886	$4,704,515	$4,630,185	$4,554,633

Bonded Debt: $1,500,000 Bayfield Transfer Ry. 1st 5s; dated Jan. 15, 1927. Interest paid J. and J. 15. Coupon, $1,000. First lien on line Bayfield to Red Cliff, Wis., 3.8 miles. No interest ever paid on bonds.

Capital Stock: Authorized and issued, $3,000,000, of which $1,675,400 is outstanding and $1,324,600 held in treasury. Par, $100.

BEAVER DAM RAILROAD (OF VA.)

History: Incorporated under the laws of Virginia, Feb. 21, 1910. Operates under lease from April 1, 1911 to April 1, 1936, the Beaver Dam R.R. of Tenn., and the Crandull & Shady Valley Ry., at monthly rental of $250 each, and has assumed from the Beaver Dam Ry. of Tenn. the lease of 1.6 miles of the Virginia-Carolina Ry. All leases are subject to cancellation on three months' notice.

Location: State Road to Crandull, Tenn., 8.52 miles; Damascus, Va., to State line, 1.6 miles; Cranduil to Shady, Tenn., 6 miles; total, 16.12 miles. Equipment: Locomotive, 1; cars, 25.

Management: OFFICERS: C. A. Backer, Pres., Boston; P. B. Morss, Vice-Pres. and Asst. Gen. Mgr.; H. M. Cox, Treas. and Gen. Mgr., Damascus, Va., W. J. Moor, Sec. and Aud., Boston. DIRECTORS: C. A. Backer, P. B. Morss, H. M. Cox, W. J. Moor, T. Blackadder, Damascus, Va. GENERAL OFFICE, Damascus, Va. BOSTON OFFICE, 53 State Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenue	$598	$758	$1,097	$14,495	$27,303
Operating expenses	$1,721	1,223	1,704	14,945	18,783
Net operating revenue	(def.)$1,123	(def.)$465	(def.)$607	(def.)$450	$8,520
Other income	445	469	1,004	36	90
Total net income	(def.)$678	$4	$397	(def.)$414	$8,610
Taxes	27	25	31	32	37
Fixed charges	483	471	300	6,579	7,408
Surplus	(def.)$1,188	(def.)$492	$66	(def.)$7,025	$1,165

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$607	$810	$1,012	$1,215	$1,350
Working assets	8,807	4,085	2,041	3,380	6,846
Profit and loss	7,298	6,110	5,619	5,127	.....
Totals	$16,712	$11,005	$8,672	$9,722	$8,196
LIABILITIES:					
Capital stock	$1,000	$1,000	$1,000	$1,000	$1,000
Working liabilities	15,712	10,005	7,672	8,722	5,297
Profit and loss	.....	.....	.....	.....	.....
Totals	$16,712	$11,005	$8,672	$9,722	$8,196

Capital Stock: Authorized and outstanding, $1,000. Par, $100.

BEDFORD STONE RAILROAD

History: Incorporated under the laws of Indiana, March 16, 1901.

Location: Road extends from Rivervale to Stonington, Ind., 3,125 miles. Connects with B. & O. S. W. R.R. at Riverdale. Equipment: Locomotive, 1; cars, 30.

Management: OFFICERS: C. W. Walters Pres. and Gen. Mgr.; H. W. Caldwell, Vice-Pres.; J. R. Miller, Sec. and Treas., Cleveland, O.; A. C. Miller, Aud., Chicago, Ill. DIRECTORS: H. W. Caldwell, H. W. House, E. A. Merritt, J. R. Miller, E. A. Buor, C. W. Walters, R. Kimmick. Annual meeting, second Wednesday in January. GENERAL OFFICE, 112 West Adams Street, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenue	$1,078	$11,658	$22,086	$28,213	$37,744
Operating expenses	1,441	6,101	10,111	14,327	12,429
Net revenue	(def.)$363	$5,557	$11,975	$13,886	$25,315
Taxes	2,933	3,344	3,730	3,946	3,750
Fixed charges	1	236	1,158	1	843
Surplus	(def.)$3,297	$1,977	$7,087	$9,939	$20,722
Dividend	.....	5,000	.....	.....	.....
Balance	(def.)$3,297	(def.)$3,023	$7,087	$9,939	$20,722

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$55,788	$55,788	$58,249	$60,709	$63,170
Working assets	5,123	9,872	10,660	29,965	34,618
Profit and loss	4,678	1,381	.....	.....	.....
Totals	$65,589	$67,041	$68,909	$90,674	$97,788
LIABILITIES:					
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Working liabilities	15,589	17,041	11,822	30,735	27,066
Profit and loss	.....	.....	7,087	9,939	20,722
Totals	$65,589	$67,041	$68,909	$90,674	$97,788

Capital Stock: Authorized and outstanding, $50,000. Par, $100. No bonded debt. Dividends: 1912, 38.89%; 1913, 41.44%; 1914, 19.88%; 1915, 20.90%; 1916, none.

BELLEFONTE CENTRAL RAILROAD

History: Incorporated under laws of Pennsylvania, Jan. 12, 1892, as successor to Buffalo Run, Bellefonte & Bald Eagle R.R. Operates 25.71 miles, Bellefonte to Pine Grove Mills, Pa., with branches. Equipment owned: 4 locomotives, 8 passenger cars, 72 freight cars.

Management: OFFICERS: Robert Frazer, Pres.; F. H. Thomas, Vice-Pres. and Gen. Mgr.; Thos. R. Osbourn, Sec. and Treas. DIRECTORS: R. D. Benson, T. M. Etting, J. H. Ewing, Samuel Woodward, T. A. Shoemaker, J. K. Smith. Annual meeting first Monday in May. MAIN OFFICE, 209 South Third Street, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910	1909	1908
Gross earnings	$86,042	$88,512	$90,493	$82,093	$70,681	$83,249	$71,727	$64,191	$61,352
Net earnings	8,417	.....	14,624	18,115	12,826	14,601	9,829	11,309	13,272
Total net income	8,480	16,605	14,888	18,722	15,909	14,601	9,919	11,372	13,441
Taxes accrued	1,567	1,488	1,368	1,317	1,248	1,363	598	1,814	1,243
Fixed charges, etc.	1,325	6,145	5,827	1,600	1,600	1,690	1,675	1,713	2,238
Balance	5,588	8,972	7,603	15,805	13,061	11,548	7,646	7,845	9,960
Dividends	4,541	9,081	9,081	4,540	4,540	4,541	4,541	4,541	.....
Surplus	1,047	*109	*1,388	11,265	8,520	7,007	3,105	3,304	9,960

* Deficit.

Bonded Debt: $24,000 Bellefonte Central R.R. first 5s; dated Jan. 2, 1894; due Jan. 2, 1924. Int. Jan. and July 1 at Real Estate Trust Co., Philadelphia. Coupon, $500 and $1,000. Original issue, $200,000. Callable at 105. First lien on entire property. Free of Pennsylvania State tax. Interest paid without deduction for normal income tax. Net Rating, A.

Capital Stock: Auth. and outstanding, $500,000; par, $50. Dividends of 1% per annum from 1909 to 1913, inclusive; 2% in 1914 and 1915; 1% in 1916; 10% and 1% extra in 1917; payable annually February 15 at office of Townsend Whelen & Co., Philadelphia. Listed on Philadelphia Stock Exchange.

BENNETTSVILLE & CHERAW RAILROAD

History: Incorporated under South Carolina laws in 1899, as the Bennettsville & Osborne R.R.; name changed to above January, 1902. First section of road put in operation in 1903. Line of road operated, Kollocks to Sellers, S. C., 44½ miles. Equipment owned: 3 locomotives and 3 cars.

Management: OFFICERS: W. R. Bausal, Pres.; J. O. Zauersfeld, Sec. and Treas., Hamlet, N. C. DIRECTORS: Geo. Burchill, Bennettsville, S. C.; H. A. Page, J. J. Heckart, Aberdeen, N. C.; H. S. Albright, G. C. Dieffenderfer, Orwigsburg, Pa.; R. A. Wagner, Reading, Pa.; Adam Waldner, Ashland, Pa.; Geo. A. Marr, Swarthmore, Pa. Annual meeting, first week in October. OFFICE, Bennettsville, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$92,543	$85,469	$100,725	$99,795	$95,440	$82,783	$75,101
Maintenance of way	17,384	19,508	18,438	18,684			
Maintenance of equipment	4,125	3,445	4,928	4,597	44,360	46,992	33,818
All other operating expenses	24,245	26,566	36,555	37,313			
Net operating revenues	$46,789	$35,950	$40,804	$39,201	$40,810	$35,791	$41.283
Operating ratio	49.4%	57.9%	59.5%	60.7%	57.2%	56.8%	45%
Total net income	48,027	35,950	40,804	39,201	40,810	35,791	41,283
Taxes	2,820	2,500	3,620	2,418	.....	1,790	1,545
Fixed charges, etc.	14,835	12,669	18,658	20,727	18,847	15,213	10,015
Surplus	$30,372	$20,781	$18,526	$16,056	$21,963	$18,788	$29,723
Dividends paid	22,500	12,500	12,500	7,500	15,000	7,500	.....
Balance	$7,872	$8,281	$6,026	$8,356	$6,962	$11,288	$29,723

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $78,139; credit balance transferred from income, $7,872; total, $86.011. Contra: Debt discount extinguished through surplus, $500; loss on retired road and equipment, $8,846; credit balance carried to balance sheet, $76,665; total, $86,011.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$329,227	$326,072	$327,320	$327,149	$320,579	$236,460
Working assets	25,099	19,970	20,571	13,953	13,328	46,652
Deferred debit items	137,718	146,980	144,292	143,322	140,852	190,501
Total	$492,044	$493,022	$492,183	$484,424	$474,759	$473,613
LIABILITIES:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Funded debt	150,000	150,000	150,000	150,000	150,000	150,000
Working liabilities	14,402	13,973	14,877	13,143	13,081	17,772
Accrued liabilities not due.	669	910	3,125	3,125	3,125	3,125
Deferred credit items	308	.....	1,248	1,248	.....	.....
Profit and loss	76,665	78,139	72,933	66,908	58,553	52,716
Total	$492,044	$493,022	$492,183	$484,424	$474,759	$473,613

Bonded Debt: $150,000 Bennettsville & Cheraw R.R. first 5s; dated Feb. 1, 1911; due Feb. 1, 1941; int. paid F. & A., at Mercantile Trust & Deposit Co., Baltimore, Md. Coupon, $1,000; principal may be registered. Sinking fund, $3,000 per annum, began Jan. 1, 1913; drawing by lot at 105 and interest. First lien on entire property. Interest paid without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth. and outstanding, $250,000; par, $100. Dividends as follows: 1911, 3%; 1912, 6%; 1913, 3%; 1914, 5%; 1915, 5%; 1916, 9%.

BENWOOD & WHEELING CONNECTING RAILWAY

History: Incorporated under laws of West Virginia, Jan. 30, 1900. Operates under lease track and equipment and performs switching service between the several railroads entering Benwood, W. Va.; also supplies terminal facilities to the blast furnaces, steel works, etc., located on the east bank of the Ohio River. Has freight connections with Baltimore & Ohio R.R., the Pittsburg, Cincinnati, Chicago & St. Louis Ry. and Wheeling Terminal Ry. Operates 12.13 miles of track at Riverside Yards, W. Va. Equipment: Locomotives, 7; cars, 2.

Management: OFFICERS: W. B. Schiller, Pres.; Taylor Allderdice, Vice-Pres.; G. E. Benson, Treas.; J. W. McKee, Asst. Treas.; B. C. Moise, Sec. and Aud., Pittsburgh, Pa.; C. B. Foster, Asst. Sec.; T. A. Beattie, Gen. Mgr.; S. K. Dunkle, Supt., Wheeling, W. Va.; J. T. Townsend, Traffic Mgr., Pittsburgh, Pa. DIRECTORS: Taylor Allderdice, B. C. Moise, W. B. Schiller, Pittsburgh, Pa.; T. A. Beattie, H. N. Nichols, Wheeling, W. Va. OFFICES: Pittsburgh, Pa. and Benwood, W. Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Operating revenues	$130,658	$11,031	$92,077	$139,231	$99,383
Operating expenses	111,829	25,395	123,070	127,273	108,224
Net revenue	$18,829	(def.) $14,364	(def.) $30,993	$11,958	(def.) $8,841
Other income	559	334	466	260	126
Total net income	$19,388	(def.) $14,030	(def.) $30,527	$12,218	(def.) $8,715
Taxes	1,379	860	932	723	806
Fixed charges	10,005	10,212	21,345	21,592	17,403
Surplus	$8,004	(def.) $25,102	(def.) $52,804	(def.) $10,097	(def.) $26,924

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$63,024	$65,203	$67,402	$69,622	$71,841
Working assets	42,894	18,035	26,626	33,656	39,937
Deferred debit items	832	620	577	491	422
Profit and loss	143,979	151,983	126,892	74,087	63,989
Total	$250,729	$235,841	$221,497	$177,856	$176,189
LIABILITIES:					
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Working liabilities	199,657	185,140	170,689	127,211	125,613
Accrued liabilities not due	406	91	262	190	190
Deferred credit items	666	610	546	455	386
Total	$250,729	$235,841	$221,497	$177,856	$176,189

Capital Stock: Authorized, $1,000,000; outstanding, $50,000. Par, $100. Majority of issue held by National Tube Co. No bonded debt.

BEVIER & SOUTHERN RAILROAD

History: Incorporated under laws of Missouri, May 5, 1898, as the Missouri & Louisiana R.R. Name changed to present title Sept. 26, 1914.

Location: Road extends from Bevier to Ardmore, Mo., 10.19 miles. Sidings, 10.37 miles. The lines formerly operated by the Missouri & Louisiana R.R. in Louisiana have been transferred to Neame, Carson & Southern R.R. Co.

Equipment: Locomotives, 3; cars, 13.

Management: OFFICERS: Chas. S. Keith, Pres.; Jno. A. Sargent, Vice-Pres. and Gen. Mgr.; E. E. Riley, Sec. & Treas.; J. C. Sherwood, Gen. Aud., Kansas City, Mo.; D. Dale, Supt., Bevier, Mo. DIRECTORS: Chas. S. Keith, Jno. A. Sargent, E. E. Riley, J. C. Sherwood, Massey Holmes, Kansas City, Mo. Annual meeting, first Tuesday in August. OFFICE: Kansas City, Mo.

Comparative Income Account, Years Ended June 30	1916	1915
Gross revenue	$89,185	$77,152
Maintenance of ways and structures	12,722	15,127
Maintenance of equipment	6,147	11,908
All other operating expenses	21,111	22,784
Total net income	$49,205	$27,333
Taxes	1,055	954
Balance	$48,150	$26,379
Dividends	36,000	26,379
Surplus	$12,150	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$107,511	$111,065	Capital stock	$100,000	$100,000
Working assets	27,518	13,298	Working liabilities	5,113	3,072
Deferred debit items	1,963	473	Deferred credit items	16	2,040
			Profit and loss surplus	31,863	19,724
Total	$136,992	$124,836	Total	$136,992	$124,836

Capital Stock: Authorized, $100,000. All owned by Central Coal & Coke Co. No bonded debt. A dividend of 20% was paid in 1908; 45% in 1909; 35% in 1910; 85% in 1911; 20% in 1912; 5% in 1913; 15% in 1914; 55% in 1915; 36% in 1916.

BILLINGS & CENTRAL MONTANA RAILWAY

History: Incorporated under the laws of Montana, March 5, 1912, to build a railroad across the project of the Billings Land & Irrigation Co.

Location: Road extends from Billings to Shepherd, Mont., 13.95 miles; sidings, 2.15 miles. Equipment: Locomotive, 1; passenger cars, 1; caboose, 1.

Management: OFFICERS: R. E. Shepherd, Pres., Billings, Mont.; R. J. Covert, Vice-Pres., Billings, Mont.; E. H. Westbrook, Sec.; E. E. Tiffany, Treas., Billings, Mont. DIRECTORS: The foregoing and A. R. Scott, La Crosse, Wis. Annual meeting, first Tuesday in June. GENERAL OFFICE, Billings, Mont.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$14,532	$11,242	$4,617
Operating expenses	14,566	13,961	7,929
Total net income	(def.) $33	(def.) $2,719	(def.) $3,312
Fixed charges, incl. taxes	2,654	3,262	1,570
Balance	(def.) $2,687	(def.) $5,981	(def.) $4,882

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$201,781	$201,908	$208,638
Working assets	1,767	2,819	1,292,516
Deferred debit items	1,297,457	1,297,994	.....
Profit and loss	13,550	10,863	4,882
Total	$1,514,555	$1,513,584	$1,506,036
LIABILITIES:			
Capital stock	$1,500,000	$1,500,000	$1,500,000
Working liabilities	14,219	13,244	506,036
Accrued liabilities not due	336	340	.....
Total	$1,514,555	$1,513,584	$1,506,036

Capital Stock: Authorized and issued, $1,500,000; par $100. No bonded debt. Majority of stock owned by Northwestern Improvement Co., St. Paul, Minn.

BINGHAM & GARFIELD RAILWAY

History: Incorporated under Utah laws July 8, 1908, and road opened Oct. 1, 1911. Company is controlled by the Utah Copper Co., and its business is primarily that of carrying ore from Bingham Canyon to the mills and smelter at Garfield.

Location: Line of road: Bingham to Garfield, Utah, and mines, 35.60 miles; spurs and sidings, 66.94 miles, making 102.54 miles. At Garfield, the line connects with that of the Los Angeles & Salt Lake R.R. Equipment owned: 19 locomotives, 2 passenger and 631 freight and company cars.

Management: OFFICERS: C. M. MacNeill, Pres., New York; D. C. Jackling, Vice-Pres. and Gen. Mgr., San Francisco; S. W. Eccles, Vice-Pres. in charge of Traffic, New York; John M. Hayes, Secy. and Treas., Salt Lake City; J. K. McGowan, Pur. Agt., New York. DIRECTORS: C. M MacNeill, Charles Hayden, S. W. Eccles, K. R. Babbit, New York; D. C. Jackling, San Francisco; R. C. Gemmel, John M. Hayes, Salt Lake City, Utah. Annual meeting, first Thursday in July. GENERAL OFFICE, Salt Lake City, Utah.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$2,159,059	$1,346,009	$1,775,538	$1,136,363	$695,674
Maintenance of way	207,024	122,560	128,376	111,765	56,758
Maintenance of equipment	205,011	172,917	236,830	136,826	56,089
All other operating expenses	320,248	265,636	307,479	255,872	166,985
Net operating revenues	$1,426,776	$784,896	$1,102,853	$631,900	$415,842
Operating ratio	33.92%	41.7%	37.9%	44.4%	40.2%
Other income	34,504	175,541	214,506	131,454	166,234
Total net income	$1,461,280	$960,437	$1,317,359	$763,354	$582,077
Taxes accrued	60,080	35,165	35,456	.....	.....
Fixed charges	31,657	24,191	178,548	612,138	156,015
Surplus	$1,369,543	$901,081	$1,103,354	$151,216	$426,062
Dividends paid	1,482,397	2,034,553	175,000	175,000	76,961
Balance	(def.) $112,854	(df) $1,133,472	$928,355	(def.) $23,784	$349,101

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $490,320; miscellaneous credits, $529; total, $490,849. Contra: Debit balance transferred from income, $112,854; loss on retired road and equipment, $214,566; credit balance carried to balance sheet, $160,850; miscellaneous credits, $2,579; total, $490,849.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$6,535,827	$6,473,263	$6,413,125	$5,911,275	$5,003,927
Working assets	396,938	249,368	298,980	309,524	188,580
Deferred debit items	4,311	31,488	2,054	1,477	967
Total	$6,937,076	$6,754,119	$6,714,159	$6,222,276	$5,193,474
LIABILITIES:					
Capital stock	$6,000,000	$6,000,000	$2,500,000	$2,500,000	$1,750,200
Funded debt	.....	25,500	2,020,000	2,163,000	2,500,000
Working liabilities	409,510	181,889	550,008	849,633	588,696
Accrued liabilities not due	32,755	21,373	17,199	10,526	8,723
Deferred credit items	333,961	35,037	2,555	3,074	1,951
Appropriated surplus	.....	.....	.....	375,924	.....
Profit and loss	160,850	490,320	1,624,397	320,119	343,904
Total	$6,937,076	$6,754,119	$6,714,159	$6,222,276	$5,193,474

Capital Stock: Auth., $10,000,000; outstanding, $6,000.000; par, $100. All owned by Utah Copper Co. Dividends 1912, 12½%; 1913, 7%; 1914, 7%; 1915, 8 4-5%; 1916, 24.71%. In Dec., 1914 a stock dividend of $1,505,500 was paid.

BINGHAM CENTRAL RAILWAY

History: Incorporated under laws of Utah, May, 1908, for the purpose of constructing a railway between Bingham and Salt Lake City, Utah, and various mines in the vicinity, a distance of 30 miles. 3.5 miles of 2-foot railway is in operation, of which about 3 miles is tunnel, extending from Lark to mines.

Location: Lark, Utah, to mines. Equipment: Electric locomotives, 5; 150 steel ore cars, 50 of which are side-discharge, and 100 bottom-discharge, and 2,225 h.p. 150 k.w. 600 volt motor-generator sets.

Reorganization: Proposed reorganization plan of the Ohio Copper Co. provides that $850,000 stock of the new company is to be reserved in the treasury for possible purchase of this property which transports the company's ore from the mines to smelter.

Management: OFFICERS: Alfred Frank, Pres. and Gen Mgr., Salt Lake City, Utah; Frederick Eckstein, Treas., New York; P. T. Farnsworth, Secy., Salt Lake City. DIRECTORS: Alfred Frank, W. H. King, J. E. Bergh, J. W. Caswell, P. T. Farnsworth, Salt Lake City, Utah; Frederick Eckstein, New York. Annual meeting, third Wednesday in Sept. GENERAL OFFICE, Salt Lake City, Utah.

Bonded Debt: $975,000 Bingham Central Ry. 1st 6s. Dated April 1, 1908; due April 1, 1948. Interest paid A. and O. 1, at company's office in New York City. Coupon and registered, $100 and $1,000. Metropolitan Trust Co., Trustee. Authorized, $3,000,000. $900,000 reserved for construction of railway to Salt Lake City; $500,000 reserved for additional trackage; $375,000 for tunnel section, and $250,000 for additional equipment. Sinking fund of $75,000 per annum became operative April 1, 1911. Callable at 105 and interest. First lien on entire property. Income tax is not deducted from interest. In default.

Capital Stock: Authorized, $3,000,000 6% cumulative preferred and $5,000,000 common. Outstanding, $975,000 pfd. and $1,624,987 common. Par, both issues, $100. Preferred has preference for asscts and dividends. Stock transferred and registered at Salt Lake City, Utah.

BIRMINGHAM & ATLANTIC RAILROAD COMPANY

History: Incorporated under laws of Alabama, Oct. 20, 1890. as a reorganization of the Talladega & Coosa Valley R.R. Co. Controlled by the Northern Alabama Coal, Iron & Ry. Co. through stock ownership.

Location: Talladega to Pell City, Ala., 22.9 miles. Sidings, 0.66 mile. Equipment: Locomotives, 2; cars, combination, 2; freight, 5.

Management: OFFICERS: S. H. March, Pres.; E. E. Thalmann, Vice-Pres.; F. T. Rubidge, Vice-Pres.; W. J. Kingsbury, Secy. and Treas., New York; George R. Williams, Aud.; S. C. Oliver, Supt., Talladega, Ala. DIRECTORS: Edward E. Thalmann, F. T. Rubidge, Sidney H. March, Rush Taggart, W. J. Kingsbury, M. V. R. Wyant, New York; J. K. Dixon, Talladega, Ala. Annual meeting, 3d Wednesday in December, at Talladega, Ala. GENERAL OFFICE, Talladega, Ala. NEW YORK OFFICE, 25 Broad Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$18,355	$16.390	$23,936	$23,245	$21,097	$22,714
Maintenance of way	7,984	9,259	12,156	8,469	5,092	3,962
Maintenance of equipment	3,686	2,639	1,918	2,160	1,766	1,570
All other operating exps	15,729	16,707	18,528	17,248	16,113	16,798
Net operating revs	(def.) $9,044	(def.) $12,215	(def.) $8,666	(def.) $4,532	(def.) $1,816	$384
Other income	.....	.....	2	83	1,155	1,000
Total net income	(def.) $9,044	(def.) $12,215	(def.) $8,664	(def.) $4,449	(def.) $661	$1,384
Taxes	1,404	1,527	1,602	1,056	2,013	2.013
Fixed charges	45,272	44,576	43,738	41,971	34,837	40,872
Surplus	(def.) $55,720	(def.) $58,318	(def.) $54,004	(def.) $47,476	(def.) $37,511	(def.) $41,501

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $956,835; debit balance transferred from income, $55,720; miscellaneous debits, $172; total, $1,012,727. Contra: Debit balance carried to balance sheet, $1,012,727.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$717,519	$868,421	$874,421	$1,819,392	$1,823,541	$1,653,161
Working assets	6,653	6,836	7,702	9,232	8,911	14,630
Deferred debit items	2,071	3,328	4,058	1,202	9,227	47,939
Profit and loss deficit	1,012,727	956,835	890,386	836,382	773,278	334,012
Total	$1,738,970	$1,835,420	$1,776,567	$2,666,208	$2,614,957	$2,049,742
LIABILITIES:						
Capital stock	$50,000	$50,000	$50,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	941,452	1,067,735	650,000	650,000	650,000	650,000
Working liabilities	738,314	708,648	1,067,332	1,010,977	956,592	391,060
Accrued liabilities not due	5,000	5,000	.....	5,000	8,129	8,353
Deferred credit items	1,043	876	6,074	.....	.....	329
Appropriated surplus	3,161	3,161	3,161	231	236	.....
Total	$1,738,970	$1,835,420	$1,776,567	$2,666,208	$2,614,957	$2,049,742

Bonded Debt: (1) $500,000 Birmingham & Atlantic R.R. 1st mortgage 6s. Dated Nov. 1, 1891; due Nov. 1, 1931. Interest paid M. & N., at company's office, New York, N. Y. Coupon, $1,000. Central Trust Co. of New York, Trustee. Secured on entire line of road as described above.

(2) $150,000 Birmingham & Atlantic R.R. prior lien mortgage 6s. Dated April 2, 1906; due April 1, 1926. Interest paid A. and O. 1. Entire issue held in treasury. Secured on entire line of road.

Capital Stock: Authorized and outstanding, $50,000. Reduced on Jan. 28, 1914, from $1,000,000 by reducing par value from $100 to $5. Practically entire issue owned by Northern Alabama Coal, Iron & Ry. Co., and pledged under that company's first mortgage bonds. Par, $5. No dividends.

BIRMINGHAM & NORTHWESTERN COMPANY

History: Incorporated under laws of Delaware in March, 1913, as a holding company. Controls entire $300,000 stock and owns entire $800,000 1st mortgage 5% bonds of the Birmingham & Northwestern Ry. Co.

Management: OFFICERS: I. B. Tigrett, Pres.; O. J. Nance, Vice-Pres. and Treas.; R. F. Spragins, Sec., Jackson, Tenn. DIRECTORS: I. B. Tigrett, R. F. Spragins, Jackson, Tenn.; W. J. Maloney, Wilmington, Del. Annual meeting, Feb. 10. GENERAL OFFICE, Jackson, Tenn.

Capital Stock: Authorized and outstanding, $400,000; par $100. No dividends paid.

BIRMINGHAM & NORTHWESTERN RAILWAY

History: Incorporated under laws of Tennessee, August, 1910. Line connects at Jackson, Tenn., with Illinois Central R.R., Nashville, Chattanooga & St. Louis Ry., and Mobile & Ohio R.R.; at Bells, Tenn., with Louisville & Nashville R.R., and at Dyersburg, Tenn., with Illinois Central R.R. and Chicago, Memphis & Gulf R.R. On July 15, 1912, road was put in operation for its entire length.

Location: Road extends from Jackson to Dyersburg, Tenn., 48.7 miles; sidings, 6 miles. Equipment: Locomotives, 4; passenger cars, 5; freight cars, 92.

Management: OFFICERS: I. B. Tigrett, Pres., Jackson, Tenn.; C. W. McNear, Vice-Pres., Chicago; R. B. Hicks, Vice-Pres.; A. V. Patton, Asst. to Pres.; R. F. Spragins, Sec. and Gen. Counsel; J. E. Edenton, Treas.; C. F. Morgan, Gen. Mgr.; G. F. Falley, Gen. Frt. Agt.; F. M. Hicks, Aud., Jackson. Tenn. DIRECTORS: R. B. Hicks, I. B. Tigrett, J. E. Edenton, J. C. Felsenthal, R. F. Spragins, O. J. Nance, C. F. Morgan, G. H. Robertson, Jackson, Tenn.; C. W. McNear, Chicago, Ill.; Ernest Rice, J. A. Green, Dyersburg, Tenn. Annual meeting, first Tuesday in August. GENERAL OFFICE, Jackson, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$119,740	$101,839	$127,940	$103,996
Operating expenses	91,293	92,647	66,744	52,153
Net operating revenues	$28,447	$9,192	$61,196	$51,843
Other income	282	3,214	1,642	.....
Total net income	$28,729	$12,406	$62,838	$51,843
Fixed charges, incl. taxes	45,877	46,777	76,629	40,653
Balance	* $17,148	* $34,371	* $13,791	$11,190

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$808,885	$815,493	$834,087	$804,328
Working assets	10,860	7,164	11,556	6,226
Deferred debit items	272,826	283,581	291,956	321,714
Profit and loss	87,719	59,817	17,071	3,281
Total	$1,180,290	$1,166,055	$1,154,670	$1,135,559
LIABILITIES:				
Capital stock	$300,000	$300,000	$300,000	$300,000
Funded debt	800,000	800,000	800,000	800,000
Working liabilities	80,290	66,055	54,670	32,226
Accrued liabilities not due	.....	.....	.....	3,333
Deferred credit items	.....	.....	.....	.....
Total	$1,180,290	$1,166,055	$1,154,670	$1,135,559

Bonded Debt: $800,000 Birmingham & Northwestern Ry. 1st 5s. Dated Dec. 1, 1911; due Dec. 1, 1931. Interest paid June and Dec. 1, in New York. Coupon, $1,000. Authorized, $800,000. Bonds cannot be called. A first lien on entire property. All owned by Birmingham & Northwestern Co.

Capital Stock: Authorized and outstanding, $300,000. Par, $100. A majority of stock is owned by Birmingham & Northwestern Company.

BIRMINGHAM & SOUTHEASTERN RAILWAY

History: Incorporated under Alabama laws, March 8, 1901, as the Union Springs and Northern Ry. The name was changed on May 1, 1911, as above. Road opened from Union Springs to Tallassee, Ala., in Sept., 1912, and from Tallassee to Electric on June 15, 1913. In April, 1912, the property of the Tallassee & Montgomery Ry. Co. was purchased, extending from Tallassee to Milstead, Ala.

Location: Union Springs to Eclectic, Ala., 48.2 miles, including a 21-mile extension from Fort Davis to Milstead, completed in 1912, and 6 miles from Tallassee to Milstead purchased. Spurs, 5.75 miles.

Equipment: Locomotives, 4; cars, 7.

Management: OFFICERS: W. M. Blount, Pres., Union Springs, Ala.; Gordon P. Paine, Vice-Pres., Baltimore, Md.; Hugh Foster, Sec.; W. L. Anderson, Treas.; E. R. Cobb, Aud., Union Springs, Ala. DIRECTORS: J. M. Ellis, C. E. Gholston, B. T. Eley, Hugh Foster, W. M. Blount, W L. Anderson, Union Springs, Ala.; Gordon P. Paine, Baltimore, Md.; W. W. Thompson, New York City. Annual meeting, March 29, at Union Springs, Ala. OFFICE, Union Springs, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$105,819	$96,760	$135,604	$89,055	$68,745	$2,852
Operating expenses	68,782	58,806	31,183	58,492	40,641	3,088
Net operating revs.	$37,037	$37,954	$5,638	$30,563	$28,104	(def.) $236
Other income	125	285	47,045	.....	640	.....
Total net income	$37,162	$38,239	$51,738	$30,563	$28,744	(def.) $236
Taxes	4,990	5,642	2,995	2,520	2,520	150
Fixed charges	56,511	50,284	46,710	28,741	9,920	915
Surplus	(def.) $24,339	(def.) $17,687	$2,033	(def.) $698	$16,304	(def.) $1,301

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $41,807. Contra: Debit balance at beginning of year, $12,084; debit balance transferred from income, $24,339; miscellaneous debits, $5,384; total, $41,807.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,501,266	$1,497,098	$1,483,609	$1,417,058	$1,027,251	$228,354
Working assets	23,060	98,167	84,560	12,118	41,664	103,574
Deferred debit items	35,881	37,969	35,059	4,830	.....	33
Profit and loss deficit	41,807	12,084	.....	.....	.....	1,300
Total	$1,602,014	$1,645,318	$1,603,228	$1,434,006	$1,068,915	$333,261
LIABILITIES:						
Capital stock	$700,000	$700,000	$700,000	$690,000	$555,000	$100,000
Funded debt	754,669	830,016	869,647	700,369	438,606	322,606
Working liabilities	119,842	101,998	17,132	29,861	62,446	9,755
Accrued liabilities not due	19,617	13,304	10,846	.....	4,769	900
Deferred credit items	.....	.....	.....	.....	1,689	.....
Appropriated surplus	7,936	.....	.....	8,069	.....	.....
Profit and loss surplus	.....	.....	5,603	5,707	6,405	.....
Total	$1,602,014	$1,645,318	$1,603,228	$1,434,006	$1,068,915	$333,261

Bonded Debt: (1) $519,000 Birmingham & Southeastern Ry. 1st mtge. 6s. Dated May 1, 1911; due May 1, 1961. Coupon, $100 and $1,000. Interchangeable. Interest paid May and Nov. 1, at office of Central Trust Co., New York. Auth., $3,000,000. Proceeds used for taking over property of the Union Springs & Northern Ry. Co. and for extensions. First lien on all property now owned or hereafter acquired. Callable as a whole at 107½ and interest. Central Trust Co. of New York and William Goodman, New York, Trustees. Interest paid without deduction for normal income tax.

(2) $67,605 Birmingham & Southeastern Ry. debenture 6s. Dated June 27, 1911; due June 27, 1921. Interest paid July 1, if earned. Authorized, $67,605.

(3) $161,000 Birmingham & Southeastern Ry. general and equipment 6s. Dated Feb. 1, 1914; due Feb. 1, 1924. Interest paid A. and F. 1. Authorized, $1,000,000; issued, $240,000, $79,000 of which is held in treasury. Callable at 107. Second lien on property following No. 1. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $1,000,000; outstanding, $700,000. Par, $100. TRANSFER AGENT and REGISTRAR, Secretary of company.

BIRMINGHAM, COLUMBUS & ST. ANDREWS RAILROAD

History: Incorporated under the laws of Alabama and Florida in 1902, for the purpose of construction of a road from St. Andrews Bay to Columbus, Ga., 200 miles, of which 65 miles will be in Florida, 12 in Georgia, and 123 in Alabama. Road in hands of receiver since Dec. 24, 1908.

Location: In operation from Chipley to Southport, Fla., 38 miles. Sidings, 3.79 miles. Equipment: Locomotives, 3; cars, 11.

Management: OFFICERS: A. D. Campbell, Rec.; J. M. Owsley, Aud. and Gen. Mgr., Chipley, Fla. OFFICE, Chipley, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$26,091	$26,269	$44,314	$57,404	$16,011
Operating expenses	18,521	19,536	35,227	50,228	14,327
Net operating revenues	$7,570	$6,733	$9,087	$7,176	$1,684
Other income	150	68	1,677	.....	100
Total net income	$7,720	$6,801	$10,764	$7,176	$1,784
Taxes	2,448	1,670	1,257	1,253	1,486
Fixed charges	3,376	3,448	3,339	2,752	830
Surplus	$1,896	$1,683	$6,168	$3,171	(def.)$532

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$19,095	$19,641	$20,463	$17,357	$4,281
Working assets	1,916	1,065	1,054	926	2,890
Profit and loss deficit	.....	.....	.....	3,379	5,588
Total	$21,011	$20,706	$21,517	$21,662	$12,759
LIABILITIES:					
Funded debt	$9,635	$5,185	$7,685	$11,285	$6,322
Working liabilities	5,401	11,442	9,043	10,087	6,437
Deferred credit items	.....	.....	2,000	.....	.....
Appropriated surplus	.....	.....	.....	290	.....
Profit and loss surplus	5,975	4,079	2,789	.....	.....
Total	$21,011	$20,706	$21,517	$21,662	$12,759

Note: Above balance sheet is that filed by receiver.

Bonded Debt: $250,000 Birmingham, Columbus & St. Andrews R.R. 1st 5s. Dated July 1, 1905; due July 1, 1935. Interest paid J. and J. 1, at Central Trust Co., New York, Trustee. Coupon, $1,000. May be exchanged for registered bonds. Authorized, $4,500,000; issuable at the rate of $22,500 per mile of completed road.

Receiver's Certificates: There were outstanding June 30, 1916, $9,635 6% receiver's certificates.

Court has approved order authorizing the issuance of $200,000 receiver's certificates, 6% int., payable semi-annually, maturing ten years from date of issue, having priority over all other liens, on present mileage of 38 miles and proposed 23 miles, or total mileage, 61.

This issue for extensions and betterment.

Capital Stock: Authorized, $4,000,000. Par, $100.

BIRMINGHAM SOUTHERN RAILROAD

History: Incorporated under laws of Alabama, Feb. 17, 1889. Does a general switching business for the Tennessee Coal, Iron & R.R. Co., and various industries in vicinity of Birmingham, Ala.

Location: Line of road extends from Birmingham to Brynton, 9.826 miles; Stockton June. to Stockton, 4.881 miles; Village Creek June. to Sharon Hill, 3.884 miles; Falls June. to Bayview, 5.472 miles; Ensley to A. B. & A. R.R. June., 3.582 miles, and various branches, 13.031 miles; the total being 40.676 miles. Leased: 2.03 miles. Sidings, 78.791 miles, of which 27.199 miles are leased. Equipment: Locomotives, 22; cars, passenger, 10; freight, 138; coal, 499; others, 107; service, 37; total, 791.

Management: OFFICERS: G. G. Crawford, Pres.; F. H. Crockard, Vice-Pres.; L. T. Beecher, Secy. and Treas.; F. B. Winslow, Aud., Birmingham, Ala. DIRECTORS: E. H. Gary, J. A. Farrell, New York; G. G. Crawford, F. H. Crockard, Walker Percy, Birmingham, Ala. Annual meeting, second Wednesday in October, at Birmingham, Ala. OFFICE, Birmingham, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$992,592	$796,498	$1,161,830	$1,276,628	$891,965	$675,676
Maintenance of way	201,261	154,295	191,593	157,620	147,845	112,374
Maintenance of equipment	181,892	145,302	179,505	159,004	200,362	151,971
All other operat. expenses	388,288	347,924	464,758	492,725	370,427	313,756
Net operating revenue	$221,151	$148,977	$325,974	$467,279	$173,331	$97,575
Other income	19,374	6,993	11,619	15,240	11,726	8,285
Total net income	$240,525	$155,970	$337,593	$482,519	$185,057	$105,860
Taxes	28,773	29,191	26,475	28,491	28,744	24,258
Fixed charges	22,229	35,398	49,358	69,924	3,679	1,494
Surplus	$189,523	$91,381	$261,760	$384,104	$152,634	$80,108

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,328,573; credit balance transferred from income, $189,523; profit on road and equipment sold, $245; miscellaneous credits, $139; total, $1,518,480. Contra: Loss on retired road and equipment, $12,361; miscellaneous debits, $82; credit balance carried to balance sheet, $1,506,037; total, $1,518,480.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,493,170	$2,760,674	$2,961,726	$3,029,365	$2,850,157	$2,732,144
Working assets	666,166	233,987	219,547	254,875	221,549	126,035
Accrued income not due...	.....	.....	1,071	1,071	.....	.....
Deferred debit items	7,647	214	1,480	242	222	1,123
Total	$3,166,983	$2,994,875	$183,824	$3,285,553	$3,071,928	$2,859,302
LIABILITIES:						
Capital stock	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000
Funded debt	.....	.....	640,000	995,000	1,172,000	1,127,000
Working liabilities	438,581	442,645	50,722	48,589	38,148	27,908
Accrued liabilities not due	20,721	22,333	28,637	41,820	46,783	41,518
Deferred credit items	1,644	1,324	2,317	1,805	2,495	3,006
Profit and loss surplus ...	1,506,037	1,328,573	1,262,148	998,339	612,502	459,870
Total	$3,166,983	$2,994,875	$3,183,824	$3,285,553	$3,071,928	$2,859,302

Capital Stock: Authorized and issued, $600,000 pfd. and $600,000 common. Par, both issues, $100. All owned by Tennessee Coal, Iron & R.R. Co. No bonded debt.

BIRMINGHAM TERMINAL COMPANY

History: Incorporated under Alabama laws, June 28, 1905. Owns and operates the Union passenger station and terminals at Birmingham, Ala., used by Illinois Central, Southern Ry., Seaboard Air Line, Central of Georgia, St. Louis & San Francisco and Alabama Great Southern Rys.

Management: OFFICERS: G. B. McCormack, Pres.; J. T. Stokely, Secy.; H. C. Ansley, Treas.; A. H. Plant, Aud., Washington, D. C. DIRECTORS: E. H. Coapman, L. W. Baldwin, W. L. Parks, G. B. McCormack, L. Sevier, H. W. Stanley, R. F. Carr. OFFICE, Birmingham, Ala.

Bonded Debt: $1,940,000 Birmingham Terminal Co. first 4s; dated March 1, 1907; due March 1, 1957. Int. paid March and Sept. 1, at Equitable Trust Co., New York. Auth., $3,000,000, of which unissued bonds are reserved for improvements. Coupon and reg., $1,000 and multiples. First lien on entire properties. Guar. prin. and int. by endorsement by the six railroads named above. Int. paid without deduction for normal income tax.

Net Rating, Aa.

Capital Stock: Authorized, $150,000; paid in, $3,000; par, $100. All owned in equal shares by the six companies using the terminals, to which the property is leased at a rental covering all expenses and charges, and 4% on stock.

BLOOMSBURG & SULLIVAN RAILROAD

History: Incorporated under Pennsylvania laws, Dec. 21, 1883; reorganized without foreclosure in 1898.

Location: Operates 28.81 miles, from Bloomsburg to Jamison City, Pa. Sidings, 4.25 miles.

Equipment: Locomotives, 5; cars, passenger, 4; baggage, 2; and service, 1. Rents its freight cars.

Management: OFFICERS: Samuel Wigfall, Pres.; Joseph McMorris, Vice-Pres.; G. A. Ritter, Secy. and Aud.; W. C. Snyder, Treas. and Gen. Supt. DIRECTORS: Joseph McMorris, Wm. P. Gest, Fredk. W. Buch, C. H. James, C. G. Appleton; L. E. Waller, W. C. Snyder, Samuel Wigfall, G. A. Ritter. Annual meeting, second Tuesday in January. OFFICE, Bloomsburg, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross earnings	$90,657	$77,764	$88,775	$107,057	$109.161	$110,773
Net earnings	34,543	24.615	31,185	35,679	43,751	42,863
Total net income	34,543	24,916	31,607	36,557	46,423	45,311
Deductions:						
Taxes, rental, int., etc.	25,608	25,556	39.160	33.038	41.390	36,937
Balance	(sur.)$4,836	(def.)$640	(def.)$7,553	(sur.)$3,519	(sur.)$5,033	(sur.)$8,374

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $994; credit balance transferred from income, $4,836; profit on road and equipment sold, $728; total, $6,558. Contra: Credit balance carried to balance sheet, $6,558.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,244,704	$1,244.254	$1,247,577	$1,238.738	$1,220.975	$1,215,245
Working assets	31,102	26,013	25,360	29,936	58,797	61,175
Deferred debit items	372	702	215	517	541	170
Total	$1,276,178	$1,270,969	$1,273,152	$1,269,291	$1,280,313	$1,276,590
LIABILITIES:						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600.000	$600,000
Funded debt	441,600	447,200	452,200	455,700	477,700	491,100
Working liabilities	.....	1,247	2.132	.....	.....	.....
Accrued liabilities not due	3,590	2,742	2,863	2,569	3.312	3.298
Deferred credit items	.....	688	767	7,702	30.000	30.000
Appropriated surplus	224,427	218,597	214,055	195.777	153.819	142,498
Profit and loss surplus ...	6,558	495	1,135	7,443	15,482	19,694
Total	$1,276,178	$1,270,969	$1,273,152	$1,269,191	$1,280,313	$1,276,590

Bonded Debt: (1) $242,000 Bloomsburg & Sullivan R.R. first 5s; dated June 28, 1898; due Jan. 1, 1928. Int. paid Jan. and July 1, at Fidelity Trust Co., Philadelphia. Coupon, $100 and $1,000; sinking fund, 5% of gross earnings. First lien on entire property. Free of Pennsylvania State taxes. Interest paid without deduction for normal income tax. Net Rating, B.

(2) $199,600 Bloomsburg & Sullivan R.R. second income 5s; dated June 24, 1898; due Jan. 1, 1928. Int. paid Jan. and June when earned, at company's office. Reg., $100 and $1,000. Second lien on entire property. Interest is regularly paid. Interest paid without deduction for normal income tax. Net Rating, Caa.

Capital Stock: Authorized and outstanding, $600,000; par, $50. No dividends reported.

BLYTHEVILLE, BURDETTE & MISSISSIPPI RIVER RAILWAY

History: Incorporated under laws of Arkansas, April 17, 1906.

Location: Road extends from Wolverton to Burdette and Burdette Junction, 13.5 miles. Exclusively a freight road.

Equipment: Locomotives, 4; cars, 20.

Management: OFFICERS: W. A. Gilchrist, Pres. and Gen. Mgr.; A. R. Owen, Vice-Pres.; T. G. Blackburn, Sec. and Treas., Memphis, Tenn.; C. W. Ramey, Supt., Burdette, Ark.; E. Buck, Aud., Memphis, Tenn. DIRECTORS: W. A. Gilchrist, M. B. Cooper, T. G. Blackburn, Memphis, Tenn.; A. R. Owen, Owen, Wis.; C. W. Ramey, Burdette, Ark. Annual meeting in February. GENERAL OFFICE, Memphis, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$31,289	$11,474	$22,771	$26,095	$36,472
Operating expenses	28,505	22,240	28,141	19,339	17,598
Net revenue	$2,784	* $10,766	* $5,370	$6,756	$18,874
Other income	.....	.....	169	132	51
Total net income	$2,784	* $10,766	* $5,201	$6,888	$18,925
Taxes	1,493	1,527	1,487	1,264	1,119
Fixed charges	7,112	5,396	5,258	5,509	6,556
Surplus	* $5,821	* $17,689	* $11,946	$113	$11,250

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $70,249. Contra: Debit balance at beginning of year, $61,952; debit balance transferred from income, $5,821; miscellaneous debits, $2,476; total, $70,249.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$200,281	$211,594	$220,135	$227,484	$230,219
Working assets	11,300	11,971	6,279	6,196	926
Deferred debit items	.....	77	154	.....	.....
Profit and loss	70,249	61,952	44,212	32,091	29,628
Totals	$281,830	$285,594	$270,780	$265,771	$260,773
LIABILITIES:					
Capital stock	$140,000	$140,000	$140,000	$140,000	$140,000
Funded debt	100,000	100,000	100,000	100,000	100,000
Working liabilities	40,429	44,394	30,000	25,020	20,773
Deferred credit items	1,201	1,200	780	.....	.....
Appropriated surplus	.....	.....	.....	751	.....
Totals	$281,830	$285,594	$270,780	$265,771	$260,773

Bonded Debt: $100,000 Blytheville, Burdette & Mississinni River Railway 1st 5s. Dated July 1, 1908; due July 1, 1923. Interest paid J. and J. 1. Authorized issue, $240,000. First lien on entire property.

Capital Stock: Authorized, $240,000; issued, $140,000. Par, $100. The Three States Lumber Co. owns majority of stock.

BLYTHEVILLE, LEACHVILLE & ARKANSAS SOUTHERN RAILROAD

History: Incorporated under the laws of Arkansas, May 19, 1908.

Location: Line owned: Littleton to Blytheville June., Ark., 2.37 miles; Leachville to Riverdale, Ark., 19.22 miles; Lepanto Junc., to North Shaw, Ark., 3.99 miles; Shaw to South Shaw, Ark., 2.34 miles; logging division, 1.14 miles; total owned, 29.06 miles. Trackage operated over lines of St. Louis & San Francisco R.R., Leachville, Ark., to Arbyrd, Mo., 8 miles; over lines of Paragould Southeastern Ry., Arbyrd, Mo., to Chickasawba, Ark., 22.60 miles; total operated, 59.66 miles; sidings, 5.71 miles.

Equipment: Locomotives, 5; cars, passenger, 2; flat, 131; rack, 5; cabooses, 4; other freight train cars, 40.

Management: OFFICERS: William Wilms, Pres., Chcago, Ill.; A. C. Lange, Sec. and Gen. Mgr.; J. R. Hancock, Treas., Blytheville, Ark.; Charles F. Wiedeman, Gen. Aud., Chicago, Ill.; L. W. Waters, Supt., Leachville, Ark. DIRECTORS: Wm. Wilms, Chicago; R. L. McClelland, Western Springs, Ill.; A. C. Lange, A. H. Stier, J. R. Hancock, Blytheville, Ark. Annual meeting, first Saturday in July. GENERAL OFFICE, 111 W. Washington Street, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenue	$125,315	$138,788	$100,466	$86,552	$84,895
Operating expenses	110,805	106,331	84,204	72,681	65,079
Net revenue	$14,510	$32,457	$16,262	$13,871	$19,816
Other income	406	428	.....	1,559	.....
Total net income	$14,916	$32,885	$16,262	$15,430	$19,816
Taxes	4,928	4,000	4,310	2,700	4,656
Fixed charges	24,750	24,083	8,364	8,483	6,090
Balance	(def.) $14,762	$4,802	$3,588	$4,247	$9,070

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $91,979; miscellaneous credits, $189; total, $92,168. Contra: Debit balance transferred from income, $14,762; delayed income debits, $204; credit balance carried to balance sheet, $77,202; total, $92,168.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$363,369	$344,651	$289,302	$281,404	$266,183
Working assets	23,901	23,818	11,476	7,547	7,645
Deferred debit items	1,013	1,874	2,987	2,592	2,592
Total	$388,283	$370,343	$303,765	$291,543	$276,420
LIABILITIES:					
Capital stock	$150,700	$150,700	$150,700	$150,700	$150,700
Working liabilities	158,097	125,511	73,391	66,756	54,148
Accrued liabilities not due	2,284	2,153	2,000	.....	1,732
Profit and loss	77,202	91,979	77,674	74,087	68,841
Total	$388,283	$370,343	$303,765	$291,543	$276,420

Capital Stock: Authorized, $250,000; outstanding, $150,700; par, $100. No bonded debt. No dividends.

BONLEE & WESTERN RAILWAY

History: Incorporated under the laws of North Carolina, Oct. 12, 1908.

Location: Road extends from Bonlee to Bennett, N. C., 11 miles. Equipment: Locomotive, 1; car, 1.

Management: OFFICERS: J. H. Dunlap, Pres.; F. W. Bynum, Vice-Pres.; I. H. Dunlap, Sec. and Treas.; I. L. Dunlap, Asst. Sec. and Asst. Treas.; C. M. Andrews, Aud.; W. J. Tally, Supt., Traf. Mgr. and Pur. Agt., Bonlee, N. C. DIRECTORS: J. H. Dunlap, I. H. Dunlap, I. L. Dunlap, P. G. Dunlap, C. M. Andrews, Bonlee, N. C.; F. W. Bynum, Pittsboro, N. C.; C. C. Burns, Bonlee, N. C. Annual meeting, first Thursday in July. GENERAL OFFICE, Bonlee, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenue	$11,420	$10,173	$13,301	$14,076	$8,714
Operating expenses	14,016	9,410	10,326	8,022	9,710
Net revenue	(def.) $2,596	$763	$2,975	$6,054	(def.) $996
Taxes	320	349	350	325	315
Fixed charges	540	.....	.....	166	583
Surplus	(def.) $3,456	$414	$2,625	$5,563	(def.) $1,894

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$62,897	$66,569	$66,747	$65,821	$65,718
Working assets	3,170	3,212	2,555	2,362	1,002
Total	$66,067	$69,781	$69,302	$68,183	$66,720
LIABILITIES:					
Capital stock	$61,700	$61,700	$61,700	$61,700	$61,700
Working liabilities	21	73	8	13	4,114
Profit and loss	4,346	8,008	7,594	6,470	906
Total	$66,067	$69,781	$69,302	$68,183	$66,720

Capital Stock: Authorized, $150,000; outstanding, $61,700; par, $100. No bonded debt. No dividends. Stock transferred by secretary of company.

BOSTON, REVERE BEACH & LYNN RAILROAD COMPANY

History: Incorporated in Massachusetts in 1874, and in 1891 absorbed the Boston, Winthrop & Shore R.R. In 1912 the property of the Point Shirley Street Ry. was acquired. Equipment owned: 26 locomotives, 100 passenger cars, 4 ferry boats.

Location: Operates 13.2 miles, Lynn to East Boston, and branch to Winthrop. Also operates ferry from East Boston to Boston.

Management: OFFICERS: Melvin O. Adams, Pres.; John A. Fenno, Treas. and Supt. DIRECTORS: M. O. Adams, Karl Adams, H. V. Cunningham, Wm. F. Halsall, John A. Fenno. Annual meeting, third Thursday in November. MAIN OFFICE, Boston, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$967,054	$951,083	$1,009,283	$1,003,492	$951,891	$919,921	$887,889
Maintenance of way	824,518	814,213	91,681	167,850	92,851	146,232	128,286
Maintenance of equipment			126,887	95,087	131,750	77,487	111,466
All other operating expenses			660,403	616,673	605,442	573,700	528,189
Net revenues	$142,536	$136,870	$130,302	$123,882	$121,848	$122,502	$119,948
Operating ratio	85.3%	90%	87.1%	87.7%	87.2%	86.7%	86.5%
Taxes accrued	23,022	22,662	21,844	23,406	22,968	22,698	20,165
Fixed charges	72,872	53,691	46,755	47,779	46,985	46,881	47,425
Surplus	$46,742	$60,517	$61,703	$52,697	$51,895	$52,923	$52,358
Dividends paid	51,000	51,000	51,000	51,000	51,000	51,000	51,000
Balance	(def.)$4,258	$9,517	$10,703	$1,697	$895	$1,923	$1,358

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Construction	$1,722,900	$1,722,730	Capital stock	$850,000	$850,000
Equipment	391,515	389,435	Premium on stock	56,937	149,812
Cash	80,861	47,073	Bonded debt	1,000,000	1,000,000
Investment	70,467	73,948	Notes payable	195,000	190,000
Notes receivable	3,400	3,400	Bills payable	34,065	35,940
Supplies	33,701	31,328	Dividend reserve	12,801	5,034
Accounts receivable	322,397	396,900	Reserves	110,000	110,000
			Accounts payable	264,066	266,381
			Profit and loss	102,372	93,588
Total	$2,625,241	$2,664,815	Total	$2,625,241	$2,664,815

Bonded Debt: $1,000,000 Boston, Revere Beach & Lynn R.R. first 4½s; dated July 15, 1897; due July 15, 1927; interest, July and January 1, at State Street Trust Co., Boston. Coupon and reg., $1,000. First lien on entire property. Factor of safety, 6-year average, about 60%. Legal for Savings Banks in Cal., Fla., Maine, Mass., Mich., N. H., N. J., Wis. Listed on Boston Stock Exchange. Interest paid without deduction for normal income tax.
Net Rating, A.

Capital Stock: Auth., $1,125,000; par, $100; outstanding, $850,000. The Massachusetts P. S. Commission has assented to the issuance of an additional $170,000 for payment of floating debt for improvements. Dividends, 1900 to 1905, 2%; 1906, 4%; 1907, 5%; 1908 to date, 6% per annum. Payments guar. Jan. 1. Stock transferred at office of company. Listed on Boston Stock Exchange.
Net Rating, B.

BOSTON TERMINAL COMPANY

History: Incorporated in Massachusetts in 1896 to construct and operate a passenger terminal in Boston.

Location: Owns the South Union Station in Boston, which is jointly used by N. Y., N. H. & H., New England, Boston & Albany, Old Colony, and Boston & Providence Railways, on a rental basis equaling expenses, interest on bonds, and 4% on stock. Owns about 16 miles of track.

Management: OFFICERS: Howard Elliott, Chairman; E. M. Willis, Clerk; A. W. Adams, Treas. TRUSTEES: Fayette S. Curtis, Philip Dexter, Reginald Foster, Howard Elliott, James L. Richards. GENERAL OFFICE, South Station, Boston, Mass.

Bonded Debt: $14,500,000 Boston Terminal Co. first 3½s; dated Feb. 1, 1897; due Feb. 1, 1947. Interest Feb. 1 and Aug. 1 at Merchants' National Bank, Boston, on coupon bonds, and quarterly Feb. 1 on registered bonds. First lien on entire property. Under terms of lease, interest on bonds and 4% on stock are jointly guaranteed by lessees, these companies being jointly liable in event of foreclosure. Listed on Boston Stock Exchange. Normal income tax deducted from interest. Legal for Savings Banks in Mass. and Rhode Island.
Net Rating, Aa.

Capital Stock: Auth. and outstanding, $500,000; one-fifth being held by each of the five companies using the terminal.

BOYNE CITY, GAYLORD & ALPENA RAILROAD

History: Incorporated under the laws of Michigan, March 28, 1905. Succeeded April 1, 1905, to the Boyne City & Southeastern R.R.

Receivership: The Michigan Trust Co. of Grand Rapids, Mich., was appointed receiver for the road and for the W. H. White Co., which controls the road, in November, 1913.

Location: Road extends from Boyne City to Gaylord, Mich., and branches, 73.15 miles; sidings, 15.67 miles. It is intended to extend the line to Alpena, which is 100 miles from Boyne City. Equipment: Locomotives, 12; cars, 286.

Management: OFFICERS: The Michigan Trust Co., Receiver; H. W. Everest, Mgr. for Receiver, Grand Rapids, Mich.; Wm. H. White, Pres. and Gen. Mgr.; Thomas White, Vice-Pres. and Asst. Gen. Mgr., Boyne City, Mich.; Jas. A. White, Treas., Buffalo, N. Y.; W. L. Martin, Secy.; J. M. Tompkins, Aud., Boyne City, Mich. DIRECTORS: Wm. H. White, Thos. White, L. H. White, W. L. Martin, J. M. Harris, Boyne City, Mich.; Jas. A. White, Buffalo, N. Y.; J. T. Wyley, Saginaw, Mich. Annual meeting, in March at Boyne City, Mich. OFFICE, Boyne City, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$263,753	$243,472	$292,453	$263,302	$253,325	$248,773
Maintenance of way	53,935	34,887	29,975	27,451	41,684	52,822
Maintenance of equipment	35,652	41,683	68,470	71,400	54,728	55,768
All other operat. expenses	85,535	78,931	81,414	86,628	76,472	82,734
Net oper revenues	$88,631	$87,971	$112,594	$77,823	$80,441	$57,449
Other income	328	.....	.....	1,120	3,169	5,318
Total net income	$88,959	$87,971	$112,594	$78,943	$83,610	$62,761
Taxes	9,916	9,568	11,549	13,043	14,350	14,313
Fixed charges	15,404	26,638	36,945	39,042	32,561	32,026
Surplus	$63,639	$51,765	$64,100	$26,858	$36,699	$16,648

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,107,160	$1,135,743	$1,154,204	$1,116,553	$981,475	$964,477
Working assets	40,532	49,381	48,831	73,141	83,414	87,475
Deferred debit items	11,793	.....	.....	.....	.....	.....
Total	$1,159,485	$1,185,124	$1,203,035	$1,189,694	$1,064,889	$1,051,952
LIABILITIES:						
Capital stock	$501,200	$501,200	$501,200	$501,200	$501,200	$501,200
Funded debt	.....	125,000	150,000	175,000	200,000	225,000
Working liabilities	502,580	426,343	395,493	366,828	243,506	241,891
Accrued liabilities not due	42,419	2,250	2,625	2,625	3,000	3,375
Profit and loss surplus	113,286	130,331	153,717	144,041	117,183	80,486
Total	$1,159,485	$1,185,124	$1,203,035	$1,189,694	$1,064,889	$1,051,952

Capital Stock: Authorized, $1,000,000; outstanding, $501,200. Par, $100. Majority owned by the W. H. White Co.

BRIMSTONE RAILROAD & CANAL COMPANY

History: Incorporated under the laws of Louisiana, May 27, 1905, to build a railroad from Sulphur Mine, La., to the Sabine and Calsasieu Rivers. Company owns the Sabine River Canal, 16 miles, which has not been completed, and work has been suspended.

Location: Road extends from Sulphur Mine to Lockport and Brimstone Junctions, La., 7.39 miles; sidings, 0.33 mile. Road connects with Southern Pacific Ry. at Brimstone Junc. and with the Kansas City Southern at Lockport Junc. Equipment: Locomotives, 2; cars, 76.

Management: OFFICERS: J. L. Henning, Pres.; J. Toniette, 1st Vice-Pres., Sulphur, La.; C. A. Snider, 2nd Vice-Pres. and Asst. Treas.; J. R. Gordon, Traf. Mgr. and Gen. Frt. Agt.; H. S. Craig, Aud., New York. DIRECTORS: Henry Whiton, C. A. Snider, New York; J. L. Henning, S. W. Maxwell, J. Toniette, Sulphur, La. Annual meeting, first Monday in June. GENERAL OFFICE, 17 Battery Place, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$107,900	$78,553	$96,174	$120,662	$90,962
Operating expenses	60,860	68,609	62,082	61,571	65,072
Net operating revenue	$47,040	$9,944	$34,092	$59,091	$25,890
Other income	4,531	.....	.....	8,076	5,870
Total net income	$51,571	$9,944	$34,092	$67,167	$31,760
Taxes	5,588	1,694	1,719	1,680	1,650
Fixed charges	.....	1,659	1,420	448	2,648
Surplus	$45,983	$6,591	$30,953	$65,039	$27,462

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$116,884	$140,259	$138,045	$150,269	$179,852
Working assets	151,930	83,584	119,929	78,860	21,047
Deferred debit items	.....	.....	838	.....	.....
Total	$268,814	$223,843	$258,812	$229,129	$200,899
LIABILITIES:					
Capital stock	$200,000	$200,000	$31,000	$31,000	$31,000
Working liabilities	3,147	4,159	6,691	7,813	32,303
Accrued liabilities not due	565	565	565	565	565
Appropriated surplus	.....	.....	8,027	8,027	.....
Profit and loss	65,102	19,119	212,529	181,724	137,031
Total	$268,814	$223,843	$258,812	$229,129	$200,899

Capital Stock: Authorized and outstanding, $200,000. Par, $100. No bonded debt.

BROWNSVILLE & MATAMORAS BRIDGE COMPANY

History: Incorporated Aug. 23, 1909, under laws of Arizona. Owns a bridge across Rio Grande River between Brownsville, Texas, and Matamoras, Mex., which provides railway, wagon and pedestrian accommodations, and in addition a gasoline motor-car service is maintained by the Bridge company, when conditions in Mexico permit. Mileage, 1.91 miles. Company owns entire $100,000 capital stock of the Brownsville Ferry Company.

Management: OFFICERS: A. T. Perkins, Pres., St. Louis, Mo.; C. R. Hudson, Vice-Pres., New York; M. Eckert, Sec., Treas. and Aud., Kingsville, Tex.; A. S. Gimble, Gen. Agt., Brownsville, Texas. DIRECTORS: A. T. Perkins, St. Louis, Mo.; J. S. Pyeatt, Houston, Tex.; Caesar Kleberg, Kingsville, Tex.; C. R. Hudson, New York; Frank Andrews, Houston, Texas; A. J. Pani, Mexico, D. F. Annual meeting, first Tuesday in June at Kingsville, Texas. OFFICES, Kingsville, Texas, and St. Louis, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$18,628	$13,844	$18,859	$32,474	$27,050	$8,287
Operating expenses	4,228	6,661	6,398	10,816	9,713	2,442
Net oper. revenues	$14,400	$7,183	$12,461	$21,658	$17,337	$5,845
Other income	1	4,137	3,639	242	108	.....
Total net income	$14,401	$11,320	$16,100	$21,900	$17,445	$5,845
Taxes	3,237	1,662	1,898	1,495	1,929	.....
Fixed charges	22,502	22,532	22,138	20,753	17,562	8,567
Surplus	(def.) $11,338	(def.) $12,874	(def.) $7,936	(def.) $348	(def.) $2,046	(def.) $2,722

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $40,831. Contra: Debit balance at beginning of year, $29,331; debit balance transferred from income, $11,338; miscellaneous debits, $162; total, $40,831.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,026,552	$1,029,791	$1,026,119	$1,026,169	$777,770	$757,887
Working assets	16,193	5,556	11,316	17,279	3,721	7,499
Deferred debit items	25,702	27,475	29,492	31,461	31,222	33,007
Profit and loss deficit	40,831	29,331	13,980	6,045	5,696	2,722
Total	$1,109,278	$1,092,153	$1,079,907	$1,080,954	$820,409	$801,115
LIABILITIES:						
Capital stock	$650,000	$650,000	$650,000	$650,000	$500,000	$500,000
Funded debt	431,325	426,000	426,000	426,000	300,000	300,000
Working liabilities	17,229	13,068	925	2,863	19,387	1,115
Accrued liabilities not due	10,724	3,085	2,982	2,091	1,022	.....
Total	$1,109,278	$1,092,153	$1,079,907	$1,080,954	$820,409	$801,115

Bonded Debt: (1) $333,000 Brownsville & Matamoras Bridge Co. first 5s. Dated Jan. 1, 1910; due Jan. 1, 1930. Interest paid J. and J. 1, at St. Louis (Mo.) Union Trust Co., Trustee. Coupon, $1,000. Guaranteed principal and interest by National Railways of Mexico Ry. Co., and St. Louis, Brownsville & Mexico Ry. First lien on property. Interest paid without deduction for normal income tax.

(2) $90,000 Brownsville & Matamoras Bridge Co. second 4s. Dated Sept. 1, 1911; due Sept. 1, 1931. Interest paid M. and S. 1, at New York Trust Co., Trustee. Coupon, $1,000. Authorized issue, $100,000. Issued in exchange for the capital stock of Brownsville Ferry Company, Ltd. Capital guaranteed principal and interest by National Rys. of Mexico, and St. Louis, Brownsville and Mexico Railway. Int. paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $650,000. Par, $100. Owned jointly by National Railways of Mexico and St. Louis, Brownsville & Mexico Ry. No dividends. Transfer office at Kingsville, Tex.

BUCKSPORT & ELK RIVER RAILROAD

History: Incorporated under the laws of California, July 25, 1884. Began operations Jan. 1, 1886. Used mainly for logging purposes.

Location: Road extends from Holmes Mill to Falks Mill, Cal., 8.16 miles.

Equipment: Locomotives, 2; cars, 36.

Management: OFFICERS: J. M. Carson, Pres.; Josiah Bell, Vice-Pres.; P. J. Brown, Treas.; G. A. Kellogg, Sec., Eureka, Cal. DIRECTORS: Josiah Bell, J. M. Carson, P. J. Brown, Eureka, Cal.; J. R. Hanify, San Francisco; N. H. Falk, Arcata, Cal. Annual meeting, third Monday in January. GENERAL OFFICE, 627 Third St., Eureka, Cal.

Capital Stock: Authorized and issued, $500,000, of which $230,000 paid in; par, $100. Secretary of company acts as TRANSFER AGENT AND REGISTRAR. No bonded debt. Recent dividends as follows: 1911 to and including 1914, 3% each.

BUFFALO & SUSQUEHANNA RAILROAD CORPORATION

History: Incorporated under Pennsylvania laws, Dec. 30, 1913. The company succeeded to the property of the Buffalo & Susquehanna Railroad, which was sold under foreclosure Dec. 4, 1913. The present company also owns all the stock of the Addison & Susquehanna R.R., and all the stock and first mortgage bonds of the Wellsville, Coudersport & Pine Creek R.R. These two properties are operated under lease. The company further owns all of the bonds of the Powhatan Coal & Coke Co., and the second mortgage bonds of the Buffalo & Susquehanna Coal & Coke Co.

Location: On June 30, 1916, the company operated 252.56 miles, as follows: Lines owned, including line from Nichols, N. Y., to Stanley, Pa., 217.28 miles; lines leased, Addison & Susq. R.R., 9.73 miles; Wellsville, Coudersport & Pine Creek R.R., 10.11 miles; trackage rights, 15.44 miles. (The lines of the old Buffalo & Susquehanna Railway, consisting of 85.62 miles, are not included in this company, this latter mileage now being separated). For full details of old company, see "Moody's Analyses of Railroads" for 1914 and earlier years.

Equipment: Locomotives, 61; passenger, freight and company cars, 3,423.

Management: OFFICERS: E. R. Darlow, Pres.; E. B. Smith, First Vice-Pres.; F. E. Hall, Sec. and Treas.; T. J. Elmer, Aud.; J. S. May, Supt. DIRECTORS: Frank E. Hall, Herbert H. Dean, Philip G. Bartlett, J. S. Farlee, Julius F. Workum, Edward R. Darlow, Edward B. Smith, Albert L. Smith, Radcliffe Cheston, Jr., Rutherford McAllister, W. Hinckle Smith, Percy C. Madeira, Charlton Yarnell. MAIN OFFICE, 980 Ellicott Sq., Buffalo, N. Y.

Comparative Income Account, Years Ended December 31

	1916	1915	1914
Gross revenues	$1,678,682	$1,532,863	$1,446,196
Maintenance of way and structures	266,477	246,483	290,062
Maintenance of equipment	424,680	444,536	431,315
All other operating expenses	553,788	518,377	565,324
Net operating revenues	$433,737	$323,467	$159,495
Other income	511,476	415,240	390,348
Total net income	$945,213	$738,707	$549,843
Taxes	31,200	31,200	31,200
Fixed charges	305,462	324,785	358,277
Surplus	$608,551	$382,722	$160,866
Earned on preferred stock	15.21%	9.57%	4.01%
Earned on common stock	14.95	7.42	.....

Profit and Loss Account, year ended Dec. 31, 1916: Credit balance at beginning of year, $460,450; credit balance transferred from income, $608,551; profit on road and equipment sold, $4,127; miscellaneous credits, $70,329; total, $1,143,456. Contra: Dividend appropriations of surplus, $310,000; miscellaneous debits, $401; credit balance carried to balance sheet, $833,055; total, $1,143,456.

Comparative Condensed Balance Sheet, as of December 31

ASSETS:	1916	1915	1914
Property investment	$14,537,217	$14,097,816	$13,931,156
Current assets	1,094,455	1,267,833	1,144,612
Unadjusted debits	64,542	50,939	34,562
Deferred assets	19,998	22,634	27,003
Total	$15,716,212	$15,439,222	$15,137,333
LIABILITIES:			
Capital stock	$7,000,000	$7,000,000	$7,000,000
Funded debt	7,002,000	7,242,000	7,353,900
Current liabilities	242,981	290,051	337,841
Deferred liabilities	13,629	21,481	26,924
Unadjusted credits	624,546	418,486	214,148
Surplus	833,056	467,203	204,520
Total	$15,716,212	$15,439,222	$15,137,333

Bonded Debt: (1) $6,516,800 Buffalo & Susquehanna Railroad Corporation first 4s; dated Dec. 30, 1913; due Dec. 30, 1963. Int. paid J. and J. 1, at office of Edward B. Smith & Co., New York. Coupon, $500 and $1,000; reg., $100 and multiples; interchangeable. Sinking fund, $50,000 annually from Jan. 1, 1915, to Jan. 1, 1949, bonds being redeemable for fund at not to exceed 100 and int.; also all sums in excess of $50,000 which may be received as payment of the principal of any of the collateral securities shall go into this fund. Authorized, $10,000,000. In sinking fund, $442,200. Secured by first or first collateral lien on 237.12 miles of road, being a direct mortgage on 217.28 miles owned, and a first collateral lien on the Addison & Susquehanna and the Wellsville, Coudersport & Pine Creek R.R.s., embracing 19.84 miles additional. Further secured by deposit of the mortgages of the Powhatan Coal & Coke Co., the second mortgage of the Buffalo & Susquehanna Coal & Coke Co., and all the common stock of the Keystone Store Co.; also by pledge of nearly all the capital stock of the Buffalo & Susquehanna Coal & Coke Co. and the Powhatan Coal & Coke Co. Interest paid without deduction for normal income tax. Rating, A.

(2) Equipment bonds, in several series as follows:

Series C, 5s; dated Aug. 1, 1907; due $45,000 s.a. to Aug. 1, 1917. Original issue, $900,000; now unmatured, $56,000. Int. paid F. and A. 1, at Columbia Trust Co., New York. Assumed by B. & S. R.R. Corp. First lien on equipment costing $1,046,000. Rating, Aa.

Series D, 5s; dated Aug. 1, 1907; due $15,000 s.a. to Aug. 1, 1917. Original issue, $300,000; now unmatured, $35,000. Int. paid F. & A. 1, Penn. Co. for Ins. on Lives, etc., Phila. Assumed by B. & S. R.R. Corp. First lien on equip. costing $349,000. Rating, Aa.

All issues are coupon, $1,000.

Capital Stock: Auth. and issued, $4,000,000 preferred and $3,000,000 common. Preferred is entitled to 4% per annum dividends, which are cumulative after Jan. 1, 1915; also has preference as to assets. Par $100. Both issues are held in a voting trust, extending to Jan. 1, 1919, trustees being Philip G. Bartlett, Jacob S. Farlee and Edward B. Smith. Dividends at full rate paid on preferred during 1915 and 1916; 5% paid on common in 1916. TRANSFER AGENTS: Edward B. Smith & Co., New York.

COMPANIES CONTROLLED AND OPERATED BY BUFFALO & SUSQUEHANNA RAILROAD CORPORATION

ADDISON & SUSQUEHANNA RAILROAD

History: Incorporated under New York laws, June 21, 1898. Line of road, Addison, N. Y., to Penn. State line, 9.73 miles. Sidings, 2.39 miles. Was leased on April 1, 1901, to Buffalo & Susq. R.R. for 50 years at annual rental of $1, and organization expenses not exceeding $1,000; lease assumed by new Buffalo & Susq. R.R. Corp., which operates the property.

Management: OFFICERS: E. R. Darlow, Pres.; F. E Hall, Sec. and Treas.; T. J. Elmer, Aud. Annual meeting, first Monday in May. OFFICE, Buffalo, N. Y.

Capital Stock: Auth. and issued, $100,000; par $100. All owned by Buffalo & Susquehanna R.R. Corp. and pledged under that company's first 4s.

WELLSVILLE, COUDERSPORT & PINE CREEK RAILROAD

History: Incorporated under New York laws, Nov. 14, 1881. Line of road, Wellsville, N. Y., to Penn State line, 10.11 miles. Sidings, 2.71 miles. Leased to Buffalo & Susquehanna R.R. for 50 years from April 1, 1901, at interest on debt. Shall not exceed $750 organization expenses, and $1 annually. Lease assumed by new Buffalo & Susq. R.R. Corp., which operates the property.

Management: OFFICERS: E. R. Darlow, Pres.; F. E. Hall, Secy. and Treas.; T. J. Elmer, Aud. Annual meeting, first Monday in May. OFFICE, Buffalo, N. Y.

Bonded Debt: $20,500 first 6s, due Oct. 1, 1902, the whole issue being pledged under the B. & S. R.R. Corp. first 4s.

Capital Stock: Auth., $100,000; outstanding, $62,700; all owned by B. & S. R.R. Corp. and pledged under that company's first mortgage. Par, $100.

BUFFALO, ATTICA & ARCADE RAILROAD

History: Incorporated under the laws of New York, Oct. 15, 1894, as successor to the Attica & Freedom R.R.

Location: Attica to Arcade, N. Y., 26.29 miles; sidings, etc., 2.66 miles. Equipment: Locomotives, 3; cars, 4; snow plow, 1.

Management: OFFICERS: Wm. L. Kann, Pres., Pittsburgh, Pa.; W. R. Brown, Vice-Pres., New York; Ganson Depew, 2d Vice-Pres.; R. G. Kann, Secy. and Treas.; A. B Campbell, Aud., Buffalo, N. Y.; J. L. Eldridge, Gen. Supt., Arcade, N. Y. DIRECTORS: Bradley Goodyear, A. C. Goodyear, Ganson Depew, R. G. Kann, Arcade, N. Y.; A. J. Posten, Washington, D. C.; Walter P. Cooke, F. A. Lehr, Buffalo, N. Y.; Wm. L. Kann, Pittsburgh, Pa.; W. R. Brown, New York. Annual meeting, first Monday in May at Arcade, N. Y. GENERAL OFFICE, Arcade, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$53.013	$58,566	$52,836	$49,093	$54,068	$50,013
Maintenance of way	15,242	13,581	13,400	13,193	17,434	13,619
Maintenance of equipment	12.244	3,927	3,476	7,417	4,376	7,572
All other operating exps	32,854	31,819	25,376	25,485	28,350	20,122
Net operating rev	(def.)$7,327	$9,239	$10,584	$2,998	$3,908	$8,700
Other income	163	69	98	.....	12	9
Total net income	(def.)$7,164	$9,308	$10,682	$2,998	$3,920	$8,709
Taxes	1,620	1,620	1,620	1,500	1,400	1,200
Fixed charges	19,576	18,539	17,587	18,517	17,674	15,760
Surplus	(def.)$28,360	(def.)$10,851	(def.)$8,525	(def.)$17,019	(def.)$15,154	(def.)$8,251

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $6,578; debit balance carried to balance sheet, $31,282; total, $37.860. Contra: Debit balance at beginning of year, $9,500; debit balance transferred from income, $28,360; total, $37,860.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$541,775	$543,833	$539,900	$537,274	$535,854	$519,076
Working assets	11,060	10,639	8,823	2,870	8,298	8,923
Deferred debit items	1,069	3,016	5,416	243	2,865	193
Profit and loss deficit	31,282	9,500	9,519	16,912	58,904	43,748
Total	$585,186	$566,988	$563,658	$557,299	$605,921	$571,940
LIABILITIES:						
Capital stock	$330,000	$330,000	$330,000	$330,000	$330,000	$330,000
Funded debt	219,000	219,000	219,000	219,000	219,000	201,000
Working liabilities	34.269	16,348	9,448	4,039	56,301	40,227
Accrued liabilities not due	1,117	1,240	.....	.....	620	713
Deferred credit items	800	400	5,210	.....	.....	.....
Appropriated surplus	.....	.....	.....	4,260	.....	.....
Total	$585,186	$566,988	$563,658	$557,299	$605,921	$571,940

Bonded Debt: $219,000 Buffalo, Attica & Arcade R.R. first 5s. Dated Jan. 1, 1903; due Jan. 1, 1933. Interest Jan. and July 1, at company's office, Arcade, New York. Coupon, $1,000. Interstate Banking & Trust Co., New Orleans, La., Trustee. Auth. issue, $750,000. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $330,000. Par, $100. No dividends.

BUFFALO CREEK RAILROAD

History: Incorporated under New York laws, Jan. 25, 1869. Leased in 1889 to the Erie R.R. and the Lehigh Valley R.R. Owns 33.61 miles of terminal trackage in the City of Buffalo. Under the lease, the interest on the bonds and 7% on the stock are guaranteed. Leases 22 locomotives.

Management: OFFICERS: E. T. Stotesbury, Pres.; E. A. Albright, Secy.; D. W. Bigoney, Treas. DIRECTORS: E. T. Stotesbury, E. B. Thomas, F. D. Underwood, J. A. Middleton, G. F. Brownell, L. D. Smith, G. N. Orcutt. Annual meeting, third Wednesday in June. OFFICE, 50 Church Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$573,220	$446,795	$477,929	$460,719	$371,373	$346,710
Operating expenses	236,669	207,965	267,879	234,796	218,991	177,712
Net operating revs	$336,551	$238,830	$210,050	$225,923	$152,382	$168,998
Other income	184,682	174,091	174,189	185,786	171,085	159,779
Total net income	$521,233	$412,921	$384,239	$411,709	$323,467	$328,777
Taxes accrued	29,441	37,978	25,141	24,320	24,525	28,144
Fixed charges	115,956	115,175	110,293	112,066	82,317	68,401
Surplus	$375,836	$259,768	$248,805	$275,323	$216,625	$232,232

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $63,588; credit balance transferred from income, $375,836; miscellaneous credits, $5,430; total, $444,854. Contra: Miscellaneous appropriations of surplus, $356,486; credit balance carried to balance sheet, $88,368; total, $444,854.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	.....	.....	.....	(def.) $12,185	.....	.....
Working assets	$235,116	$182,229	$196,695	166,429	$200,540	$323,347
Deferred debit items	852	818	16,693	13,052	20,570	9,778
Total	$235,968	$183,047	$213,388	$167,296	$221,110	$333,125
LIABILITIES:						
Working liabilities	$137,932	$109,228	$118,529	$80,955	$120,356	$92,617
Accrued liabilities not due.	19,333	*10,961	2,000	2,000	2,000	2,000
Deferred credit items	29,001	21,192	17,750	2	9,922	6,269
Profit and loss surplus	88,368	63,588	75,109	84,339	88,832	232,239
Total	$235,968	$183,047	$213,388	$167,296	$221,110	$333,125

* Reverse item.

Bonded Debt: (1) $1,000,000 Buffalo Creek R.R. cons. 5s; dated Jan. 1, 1891; due Jan. 1, 1941; int. paid J. and J., at U. S. Mtg. & Trust Co., New York. Guaranteed as to interest by the Lehigh Valley R.R., and the Erie R. R., each being liable, under the lease for one-half the interest. First lien on entire property. Underlie No. 2 which provides for retirement. Legal for S. B. in Cal., Me., Mich., Minn., N. J., N. Y., Wis. Interest paid without deduction for normal income tax. Net Rating, Aa.

(2) $1,000,000 Buffalo Creek R.R. first ref. 5s; dated Jan. 1, 1911; due Jan. 1, 1961; int. paid J. and J., at U. S. Mtg. & Trust Co., New. York. Auth., $5,000,000, of which $1,000,000 are reserved to retire No. 1, and the balance for equipment, extension and improvement. Second lien on all property, following No. 1. Interest paid without deduction for normal income tax. Net Rating, A.

Capital Stock: Auth. and issued, $250,000; par, $100. Dividends 7 per cent. per annum, payable J. and J. The Erie Railroad and the Lehigh Valley R.R. each own $125,000 of the stock.

BUFFALO CREEK & GAULEY RAILROAD

History: Incorporated April 7, 1904, under the laws of West Virginia, to build a railroad from Dundon to Huttonsville, W. Va., about 110 miles. Road from Dundon to Widen, Clay County, W. Va., 19 miles, is in operation. Sidings, 2.10 miles. Connection with Baltimore & Ohio R.R. at Camden, W. Va., and with the Western Maryland Ry. at Huttonsville, W. Va., is under construction.

Equipment: Locomotive, 1; passenger car, 1; freight and service cars, 4; hopper cars, 600.

Management: OFFICERS: V. C. McCormack, Pres., Harrisburg, Pa.; Budd Thompson, Vice-Pres., Martha Furnace, Pa.; J. M. Cameron, Treas.; H. McCormack, Jr., Sec., Harrisburg, Pa.; J. G. Bradley, Supt. and Pur. Agt., Dundon, W. Va. DIRECTORS: J. M. Cameron, V. C. McCormack, H .McCormack, Jr., H. B. McCormack, Harrisburg, Pa.; Budd Thompson, Martha Furnace, Pa. Annual meeting, third Monday in July. GENERAL OFFICE, Dundon, West Virginia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$57,161	$61,142	$43,766	$54,499	$44,307
Operating expenses	85,124	81,116	60,101	57,252	47,105
Net operating revenue	(def.) $27,963	(def.) $19,974	(def.) $16,335	(def.) $2,753	(def.) $2,798
Other income	75,610	67,597	57,741	34,966	243
Total net income	$47,647	$47,623	$41,406	$32,213	(def.) $2,555
Taxes	4,205	2,170	1,448	1,274	1,341
Fixed charges	18,067	20,457	16,123	13,110	2,333
Surplus	$25,375	$24,996	$23,835	$17,829	(def.) $6,229

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$883,799	$896,854	$918,000	$773,258	$548,115
Working assets	19,561	17,599	21,722	21,777	40,672
Deferred debit items	.....	.....	.....	285	285
Profit and loss	.....	.....	.....	5,265	23,094
Total	$903,360	$914,453	$939,722	$800,585	$612,166
LIABILITIES:					
Capital stock	$517,000	$517,000	$517,000	$517,000	$514,400
Funded debt	294,000	335,000	376,000	263,000	70,000
Working liabilities	23,419	18,887	28,151	14,068	27,583
Accrued liabilities not due	.....	.....	.....	6,517	583
Profit and loss	68,941	43,566	18,571	.....	.....
Total	$903,360	$914,453	$939,722	$800,585	$612,166

Bonded Debt: (1) $42,000 Buffalo Creek & Gauley Railroad 5% Car Trust Certificates. Dated Nov. 1, 1911; due $7,000 annually to Nov. 1, 1921. Interest paid M. and N. 1. Coupon, $1,000. Secured on 100 steel hopper cars, and consolidation locomotive. Original issue, $70,000. Interest paid without deduction for normal income tax.

(2) $140,000 Buffalo Creek & Gauley R.R. 6% Equipment Trust Certificates. Series "B." Dated Aug. 1, 1912; due $20,000 annually to Aug. 1, 1922. Int. paid Feb. and Aug. 1, at Fidelity Trust Company, Philadelphia. Coupon, $1,000. Secured on 300 steel hopper cars. Interest paid without deduction for normal income tax. Original issue, $200,000.

(3) $112,000 Buffalo Creek & Gauley R.R. 6% Equipment Trust Certificates. Dated April 1, 1914; due $14,000 annually to April 1, 1924. Int. paid Apr. and Oct. 1, at Fidelity Trust Co., Philadelphia. Coupon, $1,000. Secured on 200 steel hopper coal cars. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $1,000,000; outstanding, $517,000. Par, $100. No dividends paid.

BUTLER COUNTY RAILROAD

History: Incorporated under the laws of Missouri, Sept. 1, 1905. Road opened in November of same year.

Location: Road extends from Poplar Bluffs, Mo., to Meade, Ark., 31.70 miles; Broseley to Lowell Junc., Mo., 6.81 miles; Piggott June. to Piggott, Ark., 8.69 miles; total owned, 47.20 miles.

Equipment: Locomotives, 2; passenger cars, 3; freight cars, 158.

Management: OFFICERS: R. M. Parker, Pres., New York; Wm. N. Barron, Vice-Pres., Gen. Mgr.; P. A. Handte, Sec. and Treas., Poplar Bluff, Mo. DIRECTORS: R. M. Parker, W. E. Foster, F. L. Van Tassell, New York; P. Handte, M. E. Horlacher, G. H. Windsor, W. N. Barron, Poplar Bluff, Mo. Annual meeting, fourth Monday in January. GENERAL OFFICE, Poplar Bluff, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$189,610	$167,517	$115,956	$124,177	$117,159
Operating expenses	154,918	130,998	119,351	106,048	99,615
Net operating revenues	$34,692	$36,519	(def.) $3,394	$18,129	$17,544
Fixed charges, incl. taxes	59,568	43,235	26,603	15,930	9,692
Balance	(def.) $24,876	(def.) $6,716	(def.) $29,997	$2,199	$7,852

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$958,362	$968,416	$773,461	$452,170	$345,986
Working assets	14,314	21,553	2,234	.....	3,494
Deferred debit items	200	200	400	.....	.....
Profit and loss	64,784	39,007	15,805	2,650	.....
Total	$1,037,660	$1,029,176	$791,900	$454,820	$349,480
LIABILITIES:					
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	155,000	155,000	155,000	109,000	109,000
Working liabilities	666,134	650,868	433,798	121,735	11,545
Accrued liabilities not due	.....	860	3,102	7,560	1,258
Deferred credit items	.....	5,923	.....	.....	.....
Appropriated surplus	16,525	16,525	.....	16,525	16,526
Profit and loss	.....	.....	.....	.....	11,151
Total	$1,037,660	$1,029,176	$791,900	$454,820	$349,480

Capital Stock: Authorized and outstanding, $200,000; par $100. No bonded debt. A dividend of 4% was paid in 1907. None since. Stock control is held by the Brooklyn Cooperage Co., a subsidiary of the American Sugar Refining Company.

BUTTE, ANACONDA & PACIFIC RAILWAY

History: Incorporated Oct. 1, 1892, under laws of Montana. Built to connect the copper mines at Butte with the reduction works at Anaconda. Majority, or 51%, of stock is owned by the Anaconda Copper Mining Co., balance owned by Chicago, Milwaukee and St. Paul Ry.

Location: Lines operated, 140.10 miles, Butte to Anaconda, Mont., with various branches and spurs. Commenced in 1914 to operate line from Anaconda to Butte (25 miles) by electric power and practically entire mileage is now operated in this manner.

Equipment: Locomotives, steam, 23; electric, 22; passenger cars, 10; freight and company cars, 1,245.

Management: OFFICERS: J. D. Ryan, Pres.; M. S. Dean, Vice-Pres.; P. M. Halloran, Sec. and Treas. DIRECTORS: A. H. Melin, C. F. Kelley, M. S. Dean, B. B. Thayer, J. D. Ryan. OFFICE, Anaconda, Mont. Annual meeting, first Tuesday in June.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Miles operated	140.10	90	90	90	72	46	46
Gross revenues	$1,973,231	$1,314,547	$1,495,391	$1,330,940	$1,152,878	$1,072,030	$1,229,558
Maintenance of way	196,589	132,062	178,578	133,891	162,568	124.056	135,215
Maintenance of equipment	296,861	205,912	259,565	265,193	218,991	207,592	233,048
All other operating expenses	764,404	508,185	566,750	676,091	563,935	518,349	533,899
Net operating revenues	$716,077	$468,388	$490,498	$255,765	$207,384	$222,033	$327,396
Operating ratio	63.7%	64.3%	67.2%	80.8%	82%	79.3%	73.4%
Other income	24,588	26,829	16,447	18,635	17,905	16,570	20,625
Total net income	$740.665	$495.217	$506,945	$274,400	$225,290	$238,603	$348,021
Taxes accrued	35,299	29,113	30,755	24,638	25,763	24,614	24,918
Fixed charges	163,196	163,436	181,553	112,370	84,271	478,619	152,486
Surplus	$542,170	$302,668	$294,637	$137,392	$115,266	(d.) $264,630	$170.617
Dividends paid	*	125,000	37,500	.....	60,000	60,000	60,000
Balance	$542,170	$177,668	$257,137	$137,392	$55,266	(d.) $324,630	$110,617
Total net income per mile	$5,290	$5,502	$5,633	$3,050	$3,130	$5,200	$7,568

* Dividend paid from profit and loss in 1916 (see below).

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $515,028; credit balance transferred from income, $542,170; miscellaneous credits, $2.350; total, $1,059,548. Contra: Appropriations of surplus to sinking and other reserve funds, $32,015; dividend appropriations of surplus, $250.000; appropriations of surplus for investment in physical property, $393,377; loss on retired road and equipment, $442; miscellaneous debits, $189; balance carried forward to balance sheet, $383,525; total, $1,059,548.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$6,827.018	$6,514.041	$6,265.866	$5,066.392	$4,698,464	$4,546.129
Working assets	1,811.859	1,563,437	1,661.040	776.764	900.473	873,810
Deferred debit items	165,140	134,685	92,362	189,288	41,035	7,553
Total	$8,804,017	$8,212,163	$8,019,268	$6,032,444	$5,639,972	$5,427,492
LIABILITIES:						
Capital stock	$2.500.000	$2.500.000	$2.500.000	$2.500.000	$2.500.000	$1,000.000
Funded debt	3,000.000	3,000.000	3,000.000	1,000.000	1,000 000	1,000,000
Working liabilities	589,790	288.185	294.532	637.866	387.207	229.291
Accrued liabilities	71.931	74,722	75.041	31,714	31,749	30,917
Deferred credit items	6.552	7,401	414	432	510	621
Appropriated surplus	2,252.219	1,826.827	1,619.542	1,100,799	678.384	545,712
Profit and loss	383,525	515,028	529,739	761,633	1,042,122	2,620,951
Total	$8,804,017	$8,212,163	$8,019,268	$6,032,444	$5,639,972	$5,427,492

Bond Records and Ratings (Based on Five-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Butte, Anac. & P. first 5s	F&A	F 1944	(1st) 140	21,430	$4,212*	$1,072	75%	High	High	Aa.

For Key to Bond Ratings, see pages 19-21.

* After allowance for taxes.

1. $3.000.000 Butte, Anaconda & Pacific Ry. 1st 5s. Dated Feb. 1, 1914; due Feb. 1, 1944. Interest paid at Guaranty Trust Co., New York. Coupon and reg., $1,000: interchangeable. Auth. issue, $5,000.000, of which unissued amount reserved for improvements. Callable on any interest date at 105 and interest. Guar. prin. and int. by endorsement, by Anaconda Copper Mining Co. Sinking fund 1% per annum of outstanding bonds to be purchased or called at not over 105 and int. First lien on entire property except steam locomotives. Normal income tax deducted from interest.

Capital Stock: Auth., $5,000,000; outstanding, $2,500,000; par, $100. Dividends. 6% on $1,000.000 from 1900 to 1911, inclusive; 1 1-5% in 1912; none in 1913; 1½% on $2,500.000 in 1914; 5% in 1915; 10% in 1916. Anaconda Copper Mining Co. owns 51% of stock and Chicago, Milwaukee & St. Paul Ry. 49%.

CACHE VALLEY RAILROAD

History: Incorporated under the laws of Arkansas, May 9, 1902, succeeding the Black & Cache River R.R. In May, 1904, the charter was amended authorizing the construction of a line from Paragould to Walnut Ridge.

Location: Road extends from Sedgwick to Light, Ark., 10.3 miles; sidings, 2 miles.

Equipment: Locomotives, 1; cars, 6.

Management: OFFICERS: A. D. Goldman, Pres., St. Louis, Mo.; A. Bertig, 1st Vice-Pres., Paragould, Ark.; S. C. Dowell, Treas., Walnut Ridge, Ark.; G. W. L. Brown, Sec. and Gen. Mgr., Sedgwick, Ark.; L. J. Moses, Gen. Aud., St. Louis, Mo. DIRECTORS: M. A. Hellman, A. D. Goldman, St. Louis, Mo.; S. C. Dowell, Walnut Ridge, Ark.; A. Bertig, Paragould, Ark.; G. W. L. Brown, Sedgwick, Ark. Annual meeting, last Monday in January. GENERAL OFFICE, Walnut Ridge, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenue	$2.205	$2.916	$5,855	$2,524	$3.209
Operating expenses	8,499	8,500	11,816	10,223	9,029
Net revenue	(def.)$6,294	(def.)$5,584	(def.)$5,961	(def.)$7,699	(def.)$6,820

Capital Stock: Authorized, $600,000; outstanding, $160,000. Par $100. No dividends paid. No bonded debt.

CADIZ RAILROAD

History: Incorporated under the laws of Kentucky, March 9, 1901. Road opened March 15, 1902.

Location: Road extends from Cadiz to Gracey, Ky., 10.33 miles. Sidings, 0.16 mile.

Equipment: Locomotives, 2; cars, 4.

Management: OFFICERS: W. C. White, Pres. & Gen. Mgr.; D. L. Grinter, Vice-Pres.; Miss B. M. Shaw, Treas.; A. C. Burnett, Sec.; J. P. White, Aud., Cadiz, Ky. DIRECTORS: G. L. Smith, D. L. Grinter, F. G. Terry, W. C. White, A. C. Burnett, Cadiz, Ky. Annual meeting, first Tuesday after first Monday in January. GENERAL OFFICE, Cadiz, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$17,068	$18,041	$20,682	$18,225	$17,871
Operating expenses	14,718	16,788	17,296	15,371	12,230
Net operating revenues	$2,350	$1,253	$3,386	$2,854	$5,641
Other income	250	250	250	125	.....
Total net income	$2,600	$1,503	$3,636	$2,979	$5,641
Taxes	449	148	145	149	157
Fixed charges	2,000	2,000	2,000	2,000	2,000
Surplus	$451	(def.)$645	$1,491	$830	$3,484

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $16,747; credit balance transferred from income, $451; miscellaneous credits, $21; total, $17,219. Contra: Miscellaneous debits, $31; credit balance carried to balance sheet, $17,188; total, $17,219.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$74 017	$69.200	$69.378	$69.906	$64.604
Working assets	8.829	13.207	13,693	11,675	16,147
Total	$82,846	$82,407	$83,071	$81,581	$80,751
LIABILITIES:					
Capital stock	$24.825	$24.825	$25.036	$25.036	$25.036
Funded debt	40.000	40.000	40,000	40,000	40.000
Accrued liabilities not due	833	855	855	855	855
Profit and loss	17,188	16,747	17,180	15,690	14,860
Total	$82,846	$82,407	$83,071	$81,581	$80,751

Bonded Debt: $40,000 Cadiz Railroad 5-year 5% notes and mortgage to Illinois Central R.R. Co. Dated Feb. 1, 1912, due Feb. 1, 1917. Interest payable F. and A. 1. Secured by mortgage on entire property except one combination car and one locomotive.

Capital Stock: Authorized, $60,000; outstanding, $24,825; par $25. No dividends paid.

CAIRO & KANAWHA RAILWAY

History: Incorporated under laws of Virginia, April 1, 1906, successor to Cairo & Kanawha Valley R.R.

Location: Road extends from Cairo to MacFarlan, W. Va., 16 miles.

Equipment: Locomotives, 2; cars, 26. Gauge, 3 feet.

Management: OFFICERS: Lee Shaffer, Pres.; C. T. Hitshew, Treas., S. L. Moore, Sec.; H. G. Hardbarger, Aud.; S. L. Moore, Gen. Mgr. DIRECTORS: Lawrence Sands, Pittsburgh, Pa.; Howard Hazlett, H. E. Vance, Wheeling, W. Va.; S. A. Moore, Charleston, W. Va.; C. T. Hitshew, Lee Shaffer, Parkersburg, W. Va.; D. G. McGregor, Cairo, W. Va. Annual meeting, first Monday in March. GENERAL OFFICE, Cairo, W. Va.

Comparative Income Account, Years Ended December 31

	1915	1914
Gross revenues	$19,257	$24,595
Operating expenses and taxes	16,523	18,870
Total net income	$2,734	$5,725
Fixed charges	4,600	4,600
Balance	(def.)$1,866	$1,125

Comparative Condensed Balance Sheet, as of December 31

ASSETS:	1915	LIABILITIES:	1915
Cost of road and equipment	$204,351	Common stock	$100,000
Current accounts	2,186	Bonded debt	92,000
Other assets	457	Current liabilities	1,899
		Accrued interest	766
		Other liabilities	608
		Profit and loss	11,719
Total	$206,994	Total	$206,994

Bonded Debt: $92,000 Cairo & Kanawha Ry. first 5s. Dated May 1, 1906; due May 1, 1936; interest paid J. and J. 1 at Security Trust Co., Wheeling, W. Va. Coupon, $1,000. Authorized, $100,000. First lien on property. Normal income tax deducted from interest.

Capital Stock: Authorized, $200,000; outstanding, $100,000. Par $100. No dividends paid.

CAIRO, TRUMAN & SOUTHERN RAILROAD

History: Incorporated under the laws of Arkansas, Feb. 7, 1912.

Location: Road extends from Truman, Ark., to Weona, Ark., 11 miles. Sidings, 1.28 miles.

Equipment: Locomotives, 5; box cars, 5; flat cars, 58; other freight cars, 24; passenger car, 1.

Management: OFFICERS: F. S. Charlot, Pres.; J. H. Tschudy, Vice-Pres.; T. J. Nash, Sec.; R. H. Tschudy, Treas.; H. F. Nelson, Aud.; L. M. Preston, Gen. Mgr.; A. E. Diamont, Supt. DIRECTORS: F. S. Charlot, St. Louis, Mo.; E. W. Tschudy, Truman, Ark.; R. H. Tschudy, Kansas City, Mo.; A. E. Diamont, R. A. Carroll, Lee J. Taylor, A. J. McDonald, Truman, Ark. Annual meeting in March. GENERAL OFFICE, 722 Chestnut Street, St. Louis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	*1912
Gross revenues	$38,349	$39,949	$14,147	$6,180	$1,554
Operating expenses	32,476	31,070	25,912	14,936	4,535
Net operating revenues	$5,873	$8,879	(def.)$11,765	(def.)$8,756	(def.)$2,981
Other income	1,813	1,461	6,633	12,907	2,592
Total net income	$7,686	$10,340	(def.)$5,132	$4,151	(def.)$389
Taxes	1,646	869	718	233	94
Fixed charges	8,488	8,135	5,333	.....	.....
Surplus	(def.)$2,448	$1,336	(def.)$11,183	$3,918	(def.)$483
Dividends	.....	.....	.....	2,720	.....
Balance	(def.)$2,448	$1,336	(def.)$11,183	$1,198	(def.)$483

* For four months.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $97; debit balance carried to balance sheet, $12,183; total, $12,280. Contra: Debit balance at beginning of year, $9,832; debit balance transferred from income, $2,448; total, $12,280.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$86,398	$69,825	$93,464	$29,840	$16,548
Working assets	3,758	6,123	8,837	2,606	3,064
Deferred debit items	21,789	23,614	25,518	.....	.....
Profit and loss	12,183	9,832	10,978	.....	483
Total	$124,128	$109,394	$138,797	$32,446	$20,095
LIABILITIES:					
Capital stock	$27,000	$27,000	$27,000	$17,000	$17,000
Funded debt	73,000	73,000	100,000	.....	.....
Working liabilities	23,683	9,029	10,640	14,640	3,001
Accrued liabilities not due	445	365	1,157	91	94
Profit and loss	.....	.....	.....	715	.....
Total	$124,128	$109,394	$138,797	$32,446	$20,095

Bonded Debt: $73,000 Cairo, Truman & Southern R.R. 1st 6s. Dated July 1, 1913; due July 1, 1928. Interest paid Jan. and July 1, at American Trust Co., St. Louis, Mo. Coupon, $1,000. Authorized and issued, $100,000, of which $27,000 held in treasury June 30, 1916. First lien on property. Normal income tax deducted from interest.

Capital Stock: Authorized, $100,000; outstanding, $27,000. Par $100. A dividend of 16% was paid in 1912-13. None since.

CALIFORNIA CENTRAL RAILROAD

History: Incorporated under the laws of California, March 20, 1912, for the purpose of constructing line from Hollister to San Juan, and from Chittenden to Watsonville, Cal., a distance of approximately 32 miles, of which 10 miles from San Juan Junc. to Chittenden are in operation.

Equipment: Locomotive, 1; cars, 26.

Management: OFFICERS: J. C. Kemp van Ee, Pres.; L. A. Hilborn, Vice-Pres.; P. F. Unger, Treas., San Francisco, Cal. DIRECTORS: J. C. Kemp van Ee, San Francisco; L. A. Hilborn, Oakland, Cal.; P. F. Unger, R. R. Moody, B. M. Aikins, F. W. Bishop, D. B. Schenk, San Francisco, Cal. Annual meeting, first Monday in December. GENERAL OFFICE, San Francisco, Cal.

Bonded Debt: (1) $2,000,000 California Central R.R. 1st sinking fund 6s. Dated March 21, 1912; due 1952. Interest paid J. and J. at company's agency, San Francisco, Cal. Coupon, $100, $500 and $1,000. Callable on Jan. 1, 1922, at 110 and interest. Sinking fund beginning Jan. 1, 1922, $5 for each $500 of bonds outstanding. First lien on real estate, etc. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $2,000,000. Par, $100. No dividends paid.

CALIFORNIA-WESTERN RAILROAD & NAVIGATION COMPANY

Origin: Incorporated under laws of California, July 1, 1905, for 50 years.

Location: Fort Bragg to Willits, Cal., 39.63 miles; Junction to Glen Blair, 3.22 miles, branches and spurs, 7.89 miles; total, 50.74 miles. Equipment: Locomotives, 7; passenger cars, 3; freight cars, 178; miscellaneous, 21.

Management: OFFICERS: Charles E. Wilson, Pres.; E. Towe, Jr., Secy.; Chas. H. Weller, Treas., San Francisco, Cal.; F. C. White, Gen. Mgr., Fort Bragg, Cal. DIRECTORS: Charles E. Wilson, T. L. Johnson, E. L. Towe, Jr., C. R. Johnson, C. L. White, San Francisco, Cal. Annual meeting, second Monday in January. OFFICE, San Francisco, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$258,411	$233,818
Maintenance of way and structures	25,796	42,116
Maintenance of equipment	26,212	33,407
All other operating expenses	59,929	69,931
Net operating revenues	$146,474	$88,364
Other income	9,587	6,136
Total net income	$156,061	$94,500
Taxes	14,643	14,398
Fixed charges	48,015	53,031
Surplus	$93,403	$27,071

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $188,231; credit balance transferred from income, $93,403; miscellaneous credits, $470; total, $282,104. Contra: Miscellaneous debits, $640; credit balance carried to balance sheet, $281,464; total, $282,104.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property Investment	$1,962,750	$1,941,562	Capital stock	$1,000,000	$1,000,000
Working assets	40,572	183,503	Funded debt	600,000	750,000
Deferred debit items	17,188	17,062	Working liabilities	98,908	154,708
			Accrued liabilities not due	6,383	14,713
			Deferred credit items	33,775	34,475
			Profit and loss	281,464	188,231
Total	$2,020,510	$2,142,127	Total	$2,020,510	$2,142,127

Bonded Debt: $600,000 California-Western R.R. & Navigation Co. 1st 6s. Dated Oct. 1, 1914; due Oct. 1, 1934. Interest paid A. and O. 1, at Anglo-California Trust Co., San Francisco, Trustee. Coupon, $1,000. Authorized issue, $750,000. Bonds were issued to retire $600,000 1st 6s due Jan. 1, 1915, and to repay advances to the Union Lumber Co. Callable at 102 and interest on Oct. 1, 1915, and thereafter, upon thirty days' notice. Company covenants to pay Trustee $15,000 annually as sinking fund, commencing Oct. 1, 1916, which is to be applied to redemption of bonds at not exceeding 102 and interest. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Authorized and issued, $1,000,000. Par, $100. Dividend of 2½% was paid in 1909; 7½% in 1910; 10% each in 1911 and 1912. None since.

CALUMET, HAMMOND & SOUTHEASTERN RAILROAD

History: Incorporated under the laws of Illinois, June 22, 1906. Operations commenced in August, 1906.

Location: Leases terminal tracks at South Chicago connecting the N. Y., Chicago & St. Louis R.R. and the Chicago & Western Indiana Ry., 7.58 miles. Equipment: Locomotives, 4; cars, 173, including 40 leased.

Management: OFFICERS: F. R. Hazard, Pres.; E. L. Pierce, 1st Vice-Pres., Syracuse, N. Y.; W. W. Davis, 2nd Vice-Pres., Gen. Mgr., Supt. and Pur. Agt., Chicago, Ill.; U. L. Miller, General Counsel, Syracuse, N. Y.; J. J. Armstrong, Traf. Mgr., Chicago. DIRECTORS: Jas. J. Armstrong, Wm. L. Brown, W. W. Davis, J. J. Armstrong, Chas. P. Fitzgerald, Chicago; H. H. S. Handy, F. R. Hazard, Ed. L. Pierce, Syracuse, N. Y.; R. G. Hazard, Peacedale, R. I. Annual meeting, first Wednesday in March. GENERAL OFFICE, 140 South Dearborn Street, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$106,849	$73,293	$72,093	$89,605	$71,331
Operating expenses	112,718	70,875	84,107	84,779	58,937
Net operating revenues	(def.) $5,869	$2,418	(def.) $12,014	$4,826	$12,394
Other income	.....	.....	8,254	3,049	8,737
Total net income	(def.) $5,869	$2,418	(def.) $3,760	$7,875	$21,131
Taxes	3,751	3,578	2,844	2,060	1,201
Fixed charges	6,336	6,000	6,000	6,000	6,000
Surplus	(def.) $11,146	(def.) $7,160	(def.) $12,604	(def.) $185	$13,930

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$95,381	$92,953	$101,368	$107,433	$72,148
Working assets	55,847	55,896	57,935	37,352	49,972
Deferred debit items	2,160	1,820	1,915	1,118	.....
Profit and loss	14,189	3,043	.....	.....	.....
Total	$167,577	$153,712	$161,218	$145,903	$122,120
LIABILITIES:					
Capital stock	$100,000	$100.000	$100.000	$100.000	$100,000
Working liabilities	67,577	53,712	57,100	29,182	5,214
Profit and loss	.....	.....	4,118	16,721	16,906
Total	$167,577	$153,712	$161,218	$145,903	$122,120

Capital Stock: Authorized and outstanding, $100,000. Par $100. All owned by the By-Products Coke Corp. No bonded debt.

CALUMET WESTERN RAILWAY

History: Incorporated under the laws of Illinois, Sept. 18, 1897. Road completed in 1900.

Location: In City of Chicago, 3.42 miles; sidings, 3.96 miles. No equipment.

Management: OFFICERS: A. M. Schoyer, Pres., Chicago, Ill.; A. H. Smith, Vice-Pres., New York; S. H. Church, Sec.; J. L. Mason, Asst. Sec.; T. H. B. McKnight, Treas., R. R. Reed, Asst. Treas., Pittsburg, Pa.; W. E. Osborn, Aud., Gibson, Ind.; W. H. Scriven, Supt., Chicago. DIRECTORS: A. H. Smith, New York; A. C. Ridgeway, J. E. Gorman, Edw. T. Glennon, J. J. Bernet, A. M. Schoyer, Chicago, Ill.; J. J. Turner, Pittsburg, Pa.; H. B. Ledyard, Detroit, Mich. Annual meeting, Thursday after second Tuesday in April. GENERAL OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross income	$8,695	$2,731	$9,803	$1,799	(def.) $1,038
Taxes	5,562	5,237	5,536	5,520	5,371
Fixed charges	91	91	91	91	91
Surplus	$3,042	(def.) $2,597	$5,176	(def.) $3,812	(def.) $6,500

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$431,924	$431,816	$431,816	$431,769	$431,769
Working assets	4,347	1,415	.....	.....	3,970
Profit and loss	5,192	8,234	8,996	13,736	28,749
Total	$441,463	$441,465	$440,811	$445,505	$464,488
LIABILITIES:					
Capital stock	$432,000	$432,000	$428,400	$428,400	$425,600
Working liabilities	5,742	6,482	9,207	13,736	36,368
Accrued liabilities not due	3,721	2,983	3,204	3,369	2,520
Total	$441,463	$441,465	$440,811	$445,505	$464,488

Capital Stock: Authorized, $500,000; outstanding, $432,000. Par $100. Owned jointly by Chicago, Rock Island & Pacific Ry., 25%; the Indiana Harbor Belt R.R., 50% and the Pennsylvania Co., 25%. No bonded debt.

CAMAS PRAIRIE RAILROAD

History: Incorporated under the laws of Oregon, Nov. 4. 1909. Company was organized for the purpose of operating for the Oregon-Washington R.R. and Navigation Co., and the Northern Pacific Ry. Revenues and expenses are apportioned to the parent companies monthly.

Location: Road extends from Riparia, Wash., to Grangeville, Ida., 151.11 miles; sidings, 30.93 miles.

Management: OFFICERS: J. D. Farrell, Pres., Portland, Ore.; E. C. Blanchard, Vice-Pres.; C. E. McCulloch, Sec., Portland, Ore.; M. P. Martin, Treas., Tacoma, Wash.; R. Blaisdell, Aud., Portland, Ore.; F. N. Finch, Mgr., Lewiston, Ida. DIRECTORS: C. E. McCulloch, J. P. O'Brien, J. D. Farrell, Portland, Ore.; E. C. Blanchard, Tacoma, Wash. Annual meeting, first Monday in November. GENERAL OFFICE, Portland, Ore.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Working assets	$213,551	$160,467	$309,251	$203,319	$150,381
Deferred debit items	1,885	1,660	71	6,065	1,948
Total	$215,436	$162,127	$309,322	$209,384	$152,329
LIABILITIES:					
Capital stock	$100.000	$100,000	$50,000	$50,000	$20,000
Working liabilities	101,696	61,212	258,705	158,297	132,064
Deferred credit items	13,740	915	617	1,087	265
Total	$215,436	$162,127	$309,322	$209,384	$152,329

Capital Stock: Authorized and outstanding, $100,000. Par $100. Owned jointly by the Northern Pacific Ry. Co. and the Oregon-Washington R. R. & Navigation Co. No dividends.

CAMBRIA & INDIANA RAILROAD

Origin: Incorporated under laws of Pennsylvania, as the Blacklick Yellow Creek R.R., name being changed to above April 20, 1911.

Location: The road extends from Manver to Colver, Pa., 21.8 miles; from Colver Junc. to Rexis, Pa., 4.25 miles; sidings, 7.40 miles; a total of 26.05 miles. Equipment: Locomotives, 4; cars: passenger, 4; freight, 1,506.

Management: OFFICERS: B. Dawson Coleman, Pres.; A. J. Rapp, Sec. and Treas.; W. E. Dobson, Gen. Aud. and Traf. Mgr.; J. E. Wilkinson, Pur. Agt., Philadelphia, Pa. Annual meeting, third Thursday in January. GENERAL OFFICE, Land Title Building, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Passenger earnings	$8,149	$10,730	$10,837	$8,415	$5,340
Freight earnings	261,494	280,012	231,988	142,323	42,252
Gross earnings	$273,091	$294,722	$246,845	$153.856	$48,356
Operating expenses and taxes	235,631	218,109	189,826	126,776	55,493
Net earnings	$37,460	$76,613	$57,019	$27,080	(loss) $7,137
Other income	193,524	148,765	152,787	99,750	30,122
Total net income	$230.984	$225.378	$209.806	$126,830	$22,985
Fixed charges	94,705	108,002	98,426	79,224	50,938
Balance	$136,279	$117,376	$111,380	$47,606	(def.) $27,953

Profit and Loss Account, year ended June 30. 1916: Credit balance at beginning of year, $243,575; credit balance transferred from income, $132.279; total, $379,854. Contra: Miscellaneous debits, $98; credit balance carried to balance sheet, $379,756; total, $379,854.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$2,578,149	$2,575,807	$2,592.330	$2,181,940	$1,758,064
Working assets	96,852	92,629	110,749	118,983	23,798
Deferred debit items	55,665	51,417	45,319	22,614	.....
Profit and loss deficit	.....	.....	.....	.....	26,518
Total	$2,730,666	$2,719,853	$2,748,398	$2,323,537	$1,808,380
LIABILITIES:					
Capital stock	$600.000	$400.000	$400,000	$400,000	$400,000
Funded debt	1,600.938	1,703,113	1,824,507	1,539,900	1,213,000
Working liabilities	110.803	327,092	353,886	336.195	179,180
Accrued liabilities not due	33,116	39,074	35,760	26,854	16,024
Deferred credit items	.....	.....	.....	.....	176
Appropriated surplus	6,053	6,999	5,700	3,423	.....
Profit and loss surplus	379,756	243,575	128,545	17,165	.....
Total	$2,730,666	$2,719,853	$2,748,398	$2,323,537	$1,808,380

Bonded Debt: $734,000 Cambria & Indiana R.R. 1st 5s. Dated May 1, 1911; due May 1, 1936; interest paid Nov. & May 1, at Girard Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $900,000. Callable at any time after May 1, 1913, at 102½ and interest. Sinking fund 2c. per gross ton on all coal originating and shipped over lines of company; minimum annual payment, $16,000. First lien on franchises and railroad property. Interest paid without deduction for normal income tax. Rating, Baa.

Equipment Trusts: There were outstanding on June 30, 1916, $147,000 car trusts, series "A"; $164,000 Car Trusts, Series B; $240,000 Car Trusts, Series C; and $3,947 Car Trusts Series D; $312,000 Series E. All series carry 5%, and mature serially as follows: Series A, to Sept. 1, 1921; Series B, to Feb. 1, 1927; Series C, to Feb. 1, 1928; Series D, to Feb. 1, 1928; Series E, to May 1, 1929. Coupon, $1,000. Guaranteed principal and interest, by endorsement, by the Cambria & Indiana R.R. Rating, A.

Capital Stock: Authorized and outstanding, $600,000 (increased from $400,000 in 1916). Par, $100. No dividends reported.

CAMINO, PLACERVILLE & LAKE TAHOE RAILROAD

History: Incorporated under the laws of California, Dec. 23, 1911, as successor to the Placerville & Lake Tahoe Ry. sold Dec. 28, 1911, at auction.

Location: Road extends from Placerville to Camino, Cal., 8.05 miles. Equipment: Locomotive, 1, freight cars, 2.

Management: OFFICERS: C. D. Danaher, Pres. & Gen. Mgr., Camino, Cal.; C. F. Wood, Vice-Pres.; G. L. Chamberlain, Sec., Treas., Supt. and Pur. Agt., Camino, Cal. DIRECTORS: C. D. Danaher, G. L. Chamberlain, Chas. F. Wood, Camino, Cal. Annual meeting in December. GENERAL OFFICE, Camino, Cal.

Income Account, year ended June 30, 1916: Gross revenues, $5,026; operating expenses and taxes, $11,039; loss from operation, $6,013; other income, $56; total loss, $5,957.

Income Account, year ended June 30, 1915: Gross revenues, $24,328; operating expenses and taxes, $24,670; loss from operation, $342; other income, $105; total loss, $236.

Condensed Balance Sheet, as of June 30, 1916: Assets: Property investments, $200,000; profit and loss deficit, $11,449; total, $211,449. Liabilities: Capital stock, $100,000; funded debt, $100,000; other liabilities, $11,449; total, $211,449.

Bonded Debt: $100,000 Camino, Placerville & Lake Tahoe R.R. 1st 6s. Dated Oct. 1, 1911; due Oct. 1, 1921. Int. paid Apr. and Oct. 1, at Michigan Trust Co., Grand Rapids, Mich. Coupon, $1,000. Callable at par and interest. First lien on property. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $100,000. Par $100. No dividends paid.

CAMPBELL'S CREEK RAILROAD

History: Incorporated under laws of West Virginia, Jan. 16, 1901.

Location: Road extends from Dana to Putney, W. Va., 13.82 miles; sidings, 2.51 miles. Equipment: Locomotives, 3; passenger cars, 3; freight cars, 194; tank car, 1; caboose, 1.

Management: OFFICERS: S. F. Dana, Pres.; E. O. Dana, Vice-Pres. and Treas.; R. P. Gillham, Sec., Cincinnati, O.; W. V. Rensford, Gen. Mgr.; C. E. Fultz, Traf. Mgr. and Aud., Dana, W. Va. DIRECTORS: The foregoing and A. M. Putney, Putney, W. Va. Annual meeting, third Wednesday in February. GENERAL OFFICE, Cincinnati, O.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$90.604	$74,259	$69,125	$76,210	$69,941
Operating expenses	62,616	72,049	64,012	59,860	71,564
Net operating revenues	$27,988	$2,210	$5,113	$16,350	(def.) $1,623
Taxes	3,026	1,422	1,133	1,062	1,034
Fixed charges	15,343	12,604	10,400	10,400	10,400
Surplus	$10,619	(def.) $11,816	(def.) $6,420	$4,888	(def.) $13,057

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$270,664	$195,942	$200,494	$205,163	$206,037
Working assets	51,384	11,124	9,070	8,277	6,641
Profit and loss	62,064	72,683	62,704	56,283	61,171
Total	$384,112	$279,749	$272,268	$269,723	$273,849
LIABILITIES:					
Capital stock	$20,500	$20,500	$20,500	$20.500	$20,500
Funded debt	285,800	208.000	208,000	208.000	208.000
Working liabilities	77,812	51,249	43,768	41,223	45,349
Total	$384,112	$279,749	$272,268	$269,723	$273,849

Bonded Debt: (1) $208.000 Campbell's Creek R.R. first 5s. Dated 1904; due Jan. 1, 1924. Int. paid Jan. and July 1. Authorized, $400,000. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Ba.

(2) $77.800 Equipment Note. Dated May 23, 1916; due on or before 10 years. Interest 6%, payable quarterly. Secured on 100 freight cars.

Capital Stock: Authorized, $25,000. Outstanding, $20,500. Par $100. No dividends.

CARLTON & COAST RAILROAD

History: Incorporated under the laws of Oregon, Feb. 24, 1910, to build a line from Carlton to Tillamook, Ore.

Location: Road in operation extends from Carlton to Tillamook Gate, Ore., 13.93 miles. Yard track, 2.34 miles. Equipment: Locomotives, 3; passenger car, 1; box cars, 2; flat cars, 24; logging cars, 30; stock car, 1; caboose cars, 2; ballast cars, 2.

Management: OFFICERS: Chas. E. Ladd, Pres.; W. B. Dennis, Vice-Pres. and Mgr.; P. R. Cooper, Sec. & Gen. Frt. and Pass. Agt.; M. L. Johnson, Chief Engineer, Carlton, Ore. DIRECTORS: Chas. E. Ladd, W. B. Dennis, Carlton, Ore.; Erskine Wood, Frederick H. Strong, Edward Cookingham, Portland, Ore. Annual meeting, first Monday in February. GENERAL OFFICE, Carlton, Ore.

Income Account, Year Ended June 30, 1916

Gross revenues	$3,114
Operating expenses	17,831
Net revenue	(def.) $14,717
Other income	216
Total net income	(def.) $14,501
Taxes	897
Fixed charges	28,142
Surplus	(def.) $43,540

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $146,195. Contra: Debit balance at beginning of year, $102,655; debit balance transferred from income, $43,540; total, $146,195.

Comparative Condensed Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Property investment	$428,072	Capital stock	$500,000
Current assets	108,176	Funded debt	250,000
Unadjusted debits	499,000	Current liabilities	322,540
Profit and loss	146,195	Unadjusted credits	8,903
Total	$1,181,443	Total	$1,181,443

Bonded Debt: (1) $250,000 Carlton & Coast R.R. 1st 5s. Dated 1910; due March 30, 1930. Interest paid Mar. and Sept. 1 at Continental & Commercial Trust & Savings Bank, Chicago. Coupon, $1,000. Callable at 103. First lien on property. All owned by Carlton Consolidated Lumber Co.

Capital Stock: Authorized and outstanding, $500,000. Par $100. All owned by Carlton Consolidated Lumber Company.

CAROLINA & NORTH WESTERN RAILWAY

History: Incorporated under laws of N. C. and S. C., July 18, 1895. A reorganization, Feb. 8, 1897, of the Chester & Lenoir R.R., which was sold under foreclosure. The property was originally narrow gauge, but was changed to standard in 1902. In 1910, the Caldwell & Northern R.R. was merged with this company.

Location: Line of road, from Chester, S. C., to Edgemont, N. C., with branches making about 147.79 miles, of which 9.20 miles are operated under traffic agreement. Equipment owned: Locomotives, 14; cars, passenger 24, freight, etc., 109.

Management: OFFICERS: William A. Barber, Pres., New York; F. Wolfe, Treas.; J. J. McLure, Sec.; W. K. Kearsley, Aud.; L. T. Nichols, Gen. Mgr. and Pur. Agt., Chester, N. C. DIRECTORS: J. A. Martin, C. E. Spencer, L. F. Long, J. H. Marion, T. H. White, S. H. Hardin, J. O. White. Annual meeting, second Thursday in September. OFFICE, Chester, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$461,626	$410,732	$495,535	$493,267	$420,617	$416,407	$347,381
Maintenance of way	92,165	90,842	104,893	86,767	78,863		
Maintenance of equipment	56,684	42,498	46,136	56,493	39,371	294,747	225,929
All other operating expenses	189,075	183,558	208,124	203,545	179,390		
Net operating revenues	$123,702	$94,034	$136,382	$146,462	$122,993	$121,660	$121,452
Operating ratio	73.2%	77.1%	72.5%	70.3%	70.8%	70.8%	65%
Other income	248	171	210	313	3,748	6,679	1,164
Total net income	$123,950	$94,205	$136,592	$146,775	$126,741	$128,339	$122,616
Taxes accrued	16,596	15,438	16,681	14,416	16,681	13,256	12,016
Fixed charges	151,198	141,945	140,730	142,527	131,966	125,737	91,165
Surplus	(def.) 43,884	(def.) 63,178	(def.) 20,819	(def.) 10,168	(def.) 21,906	(def.) 10,654	$19,435

Profit and Loss Account, year ended June 30, 1916: Debit balance transferred from income, $43,884; miscellaneous debits, $251; total, $44,095. Contra: Credit balance at beginning of year, $7,123; donations, $1,000; miscellaneous credits, $907; debit balance carried to balance sheet, $35,065; total, $44,095.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,883,367	$3,962,033	$3,936,929	$3,886,308	$3,816,218	$3,771,585
Working assets	68,696	301,702	307,704	340,323	342,145	230,990
Deferred debit items	2,580	4,388	6,609	6,208	7,689	8,386
Profit and loss	35,065	.....	.....	.....	.....	.....
Total	$3,989,708	$4,268,123	$4,251,242	$4,232,839	$4,166,052	$4,010,961

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$1,404,250	$1,404.250	$1,404,250	$1,404,250	$1,404,250	$1,404,250
Funded debt	2,098,769	2,448,847	2,456,542	2,470,769	2,407,298	2,255,850
Working liabilities	464,446	386,932	300,434	252,628	232,628	208,577
Accrued liabilities not due	21,764	20,456	18,446	11,558	10,508	9,240
Deferred credit items	479	515	.....	.....	.....	.....
Profit and loss	.....	7,123	71,570	93,634	111,368	133,044
Total	$3,989,708	$4,268,123	$4,251,242	$4,232,839	$4,166,052	$4,010,961

Bonded Debt: (1) $1,528,000 Carolina & North Western Ry. first 5s; dated June 30, 1903; due June 30, 1953. Int. paid J. and J. 1, in Chester, S. C., and at Guaranty Trust Co., New York. Reg., $1,000. First lien on 110 miles from Chester, S. C., to Lenoir, N. C. Auth., $2,500,000. Interest paid without deduction for normal income tax. Net Rating, B.

(2) $543,000 Caldwell & Northern R.R. first 5s; dated June 1, 1907; due June 1, 1957. Int. paid J. and D., at Guaranty Trust Co., New York, and in Chester, N. C. Reg., $1,000. Auth., $1,000,000. First lien on 23.5 miles from Lenoir to Edgemont, N. C. Assumed by Carolina & North Western Ry., which merged the property in 1910. Interest paid without deduction for normal income tax. Net Rating, B.

(3) $27,769 equipment trust notes outstanding June 30, 1916, secured on 6 locomotives, 15 flat cars, 2 parlor cars and 1 passenger coach.

Capital Stock: Authorized, $1.000,000 common; outstanding, $854,250. Par, $50. $1,000,000 4% non-cumulative preferred; outstanding, $550,000. Par, $50. No dividends reported.

CAROLINA & WESTERN RAILROAD

History: Incorporated under the laws of South Carolina, Oct. 4th, 1902. Road projected from Fechtig to Pineland, S. C., 18.5 miles.

Location: Road extends from Fechtig to Grays, S. C., 8 miles. Equipment: Locomotives, 2; freight cars, 22.

Management: OFFICERS: Randolph Mundaugh and P. R. Rivers, Receivers; H. B. Horton, Sec. and Aud., Fechtig, S. C. Annual meeting in October. GENERAL OFFICE, Fechtig, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$6.724	$6,366	$6,581	$10,426	$9,259
Operating expenses	6,301	8,543	8,037	6,478	11,706
Net operating revenues	$423	(def.) $2,177	(def.) $1,456	$3,948	(def.) $2,447
Other income	307	189	879	.....	1,245
Total net income	$730	(def.) $1,988	(def.) $577	$3,948	(def.) $1,202
Fixed charges, including taxes	210	276	314	297	334
Balance	$520	(def.) $2,264	(def.) $891	$3,651	(def.) $1,536

Capital Stock: Authorized and outstanding, $50,000; par, $100. No bonded debt. A dividend of 6% was paid in 1913, none since.

CAROLINA & YADKIN RIVER RAILWAY

History: Incorporated under laws of North Carolina, Feb. 18, 1909. Acquired the properties of the Piedmont Railway on May 31, 1912. Thomasville Terminals completed Oct. 15, 1913; High Point terminals completed June, 1914.

Location: Line of road extends from High Point through Thomasville and Denton to High Rock, N. C., 42.82 miles. An extension was completed June 1, 1913 from Denton to High Rock, connecting at the latter point with the Winston-Salem Southbound Ry., Atlantic Coast Line Ry., and Norfolk & Western Ry. On Oct. 13, 1913, extension from Thomasville to High Point (8 miles) was completed connecting with the Southern Ry. Equipment: Locomotives, 3; cars, 18.

Management: OFFICERS: Bird S. Coler, Pres., New York; E. C. Deal, Vice-Pres. and Chief Engr., Greensboro, N. C.; E. B. Coler, Jr., Sec. and Treas., New York. DIRECTORS: Bird S. Coler, L. H. Hole, Jr., E. B. Coler, Walter Shepperd, William P. Rawley, A. D. Hammond, New York; Wescott Roberson, W. E. Price, High Point, N. C.; E. C. Deal, A. L. Brooks, Greensboro, N. C.; Frank S. Lambeth, Thomasville, N. C. Annual meeting, third Tuesday in January, at Thomasville, N. C. PRINCIPAL OFFICE, High Point, N. C. NEW YORK OFFICE, 43 Cedar street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$98.479	$69.946	$66.559	$39.340	$25,548
Maintenance of way and structures	14,471	12,154	4,588	4,800	6,468
Maintenance of equipment	11,427	7,992	4,005	1,717	643
All other operating expenses	53,431	43,745	39,863	15,771	7,613
Net operating revenue	$19,150	$6,055	$18,103	$17,052	$10,824
Other income	150	182	.....	.....	.....
Total net income	$19,300	$6,237	$18,103	$17,052	$10,824
Taxes	2.200	1,845	973	591	304
Fixed charges	79,730	46,280	10,611	156	2,678
Surplus	(def.) $62,630	(def.) $41,888	$6,519	$16,305	$7,842

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $9,316; debit balance carried to balance sheet, $53,612; total, $62,928. Contra: Debit balance transferred from income, $62,630; miscellaneous debits, $298; total, $62,928.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$3,170,906	$3,160,736	$3,267,239	$2,567,226	$81,873
Working assets	21,262	11,998	19,568	12,420	151,700
Deferred debit items	33,626	20,317	21,293	7,792	.....
Profit and loss	53,611	.....	.....	.....	.....
Total	$3,279,405	$3,193,051	$3,308,100	$2,587,438	$233,573
LIABILITIES:					
Capital stock	$1,840,000	$1,840,000	$2,140,000	$1,740,000	$40,000
Funded debt	1,270,200	1,256,600	1,100,000	800,000	150,000
Working liabilities	158,192	79,055	17,233	3,221	15,531
Accrued liabilities not due	9,732	6,575	.....	.....	16
Deferred credit items	1,281	1,505	.....	.....	.....
Appropriated surplus	.....	.....	.....	643	.....
Profit and loss surplus	.....	9,316	49,867	43,574	28,026
Total	$3,279,405	$3,193,051	$3,308,100	$2,587,438	$233,573

Bonded Debt: $1,270,200 Carolina & Yadkin River Ry. 1st 5s. Dated June 1, 1912; due June 1, 1962. Interest paid J. & D. 1, at Equitable Trust Company, New York, Trustee. Coupon, $100, $500 and $1,000. Callable at 105 and interest on 6 months' notice. Authorized, $3,000,000. Bonds unissued reserved for future improvements and extensions. Sinking fund 1% of gross earnings, beginning July 1, 1918 to 1922; 1½%, 1923 to 1927; 2%, 1928 to 1932; thereafter, 3% per annum. First lien on entire property now owned or hereafter acquired. Interest payable without deduction for normal income tax.

Capital Stock: Authorized, $1,000,000 pfd. and $3,000,000 common. Outstanding, $300,000 pfd. and $1,540,000 common. Par, $100.

CARTHAGE & COPENHAGEN RAILROAD

History: Incorporated under the laws of New York, July 2, 1906.

Location: Road extends from West Carthage to Copenhagen, N. Y., 8.75 miles. Equipment: Locomotives, 1; cars, 4.

Management: OFFICERS: H. L. Grant, Pres., Copenhagen, N. Y.; S. J. Gifford, Vice-Pres., Carthage, N. Y.; Wm. J. Twining, Treas., Copenhagen, N. Y.; W. B. Van Allen, Sec., Carthage, N. Y. DIRECTORS: The foregoing and S. L. Cleveland, L. B. Cleveland, Watertown, N. Y.; J. A. Outterson, J. M. Lewis, Mac. G. Phillips, A. L. Clark, Copenhagen, N. Y.; J. E. Marsh, New York. Annual meeting in May. GENERAL OFFICE, Copenhagen, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$20,527	$22.393	$22,183	$24,567	$19.202
Operating expenses	19,029	20,648	22,694	18,060	16,290
Net operating revenues	$1,498	$1,745	(def.)$511	$6,507	$2,912
Other income	790	.....	.....	.....	.....
Total net income	$2,288	$1,745	(def.)$511	$6,507	$2,912
Fixed charges, including taxes	6,321	6,177	5,912	6,100	6,145
Balance	(def.)$4,033	(def.)$4,432	(def.)$6,423	$407	(def.)$3,233

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$143.535	$144,132	$144.340	$146,130	$150,361
Working assets	4,826	3,880	6,058	4,835	2,414
Accrued income not due	1,900	1,900	.....	2,010	48
Deferred debit items	.....	.....	.....	.....	.....
Profit and loss	13,220	8,844	2,104	.....	.....
Total	$163,481	$158,756	$152,502	$152,975	$152,823
LIABILITIES:					
Capital stock	$62,900	$62.800	$62.800	$62.600	$62.600
Funded debt	64.500	59,500	59,500	58,500	58.000
Working liabilities	36,081	36,456	30,202	31,107	28,741
Accrued liabilities not due	.....	.....	.....	293	.....
Deferred credit items	.....	.....	.....	185	.....
Profit and loss	.....	.....	.....	290	3,482
Total	$163,481	$158,756	$152,502	$152,975	$152,823

Bonded Debt: $64,500 Carthage & Copenhagen R.R. 1st 6s. Dated Dec. 1, 1908; due Dec. 1, 1920. Interest paid J. and D. 1. at Carthage National Bank, Carthage, N. Y. Coupon and registered, $500 and $1,000. Authorized, $75,000. Callable Dec. 1, 1918 and thereafter. First lien on all property and franchises. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $100,000; outstanding, $62,900. Par, $100.

CATSKILL MOUNTAIN RAILWAY COMPANY

History: Incorporated under New York laws, July 1, 1885, as successor to the Catskill Mountain R.R. Operates 19.52 miles, Catskill to Palenville, and Cairo to Cairo June. Sidings, 2.63 miles. The latter is leased from the Cairo R.R. Co.

Management: OFFICERS: Geo. H. Beach, Rec., Pres. and Sec.; W. I. Jennings, Vice-Pres.; Orrin Day, Treas. DIRECTORS: E. E. Olcott, J. D. Hasbrouck, T. B. Beach, Orrin Day, Wm. Palmatier, G. H. Beach, A. P. Jones, W. I. Jennings, J. P. Philip, Frederick Hill, Eugene Wolfe, T. E. Jones, J. K. Van Wagenen. OFFICE, Catskill, N. Y.

Equipment: Locomotives, 4; cars, 34.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$26,766	$36,880	$56,637	$61,151	$59,488	$66,825	$74,339
Net earnings	(def.) 485	561	9,132	14,314	9,384	10,813	23,860
Total net income	(def.) 485	563	9,249	14,314	9,523	10,988	24,035
Taxes accrued	1,183	1,679	1,931	1,840	2,326	1,532	1,867
Fixed charges, etc.	1,906	9,118	10,736	10,712	10,694	9,189	21,032
Balance	(def.) $3,574	(def.) 10,234	(def.) 3,418	1,761	(def.) 3,497	267	1,136

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$454,305	$455,819	$470,229	$469,628	$452,377	$453,377
Working assets	6,775	13,559	22,225	19,548	21,599	20,203
Deferred debit items	.....	262	280	289	352	254
Total	$461,080	$469,640	$492,734	$489,465	$474,328	$473,834
LIABILITIES:						
Capital stock	$89,000	$89,000	$89,000	$89,000	$29,000	$89,000
Funded debt	295,100	297,600	292,600	290,600	290,600	290,600
Working liabilities	12,147	13,792	20,102	14,260	13,261	9,296
Accrued liabilities not due	.....	842	.....	813	812	812
Deferred credit items	.....	.....	12,392	12,376	.....	.....
Profit and loss surplus	64,833	68,406	78,640	82,416	80,655	84,126
Total	$461,080	$469,640	$492,734	$489,465	$474,328	$473,834

Bonded Debt: (1) $39,000 Catskill Mountain Ry. first 5s; dated Aug. 1, 1885; due Aug. 1, 1915. Int. paid February and April, at Tanners' National Bank, Catskill, N. Y. First lien on 15.75 miles from Catskill to Tannersville, N. Y. Normal income tax deducted from interest. Net Rating, B.

(2) $15,600 Cairo R.R. Co. first 6s; due May 1, 1925. Int. May and November, at Tanners' National Bank, Catskill, N. Y. First lien on 3.77 miles, Cairo to Cairo June., N. Y. The Cairo R.R. is leased by the Catskill Mountain Ry. at annual rental of $2,994.35. Normal income tax deducted from interest. Net Rating, Ba.

(3) $238,000 Catskill Mountain Ry. first income 6s; due Feb. 1, 1915. Int. paid when earned; none paid since 1910. Bonds have voting power. Secured by second lien, following No. 1. There are also outstanding $15,600 second income 6s.

Capital Stock: Auth. and outstanding, $89,000; par, $100. No dividends.

CATSKILL & TANNERSVILLE RAILWAY

History: Incorporated under laws of New York, Sept. 14, 1892, road being opened in July, 1893, under terms of contract with the Catskill Mountain Ry., with which it connects. The latter company pays to this company $4,800 per annum, on account of general construction and maintenance expenses.

Location: Line of road, Otis Summit to Tannersville, New York, 5.25 miles. The line is narrow gauge. Equipment owned: Locomotives, 2; and cars: passenger, 3; freight, 2.

Management: OFFICERS: W. Y. Hawley, Rec.; A. V. S. Olcott, Pres., New York; J. D. Hasbrouck, Vice-Pres., Ridgewood, N. J.; T. E. Jones, Treas., Catskill, N. Y.; W. Y. Hawley, Sec., New York. DIRECTORS: T. E. Jones, Orrin Day, Catskill, N. Y.; E. E. Olcott, W. Y. Hawley, G. A. White, A. V. S. Olcott, E. H. Snyder, F. B. Hibbard, New York; J. D. Hasbrouck, Ridgewood, N. J. Annual meeting, third Tuesday in November. OFFICE, Catskill, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$5,484	$6,958	$7,257	$7,003	$7,786	$7,589	$7,566
Operating expenses	7,913	10,804	10,852	11,276	12,332	10,886	11,540
Net operating revenues	(def.) $2,429	(def.) $3,846	(def.) 3,595	(def.) $4,273	$4,546	$3,297	$3,974
Operating ratio	144.3%	155.3%	149.5%	161%	158.5%	143.4%	152.5%
Other income	.....	4,800	4,800	4,800	4,800	4,800	4,800
Total net income	(def.) $2,429	$954	$1,205	$527	$254	$1,503	$826
Taxes accrued	565	558	554	531	491	502	472
Fixed charges	2,395	2,345	2,345	2,344	2,344	2,402	2,411
Deficit	$5,389	$1,949	$1,694	$2,348	$2,581	$1,401	$2,057
Dividends paid	.....	1,500	1,500	1,500	1,500	1,500	1,500
Balance (deficit)	$5,389	$3,449	$3,194	$3,848	$4,081	$2,901	$3,557

Comparative Condensed Balance Sheet, ns of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$132,627	$133,168	$138,803	$138,803	$138,816	$132,537
Working assets	4,530	3,479	6,416	4,760	6,989	4,206
Profit and loss deficit	49,772	44,383	40,934	37,741	33,891	29,808
Total	$186,929	$181,030	$186,153	$181,304	$172,696	$166,551
LIABILITIES:						
Capital stock	$80,000	$80,000	$80,000	$80,000	$80,000	$80,000
Working liabilities	106,929	101,030	101,240	97,112	92,696	86,551
Deferred credit items	.....	.....	4,913	4,192	.....	.....
Total	$186,929	$181,030	$186,153	$181,304	$172,696	$166,551

Capital Stock: Auth. and issued, $80,000; par, $100. Dividends of 6% per annum (J. and J. 1, nt Lincoln National Bnnk, New York) are paid on $25,000 of this stock; nothing on balance. This dividend is paid from the concession of $4.800 per annum paid this company by the Catskili Mountain Ry., this dividend being guaranteed by the latter. No bonded debt.

CENTRAL INDIANA RAILWAY

History: Successor on March 16, 1903, of Chicago & Southeastern Ry. Controlled jointly by C., C., C. & St. Louis Ry. and the Pennsylvania Co.

Location: Line of road, Muncie to Waveland June.; Sand Creek to Brazil, Ind., 127.12 miles. Sidings, 22.06 miles. Equipment: Locomotives, 10; passenger cars, 4; and freight and company cars, 217.

Management: OFFICERS: J. Q. Van Winkle, Pres.; D. F. Mustard, Treas.; W. S. Parkhurst, Sec. DIRECTORS: A. H. Smith, H. A. Worcester, L. J. Hackney, C. M. South, E. B. Taylor, J. J. Turner, J. Q. Van Winkle. MAIN OFFICE, Anderson, Ind.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$222,903	$192,844	$214,964	$209,157	$172,441	$173,923
Maintenance of way.....	61,448	54,398	54,480	50,495	47.355	48,627
Maintenance of equipment	37,298	49.609	54,321	48,368	45,250	45,164
All other operat. expenses.	113,437	116,999	122,137	105,060	107,440	102,384
Net oper. revenues...	$10,720	(def.) $28,162	(def.) 15,974	(def.) $5,234	(def.) $27,604	(def.) $22,252
Interest charges	90.342	91,812	60,000	60,000	60,000	60,000
Taxes	22,389	22,429	.....	.....	.....	.....
Other income	1,180	467	.....	.....	.....	.....
Deficit	100,831	141,936	.....	.....	.....	.....

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $5; debit balance carried to bnlance sheet, $1,775.554; total, $1,775.559. Contra: Debit balanco nt beginning of yenr, $1,671,470; debit balance transferred from incomc, $100,831; loss on retired road and equipment, $3,258; total, $1,775,559.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment.....	$2,054,618	$2,051,406	$2,054,323	$2,061,355	$2,065,760	$2,065,488
Working assets	73,381	51,410	50,854	47,919	41,612	40,800
Deferred debit items.....	688	1,806	6,645	7,194	6,937	12,564
Profit and loss deficit.....	1,775,554	1,671,470	1,528,313	1,396,894	1,282,900	1,155,208
Total	$3,904,241	$3,776,092	$3,640,135	$3,513,362	$3,397,209	$3,274,140
LIABILITIES:						
Capital stock	$120,000	$120,000	$120.000	$120.000	$120,000	$120,000
Funded debt	2,914,597	2,858,606	1,500.000	1,500,000	1,500,000	1,500,000
Working liabilities	837.213	772.319	1,991,857	1,865,346	1,749,910	1,629,546
Accrued liabilities not due	32,367	29,388	27,433	27,100	25,871	23,778
Deferred credit items	*1,676	*4,221	845	916	1,428	816
Total	$3,904,241	$3,776,092	$3,640,135	$3,513,362	$3,397,209	$3,274,140

* Reverse item.

Bonded Debt: $1,500,000 Central Indiana Ry. first 4s; dated Mny 1, 1903; due Mny 1, 1953. Interest, May 1 and Nov. 1 at Central Trust Co., New York. Coupon and reg., $1,000. First lien on entire property. Of the bonds issued, $750,000 are owned by the Pennsylvania Company, nnd the remainder are guaranteed, principal and interest, by the Cleveland, Cincinnati, Chicago & St. Louis Ry. Auth., $4,000,000, but limited to $20,000 per mile. Interest paid without deduction for normal income tax. Net Rating, A.

Capital Stock: Authorized and outstanding, $120,000. Pnr, $100. Owned equally by the Pennsylvanin Company and the Cleveland, Cincinnati, Chicago & St. Louis Ry. No dividends.

CENTRAL NEW YORK SOUTHERN RAILROAD CORPORATION

History: Chartered under the laws of New York, March 30, 1914, for 1,000 years. Successor by purchase under mortgage foreclosure sale under bondholders' plan for reorganization, the New York, Auburn & Lansing R.R. and Ithaca Street Ry. The line was built on private right of wny nnd under steam rnilroad charter. Opernted by steam from Auburn to South Lansing, and on account of grade from South Lansing to Ithaca by electricity. 7 miles. Company controls, through stock ownership, The Ithaca Traction Co.

Location: Road extends from Ithaca to Auburn, N. Y., 36.50 miles; branches, 1.17 miles; total, 37.67 miles. Sidings, 5.61 miles. Road is under construction to connect with Delaware, Lackawanna & Western R.R. at Ithaca, N. Y., 2.5 miles.

Equipment: Locomotives, 6; cars, 57; motor cars, 2.

Management: OFFICERS: R. B. Williams, Jr., Pres., Ithaca, N. Y.; H. W. Fitz, First Vice-Pres., Pawtucket, R. I.; Charles E. Hotchkiss, 2d Vice-Pres. and Gen. Counsel, 34 Nassau street, New York; H. A. Clarke, 3d Vice-Pres., Gen. Mgr. and Sec.; T. P. Clancy, Treas., Ithaca, N. Y. DIRECTORS: C. A. Austin, Chas. E. Hotchkiss, New York; Chas. H. Bartlett, Bangor, Me.; H. H. Bowman, Springfield, Mass.; H. A. Clarke, C. J. Rumsey, R. B. Williams, R. B. Williams, Jr., Ithaca, N. Y.; H. W. Fitz, Pawtucket, R. I.; E. J. B. Huntoon, Francis E. Smith, Boston, Mass.; H. C. Mandeville, Elmira, N. Y. Annual meeting, second Thursday in October, at Ithaca, N. Y. OFFICE, Ithaca, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	(3 months ended June 30) 1914
Gross revenues	$106,923	$107,800	$25,439
Operating expenses	86,511	84,532	20,741
Net operating revenues	$20,412	$23,268	$4,698
Other income	31,020	30,359	8,206
Total net income	$51,432	$53,627	$12,904
Taxes	4,697	2,985	852
Fixed charges	55,556	52,545	8,471
Surplus	(def.) $8,821	(def.) $1,903	$3,581
Other deductions	.....	.....	869
Balance	(def.) $8,821	(def.) $1,903	$2,712

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $721; donations, $6,539; miscellaneous credits, $7,553; debit balance carried to balance sheet, $600; total, $15,413. Contra: Debit balance transferred from income, $8,821; debt discount extinguished through surplus, $4,392; miscellaneous debits, $2,200; total, $15,413.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$1,896,017	$1,881,708	$1,910,968
Working assets	100,201	90,237	178,305
Deferred debit items	145,359	161,744	83,657
Profit and loss	600	.....	.....
Total	$2,142,177	$2,133,689	$2,172,930
LIABILITIES:			
Capital stock	$1,100,000	$1,100,000	$1,100,000
Funded debt	1,000,000	1,000,000	1,000,000
Working liabilities	32,484	21,525	70,219
Accrued liabilities not due	9,021	8,934	.....
Deferred credit items	672	1,422	.....
Appropriated surplus	.....	1,087	.....
Profit and loss surplus	.....	721	2,711
Total	$2,142,177	$2,133,689	$2,172,930

Bonded Debt: $1,000,000 Central New York Southern R.R. Corporation 1st collateral trust 5s. Dated May 1, 1914; due May 1, 1964. Interest paid M. and N. 1, at office of Columbia Trust Co., New York, Trustee. Coupon, $500 and $1,000. Prin. may be registered. Callable as a whole at 105 and interest, on any interest date. No sinking fund. Secured by first mortgage on entire property of the company; also by deposit of $400,000 capital stock of the Ithaca Traction Co., and by $488.000 of the Ithaca Traction Co. 1st and refunding 5s of 1964. Of the bonds issued, $256,000 were for property, $488,000 for Ithaca Traction Co. 1st and refunding 5s at par, and $256,000 for cash. Normal income tax deducted from interest. Rating, B.

Capital Stock: Authorized, $725,000 preferred, and $1,275,000 common. Outstanding, $725,000 pfd. and $375,000 common. Par, $100. All held in voting trust. Voting trustees are H. W. Fitz, Pawtucket, R. I.; Edward Cornell, 34 Nassau Street, New York; R. B. Williams, Ithaca, N. Y. Preferred stock is entitled to cumulative dividends during second year from issue, aggregating 3%; third year, 4%; fourth year, 5%; fifth year, 6%, and thereafter 7% per annum. Shares with common in all dividends in any year after 7% has been paid on each issue. Preferred has no voting power, but full voting rights if any dividend due remains unpaid, and is callable at 110 and dividends. Entire common stock and $325,000 of pfd. were issued for property, the balance, $400,000 pfd., was issued for Ithaca Traction Corporation stock at par.

CENTRAL RAILROAD OF OREGON

History: Incorporated under the laws of Maine, March 22, 1909, successor to the Central Railway of Oregon. Franchise perpetual.

Location: Road projected from Cornucopia to Summerville, Ore., and Walla Walla, Wash., with branches; total 150 miles. Purchased the Union St. & Suburban Ry. in 1906.

Equipment: Locomotive, 1; cars, 2.

Management: OFFICERS: Edwin Wilcock, Pres., Boston, Mass.; Robert H. England, Vice-Pres., Rochester, N. Y.; V. T. Hammer, Vice-Pres., Branford, Conn.; C. E. Graham, Sec. and Treas., New Haven, Conn. DIRECTORS: The foregoing and D. R. Alling.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$15,964	$17,675	$21,104	$23,459	$21,965
Operating expenses	14,608	17,423	20,052	21,400	19,666
Net operating revenues	$1,356	$252	$1,052	$2,059	$2,299
Fixed charges, including taxes	1,191	502	1,170	629	.....
Balance	$165	(def.) $250	(def.) $118	$1,430	$2,299

Condensed Balance Sheet, as of June 30

ASSETS:	1916	LIABILITIES:	1916
Property investment	$230,723	Capital stock	$225,337
Working assets	1,408	Working liabilities	1,585
Deferred debit items	.....	Profit and loss	6,343
Profit and loss	1,034		
Total	$233,265	Total	$233,265

Bonded Debt: Authorized, $2,000,000 Central R.R. of Oregon bonds. Issuable at rate of $25,000 per mile. None issued to June 30, 1916.

Capital Stock: Authorized, $2,000,000; outstanding, $225,337. Par, $100. TRANSFER OFFICE, New Haven, Conn.

CENTRAL RAILROAD OF PENNSYLVANIA

History: Incorporated in 1891 in Pennsylvania, as successor to the Central Pennsylvania R.R.

Location: Operates 30.71 miles, Bellefonte to Mill Hall, Pa., and branches. Sidings, 2.70 miles.

Equipment: Locomotives, 4; passenger cars, 6; freight, etc., 16.

Management: OFFICERS: W. H. Gephart, Pres. and Gen. Mgr.; E. L. Welsh, Vice-Pres.; W. J. McHugh, Sec. and Treas. DIRECTORS: Alfred M. Gray, W. J. McHugh, Wm. McLaughlin, E. L. Welsh, W. H. Gephart, C. W. Wilhelm. OFFICE, 304 Walnut Street, Philadelphia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$60,575	$64,290	$69,273	$75,290	$62,246	$89,902	$99,319
Maintenance of way	13,642	14,900	14,252	13,507	11,852	13,311	13,703
Maintenance of equipment	8,516	11,008	9,822	7,630	7,191	10,352	8,145
All other operating expenses	33,971	33,743	34,238	32,899	34,966	38,877	39,082
Net operating revenues	$4,445	$4,639	$10,961	$21,259	$8,237	$27,362	$38,389
Operating ratio	92.6%	92.8%	84.2%	71.8%	86.8%	69.5%	61.4%
Other income	179	207	587	300	335	340	268
Total net income	$4,624	$4,846	$11,548	$21,559	$8,572	$27,602	$38,657
Taxes accrued	1,082	1,127	1,233	1,364	3,393	3,505	1,272
Fixed charges	25,490	23,666	25,190	24,528	23,490	27,253	27,018
Surplus	(df.) $21,948	(df.) $19,947	(d.) $14,875	(df.) $4,333	(df.) $18,311	(df.) $3,156	$10,317

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,061,869	$1,077,143	$1,077,143	$1,075,849	$1,065,692	$1,065,582
Working assets	6,047	7,621	6,594	124,265	120,899	122,311
Deferred debit items	.....	.....	324	325	.....	.....
Profit and loss deficit	887,409	865,461	845,514	821,617	817,283	798,973
Total	$1,955,325	$1,950,225	$1,929,575	$2,022,056	$2,003,874	$1,986,866
LIABILITIES:						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	600,000	600,000	603,500	603,500	600,000	601,500
Working liabilities	743,111	721,899	432,741	806,258	800,874	782,366
Accrued liabilities not due	2,189	2,726	14,438	12,298	3,000	3,000
Deferred credit items	.....	16,577	278,896	.....	.....	.....
Appropriated surplus	10,025	9,023	.....	.....	.....	.....
Total	$1,955,325	$1,950,225	$1,929,575	$2,022,056	$2,003,874	$1,986,866

Bonds: $600,000 Central R.R. of Pennsylvania first 3s; dated May 1, 1893; due May 1, 1908, extended at 3% to May 1, 1923; interest May and November at Fidelity Trust Co., Philadelphia. Auth., $1,200,000. Coupon, $500 and $1,000. Issue was formerly 6%, but was extended at 3% in 1908. First lien on all property of company. Interest paid without deduction for normal income tax. Net Rating, Ca.

Stock: Authorized and outstanding, $600,000; par, $50. No dividends.

CENTRAL RAILWAY COMPANY OF ARKANSAS

History: Incorporated under the laws of Arkansas, Jan. 31, 1906, and acquired the property of the Central Ry. of Arkansas. Road projected from Dardanelle, Ark., south 70 miles; Plainview to Waldron, Ark., 60 miles.

Location: Line in operation extends from Ola to Brizz, Ark., 13.07 miles; sidings, 2.05 miles; trackage, 1.2 miles.

Equipment: Locomotives, 2; cars: 1 passenger, 3 box, 32 flat, 1 caboose; total, 37.

Management: OFFICERS: P. R. Toll, Chairman of Board; L. L. Seibel, Pres.; A. F. Congleton, Vice-Pres.; Kansas City, Mo.; C. W. Jones, Sec., Treas., Gen. Mgr. and Pur. Agt.; W. W. Aldrich, Aud.; R. L. Elliott, Supt., Plainview, Ark. DIRECTORS: A. F. Congleton, L. L. Seibel, P. R. Toll, Kansas City, Mo.; C. W. Jones, W. F. West, R. L. Elliott, M. Davis, Plainview, Ark. Annual meeting, second Monday in March. GENERAL OFFICE, Plainview, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$65,413	$45,416	$48,872	$50,026	$48,690
Operating expenses	27,099	26,433	31,522	38,168	46,415
Net operating revenues	$38,314	$18,983	$17,350	$11,858	$2,275
Other income	62	50	30	.....	105
Total net income	$38,376	$19,033	$17,380	$11,858	$2,380
Taxes	2,362	2,066	1,959	1,662	1,510
Fixed charges	134	.....	480	101	.....
Surplus	$35,880	$16,967	$14,941	$10,095	$870
Dividends	36,400	.....	.....	.....	.....
Balance	(def.) $520	$16,967	$14,941	$10,095	$870

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$241,726	$242,570	$244,408	$245,253	$264,675
Working assets	22,487	22,695	54,797	38,825	20,916
Total	$264,213	$265,274	$299,205	$284,078	$285,591
LIABILITIES:					
Capital stock	$260,000	$260,000	$260,000	$260,000	$260,000
Working liabilities	728	1,369	2,128	1,943	13,550
Profit and loss	3,485	4,005	37,077	22,135	12,041
Total	$264,213	$265,274	$299,205	$284,078	$285,591

Capital Stock: Authorized, $2,600,000; outstanding, $260,000. Par, $100. A dividend of $50,039.60 was paid from surplus in May, 1915. 4% from income in 1916.

CENTRAL UNION DEPOT & RAILWAY COMPANY OF CINCINNATI

History: Incorporated under laws of Ohio, June 18, 1884. Built in 1883-4. Owned jointly by the Cleveland, Cincinnati, Chicago & St. Louis Ry. and the Baltimore & Ohio Railroad Co. Length of track, 1.44 miles.

Management: OFFICERS: H. A. Worcester, Pres. and Gen. Mgr.; J. C. Davie, Sec.; L. E. Osborn, Treas.; H. S. Johnson, Supt., Cincinnati, O. DIRECTORS: H. A. Worcester, Cincinnati; Daniel Willard, Baltimore. OFFICE: Cincinnati, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$164,893	$164,527	$172,474	$158,353	$156,915	$149,436
Taxes	17,287	17,458	16,756	16,453	17,752	11,623
Fixed charges	64,869	64,869	65,539	64,869	64,869	69,043
Surplus	$82,737	$82,200	$90,179	$77,031	$74,294	$68,770
Dividends paid	42,750	59,625	42,750	42,750	42,750	42,750
Balance	$39,987	$22,575	$47,429	$34,281	$31,544	$26,020

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $810,629; credit balance transferred from income, $39,987; total, $850,616. Contra: Dividend appropriations of surplus, $22,500; credit balance carried to balance sheet, $828,116; total, $850,616.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,199,649	$1,199,649	$1,199,649	$1,199,649	$1,199,649	$1,199,649
Working assets	76,541	55,635	81,957	125,806	104,242	162,648
Deferred debit items	551,087	553,502	550,336	515,255	490,534	388,608
Total	$1,827,277	$1,808,786	$1,831,942	$1,840,710	$1,794,425	$1,750,905

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$712,500	$712,500	$712.500	$712,500	$712.500	$712,500
Funded debt	250,000	250,000	250,000	250,000	250,000	250,000
Working liabilities	19,243	18.239	32,377	36.824	37,564	35,790
Accrued liabilities not due	17,418	17,418	4,011	4,012	4,015	2,812
Deferred credit items	.....	.....	.....	21,750	9,000	.....
Profit and loss surplus	828,116	810,629	833,054	815,624	781,346	749,803
Total	$1,827,277	$1,808,786	$1,831,942	$1,840,710	$1,794,425	$1,750,905

Bonded Debt: $250,000 Central Union Depot & Ry. Co. of Cincinnati, 1st 4½s. Dated April 1, 1890; due April 1, 1940. Interest paid A. and O. 1, at J. P. Morgan & Co., New York. Central Trust Co., New York, Trustee. Secured on entire property. Normal income tax deducted from interest. Rating, Baa.

Capital Stock: Authorized, $600,000 6% preferred and $600,000 common. Outstanding, $600,000 preferred and $112.500 common. Par, $100. The C., C., C. & St. L. owns $75.000 of the common and $200,000 of preferred, and the B. & O. S. W. R.R. owns the remainder of the common. Dividends of 6% paid on both classes of stock. In 1916 paid an extra dividend of 20% on common stock. Pfd. has no voting power. TRANSFER OFFICE, Cincinnati, Ohio.

CENTRAL WEST VIRGINIA & SOUTHERN RAILROAD COMPANY

History: Incorporated under the laws of West Virginia, Oct. 19, 1912, succeeding to the Dry Fork R.R. Co.

Location: Road extends from Hendricks to Armentrout, W. Va., 30 miles; sidings, etc., 1.9 miles. Operates under lease, Red Creek R.R. from Red Creek Junc. to Laneville, W. Va., 5.70 miles. Total operated, 35.70 miles. Equipment: Locomotives, 5; cars, 418.

Management: OFFICERS: R. F. Whitmer, Pres.; J. A. Harris, Jr., Vice-Pres.; J. E. Richards, Treas.; F. H. Ely, Sec., Philadelphia; F. E. Mower, Gen. Mgr.; A. S. Lindsay, Aud., Hendricks, W. Va. DIRECTORS: J. A. Harris, Jr., J. T. Richards, Milton C. Work, Robert F. Whitmer, J. Ernest Richards, Philadelphia. Annual meeting, fourth Thursday in January at Philadelphia. GENERAL OFFICE: West End Trust Bldg., Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$171,264	$167.760	$183.003	$104,093
Maintenance of way and structures	24.445	24,692	23,213	18.429
Maintenance of equipment	19.893	21,879	15,137	7,324
All other operating expenses	47,668	55,336	62,830	32,927
Net operating revenues	$79,258	$65,853	$81,823	$45,413
Other income	75	279	3,729	73
Total net income	$79.333	$66.132	$85,552	$45.486
Taxes	5.133	4.963	4.672	1.193
Fixed charges	*66,604	50,010	45,819	22,895
Surplus	$4,596	$11,159	$35,061	$21,398

* Includes $27,474 other deductions.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$983,464	$989.419	$995.197	$1,001,226
Working assets	39,340	27,383	23.828	28,327
Deferred debit items	.....	.....	32,000	.....
Profit and loss deficit	8,015	12,611	.....	1,296
Total	$1,020,819	$1,029,413	$1,051,025	$1,030,849
LIABILITIES:				
Capital stock	$500.000	$500.000	$500.000	$500.000
Funded debt	433.000	500.000	500.000	500 000
Working liabilities	8,374	9,573	9,954	26.682
Appropriated surplus	79,445	19,840	41,071	4,167
Total	$1,020,819	$1,029,413	$1,051,025	$1,030,849

Bonded Debt: $433,000 Central West Virginia & Southern R.R. Co. first 5s; dated Jan. 1, 1913; due Jan. 1, 1933. Interest paid J. and J. 1, at Philadelphia. Coupon, $1,000. West End Trust Co., Philadelphia, Trustee. Authorized, $1.000.000. Callable at 105 and interest on Jan. 1, 1923, and thereafter. Sinking fund of 5% per annum payable J. and J. 1, commencing July 1, 1913. First lien on all property. Interest payable without deduction for normal income tax. Rating, B.

Capital Stock: Authorized, $1,000,000. Outstanding, $500,000. Par 100. 10% was paid in dividends in 1913: none since. Stock transferred at company's office in Philadelphia.

CENTRALIA EASTERN RAILROAD

History: Incorporated under the laws of the State of Washington, Sept. 28, 1907.

Location: Road extends from Centralia to Mendota, Wash., 8.65 miles. Trackage over the Northern Pacific Ry., Centralia to Wabash, Wash., 2.13 miles; total, 10.78. Sidings, 1.43 miles. Owns 1 car.

Management: OFFICERS: Geo. T. Reid, Pres.; B. H. Johnston, Vice-Pres. and Gen. Mgr.; M. P. Martin, Sec. and Treas.; J. L. Taggard, Compt. DIRECTORS: George T. Reid, M. P. Martin, Tacoma, Wash.; B. H. Johnston, Centralia, Wash. Annual meeting, first Tuesday in October. GENERAL OFFICE: Tacoma, Wash.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$14,160	$13,318	$18,198	$22,890	$19,594	$27,925
Maintenance of way	3,863	2,951	3,749	2,849	3,648	4,167
Maintenance of equipment	605	1,064	778	1,486	775	729
All other operating exps.	7,006	6,839	7,588	8,175	8,112	7,915
Net operating revs.	$2,686	$2,464	$6,083	$10,380	$7,059	$15,114
Other income	.....	163	3	13	.....	.....
Notal net income	$2,686	$2,627	$6,086	$10,393	$7,059	$15,114
Taxes	862	950	1,131	937	921	937
Fixed charges	2,091	2,238	2,193	2,229	3,411	6,964
Surplus	(def.) $267	(def.) $561	$2,762	$7,227	$2,727	$7,213
Dividends paid	.....	.....	.....	9,000	.....	.....
Balance	(def.) $267	(def.) $561	$2,762	(def.) $1,773	$2,727	$7,213

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$164,861	$164,972	$166,102	$166,203	$165,402	$165,395
Working assets	5,345	4,947	6,598	3,402	5,345	719
Deferred debit items	727	935	.....	.....	.....	.....
Profit and loss deficit	.....	.....	.....	.....	.....	366
Total	$170,933	$170,854	$172,700	$169,605	$170,747	$166,480
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Working liabilities	17,956	17,579	19,670	17,605	17,984	16,059
Accrued liabilities not due	455	486	1,680	1,411	401	421
Profit and loss surplus	2,522	2,789	3,350	589	2,362	.....
Total	$170,933	$170,854	$172,700	$169,605	$170,747	$166,480

Capital Stock: Authorized and outstanding, $150,000. Par $100. $22.500 was paid in dividends in 1911, from the undivided surplus, which represented 6% for the years 1909 and 1910, and for the six months ended June 30, 1911; 6% in 1913. No bonded debt.

CHARLESTON TERMINAL COMPANY

History: Successor in 1903 of East Shore Terminal Co. and Commercial Wharf and Cotton Press Co. Afterward acquired property of South Carolina Terminal Co.

Location: Company owns wharfs, warehouses, 13.17 miles of terminal tracks, 4 locomotives, 1 tugboat and 5 other boats, on the waterfront at Charleston, S. C. Atlantic Coast Line and Southern Ry., under traffic agreement, turn over to the Charleston Terminal Co. for terminal handling all their freight in carload lots, paying sufficient to yield, with the Terminal Company's other income, interest on the bonds of the Charleston Terminal Co. Any deficiency is guaranteed. Capital stock, $200,000, owned jointly by above companies.

Management: OFFICERS: Wm. E. Huger, Pres. and Asst. Treas., H. L. Borden, Vice-Pres.; H. C. Ansley, Treas.; Hugh, Fraser, Sec. DIRECTORS: W. E. Huger, L. Delano, J. R. Kenly, H. B. Spencer, J. M. Culp. OFFICE: Charleston, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross switching revenues	$198,936	*$227,363	$116,140	$104,905	$120,987	$282,183	$225,461
Maintenance of way	36,646	37,986	8,298	11,480	24,772	29,462	33,596
Maintenance of equipment	12,345	11,475	11,109	9,703	13,479	5,544	9,854
Net operating revenues	$39,475	$44,169	$26,700	$17,921	$5,183	$64,152	$55,869
Operating ratio	80.2%	80.6%	77%	82.9%	95.7%	77.3%	75.2%
Other income	101,613	2,058	31,082	4,403	1,107	1,256	35,169
Total net income	$141,088	$46,227	$57,782	$22,324	$6,290	$65,408	$91,038
Taxes accrued	16,800	16,800	19,000	18,300	16,800	16,342	14,273
Fixed charges	32,000	32,000	32,000	32,000	33,260	32,000	32,000
Surplus	$92,288	(def.) $2,573	$6,782	(df.) $27,976	(df.) $43,770	$17,066	$44,765

* Total operating revenues.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $92,288; miscellaneous credits, $2,201; total, $94,489. Contra: Debit balance at beginning of year, $63,024; credit balance carried to balance sheet, $31,465; total, $94,489.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,080,950	$1,069,741	$959,811	$955,388	$929,399	$1,071,502
Working assets	108,031	58,808	48,517	26,032	38,895	79,481
Accrued income not due	*	*	1,690	.....	.....	.....
Deferred debit items	.....	.....	112,645	140,114	186,255	5,000
Profit and loss deficit	.....	63,024	64,369	70,481	.....	.....
Total	$1,188,981	$1,191,573	$1,187,032	$1,192,015	$1,154,549	$1,155,983
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	800,000	800,000	800,000	800,000	800,000	800,000
Working liabilities	2,693	34,078	39,378	35,672	8,409	7,680
Accrued liabilities not due	12,868	15,561	3,872	13,732	6,678	6,587
Deferred credit items	2,819	2,698	4,546	3,375	225	228
Appropriated surplus	139,236	139,236	139,236	139,236	97,268	139,686
Profit and loss surplus	31,465	.....	.....	.....	41,969	1,802
Total	$1,188,981	$1,191,573	$1,187,032	$1,192,015	$1,154,549	$1,155,983

* Included in "working assets."

Bonded Debt: $800,000 Charleston Terminal Co. first 4s; dated July 1, 1903; due July 1, 1953; interest Jan. 1 and July 1, at Guaranty Trust Co., New York. Coupon and reg., $1,000; interchangeable. By terms of traffic agreement (see above), interest on these bonds is virtually guaranteed by Atlantic Coast Line and Southern Ry. Authorized, $1,000,000. First lien on entire property. Interest paid without deduction for normal income tax.
Net Rating, A.

Capital Stock: Auth. and outstanding, $200,000; par, $100. Owned in equal amounts by Southern Ry. and Atlantic Coast Line R.R.

CHARLESTON UNION STATION COMPANY

History: Incorporated in South Carolina on February 22, 1902.

Location: Owns Union Passenger Station and terminal trackage in Charleston, S. C. Property is rented to Atlantic Coast Line and Southern Ry., which pay operating expenses, interest on bonds, and 4% dividends on stock.

Management: OFFICERS: H. B. Spencer, Pres.; H. L. Borden, Vice-Pres.; F. S. Wynn, Sec.; J. F. Post, Treas. DIRECTORS: H. B. Spencer, E. H. Coapman, J. M. Culp, J R. Kenly, Geo. B. Elliott. OFFICE: 1300 Penna. Ave., Washington, D. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross income	$16,390	$16,300	$16,633	$15,151	$17,400
Taxes accrued	3,984	3,894	4,076	3,448	6,244
Fixed charges	10,406	10,406	10,557	10,050	10,050
Surplus	$2,000	$2,000	$2,000	$1,652	$1,106
Dividends paid	2,000	2,000	2,000	2,000	2,000
Balance	.....	.....	.....	(def.)$348	(def.)$894

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$304,301	$304,301	$304,301	$298,882	$297,983
Working assets	15,405	12,146	9,301	18,681	15,517
Deferred debit items	.....	5,370	678	.....	672
Total	$319,706	$321,817	$314,280	$317,563	$314,172
LIABILITIES:					
Capital stock	$50,000	$50,000	$50.000	$50,000	$50,000
Funded debt	258,107	258,107	250,000	250,000	250,000
Working liabilities	8,599	10,710	14,280	17,563	14,172
Deferred credit items	3,000	3,000	.....	.....	.....
Total	$319,706	$321,817	$314,280	$317,563	$314,172

Note: Funded debt includes $8,107 advances by proprietary companies.

Bonded Debt: $250,000 Charleston Union Station Co. first 4s; dated Jan. 1, 1907; due Jan. 1, 1937; interest Jan. 1 and July 1, at Equitable Trust Co., New York. Coupon and reg., $1,000. Auth., $400,000. First lien on entire property. Guar. prin. and int., by endorsement, by Atlantic Coast Line R.R. and Southern Ry. Interest paid without deduction for normal income tax. Market: Redmond & Co., New York. Net Rating, Aa.

Capital Stock: Auth., $250,000; outstanding, $50,000. Par, $100. Owned in equal amounts by Atlantic Coast Line R.R. Co. and Southern Railway Co. Dividends, 4% per annum.

CHARLOTTE HARBOR & NORTHERN RAILWAY

History: Incorporated under Florida laws, March 26, 1906. Successor by change of name to Alifia, Manatee & Gulf Coast Ry. The latter company took over the road formerly owned and operated by the Peace River Phosphate Mining Company, and has completed an extension 38 miles in length from Fort Ogden to Boca Grande Pass.

Location: Road extends from South Boca Grande to Mulberry, Fla., 96.44 miles; branches, 14.19 miles; total trackage rights Atlantic Coast Line, 3.16 miles; total, 113.79 miles. Sidings, 21.47 miles.

Equipment: Locomotives, 13; passenger cars, 14; freight cars, 294; other cars, 16.

Management: OFFICERS: P. B. Bradley, Pres., Boston, Mass.; James M. Gifford, Vice-Pres., New York; B. Loomis, Jr., 2d Vice-Pres.; F. W. Parsons, Gen. Mgr., Boca Grande, Fla.; Thomas A. Doe, Treas.; Francis A. Huck, Sec., New York; W. J. Gilligan, Aud.; N. H. Goucher, Supt., Arcadia, Fla. DIRECTORS: James M. Gifford, Wm. Prescott, John F. Kehoe, New York; Peter B. Bradley, Robt. S. Bradley, Boston; L. W. Cottman, Burdette Loomis, Jr., Pierce, Fla.; J. H. Cottman, Baltimore; Thomas A. Doe, Galen L. Stone. Annual meeting, third Monday in February. OFFICES, Boca Grande, Fla., and 2 Rector Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$490,022	$355,639
Maintenance of way and structure	146,323	165,664
Maintenance of equipment	80,430	83,141
All other operating expenses	164,185	182,462
Net operating deficit	$89,084	$75,628
Other income	44,078	143,280
Total net income	$133,162	$67,652
Taxes	39,917	31,262
Fixed charges	116,597	78,934
Deficit	$23,352	$42,544

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $4,172; debit balance carried to balance sheet, $488,269; total, $492,441. Contra: Debit balance at beginning of year, $468,907; debit balance transferred from income, $23,352; miscellaneous debits, $182; total, $492,441.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$3,300,689	$3,011,385	Capital stock	$2,000,000	$2,000,000
Working assets	268,083	484,050	Funded debt	2,000,000	2,000,000
Deferred debit items	82,438	89,690	Working liabilities	103,821	39,566
Profit and loss deficit	488,269	468,907	Accrued liabilities	35,658	14,466
Total	$4,139,479	$4,054,032	Total	$4,139,479	$4,054,032

Capital Stock: Authorized and issued, $500,000 preferred and $1,500,000 common. Par, $100. All owned by American Agricultural Chemical Co.

CHARLOTTE, MONROE & COLUMBIA RAILROAD

History: Incorporated under the laws of South Carolina to build a railroad from McBee, S. C., to Monroe, N. C., about 40 miles.

Location: Road completed McBee to Jefferson, S. C., 18 miles; sidings, 0.85 mile. Equipment: Locomotives, 2; cars, 11.

Management: OFFICERS: W. R. Bonsal, Pres., Hamlet, N. C., W. R. Cross, Vice-Pres., New York; S. O. Bannersfeld, Sec. and Treas., Hamlet, N. C.; H. W. Mackenzie, Compt., Portsmouth, Va.; C. S. Lake, Gen. Mgr., Norfolk, Va.; D. N. Bacot, Supt., Charleston, S. C. GENERAL OFFICE, Hamlet, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$12,583	$11,476	$14,527	$12,663
Operating expenses	8,081	11,860	20,971	12,722
Net operating revenues	$4,502	(def.) $384	(def.) $6,444	(def.) $59
Other income	940	4,210	2,930	.....
Total net income	$5,442	$3,826	(def.) $3,514	(def.) $59
Fixed charges, incl. taxes	4,727	5,267	5,952	5,581
Balance	$715	(def.) $1,441	(def.) $9,466	(def.) $5,640

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$117,500	$117,700	$118,000	$118,000
Working assets	7,278	3,776	6,707	3,413
Deferred debit items	407	.....	.....	.....
Profit and loss	20,982	21,490	14,531	5,640
Total	$146,167	$142,966	$139,238	$127,053

LIABILITIES:	1916	1915	1914	1913
Capital stock	$48,000	$48,000	$48,000	$48,000
Funded debt	70,000	70,000	70,000	70,000
Working liabilities	27,132	23,594	21,238	8,572
Accrued liabilities not due	875	1,275	.....	.....
Deferred credit items	160	97	.....	481
Total	$146,167	$142,966	$139,238	$127,053

Bonded Debt: $70,000 Charlotte, Monroe & Columbia R.R. 1st 5s. Dated Oct. 1, 1902; due Oct. 1, 1932. Interest paid A. and O. 1, at Richmond Trust & Safe Deposit Co., Richmond, Va. Coupon, $1,000. First lien on entire property. Rating, B.

Capital Stock: Authorized and outstanding, $48,000; par, $100.

CHATTAHOOCHEE VALLEY RAILWAY

History: Incorporated under the laws of Alabama on June 7, 1900, as successor to the Chattahoochee Valley R.R.

Location: Line of road, Standing Rock to Jester, Ala., 32.53 miles. Sidings, 2.18 miles. Line connects at West Point with the Atlanta & West Point R.R. and the Western Ry. of Ala., and at Standing Rock with the Atlanta, Birmingham & Atlantic R.R.

Equipment owned: Locomotives, 4; 4 passenger and 14 freight cars.

Management: OFFICERS: Geo. H. Lanier, Pres., West Point, Ga.; W. H. Wellington, Vice-Pres.; H. S. Sears, Sec. and Treas., Boston, Mass.; J. T. Barker, Gen. Mgr. and Supt., West Point, Ga. DIRECTORS: R. C. Freeman, L. Lanier, G. H. Lanier, West Point, Ga.; Justin E. Gale, C. H. Utley, W. H. Wellington, Horace S. Sears, R. B. Sewall, Joshua B. Richmond, Boston. Annual meeting, first Thursday in December at Langdale, Ala. OFFICE, West Point, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$138,521	$108,652	$102,517	$102,081	$105,042	$98,793	$96,613
Maintenance of way	19,642	18,878	17,285	20,424	17,180		
Maintenance of equipment	7,418	6,999	4,829	5,316	4,482	69,515	54,387
All other operating expenses	40,291	35,029	34,409	34,092	35,478		
Net operating revenues	$71,170	$47,746	$45,994	$42,249	$47,902	$29,278	$42,226
Operating ratio	48.6%	56.1%	55.1%	58.6%	55.2%	70.4%	56.3%
Other income	.....	.....	.....	.....	.....	.....	1,136
Total net income	$71,170	$47,746	$45,994	$42,249	$47,902	$29,278	$43,362
Taxes accrued	4,139	4,468	4,065	2,739	2,378	1,368	2,127
Fixed charges	25,153	23,663	25,818	25,498	25,191	34,007	21,654
Surplus	$42,044	$19,615	$16,111	$14,012	$20,333	$6,097	$19,581
Dividends paid	.....	.....	.....	.....	.....	.....	11,000
Balance	$41,878	$19,615	$16,111	$14,012	$20,333	(def.) $6,097	$8,581

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$542,117	$483,623	$478,692	$475,266	$481,274	$487,190
Working assets	26,001	8,273	2,999	4,977	10,839	5,076
Accrued income not due	.....	.....	419	854	850	820
Deferred debit items	.....	5,323	4,863	4,698	4,531	4,365
Total	$568,118	$497,219	$486,973	$485,695	$497,494	$497,451
LIABILITIES:						
Capital stock	$110,000	$110,000	$110,000	$110,000	$100,000	$110,000
Funded debt	276,900	280,000	280,000	280,000	280,000	280,000
Working liabilities	50,810	25,465	35,000	54,697	64,531	68,283
Deferred credit items	6,570	.....	.....	.....	.....	.....
Appropriated surplus	5,235	5,029	4,863	.....	.....	.....
Profit and loss surplus	118,603	76,725	57,110	40,998	42,963	39,168
Total	$568,118	$497,219	$486,973	$485,695	$497,494	$497,451

$276,900 Chattahoochee Valley Ry. consolidated 5s. Dated July 15, 1909; due July 15, 1920. Int. paid Jan. and July 15, at American Trust Co., Boston. Coupon, $1,000; principal may be registered. Auth. $280,000. A lien on entire property of company. Interest paid without deduction for normal income tax. Net Rating, Ba.

Capital Stock: Auth., $1,000,000; outstanding, $110,000. Par, $100. Dividends have been paid as follows: 1903, 10%; 1904, 8%; 1910, 10%. None since. TRANSFER AGENT, H. S. Sears, Treas., 49 Federal St., Boston, Mass.

CHATTANOOGA STATION COMPANY

History: Incorporated in Tennessee on December, 19, 1905, to construct a union station at Chattanooga.

Location: Owns passenger station, terminals and approaches at Chattanooga, Tenn., which are used by the Southern Ry., Alabama Great Southern R.R., Cincinnati, New Orleans and Texas Pacific Ry., and Central of Georgia Ry. Owns 4.18 miles of track, and 1 locomotive.

Management: OFFICERS: H. B. Spencer, Pres.; F. S. Wynn, Vice-Pres.; H. F. Pierce, Sec.; H. C. Ansley, Treas.; A. H. Plant, Aud. DIRECTORS: H. B. Spencer, E. H. Coapman, H. Baker, E. M. Durham, Jr., L. W. Baldwin. MAIN OFFICE, 1300 Pennsylvania Avenue, Washington, D. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$55,907	$54,981	$55,970	$55,990	$58,984	$52,247
Taxes accrued	10,783	9,679	10,169	9,921	10,958	8,232
Fixed charges	41,124	41,302	41,801	42,069	44,026	44,015
Surplus	$4,000	$4,000	$4,000	$4,000	$4,000	.....
Dividends paid	4,000	4,000	4,000	4,000	4,000	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$993,712	$993,787	$993,862	$993,208	$990,658	$990,658
Working assets	50,412	32,743	56,909	66,172	73,450	46,401
Deferred debit items	2,484	21,863	430	1,029	106,684	107,283
Profit and loss deficit	102,501	102,501	102,501	102,501	.....	.....
Total	$1,149,109	$1,150,894	$1,153,702	$1,162,910	$1,170,792	$1,144,342
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	1,008,980	1,008,980	1,003,980	1,003,106	1,003,106	1,003,106
Working liabilities	35,529	38,534	25,884	35,866	43,847	18,888
Accrued liabilities not due	3,600	3,380	23,838	23,938	23,839	22,199
Deferred credit items	1,000	.....	.....	.....	.....	150
Total	$1,149,109	$1,150,894	$1,153,702	$1,162,910	$1,170,792	$1,144,342

Note: Funded debt includes $8,980 advances by proprietary companies.

Bonded Debt: $1,000,000 Chattanooga Station Co. first 4s; dated Jan. 1, 1907; due Jan. 1, 1957. Interest Jan. 1 and July 1, at J. P. Morgan & Co., New York. Coupon, $1,000; principal may be registered. First lien on entire property. Guaranteed principal and interest jointly and severally by endorsement, by Southern Railway Co., Alabama Great Southern R.R. Co., Central of Georgia Ry. Co. and Cincinnati, New Orleans & Texas Pacific Ry. Co. Interest paid without deduction for normal income tax. Net Rating, Aa.

Capital Stock: Auth. and issued, $100,000; par, $100. Owned in equal proportions by the four companies named above.

CHERRY TREE & DIXONVILLE RAILROAD

History: Incorporated under the laws of Pennsylvania, June 2, 1903. Road opened in February, 1905. Pennsylvania R.R. Co., and the New York Central R.R. Co. have trackage rights under joint agreement with this company dated Feb. 15, 1905.

Location: Road extends from Cherry Tree to Idamar, Pa., 21.54 miles; branches to mines, 16.81 miles; total, 38.35 miles; sidings, etc., 22.28 miles.

Management: OFFICERS: Samuel Rea, Pres., Philadelphia, Pa.; A. H. Smith, Vice-Pres., New York; Taber Ashton, Treas.; Lewis Neilson, Sec.; C. M. Bunting, Compt., Philadelphia, Pa. DIRECTORS: Samuel Rea, W. H. Barnes, A. J. County, Henry Tatnall, Philadelphia, J. Carstensen, A. H. Smith, Ira A. Place, New York. Annual meeting, first Monday in April. GENERAL OFFICE, Broad Street Station, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross income	$70,181	$70,040	$69,267	$67,767	$67,244
Taxes	2,061	2,247	2,559	2,303	2,425
Fixed charges	48,120	47,793	46,708	45,464	44,819
Surplus	$20,000	$20,000	$20,000	$20,000	$20,000
Dividends	20,000	20,000	20,000	20,000	20,000

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,708,891	$1,699,604	$1,688,415	$1,681,026	$1,641,623
Working assets	48,248	51,528	44,989	42,493	38,927
Total	$1,757,139	$1,751,132	$1,733,404	$1,723,519	$1,680,550
LIABILITIES:					
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	.....	.....	.....	.....	1,145,794
Working liabilities	1,257,139	1,251,132	1,233,404	1,174,043	24,756
Accrued liabilities not due	.....	.....	.....	10,000	10,000
Appropriated surplus	.....	.....	.....	39,476	.....
Total	$1,757,139	$1,751,132	$1,733,404	$1,723,519	$1,680,550

No bonded debt.

Capital Stock: Authorized and outstanding, $500,000. Par, $50. Equally owned by New York Central and Pennsylvania Railroad Companies. Dividends, 1912, 4%; 1913, 4%; 1914, 4%; 1915, 4%; 1916, 4%.

CHESAPEAKE BEACH RAILWAY

History: Incorporated under laws of Maryland, March 7, 1896, successor to the Washington & Chesapeake Beach Ry., which was sold under foreclosure Dec. 10, 1895.

Location: Road extends from District Line, Md., to Chesapeake Beach, Md., 26.44 miles. Leases from Washington, Potomac & Chesapeake R.R., 1.88 miles from Chesapeake Junc., D. C. to District Line. Total operated, 28.32 miles. Sidings, etc., 5.14 miles. Equipment: Locomotives, 5; cars, 30.

Management: OFFICERS: W. F. Jones, Pres. and Treas.; (Vacancy), Sec.; H. Herschberger, Aud., Washington, D. C.; W. J. Hayward, Supt., Seat Pleasant, Md. DIRECTORS: Chas. Cavender, Leadville, Colo.; Thos. Bradley, F. V. Brooks, W. F. Jones, Washington, D. C.; J. C. Helm, Denver, Colo. Annual meeting, first Saturday in June. OFFICE, 1420 New York Ave., Washington, D. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$103,608	$99,535	$105,897	$104,223	$94,901	$93,362
Maintenance of way	19,303	22,783	18,591	21,326	24,252	30,922
Maintenance of equipment	16,921	15,451	13,575	12,526	9,951	13,939
All other operat. expenses	55,406	61,468	57,603	54,002	50,518	54,293
Net operating revenue	$12,978	(def.) $167	$16,128	$16,369	$10,180	(def.) $5,792
Other income	1,810	4,105	4,441	3,654	813	.....
Total net income	$14,788	$3,938	$20,569	$20,023	$10,993	(def.) $5,792
Taxes	2,995	3,161	1,376	3,561	6,608	1,668
Fixed charges	108,396	107,559	55,663	59,499	65,926	70,718
Surplus	(def.) $96,603	(def.) $106,782	(def.) $36,469	(def.) $43,037	(def.) $61,541	(def.) $78,178

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $32; debit balance carried to balance sheet, $1,688,760; total, $1,688,792. Contra: Debit balance at beginning of year, $1,892,189; debit balance transferred from income, $96,603; total, $1,688,792.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,558,368	$2,559,598	$2,561,116	$2,562,710	$2,558,719	$2,758,287
Working assets	31,710	26,950	32,983	87,901	83,259	248,494
Deferred debit items	52,137	52,137	52,117	185	.....	.....
Profit and loss deficit	1,688,760	1,592,189	778,429	741,129	692,681	750,512
Total	$4,330,975	$4,230,874	$3,424,645	$3,391,925	$3,334,659	$3,757,293
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000.000	$1,000,000	$1.000.000
Funded debt	1,000.000	1,000,000	1,000,000	1,000,000	1,000.000	1,000.000
Working liabilities	1,533,263	2,231,941	1,423,069	1,388,040	1,332,541	1,757,293
Accrued liabilities not due	787,712	* 1,067	1,576	.....	.....	.....
Deferred credit items	.....	.....	.....	3,885	2,118	.....
Total	$4,330,975	$4,230,874	$3,424,645	$3,391,925	$3,334,659	$3,757,293

* Reverse item.

Bonded Debt: $1,000,000 Chesapeake Beach Ry. first 5s. Dated Jan. 1, 1898; due Jan. 1, 1923. Int. paid Jan. and July 1, at company's office, Washington, D. C. Coupon. $1,000. New York Trust Co., New York, Trustee. A first lien on entire mileage owned and equipment. In default.

Capital Stock: Authorized and outstanding, $1,000,000. Par, $100. Sec. acts as TRANSFER AGENT AND REGISTRAR.

CHESAPEAKE WESTERN RAILWAY

History: Incorporated under Virginia laws, March 3, 1900, and opened for operation June 1, 1902. In May, 1902, the company leased the Chesapeake & Western R.R. for 99 years, rental being interest on the bonds of the latter.

Location: Line of road owned, Bridgewater to North River Gap, Va., 13.96 miles; leased, Elk Junc. to Bridgewater, Va., 26.67 miles. Total operated, 40.63 miles. Sidings, 3.23. Equipment owned: Locomotives, 5; freight and passenger cars, 22.

Management: OFFICERS: W. E. D. Stokes, Pres. and Gen. Mgr.; A. H. Gleason, Vice-Pres.; E. Van Etten, Vice-Pres.; L. S. Petrie, Sec. and Treas., New York; C. B. Williamson, Supt. and Pur. Agt., Harrisonburg, Va. DIRECTORS: W. E. D. Stokes, A. H. Gleason, L. S. Petrie, Thomas Stokes, New York. Annual meeting, first Tuesday in March. OFFICES, 262 West 72d St., New York, and Harrisonburg, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$80,020	$79,624	$79,735	$82,256	$82,608	$87,918	$77,131
Maintenance of way	13,325	17,199	18,211	18,715			
Maintenance of equipment	5,640	6,410	5,966	7,453	56,177	55,129	55,980
All other operating expenses	34,070	34,596	35,143	32,457			
Net operating revenues	$26,985	$21,419	$20,415	$23,631	$26,431	$32,789	$21,151
Operating ratio	66.2%	73.1%	74.4%	71.3%	68%	62.7%	72.6%
Other income	33,618	33,700	33,443	33,827	34,199	33,305	34,000
Total net income	$60,603	$55,119	$53,858	$57,458	$60,630	$66,094	$55,151
Taxes accrued	4,140	4,562	3,760	3,674	4,110	3,997	3,604
Fixed charges	101,117	99,730	99,271	98,234	97,155	97,095	95,504
Deficit	$44,654	$49,173	$49,123	$44,450	$40,636	$34,998	$43,957

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $10,325; debit balance carried to balance sheet, $813,572; total, $823,897. Contra: Debit balance at beginning of year, $777,493; debit balance transferred from income, $44,654; loss on retired road and equipment, $722; miscellaneous debits, $1,028; total, $823,897.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,699,436	$2,675,295	$2,679,326	$2,676,269	$2,662,659	$2,662,754
Working assets	31,830	31,229	24,747	19,550	14,974	12,497
Accrued income not due	.....	.....	.....	.....	13,875	13,875
Deferred debit items	381	505	315	584	474	694
Profit and loss deficit	813,572	777,493	726,621	677,507	633,057	592,421
Total	$3,545,219	$3,484,522	$3,431,009	$3,373,910	$3,325,039	$3,282,241
LIABILITIES:						
Capital stock	$1,419,600	$1,419,600	$1,419,600	$1,419,600	$1,419,600	$1,419,600
Funded debt	1,419,000	1,419,000	1,419,000	1,419,000	1,419,000	1,419,000
Working liabilities	704,633	630,050	588,153	516,003	470,454	427,863
Accrued liabilities not due	1,986	15,872	4,256	19,307	15,985	15,778
Total	$3,545,219	$3,484,522	$3,431,009	$3,373,910	$3,325,039	$3,282,241

Bonded Debt: (1) $1,419,000 Chesapeake Western Ry. first gold 4s; dated Oct. 1, 1901; due Oct. 1, 1951. Int. paid A. and O. 1. Coupon, $1,000. Principal may be registered. Not subject to call. Limited to $35,000 per mile. First lien on 14 miles owned and on equipment owned; also by pledge of stock and bonds of Chesapeake & Western R.R., which is leased. (See below.) Rating, B.

(2) $666,000 Chesapeake & Western R.R. first 5s; dated Aug. 1, 1895; due Aug. 1, 1945. Int. paid F. and A. 1, at New York Trust Co., New York. Coupon, $1,000. First lien on property, which is leased to Chesapeake Western Ry. for 99 years at guarantee of bond interest. All owned by Chesapeake Western Ry. and deposited under No. 1. Rating, Ba.

Capital Stock: Authorized. common, $20,000 per mile; preferred, $15,000 per mile; outstanding, $811,200 common and $608,400 preferred. Par, $100. No dividends paid.

CHESTNUT RIDGE RAILWAY

History: Incorporated under the laws of Pennsylvania, March 15, 1898, as the Chestnut Ridge R.R. of Pennsylvania, reorganized under present name Feb. 27, 1902.

Location: Kunkeltown to Palmerton and Lehigh Gap, Pa., 16 miles. Equipment: Locomotives, 3; cars, 12.

Management: OFFICERS: A. B. deSaulles, Pres., South Bethlehem, Pa.; Edgar Palmer, Vice-Pres.; A. B. Schultz, Sec., H. S. Wardner, Treas., New York; B. R. F. Clark, Aud., Palmerton, Pa.; W. L. Coursen, Gen. Mgr.; H. Hardenbergh, Pur. Agt., New York. DIRECTORS: A. B. deSaulles, South Bethlehem, Pa.; Edgar Palmer, A. P. Cobb, A. Heckscher, J. E. Hayes, New York; Stevens Heckscher, Philadelphia, Pa.; J. W. Luther, Palmerton, Pa. Annual meeting, second Monday in January. OFFICE, Palmerton, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$136,727	$104,994	$84,225	$62,613	$40,605	$28,964
Maintenance of way	18,022	9,633	7,719	9,060	6,904	8,532
Maintenance of equipment	8,191	7,138	5,957	7,159	7,707	3,136
All other operat. expenses	34,207	31,154	29,343	27,515	29,259	20,726
Net oper. revenues	$76,307	$57,069	$41,206	$18,879	(def.)$3,265	(def.)$3,430
Other income	1,519	267	182	207	264	65
Total net income	$77,826	$57,336	$41,388	$19,086	(def.)$3,001	(def.)$3,365
Taxes	1,345	1,034	932	457	425	440
Fixed charges	38,273	34,972	27,984	26,229	20,420	10,036
Surplus	$38,208	$21,330	$12,472	(def.)$7,600	(def.)$23,846	(def.)$13,841

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $38,208; profit on road and equipment sold, $1,104; debit balance carried to balance sheet, $14,899; total, $54,211. Contra: Debit balance at beginning of year, $54,207; loss on retired road and equipment, $4; total, $54,211.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$461,811	$456,232	$445,215	$439,914	$436,431	$388,465
Working assets	83,584	60,623	22,884	36,071	33,497	22,537
Accrued income not due	.....	.....	.....	221	.....	.....
Deferred debit items	1,408	2,039	381	1,212	689	1,698
Profit and loss deficit	14,899	54,207	75,644	86,428	79,808	56,029
Total	$561,702	$573,101	$544,124	$563,846	$550,425	$468,729
Liabilities:						
Capital stock	$110,000	$110,000	$110,000	$110,000	$110,000	$110 000
Funded debt	400,000	416,090	.....	60.000	60,000	60,000
Working liabilities	50,790	47,000	429,513	390,368	380,381	298,670
Accrued liabilities not due	.....	.....	.....	.....	.....	59
Deferred credit items	912	11	4,611	.....	44	.....
Appropriated surplus	.....	.....	.....	3,478	.....	.....
Total	$561,702	$573,101	$544,124	$563,846	$550,425	$468,729

Note: Funded debt as above represents advances by controlling interests. No bonds issued.

Capital Stock: Authorized and outstanding, $110,000. Par, $50. Dividends have been paid as follows: 1904, 1½%. 1905, 2%: 1906, 1½%; none since. There is no bonded debt, the $60,000 first 6s due July 1, 1925, having been retired in March, 1914.

CHICAGO & CALUMET RIVER RAILROAD

History: Incorporated under the laws of Illinois, August 8, 1901. Began operations August, 1904. Does a general switching business. Connects at Hegewisch and Burnham, Ill., with the following roads: Baltimore & Ohio; Chicago Terminal R.R.; Chicago, Indianapolis & Louisville Ry.; Erie R.R.; N. Y., Chicago & St. Louis R.R.; Wabash Ry.; Pittsburg, Ft. Wayne & Chicago Ry.; Pittsburg, Cin., Chi. & St. Louis Ry.; Elgin, Joliet & Eastern Ry., and Indiana Harbor Belt R.R.

Location: Track located in Chicago, Ill., 1.68 miles; total track including spurs, 2.97 miles. Equipment: Locomotives, 3; freight cars, 49.

Management: Officers: F. N. Hoffstot, Pres., New York; N. Board, Vice-Pres. and Gen. Frt. Agt.; Thomas F. Dooley, Sec. and Treas.; E. F. Guthridge, Aud., Hegewisch, Ill. Directors: F. N. Hoffstot, W. A. Chamberlain, New York; J. B. Rider, C. C. Cochran, J. H. Mitchell, N. S. Reeder, N. Board, Chicago, Ill. Annual meeting, last Thursday in May. Offices, 24 Broad Street, New York, and Hegewisch, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$56,175	$37,228	$74,702	$83.231	$66.930
Operating expenses	46,693	41,827	67,208	57,119	47,881
Net operating revenue	$10,482	(def.)$4.599	$7,494	$26,112	$19,049
Other income	9,541	2,849	11,500	5,403	5,485
Total net income	$20,023	(def.)$1,750	$18,594	$31,515	$24.534
Taxes	2,169	2,102	2,173	2,019	2,212
Fixed charges	5,856	5,702	5,725	6,320	8,467
Surplus	$11,998	(def.)$9,554	$11,096	$23,176	$13,855

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $62,115; credit balance transferred from income, $11,998; unrefundable overcharges, $13,377; total, $87,490. Contra: Miscellaneous debits, $721; credit balance carried to balance sheet, $86,769; total, $87,490.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$106,083	$93,998	$99,198	$88,180	$92,380
Working assets	45,666	76,801	104,616	85,724	112,121
Deferred debit items	27,625	27,625	27,625	27,625	25,125
Total	$179,374	$198,424	$231,439	$201,529	$229,376
LIABILITIES:					
Capital stock	$50,125	$100,000	$100,000	$100,000	$100,000
Working liabilities	39,451	34,073	48,592	30,933	81,957
Accrued liabilities not due	3,029	2,236	1,154	.....	.....
Profit and loss	86,769	62,115	81,693	70,596	47,419
Total	$179,374	$198,424	$231,439	$201,529	$239,376

Capital Stock: Authorized, $100,000; outstanding, $50,125. Par, $25. No bonded debt. No dividends.

CHICAGO & ILLINOIS MIDLAND RAILWAY

History: Incorporated under the laws of Illinois, July 17, 1905, as the Illinois Central Ry., and changed name as above, Dec. 30, 1905. Absorbed the Pawnee R.R. in 1906.

Location: Road extends from Auburn to Taylorville, Ill,. 24.48 miles; trackage over B. & O. S. W. R.R., 0.74 mile. Total, 25.22 miles. Sidings, 11.43 miles. Equipment: Locomotives, 6; cars, 1,247.

Management: OFFICERS: J. F. Gilchrist, Pres.; F. S. Peabody, Vice-Pres. and Gen. Mgr.; W. S. Kline, Sec.; E. J. Doyle, Treas.; F. Carter, Aud., Chicago, Ill.; H. M. Hallock, Gen. Supt., Taylorville, Ill. DIRECTORS: W. A. Fox, E. J. Doyle, J. F. Gilchrist, W. S. Kline, J. H. Gulick, Chicago, Ill. Annual meeting in June. OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$290,099	$236,050	$187,640	$135,058	$106,533	$95,281
Maintenance of way	29,967	29,118	27,747	35,730	9,988	7,750
Maintenance of equipment	84,244	71,091	58,395	27,498	23,424	15,919
All other operat. expenses	87,464	79,563	69,259	58,326	45,565	42,613
Net oper. revenues	$88,424	$56,278	$32,239	$13,504	$27,556	$28,999
Other income	118,521	106,237	44,287	15,166	5,730	11,596
Total net income	$206,945	$162,515	$76,526	$28,670	$33,286	$40,595
Taxes	16,250	10,899	12,115	8,109	9,023	6,365
Fixed charges	186,390	180,836	138,870	92,658	84,991	83,121
Surplus	$4,305	(def.) $29,220	(def.) $74,459	(def.) $72,097	(def.) $60,728	(def.) $48,891

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,629,010	$3,513,869	$2,950,096	$2,647,058	$2,399,806	$2,393,865
Working assets	78,618	110,456	348,606	70,693	40,538	66,883
Deferred debit items	383.308	422,198	426.610	29,107	995	1,021
Profit and loss deficit	432,117	436,422	407,202	332,743	260,647	199,918
Total	$4,523,053	$4,482,945	$4,132,514	$3,079,601	$2,701,986	$2,661,687
LIABILITIES:						
Capital stock	$1.000.000	$1.000,000	$1,000.000	$1,000,000	$1,000,000	$1,000,000
Funded debt	3,026,878	3,221,509	2,924.539	1,265,524	1,041,600	1,066,600
Working liabilities	474,399	248,094	183,266	793,224	631,398	569,441
Accrued liabilities not due	13,959	11,893	23,257	26,160	25,342	22,053
Deferred credit items	7,817	1,440	1,452	3,693	3,646	3,593
Total	$4,523,053	$4,482,945	$4,132,514	$3,079,601	$2,701,986	$2,661,687

Bonded Debt: (1) $2,500,000 Chicago & Illinois Midland Ry. first 5s. Dated Dec. 1, 1913; due Dec. 1, 1938. Interest paid J. and D., at Continental & Commercial Trust Savings Bank, Chicago. Coupon, $1,000; prin. may be registered. Callable at 105. Authorized, $3,000,000. First lien on road and equipment. Interest paid without deduction for normal income tax.

(2) $83,901 American Car & Foundry 5% Equipment Notes. Dated Feb. 24, 1913, due in 60 monthly payments of $4,195.07 each, to and including Feb. 24, 1918. Original issue, $251,704. Cash paid on delivery of equipment, $24,700. Secured on 250 steel gondola cars. Income tax is not deducted from interest.

(3) $137,117 Haskell & Barker Car Co. 5% Equipment Notes. Dated Feb. 4, 1904; due in 60 monthly payments of $4.284.92 each to and including Feb. 4, 1919. Original issue, $257,095.20. Cash paid on delivery of equipment, $25.229. Secured on 250 steel gondola cars.

(4) $145,055 Haskell & Barker Car Co. 5% Equipment Notes. Dated Aug. 25, 1914; due in 60 monthly payments. Cash paid on delivery of equipment, $23,319. Secured on 250 steel gondola cars.

(5) $160,804 American Car & Foundry 5% Equipment Notes. Dated Nov. 6, 1914; due in 60 monthly payments. Cash paid on acceptance of equipment, $23,092. Secured on 250 gondola steel cars.

Capital Stock: Authorized, $2,000,000; outstanding, $1,000,000. Par, $100. All held in trust for the Commonwealth Edison Co.

MAP OF
Chicago & Western Indiana
Railroad Company's
LINES
SHOWING CONNECTIONS
0 1 2
Scale of Miles
C. & W. I. R. R.
The Belt Railway
(C. & W. I. LESSOR)
LAKE MICHIGAN
CONNECTING LINES
Atchison, Topeka & Santa Fe Ry.
Baltimore & Ohio Chicago Terminal R. R.
Baltimore & Ohio R. R.
Chesapeake & Ohio Ry. Co. of Indiana
Chicago & Alton R. R.
Chicago & Eastern Illinois R. R.
Chicago & Erie R. R.
Chicago & Illinois Western R. R.
Chicago & North-Western Ry.
Chicago Junction Ry.
Chicago, Burlington & Quincy R. R.
Chicago Great Western R. R.
Chicago, Indianapolis & Louisville Ry.
Chicago, Milwaukee & St. Paul Ry.
Chicago River & Indiana R. R.
Chicago, Rock Island & Pacific Ry.
Chicago Short Line Ry.
Chicago, West Pullman & Southern Ry.
Cleveland, Cincinnati, Chicago & St. Louis Ry.
Elgin, Joliet & Eastern Ry.
Grand Trunk Ry.
Illinois Central R. R.
Illinois Northern Ry.
Indiana Harbor Belt R. R.
Manufacturer's Junction Ry.
Michigan Central R. R.
Minneapolis, St. Paul & Sault Ste. Marie Ry.
New York Central R. R.
New York, Chicago & St. Louis R. R.
Pere Marquette R. R.
Pittsburgh, Cincinnati, Chicago & St. Louis Ry.
Pittsburgh, Fort Wayne & Chicago Ry.
Pullman R. R.
Wabash R. R.
UNION STATION
GRAND CENTRAL STATION
LA SALLE STATION
DEARBORN STATION
ENGLEWOOD STA.
83rd ST. STA
47th ST. STA
HAMMOND JUNCT.
OAKDALE
FERNWOOD
PULLMAN
ROSELAND
ST. KENSINGTON
BLUE ISLAND
DOLTON
BURNHAM
SO. DEERING
LAKE CALUMET
CLEARING
BELT RY.
CRAGIN
CITY LIMITS
So. Chicago Steel Co.
ILLINOIS
INDIANA

CHICAGO & ILLINOIS WESTERN RAILROAD

History: Incorporated under laws of Illinois, Feb. 21, 1903. Road opened Jan. 1, 1906. Extension from Willow Springs to Joliet, Ill., 37.0 miles, under construction.

Location: Road extends from Chicago, Ill. (Western Ave.) to Willow Springs, Ill., 13.59 miles; trackage (Illinois Central R.R.) Hawthorne to Western Ave., Chicago, 2.86 miles; trackage, P. C. C. & St. L. Ry., 4.59 miles; total operated 21.04 miles. Sidings owned, 3.50 miles. Equipment: Locomotives, 3; cars: flat, 3; coal, 494; box, 2; caboose, 3; other cars, 3; total, 505.

Management: OFFICERS: W. B. Clark, Pres. and Gen. Mgr.; J. F. Talbot, Vice-Pres.; G. R. Thompson, Sec. and Treas.; J. J. Duffy, Supt.; A. V. Konsberg, Pur. Agt., Chicago, Ill. DIRECTORS: W. J. Carney, N. G. Moore, J. F. Talbot, F. S. James, W. I. Osborne, Chicago, Ill. Annual meeting, third Wednesday in February. GENERAL OFFICE, 108 South La Salle Street, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$156,256	$138,484	$176,786	$169,740	$116,438
Operating expenses	126,377	124,519	149,085	144,648	112,248
Net operating revenue	$29,879	$13,965	$27,701	$25,092	$4,190
Other income	38,571	16,020	24,082	12,620	16,974
Total net income	$68,450	$29,985	$51,783	$37,712	$21,134
Taxes	12,300	12,885	15,256	11,668	12,049
Fixed charges	83,413	71,660	68,137	67,191	67,736
Deficit	$27,263	$54,560	$31,610	$41,147	$58,621

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$2,261,451	$2,097,365	$2,094,856	$2,087,455	$2,099,360
Working assets	71,295	38,203	48,219	33,615	47,101
Deferred debit items	1,060	1,201	1,365	1,049	110
Profit and loss	244,931	217,668	163,108	135,416	94,340
Total	$2,578,737	$2,354,437	$2,307,548	$2,257,535	$2,240,911
LIABILITIES:					
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,062,765	909,890	909,890	925,070	948,117
Working liabilities	495,194	436,070	390,668	314,486	274,855
Accrued liabilities not due	20,110	7,577	6,990	17,979	17,939
Deferred credit items	668	900	.....	.....	.....
Total	$2,578,737	$2,354,437	$2,307,548	$2,257,535	$2,240,911

Bonded Debt: (1) $965,000 Chicago & Illinois Western R.R. general 6s. Dated July 1, 1907; due July 1, 1947. Interest paid J. and J. 1, at Continental & Commercial Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000. Authorized, $4,000,000. Unissued bonds reserved for construction, etc. $500,000 were issued to retire an equal amount of 1st 5s, due in 1947. Callable at par and interest on 30 days' notice. First lien on entire property owned. Interest paid without deduction for normal income tax.

Outstanding, $89,890 Equipment Trust obligations, dated July 1, 1908, and maturing monthly beginning August 29, 1912, in sixty monthly instalments. Interest J. and J. 1. Secured on 209 gondola or steel cars.

$7,875, Promissory Note, dated Nov. 1, 1911; due Nov. 1, 1921. Interest 5% payable May 1st and Nov. 1st.

Capital Stock: Authorized, $1,500,000 (Increased from $1,000,000, Dec. 18, 1913); outstanding, $1,000,000. Par, $100. Stock transferred by secretary of company.

CHICAGO & WESTERN INDIANA RAILROAD

History: Incorporated in Illinois June 6, 1879, and in 1882 absorbed the South Chicago & West Indiana Railroad and the Chicago & Western Indiana Belt Ry. In 1912, the company acquired the Chicago Union Transfer Ry. Co.

Location: Owns extensive system of terminals and belt lines in and around the city of Chicago; also passenger and freight depots, realty, etc., in the heart of the city, including the Dearborn Union Passenger Terminal. Portion of property is leased to Belt Ry. of Chicago, and balance is leased jointly to Chicago & East Illinois Railroad; Grand Trunk Western; Chicago, Indianapolis & Louisville; Erie; Atchison; Wabash; Elgin, Joliet & Eastern, and Chesapeake & Ohio Rys. The aggregate rental must always exceed by 20% the interest on bonds outstanding. Lines owned, 151.45 miles. Equipment: Locomotives, 99; cars, 1,236, of which 352 are leased to Belt Ry. of Chicago.

Management: OFFICERS: Howard G. Hetzler, Pres.; E. H. Lee, Vice-Pres.; M. J. Clark, Sec.; J. E. Murphy, Treas. DIRECTORS: H. R. Kurrie, J. E. Taussig, W. B. Storey, H. G. Kelley, W. J. Jackson, Mitchell D. Follansbee. Annual meeting, first Tuesday in June. MAIN OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended December 31, 1910-1911; June 30, 1912-1916

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$194,337	$199,764	$261,132	$144,409	$148,378	$122,086	$109,413
All operating expenses	199,399	185,455	204,885	136,454	166,206	148,110	147,713
Net operating revenues	(def.) $5,062	$14,309	$56,247	$7,955	(df.) $17,828	(df.) $26,024	(df.) $38,300
Operating ratio	102.6%	92.8%	78.5%	94.5%	112%	121.3%	135%
Other income (rentals, etc.)	3,559,695	3,288,719	3,280.291	2,951,476	2,465,811	2,472,170	2,446,611
Total net income	$3,554,633	$3,303,028	$3,336,538	$2,959,431	$2,447,982	$2,446,146	$2,408,311
Taxes accrued	267,760	253.121	282,429	2,556,083	2,126,981	2,109,411	2,074,223
Fixed charges	2,764,690	2,430,699	2,335,707				
Surplus	$522,183	$619,208	$718.402	$403,348	$321,001	$336,735	$334,088
Dividends paid (6%)	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Balance	$222,183	$319,208	$418,402	$103,348	$21,001	$36,735	$34,088

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $371,947; credit balance transferred from income, $222,183; miscellaneous credits, $48,063; total, $642,193. Contra: Dividend appropriations of surplus, $167,000; miscellaneous debits, $17,352; credit balance carried to balance sheet, $457,841; total, $642,193.

Comparative Condensed Balance Sheet, as of December 31, 1911-1912; June 30, 1913-1916

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$67,248,658	$64,987,214	$62,453,050	$57,528,643	$51,263,037	$49,180,676
Working assets	2,473,337	1,256,912	4,304,079	9,474,281	3,979,182	3,590,762
Accrued income not due	.....	.....	6,988	.....	.....	.....
Deferred debit items	3,196,336	2,504,565	803,494	521,626	21,913	17,386
Total	$72,918,331	$68,748,691	$67,567,611	$67,524,550	$55,264,132	$52,788,824
LIABILITIES:						
Capital stock	$5,000.000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Funded debt	65,193,981	61,191,978	60,066,117	58,298,917	47,129,917	45,703,751
Working liabilities	1,405,788	1,684,891	1,857,550	3,398,126	2,540,684	1,523,571
Accrued liabilities not due	415,065	324,149	331,154	319,754	38,206	40,598
Deferred credit items	445,656	175,726	202,000	77,393	84,923	71.503
Profit and loss	457,841	371,947	110,790	430,360	470,402	449,401
Total	$72,918,331	$68,748,691	$67,567,611	$67,524,550	$55,264,132	$52,788,824

NOTE: Funded debt in 1916 includes advances by proprietary companies of $1,324,565.

Bonded Debt: (1) $4,919,667 general 6s; dated Dec. 1, 1882; due Dec. 1, 1932; interest quarterly, Mar., June, Sept. and Dec. 1, at J. P. Morgan & Co., New York. First lien on entire property owned and on rentals. Original issue, $15,000,000; retired by sinking fund, $10.180.333. Sinking fund redeems bonds at 105. Listed on New York Stock Exchange. Interest payable without deduction for normal income tax. Net Rating, Aaa.

(2) $44.978.000 consolidated 4s; dated July 1, 1902; due July 1, 1952; interest January and July at Chase National Bank, New York, or Illinois Trust and Savings Bank, Chicago. Auth., $50.000,000, of which sufficient are reserved to retire No. 1. Direct lien on all property, subject to No. 1. Listed on New York Stock Exchange. Interest payable without deduction for normal income tax. Net Rating, Aa.

(3) $13,935.000 2-year 5% notes; dated Sept. 1, 1915; due Sept. 1, 1917. Int. M. and S. at Bankers' Trust Co., New York. Callable at 101 and int. Secured by deposit of $18,497,000 of No. 4. Rating, Baa.

(4) $200,000.000 (auth.) first and refunding mortgage; dated Sept. 2, 1912; due Sept. 1, 1962; interest limited to 5%. Bonds will be available as follows: To retire No. 3 on Sept. 1, 1917, $13,935,000; to retire Nos. 1 and 2, $50,000.000; for construction and improvements, $136.065.000. First lien on the property of the old Chicago Union Transfer Co. and a lien following Nos. 1 and 2, on all other property of the company. Interest payable without deduction for normal income tax.

Investment Position of Bonds: While the bonds of this company are not formally guaranteed by the leasing roads, the rentals received are well in excess of interest and sinking fund requirements, and the value of the property covered is increasing from year to year.

Capital Stock: Auth. and outstanding, $5,000,000. Owned in equal shares by the Grand Trunk, Chicago & Eastern Illinois, Wabash, Erie and Chicago, Indianapolis & Louisville railroads, which lease the properties. Dividends at the rate of 6% have been regularly paid since 1896. An extra dividend of $167,000 was paid in 1916.

CHICAGO HEIGHTS TERMINAL TRANSFER RAILROAD

Origin: Incorporated under the laws of Illinois, March 22, 1898. Operates terminal tracks in and about Chicago Heights, Ill., 12.62 miles, and performs a switching service. Equipment: Locomotives, 6; cars, 27.

Management: OFFICERS: Chas. H. Wacker. Pres. and Treas.; Alfred Kohn, Vice-Pres.; Francis Lackner, Sec.; M. H. Kilgallen, Gen. Mgr., Chicago, Ill. DIRECTORS: Chas. H. Wackner, Alfred Kohn, Leo Fox, M. H. Kilgallen, Francis Lackner, Chicago, Ill. OFFICE, Chicago, Ill.

Bonded Debt: $562,500 Chicago Heights Terminal Transfer R.R. first 6s. Dated Jan. 1, 1911; due Jan. 1, 1931. Interest paid J. and J. 1, at Northern Trust Co., Chicago, Trustee. Coupon, $100 and $1,000. Authorized, $1,000,000. First lien on entire property, and additionally secured by collateral valued at $350,000. Callable at 105 on 60 days' notice. Sinking fund consists of income from collateral security, accumulated in redemption fund. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $500,000. Par, $100. Transfer Agents, Chicago Heights Land Association.

CHICAGO JUNCTION RAILWAY

History: Incorporated under Illinois laws, Jan. 1, 1898, as a consolidation of the Chicago, Hammond & Western R.R., and the Chicago & Indiana State Line Ry. The company itself is controlled by the Chicago Stock Yards Co., which owns practically the entire capital stock. In July, 1907, the so-called Outer Belt Line of this company, which comprised the property of the original Chicago, Hammond & Western R.R., was sold to the Indiana Harbor Belt R.R. Co. The payment consisted of $2,500,000 of bonds issued by Indiana Harbor Belt R.R., these bonds being guaranteed as to principal and interest by the Lake Shore & Michigan Southern and the Michigan Central R.R.

Location: The company as now constituted operates a double-track inner belt line, about 20 miles long, located in the Stock Yards district of Chicago with side and industrial tracks, aggregating in all about 152.53 miles. Equipment owned: Locomotives, 62; cars, 293.

Management: OFFICERS: R. Fitzgerald, Pres.; H. E. Poronto, Vice-Pres., Sec. and Pur. Agt.; R. B. Thomson, Treas.; C. C. Chace, Aud. DIRECTORS: R. Fitzgerald, A. G. Leonard, Arthur Meeker, J. A. Spoor, Thornhill Broome, S. H. Strawn, H. E. Poronto, Chicago; Eugene V. R. Thayer, F. H. Prince, Boston. Annual meeting, third Monday in March. OFFICE, First National Bank Building, Chicago.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$2,329,410	$1,975,916	$2,029,764	$2,003,912	$1,826,122	$1,781,832
Maintenance of way	249,878	253,948	186,385	204,839		
Maintenance of equipment	219,420	227,885	207,659	122.761	1,269,416	1,211,947
All other operating exps.	1,354,924	1,170,374	1,150,969	1,032,682		
Net operating revs.	$505,188	$323,709	$484,751	$643,630	$556,706	$569,885
Operating ratio	78.3%	83.6%	76.1%	67.9%	69.6%	68.1%
Other income	696,338	700,013	669,324	550,046	529,812	556,239
Total net income	$1,201,526	$1,023,722	$1,154,075	$1,193,676	$1,086,518	$1,126,124
Taxes accrued	38,661	23,899	28,433	22,212	28,905	28,336
Fixed charges	683,029	692,087	796,707	904,790	775,444	835,625
Surplus	$479,836	$307,736	$328,935	$266,674	$282,169	$262,163
Dividends paid	137,500	137,500	134,750	132,000	132,000	132,000
Balance	$342,336	$170,236	$194,185	$134,674	$150,169	$130,163

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $342,700; credit balance transferred from income, $342,336; miscellaneous credits, $234,692; total, $919,728. Contra: Miscellaneous appropriations of surplus, $28,790; loss on retired road and equipment, $6,957; miscellaneous debits, $41; credit balance carried to balance sheet, $883,940; total, $919,728.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,912,414	$4,570,011	$4,616,688	$2,137,174	$2,728,753	$2,669,566
Working assets	1,633,159	1,395,722	1,475,473	1,488,191	1,367,797	1,243,709
Accrued income not due	.....	.....	.....	5,874	4,891	.....
Deferred debit items	80,078	122,076	22,256	92,190	4,672	3,001
Total	$6,625,651	$6,087,809	$6,114,417	$3,723,429	$4,106,113	$3,916,276
LIABILITIES:						
Capital stock	$5,500,000	$5,500,000	$5,500,000	$2,200,000	$2,200,000	$2,200,000
Working liabilities	206,719	212,483	236,120	285,763	219,526	203,222
Accrued liabilities not due	19,045	11,561	12,500	11,712	12,903	11,950
Deferred credit items	7,588	12,755	3,284	2,901	.....	.....
Appropriated surplus	9,359	8,310	301,393	403,382	316,847	296,570
Profit and loss	883,940	342,700	61,120	819,671	1,356,837	1,204,534
Total	$6,625,651	$6,087,809	$6,114,417	$3,723,429	$4,106,113	$3,916,276

Capital Stock: Auth. and issued, $5,500,000, having been increased from $2,200,000 on Dec. 31, 1913. All but directors' qualifying shares owned by Chicago Junction Railways and Union Stock Yards Co. Dividends: 6% per annum from 1908 to end of calendar year, 1913. In March, 1914, began payments on increased issue at 1¼% quarterly. Extra dividends of 10% were paid Oct. 2, 1913, and 150% on Dec. 11, 1913, the latter in stock, thus increasing the amount as above. Dividend in 1915 and 1916, 3.3%. No bonded debt.

CHICAGO, MILWAUKEE & GARY RAILWAY

History: Incorporated under laws of Illinois, March 3, 1908, to construct or purchase a steam railroad line from Milwaukee, Wis., to Gary, Ind. The company acquired the property of the Illinois, Iowa & Minnesota Ry., with its subsidiary lines, the Rockford Belt Ry. Co., Milwaukee, Rockford & Eastern Ry., and the Illinois, Indiana & Gary Ry. Further mileage is now under consideration which, with the system already in operation, will form a complete outer belt-line connecting with all the 32 railroad systems entering the city of Chicago.

Location: Line of road operated, Delmar to Joilet, Ill., Aurora to Joliet with various branches, making a total, including trackage rights, of 154.73 miles. Equipment owned: Locomotives, 15; 1 passenger, 2 combination and 305 freight and company cars.

Management: OFFICERS: A. T. Perkins, Pres., St. Louis; B. H. Harris, Vice-Pres. and Gen. Mgr.; W. F. McSwiney, Sec., Treas. and Aud. DIRECTORS: J. F. Shepley, Edwards Whitaker, A. T. Perkins, St. Louis; H. W. Seaman, B. H. Harris, Jonas Waffle, Chicago; W. F. McSwiney, Rockford, Ill. Annual meeting, first Monday in January at Chicago. GENERAL OFFICE, Rockford, Ill. ST. LOUIS OFFICE, 401 Locust St.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$445,768	$356,163	$410,645	$465,132	$395,274	$298,595	$313,945
Maintenance of way	64,857	66,945	106,677	96,751			
Maintenance of equipment	75,670	67,887	95,132	91,899	379,954	312,061	337,326
All other operating expenses	219,652	191,275	226,864	233,202			
Net operating revenues	$85,589	$30,056	(d.)$18,028	$43,280	$15,280	(d.)$13,466	(d.)$23,381
Other income	2,386	2,726	3,890	.....	.....	.....	.....
Total net income	$87,975	$32,782	(d.)$14,138	.....	.....	.....	.....
Taxes accrued	32,091	29,892	30,739	.....	.....	.....	.....
Fixed charges	308,024	161,539	101,579	123,265	186,359	174,719	156,180
Deficit	$252,140	$158,649	$146,456	$79,985	$171,039	$187,886	$179,561

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $2,006,733; debit balance carried to balance sheet, $429,787; total, $2.436,520. Contra: Debit balance at beginning of year, $2,100,219; debit balance transferred from income, $252,140; miscellaneous debits, $84,161; total, $2,436,520.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$11,232,601	$11,246,895	$11,313,261	$11,542,683	$11,542,784	$11,528,958
Working assets	103,680	84,179	170,133	189,791	126,993	148,385
Deferred debit items	2,524	3,352	1,109	1,489	980	1,254
Profit and loss	429,787	2,100,219	1,934,318	1,675,790	1,595,805	1,424,766
Total	$11,768,592	$13,434,645	$13,418,821	$13,409,753	$13,266,562	$13,103,363
LIABILITIES:						
Capital stock	$5,500,000	$5,500,000	$5,500.000	$5,500,000	$5,500.000	$5,500.000
Funded debt	5,798,000	7,593,188	7,612.693	7,369,657	7,237,302	7,270,378
Working liabilities	460,509	331,374	295,945	530,013	519,177	322,902
Accrued liabilities not due	10,083	10,083	10,083	10,083	10,083	10,083
Total	$11,768,592	$13,434,645	$13,418,821	$13,409,753	$13,266,562	$13,103,363

Note: Included in working liabilities in 1916 are $66,151 notes matured and unpaid.

Bonded Debt: (1) $5,798,000 Chicago, Milwaukee & Gary Ry. first gold 5s. (Auth., $20,000,000.) Dated Apr. 1, 1908; due April 1, 1948. Int. A. and O., at St. Louis Union Trust Co. and at its agenncy in New York City. Coupon, $1,000; principal may be registered. Subject to call on any interest date after April 1, 1918, at 105 and accrued interest. The bonds were authorized for the purpose of acquiring the line of railway already constructed of the Illinois, Iowa & Minnesota Ry. Co. and its subsidiaries, the Rockford Belt Ry. Co., Milwaukee, Rockford & Eastern Ry. Co., and Illinois, Indiana & Gary Ry. Co., for the construction of extensions of the present system from Delmar, Ill., to Gary, Ind. (39 miles), and from Rockford, Ill., to Milwaukee, Wis. (100 miles); and for the acquisition and construction of extensive terminals, elevators, coal docks, and facilities at both Gary and Milwaukee. Secured by mortgage which is a direct first lien on the entire line of railroad. Interest payable without deduction for normal income tax.

Capital Stock: Auth., $10,000,000; outstanding, $5,500,000; issued in exchange for the capital stock of the Illinois, Iowa & Minnesota Ry. Co., and subsidiary companies. Par, $100.

CHICAGO RIVER & INDIANA RAILROAD

History: Incorporated under Illinois laws, Feb. 11, 1904, for the purpose of furnishing terminal facilities to various lake lines, industries and team tracks. Does a freight-switching business between the industrial plants on its line and all the rail and lake lines entering Chicago.

Location: Line owned, 13.11 miles of terminal road, all in city of Chicago. Trackage rights, 28.87 miles, as follows: (A. T. & S. F. Ry.). 27th and Robey Sts. to Elsdon Junc., 9.11 miles; P. C. C. & St. L. Ry. Drainage Canal to 49th Street, 7.43 miles; Union Stock Yards & Transit Co., 9.21 miles; Indiana Harbor Belt R.R., 3.12 miles; total mileage operated, 41.98 miles. Equipment: Locomotives, 9; cars, 110.

Management: OFFICERS: A. E. Rawson, Pres. and Treas.; Walter H. Jacobs, Vice-Pres. and Sec.; E. S. Gentle, Aud.; Hugh Steele, Gen. Supt., Chicago, Ill. DIRECTORS: Ralph M. Shaw, Walter H. Jacobs, Richard Fitzgerald, A. E. Rawson, H. E. Poronto, Chicago, Ill. Annual meeting, first Monday in February. GENERAL OFFICE, First National Bank Bldg., Chicago.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$395,708	$402.954	$314.747	$358.494	$194.697	$151.325	$134,467
Operating expenses and taxes	249,171	251,036	250.529	245,411	142,598	135.295	107,980
Net earnings	146,537	151.918	72.818	113.083	52.099	16.030	26,487
Total income	308.129	297,105	231.427	250,830	149,599	100,730	72,535
Fixed charges	218.361	239.401	221,556	161.058	114,560	94,535	68,117
Dividends	*75.000	*30.000	.....	28,720	.....	.....	.....
Surplus	14,768	27,704	9,871	61,052	35,039	6,195	4,418

* Dividend paid out of profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $156.860; credit balance transferred from income, $89,768; miscellaneous credits, $553; total, $247,181. Contra: Dividend appropriations of surplus, $75,000; credit balance carried to balance sheet, $172,181; total, $247,181.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,344,668	$1,306,188	$1,331,198	$1,291,014	$1,010,233	$1,003,843
Working assets	213,062	200,596	196,598	295,764	121,988	87,227
Accrued income not due	.....	.....	287	.....	.....	.....
Deferred debit items	7,841	15,549	5,953	9,218	22,406	.....
Total	$1,565,571	$1,522,333	$1,534,036	$1,595,996	$1,154,627	$1,091,070
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$600,000	$300,000	$300,000
Funded debt	765,000	765,000	782,000	674,992	600,000	500,000
Working liabilities	73,092	61,966	99,195	142,845	150,024	255,536
Accrued liabilities not due	17,615	14,212	14,091	10,087	9,971	17,765
Deferred credit items	33,998	21,022	4,610	23,610	.....	.....
Appropriated surplus	3,685	3,273	3,958	4,500	2,500	.....
Profit and loss surplus	172,181	156,860	130,182	139,952	92,132	17,769
Total	$1,565,571	$1,522,333	$1,534,036	$1,595,996	$1,154,627	$1,091,070

Bonded Debt: $765,000 Chicago River & Indiana R.R. first refunding 5s. Dated Oct. 1, 1911; due Oct. 1, 1925. Int. paid A. and O. 1 at Merchants' Nat. Bank, Boston. Coupon, $1,000; principal may be registered. Auth., $1,250,000. Of the amount outstanding, $500,000 was issued to retire the first refunding 5s of 1930. No more can be issued, unless net earnings for preceding twelve months equal twice interest on bonds outstanding and to be issued. Unissued bonds may be issued for the purpose of acquiring additional properties and franchises after Oct. 1, 1911, through construction, purchase, consolidation, etc.; but none shall be issued for equipment in substitution for that owned Oct. 1, 1911. Callable as a whole only on Oct. 1, 1916, or thereafter at 105 and interest, on twelve weeks' notice. A first lien on entire property. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Auth., $1,000,000; issued, $500,000; par, $100. Dividends: 1913, 8%; 1915, 6%; 1916, 15%.

CHICAGO SHORT LINE RAILWAY

History: Incorporated under laws of Illinois, March 30, 1901.

Location: Road in Chicago, 15.6 miles; second track, 10.6 miles. Connects railroads entering Chicago and South Chicago with the South Chicago District. Equipment: Locomotives, 6; cars, 50.

Management: OFFICERS: J. Fred Sheehy, Pres. and Gen. Mgr.; F. A. Tiee, Vice-Pres. and Aud., South Chicago, Ill.; A. O. Sonne, Sec. and Treas., Chicago, Ill. DIRECTORS: The foregoing and F. C. Wright, Washington, D. C.; D. B. Gamble, Cincinnati, O. Annual meeting in October. GENERAL OFFICE, Corn Exchange Bank Building, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$129,389	$93,322	$152,832	$198,624	$108,054
Operating expenses	96,887	83,583	113,674	136,358	81,832
Net operating revenues	$32,502	$9,739	$39,158	$62,266	$26,222
Other income	424	5,722	.....	.....	357
Total net income	$32,926	$15,461	$39,158	$62,266	$26,579
Taxes	3,221	2,949	2,743	1,938	2,188
Fixed charges	11,521	8,456	20,286	25,818	12,718
Surplus	$18,184	$4,056	$16,129	$34,510	$11,673
Dividends	14,955	4,985	9,970	15,952	9,970
Balance	$3,229	(def.)$929	$6,159	$18,558	$1,703

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $64,514; credit balance transferred from income, $3,229; profit on road and equipment sold, $420; total, $68,163. Contra: Credit balance carried to balance sheet, $68,163.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$143,941	$157,629	$166,271	$171,786	$128,298
Working assets	63,893	38,579	58,117	80,517	78,911
Total	$207,834	$196,208	$224,388	$252,303	$207,209
LIABILITIES:					
Capital stock	$99,700	$99,700	$99,700	$99,700	$99,700
Working liabilities	22,376	18,090	47,233	82,864	58,978
Accrued liabilities not due	1,400	1,400	1,400	.....	.....
Deferred credit items	16,195	12,504	10,613	9,055	6,405
Profit and loss	68,163	64,514	65,442	60,684	41,126
Total	$207,834	$196,208	$224,388	$252,303	$207,209

Capital Stock: Authorized, $100,000; outstanding, $99,700; par, $100. No bonded debt. Dividends of 7% each were paid in 1905, 1906, 1907 and 1908; 20% in 1909; 15% in 1910; 10% each in 1911 and 1912; 16% in 1913; 10% in 1914; 5% in 1915; 15% in 1916.

CHICAGO UNION STATION COMPANY

History: Incorporated under Illinois laws, July 3, 1913, as the Union Station Co. (Chicago), to build and maintain a Union Passenger Station in Chicago, between Jackson, Adams, Canal and Clinton Streets. Station now under construction. The company is controlled by stock ownership by the C., B. & Q. R.R., the C., M. & St. P. Ry., the P., C., C. & St. L. Ry. and the Pennsylvania Co.; these companies each owning one-fourth of the capital stock.

Management: OFFICERS: J. J. Turner, Pres., Pittsburgh, Pa.; E. D. Sewall, Vice-Pres. and Compt.; W. G. White, Sec.; T. S. Howland, Treas., Chicago. DIRECTORS: J. J. Turner, Thos. Rodd, Pittsburgh; A. J. Earling, Hale Holden, J. J. Mitchell, Chicago. GENERAL OFFICE, Chicago, Ill.

Bonded Debt: $30,000,000 Chicago Union Station Co. first 4½s; dated Jan. 1, 1916; due July 1, 1963. Authorized issue, $60,000,000. Int. paid J. and J., in Chicago and New York. Coupon, $500 and $1,000. Reg., $500, $1,000, $5,000 and $10,000. Callable after 1920 at 105. First lien on entire property, and guaranteed principal and interest, jointly and severally, by C., B. & Q. Ry. Co., P., C., C. & St. L. Ry. Co., C., M. & St. P. Ry. Co. and Pennsylvania Co. Listed on New York Stock Exchange. Normal income tax deducted from interest. Rating, Aaa.

Capital Stock: Auth., $3,500,000; outstanding, $2,800,000; par, $100. All owned by the four companies named above.

CHICAGO, WEST PULLMAN & SOUTHERN RAILROAD

History: Incorporated under laws of Illinois, Oct. 28, 1909, being a consolidation of the Chicago, West Pullman & Southern Ry. and Calumet & Southeastern R.R.

Location: Line extends from 120th and Loomis Streets, Chicago, to 104th Street and Torrence Ave., So. Chicago. Tracks owned, 7.79 miles; leased, .30 miles; trackage rights, 23.20 miles; total operated, 31.29 miles. Equipment: Locomotives, 10; freight and company cars, 46.

Management: OFFICERS: F. B. Montgomery, Pres. and Gen. Mgr.; S. D. Snow, Vice-Pres.; W. M. Gale, Treas.; A. G. Huckin, Sec.; T. J. Maloney, Aud.; M. J. Kelley, Supt.; W. B. Edgar, Pur. Agt., Chicago Ill. DIRECTORS: A. G. Huckin, F. B. Montgomery, G. A. Ranney, H. F. Perkins, S. D. Snow, Chicago, Ill. Annual meeting, second Tuesday in November. OFFICE, 606 So. Michigan Ave., Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$330,080	$193,509	$266,725	$329,745	$274,209	$241,946
Operating exps. and taxes.	206,971	140,347	197,430	215,441	197,695	211,017
Net earnings	123,109	53,162	69,295	114,304	76,513	30,929
Other income	12,100	15,112	12,954	11,137	9,251	4,527
Rentals, etc.	29,885	10,168	34.369	30,538	24,676	4,588
Dividends	* 40,000	40,000	40,000	40,000	40,000	.....
Surplus	65,234	9,106	7,880	54,903	21,088	30,868

* Dividends paid from profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $156,531; credit balance transferred from income, $105,324; total, $261,855. Contra: Dividend appropriations of surplus, $40,000; credit balance carried to balance sheet, $221,855; total, $261,855.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$287,916	$250,341	$259,406	$241,730	$243,583	$238,833
Working assets	404,769	340,440	342,361	347,260	277,407	263,381
Deferred debit items	8,892	10,417	11,944	11,533	13,808	13,838
Total	$701,577	$601,198	$613,711	$600,523	$534,798	$516,052
LIABILITIES:						
Capital stock	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
Working liabilities	58,266	23,737	52,969	49,322	44,018	47,495
Accrued liabilities not due	1,376	1,376	1,376	1,194	977	404
Deferred credit items	5,080	7,054	2,148	3,168	367	5,571
Appropriated surplus	15,000	12,500	10,000	7,500	5,000	.....
Profit and loss surplus	221,855	156,531	147,218	139,339	84,436	62,582
Total	$701,577	$601,198	$613,711	$600,523	$534,798	$516,052

Capital Stock: $400,000 (increased from $200,000 in 1911); par, $100. Dividends of 10% were paid in 1912, 1913, 1914, 1915 and 1916. No bonded debt.

CHIPPEWA VALLEY & NORTHERN RAILWAY

History: Incorporated under laws of Wisconsin, Feb. 17, 1900. This road is operated in connection with Arpin Hardwood Lumber Co., of Atlanta, Wis. An extension is projected from Exeland to Radisson, 7 miles.

Location: Road extends from Bruce to Exeland, Wis., 15.64 miles. Sidings, 1.6 miles. Equipment: Locomotives, 2; motor cars, 2; logging cars, 28.

Management: OFFICERS: D. J. Arpin, Pres., Grand Rapids, Wis.; J. Z. Arpin, Vice-Pres. and Mgr., Atlanta, Wis.; E. P. Arpin, Sec. and Treas., Grand Rapids, Wis.; L. E. Knudson, Aud., Atlanta, Wis. DIRECTORS: A. L. Arpin, D. J. Arpin, E. P. Arpin, Grand Rapids, Wis.; J. Z. Arpin, Atlanta, Wis. Annual meeting last Tuesday in January. GENERAL OFFICE, Grand Rapids, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$8,333	$11,183	$16,260	$17,847	$17,711
Operating expenses	11,856	14,001	14,184	14,863	15,475
Net revenues	(def.)$3,523	(def.)$2,818	$2,076	$2,984	$2,236
Taxes	597	696	626	528	451
Fixed charges	9,670	9,190	9,103	10,909	9,094
Surplus	(def.)$13,790	(def.)$12,704	(def.)$7,653	(def.)$8,453	(def.)$7,309

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$199,810	$210,468	$211,280	$202,028	$200,631
Working assets	1,153	1,840	1,648	11,515	11,813
Profit and loss	57,869	44,079	31,375	24,931	16,277
Total	$258,832	$256,387	$244,303	$238,474	$228,721
LIABILITIES:					
Capital stock	$58,000	$58,000	$58,000	$58,000	$58,000
Funded debt	100,000	137,000	140,000	147,000	157,000
Working liabilities	52,900	20,600	7,431	32,537	13,721
Deferred credit items	47,932	40,787	38,872	937	.....
Total	$258,832	$256,387	$244,303	$238,474	$228,721

Bonded Debt: $100,000 Chippewa Valley & Northern Ry. 5s. Dated June 15, 1906; duo $10,000 annually from June, 1908 to 1920; interest paid J. and D. 15 at Wood County National Bank, Grand Rapids, Wis. Coupon, $1,000. Authorized, $800,000; issued, $200,000; $60,000 have been retired, and $10,000 are pledged as collateral as stated below. Of bonds unissued $100,000 are reserved to retire current indebtedness, a like amount for terminals, etc., under construction, and balance for future extensions. Callable at 103 and interest. First lien on property. Normal income tax deducted from interest.

Capital Stock: Authorized, $150,000; outstanding, $58,000. Par, $100. No dividends paid.

CINCINNATI, BLUFFTON & CHICAGO RAILROAD

History: Incorporated under laws of Indiana, March 9, 1903, for the purpose of constructing a road from Huntington to Union City, Ind.; 75 miles, with a branch 1.5 miles; total, 76.5 miles. Tho section of the road from Bluffton to Portland, 29 miles, was put in operation in 1905, and the section from Huntington to Bluffton, 23 miles, was put in operation Jan. 15, 1908.

Receivership: On March 14, 1908, John C. Curtis, Gen. Mgr., was appointed receiver in a creditor's suit, and the property was advertised to be sold under foreclosure, March 15, 1911, at an upset price of $800,000. The road has been offered at various times at foreclosure sale without bidders, but on Sept. 6, 1911, the court denied application to reduce the price, maintaining that it was not too large.

Receiver's Sale: The road was sold at receiver's sale, Oct. 15, 1914, to Fred. A. Dolph, of Chicago, representing a syndicate of creditors. The price to be paid is $350,000. The sale was not consummated and the property was again advertised for sale Nov. 20, 1916. At latter sale, J. M. Wilson of Cincinnati is reported to have purchased the property.

Location: Road extends from Huntington to Portland, Ind., 50.21 miles. Equipment: Locomotives, 4; passenger cars, 3; freight and miscellaneous cars, 42.

Management: OFFICERS: J. C. Curtis, Receiver and Gen. Mgr., Huntington, Ind.; Fred. A. Dolph, Chairman of Board; S. H. Bracey, Pres.; Chas. Blackburn, Sec., Chicago; M. E. Schoch, Aud., Huntington, Ind. DIRECTORS: Chas. Blackburn, S. H. Bracey, Fred. A. Dolph, Chicago; W. I. Babb, Aurora, Ill.; John M. Smith, Portland, Ind. Annual meeting, second Tuesday in June. OFFICE, Huntington, Ind.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$77,192	$86,781	$97,789	$90,477	$72,035	$67,991
Maintenance of way	9,913	10,311	11,137	22,343	12,850	13,226
Maintenance of equipment	9,765	11,944	14,055	10,207	10,370	8,404
All other operating exps.	54,094	57,672	74,534	47,847	42,411	41,819
Net operating revs.	$3,420	$6,854	(def.)$1,937	$10,080	$6,404	$4,542
Other income	1,255	62	.....	.....	.....	.....
Total net income	$4,675	$6,916	(def.)$1,937	$10,080	$6,404	$4,542
Taxes	8,600	8,200	8,142	.....	7,840	7,250
Fixed charges	.....	75,000	84,600	.....	75,000	75,000
Surplus	(def.)$3,925	(def.)$76,284	(def.)$94,679	.....	(def.)$76,436	(def.)$77,708

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	†1915	1914	1913	1912	1911
Property investment	$1,164,305	$1,164,305	$1,132,403	$1,122,488	$1,089,425	$1,084,772
Working assets	3,827	8,533	9,634	7,851	5,044	4,744
Unadjusted debits	1,733,780	.....	.....	.....	.....	.....
Profit and loss deficit	.....	.....	*1,720,787	*1,749,996	.....	.....
Total	$2,901,912	$1,172,838	*$2,862,824	$2,880,335	$1,094,469	$1,089,516

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000
Funded debt	1,695,178	1,697,982	1,500,000	1,655,035	1,636,645	1,635,496
Working liabilities	73,134	69,067	237,824	100,300	15,592	13,580
Accrued liabilities not due	8,600	8,200	.....	.....	.....	.....
Total	$2,901,912	$2,900,249	*$2,862,824	$2,880,335	$2,777,327	$2,774,076

† Incomplete balance sheet reported. * Indicated figures—not given in report.

Bonded Debt: $1,500,000 Cincinnati, Bluffton & Chicago R.R. first 5s; dated Sept. 1, 1903; due Sept. 1, 1933. Int. paid M. and S. 1, at Title Guarantee & Trust Co., New York, Trustee. L. C. Davenport, Bluffton, Ind., Co-Trustee. Coupon, $1,000. These bonds have not been sold, and are deposited as collateral for loans. Originally they were a first lien on property, but holders agreed to let the receiver's certificates constitute a prior lien.

Receiver's Certificates: $195,178 6% certificates.

Capital Stock: Auth., $1,125,000; par, $100. Issuable at the rate of $15,000 per mile of completed road.

CINCINNATI, FLEMINGSBURG & SOUTHEASTERN RAILROAD

History: Incorporated under the laws of Kentucky, June 1, 1905, successor by purchase to the property of the Covington, Flemingsburg & Ashland R.R.

Location: Road extends from Johnson Junc. to Flemingsburg, Ky., 5.6 miles. Sidings, 1 mile. Equipment: Locomotive, 1; cars, 3.

Management: OFFICERS: S. S. Bush, Pres.; W. N. Cox, Vice-Pres., Louisville, Ky.; S. S. Bush, Jr., Sec. and Treas.; R. L. Dudley, Aud., Gen. Mgr., Supt. and Pur. Agt., Flemingsburg, Ky. DIRECTORS: S. S. Bush, Attilla Cox, W. N. Cox, Louisville, Ky.; R. L. Dudley, S. S. Bush, Jr., Flemingsburg, Ky. Annual meeting, first Tuesday in June. GENERAL OFFICE, Flemingsburg, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$28.942	$29,127	$32,720	$31,860	$31,645
Operating expenses	24,259	23,943	18,276	30,022	17,361
Net revenues	$4,683	$5,184	$14,444	$1,838	$14,284
Taxes	652	526	429	328	348
Fixed charges	4,340	4,248	4,502	4,802	4,794
Surplus	(def.)$309	$410	$9,513	(def.)$3,292	$9,142

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$194,038	$267,538	$271,275	$221,843	$193,152
Working assets	2,343	2,221	2,116	3,971	20,437
Deferred debit items	344	240	.....	304	222
Total	$196,725	$269,999	$273,391	$226,118	$213,811
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	60,000	128,500	128,500	75,000	75,000
Working liabilities	22,279	26,744	30,545	31,286	25,688
Profit and loss	14,446	14,755	14,346	9,832	13,123
Total	$196,725	$269,999	$273,391	$226,118	$213,811

Bonded Debt: (1) $13,500 Cincinnati, Flemingsburg & Southeastern R.R. 1st 5s; dated June 1, 1905; due June 1, 1925. Interest paid J. and D. 1, at Fidelity & Columbia Trust Co., Louisville, Ky. Coupon, $500 and $1,000. Authorized and issued $30,000 of which $1,500 redeemed through sinking fund in June, 1906. Sinking fund, $1,500 per annum to redeem bonds at 110. First lien on entire property. Normal income tax deducted from interest.

(2) $46,500 Cincinnati, Flemingsburg & Southeastern R.R. Consolidated Refunding 5s; dated July 1, 1908; due July 1, 1938. Interest paid J. and J. 1, at Fidelity & Columbia Trust Co., Louisville. A mortgage on all the property and franchises, etc., owned by company or hereafter acquired, subject to No. 1. A sufficient amount is reserved to retire No. 1. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $100,000. Par, $100. A dividend of 4% was paid for fiscal year 1905-6 and 1½% for 1906-7; none since.

THE CINCINNATI, INDIANAPOLIS & WESTERN RAILROAD COMPANY

History: Incorporated under laws of Indiana, Oct. 30, 1915, successor as of Dec. 1, 1915 to the property, rights, franchises, etc., of the Cincinnati, Indianapolis & Western Ry., excepting the Sidell & Olney Branch, sold at foreclosure sale, Sept. 9, 1915, for $3,500,000 to Fred H. Ecker, of New York, acting on behalf of the bondholders of the old company.

The Sidell & Olney R.R. has been incorporated in Illinois, subject to the consent of the Illinois Public Service Commission, with $240,000 capital stock, to operate the line of road from Sidell to Olney, Ill., a distance of 85.35 miles, including 8.36 miles of trackage rights from West Liberty to Olney. All the stock of this company is to be owned by the Cincinnati, Indianapolis & Western R.R.

Location: Road extends from Hamilton, O., to Decatur, Ill., and Boody to Springfield, Ill., 283.86 miles; trackage rights, Hamilton to Cincinnati, O., 25.37 miles; at Indianapolis, Ind., 1.65 miles; at Decatur, Ill., 8.40 miles; at Springfield, Ill., 2.42 miles; total operated, 321.70 miles.

Equipment: Locomotives, 52; passenger cars, 54; freight cars, 2,188; company cars, 26.

Management: OFFICERS: B. A. Worthington, Pres.; J. G. Moore, Sec. and Asst. Counsel; D. J. Curran, Treas.; F. B. Brown, Aud.; J. A. Simmons, Gen. Traf. Mgr.; V. M. Hynes, Gen. Supt., Indianapolis, Ind. DIRECTORS: F. H. Ecker, J. A. Barnard, Henry E. Cooper, A. H. Wiggin, New York; Geo. K. Johnson, Philadelphia; H. F. Whitcomb, Milwaukee, Wis.; L. Edmund Zacher, Hartford, Conn.; B. A. Worthington, Indianapolis, Ind. Annual meeting, second Tuesday in October. GENERAL OFFICE, Indianapolis, Ind.

Comparative Income Account, Seven Months Ended June 30

	1916	1915
Passenger earnings	$286,289	$272,154
Freight earnings	893,940	628,565
Gross earnings	$1,296,706	$1,030,533
Operating expenses and taxes	1,054,974	1,214,165
Net earnings	$241,732	(def.) $183,632
Other income	26,441	2,892
Total Income	$268,173	(def.) $180,740
Fixed charges	230,692	328,281
Balance	$37,481	(def.) $509,121

General Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Road and equipment	$14,206,983	Capital stock	$10,700,000
Stocks owned	240,000	Bonded debt	2,675,000
Other investments	2,000	Equipment obligations	1,210,000
Materials and supplies	158,421	Current liabilities	349,451
Cash	208,850	Interest and taxes accrued	104,337
Current assets	203,005	Other liabilities	25,697
Other assets	10,899	Unadjusted credits	4,759
Unadjusted debits	73,593	Deferred credit items	931
		Profit and loss	33,576
Total	$15,103,751	Total	$15,103,751

Bonded Debt: (1) $2,675,000 Cincinnati, Indianapolis & Western Railroad 1st 5s; dated Nov. 1, 1915; due Nov. 1, 1965. Interest paid N. and M. 1, at office of company, New York. Coupon, $100 and $1,000. Authorized, $12,000,000; balance issuable for construction or acquisition of extensions or branches; the construction or acquisition of branches or extensions to roads all of whose capital stock is owned by the company; the acquisition of the entire mortgage indebtedness and entire capital stock of companies owning a line of road constituting an extension or branch of company's road; and the construction of second tracks, shops, depots, etc. All such extensions and acquisitions of such stocks and bonds to be subject to the lien of this mortgage. Callable at 105 and interest upon 30 days' notice. First mortgage on entire property owned at date of mortgage, except Sidell & Olney R.R., described above. Interest paid without deduction for normal income tax. Rating, Ba.

(2) $560,000 Cincinnati, Indianapolis & Western R.R. 5% Equipment Trust Notes; dated Feb. 1, 1916; due $28,000 semi-annually from Aug. 1, 1916 to Feb. 1, 1926, inclusive. Coupon, $1,000. Authorized $560,000. Callable at par and interest. Notes were issued in connection with the purchase of 39 locomotives. Interest paid without deduction for normal income tax. Rating, Baa.

(3) $650,000 Cincinnati, Indianapolis & Western R.R. 5% Equipment Trust Notes, series B; dated April 15, 1916; due, $32,000 semi-annually from Oct. 15, 1916, to April 15, 1921, and $33,000 semi-annually from Oct. 15, 1921, to April 15, 1926. Interest paid A. and O. 15, at Pennsylvania Co. for Insurance on Lives and Granting Annuities, Philadelphia. Coupon, $1,000. Secured on following equipment, against the cost of which 20% was paid in cash; 450 box cars, 50 stock cars, 40 flat cars, 50 steel gondola cars, 50 all steel hopper cars, 20 caboose cars, 3 steel passenger coaches, 3 steel combination cars, 1 steel dining car, and 2 steel postal cars. Normal income tax deducted from interest. Rating, Baa.

Capital Stock: (1) Authorized, $7,500,000 non-cumulative 5% preferred. Outstanding, $5,350,000. Par, $100. Has preference as to assets and dividends. In case of liquidation is entitled to par and all unpaid dividends before any distribution is made to common stockholders. Has equal voting power with common. No dividends paid to date.

(2) Authorized, $7,000,000 common; outstanding $5,350,000. Par, $100.

All shares except directors' shares, deposited in a five-year voting trust, dated Dec. 1, 1915. Voting trustees are: Frederick H. Ecker, G. K. Johnson, H. F. Whitcomb, L. E. Zacher, J. A. Barbey. TRANSFER AGENT, for voting trust certificates, Equitable Trust Co., New York. Registrar for voting trust certificates, Metropolitan Trust Co., New York.

CINCINNATI UNION DEPOT & TERMINAL COMPANY

History: Incorporated under the laws of Ohio, May 11, 1910, to build a union terminal for passengers and freight, with approaches to be used by all steam roads and interurban railways entering Cincinnati, O. It is estimated that the cost of construction including large office building over the terminal will cost $34,000,000. The City Council on Dec. 28, 1911, granted the company perpetual right to construct, operate and maintain a union depot and terminal facilities for the steam and traction roads entering the city.

Management: OFFICERS: A. S. White, Pres., Cincinnati, O.; J. E. Bleckman, Vice-Pres., New York; R. W. White, Sec. and Treas., Cincinnati, O. DIRECTORS: The foregoing and C. B. Matthews, L. J. Hauck, Cincinnati, O.; G. H. Worthington, Cleveland, O. GENERAL OFFICE, Cincinnati, O.

Capital Stock: 1. Authorized, $650,000 preferred and $350,000 common. Par, $100.

CLARENDON & PITTSFORD RAILROAD

History: Incorporated under laws of Vermont, Sept. 10, 1885. Road was completed in July, 1886. The Brandon & West Rutland Ry. was acquired by purchase on May 13, 1911, and on November 13, 1911, the Pittsford & Rutland R.R.

Location: Road extends from Hollister to West Rutland, Vt., 14.5 miles; Center Rutland to Rutland, 1.78 miles; Florence Junc. to Florentine Quarry, 2.34 miles; total owned, 18.62 miles. Trackage, Del. & Hudson Co., West Rutland to Tree Blue, 2 miles; total track operated, 20.62 miles. Equipment: Locomotives, 7; 5 passenger and 283 freight and other cars.

Management: OFFICERS: F. C. Partridge, Pres.; Redfield Proctor, Vice-Pres.; A. W. Edson, Secy.; E. R. Morse, Treas.; G. W. Howe, Supt., Proctor, Vt. DIRECTORS: F. C. Partridge, G. H. Davis, Redfield Proctor, Proctor, Vt.; E. R. Morse, A. W. Edson, S. A. Howard, C. I. Hunter, Rutland, Vt.; G. C. Robinson, West Rutland, Vt. Annual meeting, second Monday in September. OFFICE, Proctor, Vt.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Freight revenue	$72,232	$57,396	$72,334	$78,761	$77,724	$71,669	$71,452
*Total earnings	88,873	81,400	99,589	86,883	79,882	73,145	71,474
Operating expenses	69,956	63,647	77,856	77,733	77,252	47,640	42,127
Net earnings	18,917	17,753	21,733	9,151	2,630	25,505	29,347
Gross income	19,457	17,753	21,733	9,151	2,630	25,809	29,347
Taxes	4,382	4,224	4,449	2,232	2,292	2,013	2,125
Dividends	.....	.....	.....	.....	8,000	10,000	10,000
Other deductions	7,214	6,979	9,051	12,440	4,908	3,959	4,442
Surplus for year	7,861	6,550	8,233 (def.)	$5,521 (def.)	12,570	9,837	12,780

* Includes other earnings.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$349,582	$353,324	$425,758	$424,395	$357,014	$322,281
Working assets	8,532	9,811	652	9,988	12,184	18,932
Deferred debit items	.....	.....	.....	.....	300	.....
Total	$358,114	$363,135	$426,410	$434,383	$369,498	$341,213
LIABILITIES:						
Capital stock	$270,000	$270,000	$270,000	$270,000	$270,000	$200,000
Working liabilities	392	13,274	13,503	34,448	28,600	58,045
Deferred credit items	.....	.....	69,596	64,858	.....	.....
Profit and loss surplus	87,722	79,861	73,311	65,077	70,898	83,168
Total	$358,114	$363,135	$426,410	$434,383	$369,498	$341,213

Capital Stock: Auth. and outstanding, $270,000; par, $100. Dividends have been paid as follows: 1898, 9%; 1899, 18%; 1900 and 1901, 12% each; 1910 and 1911, 5% each; 1912, 4%; none since. No bonded debt.

CLARKSBURG NORTHERN RAILROAD

History: Incorporated under the laws of West Virginia in April, 1911.

Location: Road extends from New Martinsville to Middlebourne, W. Va., 13.45 miles; sidings, 3.5 miles. Equipment: Locomotive, 1; passenger car, 1; combination car, 1; freight cars, 2.

Receivership: In 1916, J. F. Bartlett, J. B. Finley and F. R. Hickman were appointed receivers for this property.

Management: OFFICERS: Jos. Fuccy, Pres., Gen. Mgr., Supt. and Pur. Agt., New Martinsville, W. Va.; I. M. Underwood, Vice-Pres., Middlebourne, W. Va.; J. B. Findley, Sec. and Treas., Parkersburg, W. Va.; R. J. Fuccy, Aud., New Martinsville, W. Va. DIRECTORS: Jos. Fuccy, New Martinsville, W. Va.; I. M. Underwood, John Shore, Middlebourne, W. Va.; W. G. Peterkin, M. V. Lane, J. B. Findley, A. R. Boreman, Parkersburg, W. Va. Annual meeting in April. OFFICE, Parkersburg, W. Va.

Bonded Debt: $454,000 Clarksburg Northern R.R. 1st 5s; dated Nov., 1911; due Nov., 1945. Interest paid A. and O. 1, at Union Trust & Deposit Co., Parkersburg, W. Va. Coupon, $500. Authorized issue, $1,000,000. Callable after Nov., 1921. First lien on property. Normal income tax deducted from interest.

Capital Stock: Authorized, $1,000,000; outstanding, $260,000; par, $100.

THE CLINTON & OKLAHOMA WESTERN RAILWAY

History: Incorporated under the laws of Oklahoma, Oct. 28, 1908. First portion of line, Clinton to Butler, 21.52 miles, turned over by the construction company for operation, March 21, 1910.

Location: Road extends from Clinton to Strong City, Oklahoma, 51.86 miles. Sidings, 5.08 miles. Equipment: Locomotives, 5; passenger cars, 4; freight cars, 31.

Management: OFFICERS: Frank Kell, Pres., Wichita Falls, Texas; J. W. Maney, Vice-Pres., Oklahoma City; C. R. Strong, Vice-Pres., Clinton, Okla.; E. A. Humphrey, Sec.; W. S. Haid, Treas., Gen. Mgr. and Aud.; G. R. Fisher, Supt., Clinton, Okla. DIRECTORS: Frank Kell, Wichita Falls, Texas; J. W. Maney, T. C. Thatcher, Oklahoma City, Okla.; E. A. Humphrey, C. R. Strong, Clinton, Okla.; W. O. Hopkins, Hammon, Okla.; W. E. Hocker, Oklahoma City, Okla. Annual meeting, first Tuesday in Sept. GENERAL OFFICE, Clinton, Okla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$147,045	$100,068	$68,968	$81,130	$45,712
Operating expenses	76,972	57,780	61,385	67,722	29,000
Net operating revenues	$70,073	$42,288	$7,583	$13,408	$16,712
Other income	662	.....	.....	350	.....
Total net income	$71,735	$42,288	$7,583	$13,758	$16,712
Fixed charges including taxes	52,650	48,188	34,147	43,570	26,103
Net income	$18,086	(def.) $5,900	(def.) $26,564	(def.) $29,812	(def.) $9,391

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $50,290; credit balance transferred from income, $18,086; delayed income credits, $1,684; donations, $500; miscellaneous credits, $82,638; total, $153,198. Contra: Delayed income debits, $78; miscellaneous debits, $464; credit balance carried to balance sheet, $152,656; total, $153,198.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,672,732	$1,648,906	$1,633,512	$1,436,376	$1,047,174
Working assets	28,036	60,661	10,800	20,787	388,255
Deferred debit items	2,232	1,806	.....	.....	.....
Profit and loss	.....	.....	.....	32,527	2,715
Total	$1,703,000	$1,711,373	$1,644,312	$1,489,690	$1,438,144
LIABILITIES:					
Capital stock	$750,000	$755,151	$755,141	$500,000	$525,132
Funded debt	758,250	763,750	750,000	430,000	821,552
Working liabilities	35,192	135,006	133,781	538,190	87,768
Accrued liabilities not due	6,798	6,933	.....	21,500	1,692
Deferred credit items	104	243	4,298	.....	.....
Profit and loss	152,656	50,290	1,092	.....	.....
Total	$1,703,000	$1,711,373	$1,644,312	$1,489,690	$1,438,144

Bonded Debt: $750,000 Clinton & Oklahoma Western Ry. 1st 5s; dated May 1, 1910; due May 1, 1930. Interest paid M. and N. 1, at Mississippi Valley Trust Co., St. Louis, Mo. Coupon, $1,000. Callable at 103 and interest, upon 30 days' notice. First lien on entire property. Normal income tax deducted from interest. Rating, B.

Capital Stock: Authorized and outstanding, $750,000, (increased from $500,000 in 1914). Par, $100. No dividends paid.

COLORADO & SOUTH-EASTERN RAILROAD

History: Incorporated under the laws of Colorado, August 5, 1909. Acquired the property and assumed the bonds of the Colorado & South-Eastern Ry.

Location: Road extends from Delagua to Barnes, Colo., 6.27 miles; trackage over lines of Colorado & Southern Ry. from Delagua to Ludlow and Trinidad, Colo., 14.51 miles; total, 20.78 miles. Sidings, etc., 9.63 miles. Equipment: Locomotives, 4; cars, 4.

Management: OFFICERS: W. J. Murray, Pres. and Gen. Mgr.; W. H. Huff, Vice-Pres.; S. I. Heyn, Secy.; G. F. Bartlett, Treas.; J. M. Blee, Aud.; J. McGowan, Pur. Agt., Denver, Colo.; F. E. Rose, Supt., Hastings, Colo. DIRECTORS: W. H. Huff, G. F. Bartlett, W. J. Murray, S. I. Heyn, Caldwell Yeaman, Denver, Colo. Annual meeting, third Wednesday in August. OFFICE, Denver, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$112,446	$56,473	$61,617	$115,041	$108,204	$100,714
Maintenance of way	13,121	8,820	11,793	11,213	10,387	18,808
Maintenance of equipment	8,605	8,996	11,655	12,378	9,030	12,171
All other operat. expenses	29,777	28,102	38,434	46,788	46,724	56,040
Net oper. revenues	$60,943	$10,555	(def.) $265	$44,662	$42,063	$13,695
Other income	.....	4	.....	.....	.....	.....
Total net income	$60,943	$10,559	(def.) $265	$44,662	$42,063	$13,695
Taxes	3,685	2,092	2,839	4,956	1,620	1,693
Fixed charges	21,703	21,877	21,330	20,907	21,639	21,241
Surplus	$35,555	(def.) $13,410	(def.) $24,434	$18,799	$18,804	(def.) $9,239

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$413,428	$414,773	$417,065	$419,687	$422,106	$428,878
Working assets	21,831	12,911	14,252	17,536	11,910	14,291
Deferred debit items	.....	.....	.....	.....	.....	153
Profit and loss deficit	2,578	38,148	24,736	.....	.....	9,823
Total	$437,837	$465,832	$456,053	$437,223	$434,016	$453,145

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	300,000	300.000	300,000	300,000	300,000	300,000
Working liabilities	33,243	62,256	52,053	32,014	30,582	49,776
Accr'd liabilities not due.	4,106	3,550	4,000	5,200	3,428	3,369
Deferred credit items	488	26	.....	.....	.....	.....
Profit and loss surplus	.....	.....	.....	9	6	.....
Total	$437,837	$465,832	$456,053	$437,223	$434,016	$453,145

Bonded Debt: $300,000 Colorado & South-Eastern Ry. first 5s; dated Nov. 1, 1905; due Nov. 1, 1955. Interest paid M. and N. 1, at International Trust Co., Denver, Trustee. Coupon, $1,000. Authorized, $1,000,000. First lien on entire property. All owned by Victor-American Fuel Company. Rating, Ba.

Capital Stock: Authorized, $200,000; outstanding, $100,000. Par, $100. All owned by Victor-American Fuel Co. A dividend of 15% was paid for fiscal year, 1906; 2% in 1907; 8% in 1910; 8% in 1912; 17% in 1913; none since.

COLORADO & WYOMING RAILWAY

History: Incorporated in Colorado in 1899 in interest of Colorado Fuel & Iron Co. See full description of latter in "Moody's Analyses of Public Utilities and Industrials."

Location: Operates about 42.78 miles of main track and 114.34 miles of sidings in and around plants of Colorado Fuel & Iron Co. Does chiefly a freight business, transporting ores, etc.

Management: OFFICERS: J. F. Welborn, Pres.; R. L. Hcaron, Vice-Pres. and Gen. Mgr.; J. A. Writer, Secy. and Treas. DIRECTORS: J. F. Welborn, S. G. Pierson, R. L. Hearon, J. A. Writer, W. P. Peabody. Annual meeting in October. MAIN OFFICE, Denver, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$950,155	$688,529	$734,729	$918,550	$876,945	$838.909	$878,206
Maintenance of way	93,730	91,633	89,850	101,965	95,643	92,985	117,410
Maintenance of equipment	119.696	109,826	122,170	124,424	139,731	130,897	129,609
All other operating expenses	285,269	246,421	280,562	316,097	310,631	282,212	259,905
Net operating revenues	$451,460	$240,649	$242,147	$376,064	$330,940	$332,815	$371,282
Operating ratio	52.49%	65%	67%	59.1%	62.3%	60.3%	57.7%
Other income	20,317	16,056	9,750	11,298	9,379	4,425	4,873
Total net income	$471,777	$256,705	$251,897	$387,362	$340,319	$337,240	$376,155
Taxes	44,053	36,107	36,370	33,792	26,803	22,344	18,157
Fixed charges	204,496	202,445	206,017	181,706	181,750	192,382	209,868
Surplus	$223,228	$18,153	$9,510	$171,864	$131,766	$122,514	$148,130
Dividends paid	100,000	10,000	25,000	150,000	125,000	125,000	145,000
Balance	$123,228	$8,153 (df.)	$15,940	$21,864	$6,766 (def.)	$2,486	$3,130

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $25,209; credit balance transferred from income, $123,228; unrefundable overcharges, $26; donations, $635; miscellaneous credits, $17; total, $149,115. Contra: Surplus appropriated for investment in physical property, $635; loss on retired road and equipment, $2,103; miscellaneous debits, $12,500; credit balance carried to balance sheet, $133,877; total, $149,115.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,447,303	$4,480,470	$4,508,276	$4,536,799	$4,571,825	$4,608,215
Working assets	831.711	471,828	436,441	471,365	418,146	309,159
Deferred debit items	1,372	400	273	458	.....	35
Total	$5,280,386	$4,952,698	$4,944,990	$5,008,622	$4,989,971	$4,917,409
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Working liabilities	408,020	250,121	258,996	306,995	310,453	244,582
Accrued liabilities not due	60,000	60,000	60,000	60,000	60,000	60,000
Deferred credit items	57,951	9,868	445	636	559	419
Appropriated surplus	20,538	7,500	7,500	7,500	7,500	7,500
Profit and loss	133,877	25,209	18,049	33,491	11,459	4,908
Total	$5,280,386	$4,952,698	$4,944,990	$5,008,622	$4,989,971	$4,917,409

Bonded Debt: $4,500.000 Colorado & Wyoming Ry. first 4s; dated July 15, 1903; due March 1, 1953. Interest paid M. & S. at Bankers' Trust Co., New York. Coupon and reg., $1,000. Auth., $7,500,000. First lien on entire property. Interest paid without deduction for normal income tax. These bonds are not in hands of the public. Net Rating, Ba.

Capital Stock: Auth. and outstanding, $100,000; par, $100. The Colorado Industrial Co. (which is controlled by Colorado Fuel & Iron Co.) owns $99,500. Dividends: 1908, 100%; 1909, 300%; 1910, 145%; 1911 and 1912, 125% each; 1913, 150%; 1914, 25%; 1915, 10%; 1916, 100%.

COLORADO-KANSAS RAILWAY

History: Incorporated under laws of Colorado, March 31, 1911, successor to the Kansas-Colorado Ry. Co.

Location: Road extends from Pueblo to Stone City, Colo., 22.2 miles; sidings, 1.8 miles. Equipment: Locomotive, 1; passenger car, 1; freight cars, 13; service cars, 2.

Management: OFFICERS: J. F. Springfield, Pres., Hutchinson, Kan.; Chas. E. Sutton, 1st Vice-Pres.; R. K. Potter, 2nd Vice-Pres., Gen. Mgr., Supt. and Pur. Agt., Pueblo, Colo.; Walter Grundy, Sec. and Treas., Hutchinson, Kan.; Roger C. Barnard, Aud., Pueblo, Colo. DIRECTORS: J. F. Springfield, Hutchinson, Kan.; Chas. E. Sutton, R. K. Potter, Asbury White, Walter Grundy, Hutchinson, Kan.; Roger C. Barnard, Pueblo, Colo.; J. R. Greenlees, Lawrence, Kan.; Scott Hopkins, David Bowie, Topeka, Kan. Annual meeting, third Thursday in January. GENERAL OFFICE, Pueblo, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$13,720	$12,942	$18,317	$11.903
Operating expenses	15,953	20,268	15,340	21,515
Net revenues	(def.) $2,233	(def.) $7,326	$2,977	(def.) $9,612
Taxes	1,000	1,060	923	536
Fixed charges	19,453	22,023	20,604	18,912
Surplus	(df.) $22,686	(def.) $30,409	(def.) $18,550	(def.) $29,060

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $102,140. Contra: Debit balance at beginning of year, $79,353; debit balance transferred from income, $22,686; delayed income debits, $101; total, $102,140.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$888,534	$1,006,735	$1,009,351	$1,006,449
Working assets	2,228	2,298	4,533	1,466
Accrued income not due	277	277	.....	.....
Deferred debit items	1,823	.....	.....	.....
Profit and loss	102,140	79,353	47,945	29,060
Total	$995,002	$1,088,663	$1,061,829	$1,036,975
LIABILITIES:				
Capital stock	$500,000	$500,000	$500,000	$500,000
Funded debt	379,850	500,000	500,000	500,000
Working liabilities	85,140	76,498	61,829	36,975
Accrued liabilities not due	21,789	12,165	.....	.....
Deferred credit items	8,223	.....	.....	.....
Total	$995,002	$1,088,663	$1,061,829	$1,036,975

Bonded Debt: $379,850 Colorado-Kansas Ry. 1st 5s. Dated Jan. 2, 1912; due Jan. 2, 1932. Interest paid J. and J. 2, at company's office, Pueblo, Colo. Coupon, $100, $500 and $1,000. Authorized, $500,000. First lien on entire property. Interest in default.

Capital Stock: Authorized and outstanding, $500,000. Par, $25. Stock transferred and registered at company's office. No dividends.

COLORADO, TEXAS & MEXICO RAILROAD

History: Incorporated under the laws of Texas and Oklahoma in perpetuity, March 12, 1906, to construct a road from Winnipeg, Man., to the Gulf of Mexico, at Aransas Pass, Corpus Christi and Brownsville, with a branch from Llano, Texas, to Eagle Pass, and thence in Mexico to Guaymas, Sonora, with other branches, a total of 2,500 miles. The first section, Mangum to Olustee, Okla., 25 miles, is now under construction, and as soon as it is in operation work will begin on the second section.

Management: OFFICERS: Morris Locke, Pres., Abilene, Texas; G. D. Locke, 1st Vice-Pres. and Gen. Mgr., Mangum, Okla.; B. C. Mason, 2d Vice-Pres., Kansas City, Mo.; James Gates, Sec.; P. A. Janeway, Treas.; J. M. Blackburn, Chief Engr., Mangum, Okla. DIRECTORS: Morris R. Locke, Abilene, Texas; B. C. Mason, Kansas City, Mo.; Morris B. Locke, Waterloo, Ia.; H. C. Irwin, Pittsburg, Pa.; G. D. Locke, John M. Blackburn, T. N. Slaten, P. A. Janeway, Geo. W. Boyd, Mangum, Okla. Annual meeting, third Thursday in March, at Mangum, Okla. Offices, Mangum, Okla., and 115 Broadway, New York.

Bonded Debt: $5,000,000 Colorado, Texas & Mexico R.R. 1st 5s; dated Jan. 1, 1908; due Jan. 1, 1958. Interest paid J. and J. 1, in New York. Coupon, $1,000. Authorized, $75,000,000, issuable at the rate of $30,000 per mile for construction and equipment.

Capital Stock: Authorized and subscribed, $25,000,000 6% cumulative preferred, and $50,000,000 common. Paid in, $425,000 common. Par, $100.

COLORADO, WYOMING & EASTERN RAILWAY COMPANY

History: Incorporated under the laws of Colorado, June 3, 1914, for fifty years. Purchased at master's sale the railroad and property of the Laramie, Hahn's Peak and Pacific Ry.

Location: Road extends from Coalmont, Colo. to Laramie, Wyo., 111.35 miles. Sidings, etc., 10.29 miles. 67.47 miles in Wyoming and 43.88 miles in Colorado. Equipment: Locomotives, 7; cars, 42.

Management: OFFICERS: Henry Sanderson, Chairman, New York; W. E. Green, Pres., Laramie, Wyo.; Trowbridge Callaway, Vice-Pres., New York.; C. M. Owen, Secy., New York. N. Y.; H. R. Hurst, Treas. and Aud., Laramie, Wyo. DIRECTORS: Trowbridge Callaway, Lewis B. Franklin, C. Hutchins, Carl M. Owen, Henry Sanderson, New York, N. Y.; W. E. Green, Laramie, Wyo.; James M. Herbert, St. Louis Mo. Annual meeting, third Thursday in May. OFFICE, Walden, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	*1914
Gross revenues	$105,466	$133,687	$7,884
Maintenance of way and structures	7,155	6,499	309
Maintenance of equipment	5,060	7,449	669
All other operating expenses	42,384	42,334	2,587
Net operating revenues	$50,867	$77,405	$4,319
Other income	5,287	5,034	.....
Total net income	$56,154	$82,439	$4,319
Taxes	5,387	7,536	609
Fixed charges	51,677	54,247	618
Surplus	(def.)$910	$20,656	$3,101

* For one month.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $300,561; miscellaneous credits, $2,503; total, $303,064. Contra: Debit balance transferred from income, $910; credit balance carried to balance sheet, $302,154; total, $303,064.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$6,848,910	$6,829,083	$6,712,025
Working assets	178,484	200,440	175,309
Deferred debit items	2,599	392	.....
Total	$7,029,993	$7,029,915	$6,887,334
LIABILITIES:			
Capital stock	$4,300,000	$4,300,000	$4,300,000
Funded debt	2,390,000	2,390,000	240,000
Working liabilities	34,234	31,447	2,193,111
Accrued liabilities not due	2,976	3,678	600
Deferred credit items	629	4,199	.....
Profit and loss surplus	302,154	300,561	153,623
Total	$7,029,993	$7,029,915	$6,887,334

Bonded Debt: $240,000 Laramie, Hahn's Peak & Pacific Ry. first 6s. Dated July 1, 1904; due July 1, 1929. Interest paid J. and J., at office of American Trust Co., Boston, Mass., Trustee. Coupon, $1,000. Authorized at rate of $8,000 per mile of completed road. Secured by first mortgage on entire property, franchises and privileges. Normal income tax deducted from interest.

(2) $550,000 Colorado, Wyoming & Eastern Ry. first and refunding 6s. Dated July 1, 1914; due July 1, 1934. Interest paid J. and J. 1, at office of Guaranty Trust Co. New York, Trustee. Coupon and registered, $100, $500 and $1,000. Redeemable at 102½ on thirty days' notice. No sinking fund. Secured on all property rights and franchises, subject to No. 1. Authorized, $2,500,000. Normal income tax deducted from interest.

(3) $1,600,000 Colorado, Wyoming & Eastern Ry. income 6s. Dated July 1, 1914; due 1944. Interest payable, if earned (and is cumulative), M. and N. 1, at office of Equitable Trust Co., New York, Trustee. Coupon and registered, $100 and $1,000. Callable at par and interest. Authorized, $1,600,000. Secured on entire property, subject to Nos. 1 and 2. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $2,000,000 6% non-cumulative preferred and $2,300,000 common. Par, $100. Preferred has preference over common, both as to assets and in case of liquidation. No dividends. REGISTRAR: C. T. Ellis, Asst. Secy., 37 Wall Street, New York. TRANSFER AGENT: Guaranty Trust Co., New York.

COLUMBIA, NEWBERRY & LAURENS RAILROAD

History: Incorporated under South Carolina laws, June 6, 1886. Line of road, Columbia to Laurens, S. C., 75 miles; sidings, 7.75 miles.

Equipment Owned: 7 locomotives, 9 passenger cars, 57 freight cars; 5 service cars.

Management: OFFICERS: J. F. Livingston, Pres. and Mgr.; C. P. Seabrook, Secy. and Treas. DIRECTORS: W. A. Clark, G. S. Mower, L. S. Mathias, Henry Walters, L. A. Lorick, W. H. Lyles, J. R. Kenly, N. B. Dial, Lyman Delano, H. W. Stanley. Annual meeting, third Tuesday in October. OFFICE, Columbia, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$320,608	$271,812	$355,888	$322,770	$329,221	$354,511	$283,438
Maintenance of way	43,056	60,945	61,062	58,868	76,559	55,297	
Maintenance of equipment	37,973	40,493	38,843	34,106	40,810	35,820	212,460
All other operat. expenses	146,702	132,460	139,822	140,433	127,745	137,453	
Net operating revenues	$92,877	$37,914	$116,161	$89,363	$84,107	$125,941	$70,978
Total net income	96,311	41,118	118,794	91,813	84,193	125,992	71,024
Taxes accrued	12,674	11,986	11,768	10,937	12,211	10,642	11,176
Fixed charges	54,128	50,429	56,688	51,472	52,545	51,368	53,365
Surplus	$29,509	(df)$21,297	$50,338	$29,403	$19,437	$63,983	$6,483

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $29,509; miscellaneous credits, $500; debit balance carried to balance sheet, $8,522; total, $38,531. Contra: Debit balance at beginning of year, $38,531.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,794,086	$1,779,484	$1,784,791	$1,749,188	$1,780,563	$1,738,416
Working assets	110,964	95,882	122,996	83,244	77,768	97,814
Accrued income not due..	.....	*.....	2,189	630	.....	.....
Deferred debit items	5,143	15,544	5,058	20,874	.....	.....
Profit and loss	8,522	38,531	20,573	97,094	96,214	94,053
Total	$1,918,715	$1,929,441	$1,935,607	$1,951,030	$1,954,545	$1,930,283
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	1,251,500	1,258,600	1,262,450	1,333,504	1,275,650	1,258,600
Working liabilities	161,829	165,454	166,761	110,403	178,135	137,189
Accrued liabilities not due	5,386	5,387	6,396	7,123	760	.....
Appropriated surplus	.....	.....	.....	.....	.....	34,494
Total	$1,918,715	$1,929,441	$1,935,607	$1,951,030	$1,954,545	$1,930,283

* Included in Working Assets.

Bonded Debt: $888,000 Columbia, Newberry & Laurens R.R. first 3s; dated July 12, 1887; due July 1, 1937. Int. J. and J., at Safe Deposit & Trust Co., Baltimore. Coupon and reg., $1,000. Scaled from 6% in 1900, when holders were given 40% of face of bonds in 5% income certificates. Authorized, $900,000. First lien, 75 miles, Columbia to Laurens, S. C. Normal income tax deducted from interest. Net Rating, Ba.

Capital Stock: Auth., $2,000,000; outstanding, $500,000. Par, $25. No dividends. Atlantic Coast Line R.R. and Seaboard Air Line R.R. each hold an interest in the stock.

COLUMBIA UNION STATION COMPANY

History: Incorporated under the laws of South Carolina, Feb. 19, 1900. The Southern Railway Co., and Atlantic Coast Line R.R. Co. own the stock jointly, and expenses are pro-rated under agreement. Own 1.56 miles of terminal tracks at Columbia, S. C.

Management: OFFICERS: E. H. Coapman, Pres., Washington, D. C.; J. W. Wassum, Sec., Columbia, S. C.; H. C. Ansley, Treas.; A. H. Plant, Aud., Washington, D. C. DIRECTORS: B. L. Abney, Columbia, S. C.; H. W. Miller, Atlanta, Ga.; J. R. Kenly, Lyman Delano, G. B. Elliott, Wilmington, N. C.; E. H. Coapman, Wnshington, D. C. Board of control: R. B. Hare, Chairman, Florence, S. C. Annual meeting, third Wednesday in October. GENERAL OFFICE, Columbia, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross income	$6,604	$6,403	$6,430	$6,337	$6,337
Taxes	2,007	1,820	1,847	1,754	1,754
Fixed charges	597	583	583	583	583
Surplus	$4,000	$4,000	$4,000	$4,000	$4,000
Dividends	4,000	4,000	4,000	4,000	4,000

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$135,015	$114,565	$114,565	$114,565	$114,565
Working assets	6,246	4,458	3,906	16,005	5,024
Deferred debit items	2,436	1,442	957	484	624
Total	$143,697	$120,465	$119,428	$131,054	$120,213
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	40,847	19,615	18,578	30,683	19,842
Accrued liabilities not due	850	850	850	371	371
Deferred credit items	2,000	.....	.....	.....	.....
Total	$143,697	$120,465	$119,428	$131,054	$120,213

Capital Stock: Authorized and outstanding, $100,000. Par, $100. No bonded debt. Dividends at rate of 4% per annum payable Feb. 1.

CONNECTING TERMINAL RAILROAD

History: Incorporated June 7, 1881, under New York laws. Owns one mile of terminal railway in city of Buffalo, N. Y. Business comes from through traffic of other lines.

Management: OFFICERS: Geo. D. Dixon, Pres.; (Vacancy), Secy.; P. R. Perkins, Treas. and Mgr. DIRECTORS: Above officers and A. J. County, W. J. Boddy, W. H. Myers, H. Tatnall, C. F. Strasmer, F. Withington. Annual meeting, third Tuesday in Mny. OFFICE, 626 Commercial Trust Bldg., Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1913	1912
Gross revenues	$223,468	$87,658	$188,391	$155,536
Maintenance of way and structures	12,084	9,763	.....	.....
Maintenance of equipment	.....	.....	.....	.....
All other operating expenses	71,066	56,700	.....	.....
Net operating revenues	$140,318	$21,195	.....	.....
Other income	.....	47,476	.....	.....
Total net income	$140,318	$68,671	$90,104	$81,036
Taxes	19,791	17,337		
Fixed charges	90,345	40,544	42,298	42,785
Surplus	$30,182	$10,790	$47,806	$38,251

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$605,720	$586,852	$293,013.	$504,975	$504,975	$504,975
Working assets	4,211	4,242	134,759	7,575	6,935	3,526
Deferred debit items	.....	11,804	6,001	8,478	226,200	226,200
Profit and loss deficit	203,947	234,129	244,919	236,363	2,547	8,092
Total	$813,878	$837,027	$678,692	$757,391	$740,657	$742,793
LIABILITIES:						
Capital stock	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000
Funded debt	500,000	500,000	500,000	500,000	645,872	500,000
Working liabilities	267,207	293,040	149,317	227,929	66,750	218,626
Accrued liabilities not due	4.167	4,167	9,375	9,462	8,035	4,167
Deferred credit items	22,504	19,826	.....	.....	.....	.....
Total	$813,878	$837,027	$678,692	$757,391	$740,657	$742,793

Bonded Debt: $500,000 Connecting Terminal R.R. first 5s; dated May 1, 1883; due May 1, 1923. Int. paid M. and N., at company's office in Philadelphia. Reg., $1,000. First lien on entire property. Auth., $500,000. All owned by Erie & Western Transportation Co.

Capital Stock: Auth. and outstanding, $20,000; par, $50. Dividends, if any, not reported. All owned by Erie & Western Transportation Co. See "Moody's Analyses of Public Utilities and Industrials."

COPPER RANGE RAILROAD COMPANY

History: Incorporated in Michigan, Jan. 23, 1899, in the interest of the Copper Range Co.

Location: Operates 135.44 miles, Houghton to Mass, and to Calumet, Mich., with branches, of which 115.84 miles are owned.

Management: OFFICERS: Wm. A. Paine, Pres.; F. W. Paine, Vice-Pres.; Frederic Stanwood, Secy and Treas. DIRECTORS: Wm. A. Paine, Frederic Stanwood, T. S. Dee, W. D. Calverly, John H. Rice, S. L. Smith, F. W. Denton, F. W. Paine, F. R. Bolles. Annual meeting, third Wednesday in June, at Houghton. MAIN OFFICE, Houghton, Mich. Also office at Boston, Mass.

Comparative Income Account, Years Ended Dec. 31

	1915	1914	1913	1912	1911	1910
Gross revenues	$811,347	$601,643	$575,065	$754,921	$717,713	$721,127
Operating exps. and taxes	534,438	463,649	481,351	533,215	538,050	531,960
Net revenues	$276,909	$137,994	$93,714	$221,706	$179,663	$189,167
Other income	2,872	8,278	5,132	$10,067	.....	.....
Total net income	$279,781	$146,272	$98.846	$231,773	$179,663	$189,167
Fixed charges	122,249	120,998	115,892	127,998	120,227	114,000
Surplus	$157,532	$25,274	(df.)$17,046	$103,775	$59,436	$75,168

Comparative Condensed Balance Sheet, as of Dec. 31

ASSETS:	1915	1914	LIABILITIES:	1915	1914
Property investment	$6,894,475	$6,901,024	Capital stock	$4,244.300	$4.244.300
Working assets	367,643	200,671	Funded debt	2,280,000	2,280,000
Deferred debit items	7,940	8,110	Working liabilities	96.466	97,111
			Accrued liabilities	78.963	75,596
			Profit and loss	570,330	412,798
Total	$7,270,058	$7,109,805	Total	$7,270,058	$7,109,805

Bonded Debt: $2,280,000 Copper Range R.R. first 5s; dated Oct. 1, 1899; due Oct. 1, 1949. Interest Aug. 1 and Oct. 1, at Old Colony Trust Co., Boston. Of the bonds outstanding, $870,000 are owned by Copper Range Co. Auth., $5,000,000, but limited to $20,000 per mile for main line and branches, and $15,000 per mile for sidings. Coupon, $500 and $1,000. First lien on 106 miles owned, from Houghton to McKeever, and branches, making a total of about 114 miles. Interest paid without deduction for normal income tax. Listed on Boston Stock Exchange.

Net Rating, Ba.

Capital Stock: Authorized, $5,000,000; outstanding, $4,244,300. Par, $100. The Copper Range Co. owns all of the issue. Last dividend paid, 10% in 1909.

COPPER RIVER & NORTHWESTERN RAILWAY

History: Incorporated under the laws of Nevada, May 16, 1905. In November, 1915, the Kennecott Copper Corporation purchased from the Alaska syndicate the entire outstanding capital stock, and outstanding first mortgage 5s.

Location: Road in operation extends from Cordova to Kennecott, 194.98 miles. Sidings, 16.428 miles. Projected from Cordova, Alaska, on tidewater, through Copper River Valley to Fairbanks, with branches to the Matanuska coal fields and Bering River. Equipment: Locomotives, 18; passenger cars, 6; freight cars, 156; service cars, 126.

Management: S. W. Eccles, Pres., New York; R. W. Baxter, Vice-Pres., Seattle, Wash.; W. E. Bennett, Sec; E. S. Pegram, Treas.; F. W. Hills, Compt.; J. K. MacGowan, Pur. Agt., New York; W. T. Ford, Aud.; J. H. Bunch, Gen. Frt. and Pass. Agt., Seattle, Wash.; Caleb Corser, Supt., Cordova, Alaska. DIRECTORS: S. W. Eccles, W. P. Hamilton, E. S. Pegram, Stephen Birch, J. N. Steele, W. E. Bennett, New York; R. W. Baxter, Seattle, Wash. Annual meeting, third Tuesday in March. OFFICES, 120 Broadway, New York, and Seattle, Wash.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$2,673,608	$917,761	$685,452	$433.560	$466,271
Operating expenses	939,438	481,281	586,078	575,060	301,383
Net operating revenue	$1,734,170	$436,480	$99,374	(def.) $141,500	$164,888
Other income	9,723	.....	.....	.....	.....
Total net income	$1,743,893	$436,480	$99,374	(def.) $141,500	$164,888
Taxes	49,686	16,548	22,626	22,266	15,326
Fixed charges	1,151,000	1,151,000	1,147,229	1,141,046	472,200
Surplus	$543,207	(def.) $731,068	(df.) $1,070,481	(df.) $1,304,812	(def.) $322,638

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$27,990,433	$27,783,532	$27,789,922	$27,675,262	$27,548,493
Working assets	1,011,109	592,040	296,358	226,941	275,691
Deferred debit items	21,074	321	19,792	19,760	.....
Profit and loss	2,885,793	3,429,000	2,697,931	1,627,450	322,638
Total	$31,908,409	$31,804,893	$30,804,003	$29,549,413	$28,146,822
LIABILITIES:					
Capital stock	$4,817,400	$4,817,400	$4,817,400	$4,817,400	$4,817,400
Funded debt	23.020,000	23,020,000	23,020.000	22,881,000	22,734,000
Working liabilities	3,564,728	3,481,868	2,518,124	1,375,042	123,222
Accrued liabilities not due	506,281	485,625	448,479	475,971	472,200
Total	$31,908,409	$31,804,893	$30,804,003	$29,549,413	$28,146,822

Note: The earning power of this property has been greatly increased as a result of the large developments now being carried on by the Kennecott Copper Corporation.

Bonded Debt: $23,020,000 Copper River & Northwestern Ry. 1st 5s. Dated Feb. 1, 1909; due Feb. 1, 1959. Interest paid F. and A. 1, at J. P. Morgan & Co., New York. Coupon, $1,000. Authorized, $50,000,000. First lien on entire property. All owned by the Kennecott Copper Corp.

Capital Stock: Authorized, $5,000,000; outstanding, $4,817,400. Par, $100. Company voted to pay $565,000 as a cash dividend out of earnings for the 6 months ended Dec. 31, 1915, to the treasury of the Kennecott Copper Corp.

THE CRIPPLE CREEK CENTRAL RAILWAY COMPANY

History: Incorporated under Maine laws, Sept. 30, 1904, as successor to the Denver & Southwestern Railway, which was sold under foreclosure. The company is a holding corporation, and not an operating company, and controls by security ownership the following operating companies:

Cripple Creek & Colorado Springs R.R.; Midland Terminal Ry. Co.; and Colorado Trading & Transfer Co. On Nov. 1, 1911, the Florence & Cripple Creek R.R. leased the lines of the Colorado Springs & Cripple Creek District R.R. from the Colorado & Southern Ry. On May 1, 1915, the Florence & Cripple Creek R.R. was dissolved; its assets and lease being conveyed to the Golden Circle R.R. Co., now the Cripple Creek and Colorado Springs R.R. Co.

Location: See below for details regarding mileage, location, etc., of the several operating companies and leased lines. The total mileage now comprised in the system is 100.80 miles.

Equipment: Locomotives, 33; passenger cars, 29; freight and company cars, 718.

Management: OFFICERS: A. E. Carlton, Pres., Denver, Colo.; Lorenzo Semple, Vice-Pres.; E. S. Hartwell, Secy. and Treas., New York. DIRECTORS: A. E. Carlton, Denver, Colo.; Chas. F. Ayer, Boston, Mass.; Lorenzo Semple, New York; E. P. Shove; Chas. M. MacNeill, C. C. Hamlin, Spencer Penrose, Colorado Springs, Colo. MAIN OFFICE, Colorado Springs, Colo.

Comparative Income Account, Years Ended June 30

Receipts from Investments:	1916	1915	1914	1913	1912	1911
Fl. & Cripple Creek R.R.			$166,500	$228,500	$184,000	$111,500
Canon C. & Cr. C. R.R. *	$274,590	$196,809	5,250	10,500	12,250	19,250
Golden Circle R.R.			10,500	10,500	12,250	19,250
Midland Terminal Ry.	1,850	31,850	16,825	11,800	41,285	46,800
Col. Trad. & Transfer Co.	6,103	14,236	24,236	24,236	24,086	15,786
Other income	19,579	14,679	11,603	11,058	10,087	8,921
Total gross income	$302,122	$257,574	$234,914	$296.594	$284,497	$221,508
Office expenses	15,726	15,936	14,759	12,980	14,039	14,798
Net income	$286,396	$241,638	$220,155	$283,614	$270,456	$206,709
Dividends: Preferred	120,000	120,000	120,000	120,000	120,000	120,000
Common	350,000	100,000	100,000	100,000	25,000	.....
Surplus for year	(df.) $183,604	$21,638	$155	$63,614	$125,456	$86,709

* Now the Cripple Creek & Colorado Springs R.R.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Investments (book value)	$5,271,463	$5,512,360	$5,434,841	$5,433,846	$5,435,857
Deposit with Kessler & Co. (doubtful)	.....	.....	109,307	111,820	111,820
Cash on hand	315,379	440,362	444,138	442,938	378,604
Total	$5,586,842	$5,952,722	$5,988,286	$5,988,604	$5,926,281
LIABILITIES:					
Preferred stock authorized and issued	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Common stock authorized and issued	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Due to underlying companies	13,533	50,926	735	1,208	1,708
Reserved for dividends	*5,914	*5,823	3,909	3,909	4,700
Surplus	67,395	395,973	483,642	483,487	419,873
Total	$5,586,842	$5,952,722	$5,988,286	$5,988,604	$5,926,281

* Includes $1,914 accrued taxes in 1915 and $2,006 in 1916.

In the above Balance Sheet, in 1916, the investments consist of: Cripple Creek & Colorado Springs R.R. (these are really the two old issues, as the company under the new name has not any bonds in its own name) first 6s, $1,170,000; capital stock, $757,000; demand note, $25,000; Colorado Trading & Transfer Co. stock, $200,000; Midland Terminal Ry. stock, $1,000,000; equipment notes, $24,000; demand note, $10,000; first s. f. 5% bond, $1,000; Beaver Park, Land & Water Co. stock, $42,000; New York City 6% notes, $100,000, with $2,000 interest accrued and $2,699 warrants of city of Cripple Creek.

Capital Stock: $3.000.000 4% non-cumulative preferred. Par, $100. Preferred as to assets and to 4% non-cumlative dividends. Dividends have been paid as follows: July, 1905, 3%; from Oct., 1905, to Oct., 1907, 1% quarterly; Sept., 1908, 3%; Dec., 1908, to date, 1% quarterly. Rating, Baa.

$2,500,000 common. Par, $100. Dividends have been paid as follows: Oct., 1905, 3%; Jan., 1906, 2½% and 1½% extra; April, 1906, 1½% and ½% extra; July, 1906 to Oct., 1907, 1½% quarterly, 1912, 3%; 1913 to date, 4%; quarterly rate increased to 1½% in Sept., 1916; an extra dividend of 10% was paid in February, 1916. Both issues are listed on New York Stock Exchange. TRANSFER AGENTS: Lawyers' Title Insurance & Trust Co., New York.

THE CRIPPLE CREEK & COLORADO SPRINGS RAILROAD COMPANY

History: Incorporated under Colorado laws, May 9, 1896, as the Golden Circle Railroad Co. Name changed to present title, April 30, 1915. At the same date, the Florence & Cripple Creek Railroad was directly merged with this company. The lines operated consist of mileage owned, from Cripple Creek to Vista Grande, 23.41 miles, including sidings, etc., and the lines of the Colorado Springs & Cripple Creek District Ry., 87.08 miles; including sidings, the latter having been leased from the Colorado & Southern Railway by the old Florence & Cripple Creek Railroad on Nov. 1, 1911; total operated, June 30, 1916, 110.49 miles. Equipment owned and leased: Locomotives, 26; passenger, freight and company cars, 538.

Management: OFFICERS: Spencer Penrose, Pres.; C. C. Hamlin, Vice-Pres.; A. T. Gill, Treas.; E. S. Hartwell, Sec. DIRECTORS: A. E. Carleton, J. A. Hayes, Spencer Penrose, C. M. MacNeill, C. C. Hamlin. Annual meeting, first Tuesday in October. OFFICE, Colorado Springs, Col.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,412,536	$1,235,728	$1,228,512	$1,229,000	$956,413	$415,740	$430,913
Maintenance of way	154,740	142,034	140,864	119,674	91,589	52.411	62,093
Maintenance of equipment	163,083	123,800	116,875	116,250	88,574	38,843	50,313
All other operating expenses	414,432	425,677	445,566	426,636	352,570	159,241	190,459
Net operating revenues	$680,281	$544,216	$525,207	$566,440	$423,680	$165,245	$128,048
Operating ratio	51.8%	56%	57.2%	53.9%	55.7%	.....	.....
Other income	6,873	4,291	3,804	4,463	2,661	616	498
Total net income	$687,154	$548,507	$529,011	$570,903	$426,341	$165,861	$128,586
Taxes accrued	69,289	66,824	75,865	.....	.....	.....	.....
Fixed charges, etc	401,403	352,878	350,789	387,340	283,032	130,103	112,944
Surplus	$216,462	$130,805	$102,357	$183,563	$143,309	$35,759	$15,397

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $20,124; credit balance transferred from income, $216,462; profit on road and equipment sold, $14.89; miscellaneous credits, $50; total, $251,527. Contra: Dividend appropriations of surplus, $204,390; loss on retired road and equipment, $4,536; miscellaneous debits, $7,941; credit balance carried to balance sheet, $34,660; total, $251,527.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$1,930,165	$1,911,672	$1,999,141	$2,619,764	$2,607,391	$2,587,535
Working assets	356,724	256,047	243,059	236,949	237,637	65,242
Deferred debit items...	1,920	82,027	23,594	19,276	4,446	3,706
Total	$2,288,809	$2,249,746	$2,265,794	$2,875,989	$2,849,474	$2,656,483
LIABILITIES:						
Capital stock	$757,000	$757,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,170,000	1,170,000	1,000,000	1,000,000	1,000,000	1,000,000
Working liabilities	113,352	143,005	121,416	195,897	186,279	50,786
Accrd. liabilities not due	185,657	156,359	123,158	35,717	31,411	11,163
Deferred credit items..	.....	2,400	383	13	3,629	2,540
Appropriated surplus..	28,140	859	.....	.....	.....	.....
Profit and loss	34,660	20,123	20,838	644,362	628,155	591,994
Total	$2,288,809	$2,249,746	$2,265,794	$2,875,989	$2,849,474	$2,656,483

Bonded Debt: (1) $995,000 Florence & Cripple Creek R.R. first 6s; dated Jan. 1, 1894; due Jan. 1, 1934. Int. paid Jan. and July, in New York. Coupon, $1,000. First lien on line from Wilbur to Cripple Creek and sidings, 14.96 miles and on leases and other property owned. All owned by Cripple Creek Central Ry. Assumed by Cripple Creek & Colorado Springs Ry.

(2) $175,000 Golden Circle R.R. first 6s; dated Jan. 1, 1898; due Jan. 1, 1934. Int. paid Jan. and July 1. Coupon, $1,000. First lien on 24.50 miles, Vista Grande to Cripple Creek. All owned by Cripple Creek Central Ry. Assumed by Cripple Creek & Colorado Springs Ry.

Capital Stock: Auth. and outstanding, $757,000; par, $100. All owned by Cripple Creek Central Ry. Dividends in recent years on stock of Golden Circle Ry. were as follows: 1906, 5%; 1907, 20%; 1908, 8%; 1909 and 1911, 6%; 1912, 1%. On Florence & Cripple Creek old stock: 1906, 13½%; 1907, 5½%; 1908, 2½%; 1909, 3%; 1911, 5%; 1912, 12¼%; 1913, 16.7%; 1914, 10½%. In 1915, 12½% was paid on Colorado Springs & Cripple Creek R.R. stock, and 27% in 1916.

MIDLAND TERMINAL RAILWAY

(Controlled by Cripple Creek Central Ry. Co.)

History: Incorporated Aug. 9, 1892, under Colorado laws. Owns and operates 29.4 miles from Divide to Cripple Creek, Col., with branch to Victor, Col.; sidings, 15.59 miles. Controlled by Cripple Creek Central Ry. through stock ownership. Equipment: Locomotives, 7; cars, 209.

Management: OFFICERS: Spencer Penrose, Pres.; C. C. Hamlin, Vice-Pres.; A. S. Gill, Treas.; E. S. Hartwell, Sec. DIRECTORS: Spencer Penrose, C. M. MacNeill, C. C. Hamlin, A. E. Carleton. Annual meeting, first Tuesday in October. OFFICE, Colorado Springs, Col.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$93,928	$122,451	$111,692	$101,743	$162,893	$227,474	$256,503
Maintenance of way.....	33,257	33,071	30,824	26,165	22,471	30,478	24,553
Maintenance of equipment.....	24,490	12,582	9,069	8,110	15,304	21,445	27,369
All other operating expenses...	30,843	26,664	30,362	27,799	72,897	85,913	122,949
Net operating revenues....	$5,338	$50,134	$41,437	$39,669	$52,211	$89,638	$81,632
Operating ratio	94.3%	59%	62.9%	61%	68%	.....	.....
Other income	31,963	22,866	17,462	18,133	9,397	329	340
Total net income.....	$37,301	$73,000	$58,899	$57,802	$61,608	$89,967	$81,972
Taxes accrued	10,675	5,498	13,765	.....	.....	.....	.....
Fixed charges, etc.....	27,351	35,704	26,170	38,407	42,622	46,004	44,990
Surplus	(def.)$725	$31,798	$18,964	$19,395	$18,986	$43,963	$36,982

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $693,937; miscellaneous credits, $1,768; total, $695,705. Contra: Debit balance transferred from income, $725; miscellaneous appropriations of surplus, $10,419; miscellaneous debits, $12,593; credit balance carried to balance sheet, $671,968; total, $695,705.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,333,803	$2,345,062	$2,342,035	$2,345,431	$2,337,575	$2,336,920
Working assets	26,418	37,521	45,379	34,077	42,772	52,750
Deferred debit items.....	10,881	12,294	1,907	5,829	7,753	21,294
Total	$2,371,102	$2,394,877	$2,389,321	$2,385,337	$2,388,100	$2,410,964

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debts	342,000	346,000	352,000	362,000	370,000	380,000
Working liabilities	66,240	59,424	65,675	62,095	71,702	73,153
Accrued liabilities not due	21,910	33,131	27,873	14,477	14,829	13,407
Appropriated surplus	268,984	262,385	74,190	67,728	.....	.....
Profit and loss	671,968	693,937	869,583	879,037	931,569	944,404
Total	$2,371,102	$2,394,877	$2,389,321	$2,385,337	$2,388,100	$2,410,964

Bonded Debt: $342,000 Midland Terminal Ry. first sinking fund 5s; dated Dec. 1, 1895; due Dec. 1, 1925. Int. paid June and December, at Farmers' Loan & Trust Co., New York. Sinking fund, 5% of gross earnings annually retires the bonds. First lien on 29.4 miles owned, from Divide to Cripple Creek, with branch to Victor. To date, $254,000 have been retired by sinking fund. Coupon, $1,000. Interest paid without deduction for normal income tax. Listed on New York Stock Exchange. Rating, A.

Capital Stock: Authorized and outstanding, $1,000,000; par, $100. All owned by Cripple Creek Central Ry. Dividends: 1906, 2%; 1907, 7%; 1908, 4½%; 1909, 10%; 1910, 5½%; 1911, 4½%; 1912, 4%; 1913, 1%; 1½% in 1914, 3% in 1915; none in 1916.

CRYSTAL RIVER RAILROAD

History: Incorporated under Colorado laws, Sept. 6, 1898. A reorganization after foreclosure of the Crystal River Ry. Co.

Location: Road extends from Carbondale to Placita, Col., 20.60 miles; sidings, etc., 3.20 miles. Equipment: Locomotives, 4; cars, 61.

Management: OFFICERS: J. F. Welborn, Pres.; R. Hearon, Vice-Pres. and Gen. Mgr.; J. A. Writer, Secy., Treas. and Aud., Denver, Col. DIRECTORS: J. F. Welborn, S. G. Pearson, J. A. Writer, R. L. Hearon, J. Chelberg, F. Herrington, W. P. Peabody, Denver, Col.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$33,131	$36,134	$28,947	$76,517	$77,242	$72,024
Maintenance of way	5,629	5,513	4,897	8,047	5,803	9,088
Maintenance of equipment	4,212	6,836	4,050	7,277	5,534	6.594
All other operating exps.	7,880	8,810	9,694	11,243	12,154	11,994
Net operating revs.	$15,410	$14.975	$10.305	$49,950	$53,751	$44,348
Other income	18,679	39,699	39,746	4,334	2,904	2,492
Total net income	$34,089	$54,674	$50,051	$54,284	$56,655	$46,840
Taxes	4,230	3,869	3,887	6.872	7,520	6,505
Fixed charges	25,483	47,700	47,700	47,700	47,700	47,700
Surplus	$4,376	$3,105	(def.) $1,536	(def.) $288	$1,435	(def.) $3,657

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $4,376; miscellaneous credits, $4,000; debit balance carried to balance sheet, $32,514; total, $40,890. Contra: Debit balance at beginning of year, $40,890.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,563.545	$1,567,511	$1,571,994	$1,575.975	$1,581,498	$1,589,826
Working assets	15,613	10,766	31,828	30,252	20,999	14,107
Profit and loss deficit	32,514	40,890	43,996	42,460	36,090	34,410
Total	$1,611,672	$1,619,167	$1,647,818	$1,648,687	$1,638,587	$1,638,343
LIABILITIES:						
Capital stock	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000
Funded debt	.....	.....	.....	.....	.....	795,000
Working liabilities	805,199	805,572	834,243	835,112	831,010	35.768
Accrued liabilities not due	4,473	7,575	7,575	7,575	7,575	7,575
Appropriated surplus	2,000	6,000	6,000	6,000	.....	.....
Total	$1,611,672	$1,619,167	$1,647,818	$1,648,687	$1,638,587	$1,638,343

Capital Stock: Auth., $1,000,000; outstanding, $800,000; par, $100. No bonded debt. Colorado Fuel & Iron Co. owns controlling interest.

CUMBERLAND & PENNSYLVANIA RAILROAD

History: Incorporated in Pennsylvania in 1850, but not completed until 1858.

Location: Operates about 73.41 miles, Cumberland, Md., to Piedmont, W. Va., and branches. Sidings, 27.88 miles. Controlled by Consolidation Coal Co. (See "Moody's Analyses of Investments—Public Utilities and Industrials.")

Management: OFFICERS: J. H. Wheelwright, Pres..; T. K. Stuart, Secy. and Treas. DIRECTORS: C. W. Watson, H. C. Black, J. H. Wheelwright, A. B. Fleming, Sam'l McRoberts. Annual meeting, second Monday in October. OFFICE, Baltimore, Md.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$767,048	$811,569	$905,836	$928,302	$930,526	$945,336	$896,819
Maintenance of way	81,522	91,405	84,720	78,228	78,587		64,246
Maintenance of equipment	337,678	314,688	312,184	273,199	275,197	690,311	251,844
All other operating exps	287,902	303,930	317,421	308,527	308,680		294,140
Net operating revs	$59,946	$101,546	$191,511	$268,348	$268,062	$255,025	$286,589
Operating ratio	92.2%	87.5%	79%	71.1%	71.2%	73%	68%
Other income	225,628	206,378	193,198	169,539	150,579	152,193	123,723
Total net income	$285,574	$307,924	$384,709	$437,887	$418,641	$407,218	$410,312
Taxes accrued	42,545	44,483	36,742	43,088	42,833	46,267	32,480
Fixed charges, etc	108,515	133,797	114,132	100,730	104,759	108,657	112,603
Surplus	$134,514	$129,644	$233,835	$294,069	$271,049	$252,294	$265,229
Dividends paid	64,835	69,867	148,751	148,215	226,385	310,180	269,290
Balance	$69,679	$59,777	$85,084	$145,854	$44,664	(df.) $57,886	(df.) $4,061

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $59,782; credit balance transferred from income, $69,679; miscellaneous credits, $18,045; total, $147,506. Contra: Dividend appropriations of surplus, $59,782; credit balance carried to balance sheet, $87,724; total, $147,506.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1913	1912	1911
Property investment	$4,456,889	$4,504,263	$4,567,087	$4,590,440	$4,661,445
Working assets	224,299	229,377	216,238	219,417	197,048
Deferred debit items	885,521	842,080	750,056	675,536	634,617
Total	$5,566,709	$5,575,720	$5,533,381	$5,485,393	$5,493,110
LIABILITIES:					
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Funded debt	3,058,935	3,129,749	3,077,606	3,114,625	3,216,875
Working liabilities	50,113	42,986	51,781	52,172	39,604
Accrued liabilities not due	Cr. 13,367	*13,440	26,900	27,217	27,533
Deferred credit items	14	24	.....	.....	.....
Appropriated surplus	883,290	856,619	731,279	656,761	615,898
Profit and loss surplus	87,724	59,782	145,814	134,618	93,200
Total	$5,566,709	$5,575,720	$5,533,381	$5,485,393	$5,493,110

* Reverse item.

Note: Funded debt in 1916 includes $1,830,935 advances by proprietary companies.

Bonded Debt: $1,000,000 Cumberland & Pennsylvania R.R. first 5s; dated May 1, 1891; due May 1, 1921. Int. paid May 1 and Nov. 1, at Guaranty Trust Co., New York. Coupon, $1,000. Sinking fund, $25,000 per annum, fund now holds over $883,291. Guaranteed prin. and int. by Consolidation Coal Co. First lien on 52 miles, Cumberland, Md., to Piedmont, W. Va., and branches. Normal income tax deducted from interest. Net Rating, Aa.

Car Trusts: $228,000 outstanding, June 30, 1916; 5% notes dated Dec. 1, 1906; due annually to Dec. 1, 1918; interest payable Jan. 1 and Dec. 1. Secured on 1,000 coal cars. Originally issued, $916,000.

Capital Stock: Auth. and issued, $1,500,000; all owned by Consolidation Coal Co.; par, $100. No fixed dividends are paid, but varying amounts are paid over to Consolidation Coal Co., which owns all the stock. In 1916, $64,835 was paid from income account, and $59,782 from profit and loss account. Total dividends in 1915, $154,951; 1914, $294,490; 1913, $282,235; 1912, $226,385; 1911, $310,180; 1910, $163,200.

CUMBERLAND RAILROAD

History: Incorporated under the laws of Kentucky, July 14, 1902, to construct a railroad from Artemus to Jellico, Ky., 35 miles.

Location: Road in operation extends from Artemus to Wheeler, Ky., 12.9 miles; total, 12.9 miles. Sidings, 7.08 miles. Owns 6 cars and leases 2 locomotives and 2 passenger cars.

Management: OFFICERS: R. W. Stone, Pres.; C. B. Ayers, Vice-Pres.; A. J. Hazeltine, Treas.; J. L. Stone, Secy., Warren, Pa.; A. C. Matheson, Aud. and Gen. Fgt. and Pass. Agt.; T. H. Hayden, Gen. Mgr., Artemus, Ky. DIRECTORS: R. W. Stone, John L. Stone, A. J. Hazeltine, L. R. Freeman, G. H. Dunham, C. B. Ayers, Warren, Pa.; F. F. Whittekin, Tionesta, Pa. Annual meeting, first Tuesday in October, at Barbourville, Ky. OPERATING OFFICE, Artemus, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$62,039	$56,157	$54,518	$44,323	$40,380	$30,527
Maintenance of way	10,071	13,301	11,052	12,937	13,214	9,030
Maintenance of equipment	3,966	3,616	3,652	3,237	2,805	1,115
All other operating exps	27,877	28,145	28,259	23,915	19,882	13,909
Net operating revs	$20,125	$11,095	$11,555	$4,234	$4,479	$6,473
Other income	.....	15	111	(def.) 9	(def.) 54	(def.) 61
Total net income	$20,125	$11,110	$11,666	$4,225	$4,425	$6,412
Taxes	564	492	518	506	319	306
Fixed charges	28,554	29,246	27,705	27,238	25,950	18,902
Surplus	(def.) $8,993	(def.) $18,628	(def.) $16,557	(def.) $23,519	(def.) $21,844	(def.) $12,796

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,406,643	$1,369,521	$1,334,309	$1,297,450	$1,260,328	$1,215,832
Working assets	22,534	17,160	19,849	15,081	14,300	15,180
Deferred debit items.....	1,453	3,440	2,838	1,551	900	798
Profit and loss deficit.....	215,762	206,769	188,141	170,835	147,316	125,472
Total	$1,646,392	$1,596,960	$1,545,137	$1,484,917	$1,422,844	$1,357,282
LIABILITIES:						
Capital stock	$20,999	$20.999	$20,999	$20,999	$20,999	$20.999
Funded debt	1,028,000	1,028,000	1,028,000	1,028,000	1,028,000	1,028,000
Working liabilities	597,069	543,371	494,936	430,605	369,346	303,820
Accrued liabilities not due	324	4,530	.....	4,283	4,457	4,428
Deferred credit items....	.....	60	1,202	1,030	42	35
Total	$1,646,392	$1,596,960	$1,545,137	$1,484,917	$1,422,844	$1,357,282

Bonded Debt: $1,028,000 Cumberland R.R. first 5s; $926,000 are dated June 1, 1908, and $102,000 are dated July 1, 1909; all due June 1, 1958. Int. paid J. and D. 1. Authorized, $3,000,000. First lien on entire property of company. Interest payable without deduction for normal income tax.

Capital Stock: Auth., $100,000; outstanding, $20,999; par, $100.

DANSVILLE & MT. MORRIS RAILROAD COMPANY

History: Incorporated under New York laws, Oct. 21, 1891; successor to Erie & Genesee Valley R.R. Coupons due May 1, 1894, defaulted, and receiver was appointed in June of the same year.

Location: Road extends from Dansville to Mount Morris, N. Y., with branches, 14.88 miles, including 2.35 miles leased; sidings, etc., 2.73 miles. Equipment: Locomotives, 2; cars, 3.

Management: OFFICERS: A. S. Murray, Jr., Receiver, Secy. and Treas.; Chas. C. Hoge, Pres.; Geo. E. Kent, Vice-Pres.; R. T. Dana, Aud., New York; Wm. Humphrey, Supt., Dansville, N. Y. DIRECTORS: C. C. Hoge, Wm. E. Bardusch, R. T. Dana, Geo. H. Hull, Jr., Geo. E. Kent, F. T. King, A. S. Murray, Jr., F. W. Murray, Jr., New York; A. O. Bunnell, Dansville, N. Y. Annual meeting, first Tuesday after the 15th of October. OFFICE: 16-22 William Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$36,863	$41,777	$42,114	$41,138	$38,331	$40,302
Maintenance of way.....	9,657	9,282	11,173	9,601	10,148	12,156
Maintenance of equipment	4,026	7,500	4,580	4,674	4,722	4,546
All other operating exps..	20,186	21,476	21,837	20,044	18,741	16,741
Net operating revs...	$2,994	$3,519	$4,524	$6,819	$4,720	$6,859
Other income	58	156	59	127	96	64
Total net income.....	$3,052	$3,675	$4,583	$6,946	$4,816	$6,923
Taxes	2,055	1,718	1,794	1,754	1,310	1,412
Fixed charges	5,002	4,254	3,322	3,196	3,506	2,824
Surplus	(def.)$4,005	(def.)$2,297	(def.)$533	$1,996	.....	$2,687

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$221,084	$233,084	$233,084	$232,417	$229,117	$229,999
Working assets	10,108	11,151	14,303	10,114	10,769	12,060
Deferred debit items.....	288	288	.....	.....	.....	.....
Profit and loss.....	37,687	33,682	30,047	32,992	34,638	33,443
Total	$269,167	$278,205	$277,434	$275,523	$274,524	$275,502
LIABILITIES:						
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	156,901	156,901	156,901	156,901	156,901	157,501
Accrued liabilities not due	61,976	61,416	56,153	63,822	67,623	68,001
Deferred credit items....	290	9,888	.....	.....	.....	.....
Appropriated surplus	.....	.....	14,380	.....	.....	.....
Profit and loss surplus....	.....	.....	.....	4,800	.....	.....
Total	$269,167	$278,205	$277,434	$275,523	$274,524	$275,502

Bonded Debt: $150,000 Dansville & Mt. Morris R.R. first 5s; dated Oct. 31, 1891; due Nov. 1, 1931. Int. paid M. and N., at company's office. Coupon, $1,000. Farmers' Loan & Trust Co., New York, Trustee. Interest in default since May 1, 1894.

Capital Stock: Auth. and outstanding, $50,000; par, $100.

DARDANELLE & RUSSELLVILLE RAILROAD

History: Incorporated under laws of Ark., Jan. 13, 1900, as successor to the Dardanelle & Russellville Ry.

Location: Line of road operated, Russellville to Dardanelle, Ark., 5 miles. Sidings, 2 miles.

Equipment Owned: Locomotives, 2; combination cars, 3; freight equipment furnished by Missouri Pacific Ry.

Management: OFFICERS: J. W. White, Pres., Russellville, Ark.; A. V. Thomas, Vice-Pres., McAlester, Okla.; C. E. Hall, Secy. and Treas. DIRECTORS: W. D. Puterbaugh, J. W. White, C. E. Hall, E. C. Millson, A. U. Thomas, A. P. Rudowsky, J. G. Puterbaugh, J. T. O'Leary, W. J. White. Annual meeting, third Wednesday in January. OFFICE, Dardanelle, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenue	$47,512	$37,607	$34,000	$32,288	$28,956	$28,848	$32,900
Net operating revenue	17,195	1,977	8,643	6,347	5,157	6,096	9,478
Operating ratio	63.8%	94.7%	74.6%	81.3%	82.2%	78.9%	71.2%
Net income	18,429	3,303	9,784	6,913	5,157	6,096	9,478
Taxes accrued	996	1,090	1,198	882	934	644	595
Fixed charges, etc.	8,424	8.388	9,719	9,494	6,025	5,640	5,640
Balance	9.009	(def.)6,175	(def.)1,133	(def.)3,643	(def.)1,802	(def.)188	3,243

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$295,575	$299,649	$306,520	$302,967	$289,406	$289,406
Working assets	18,411	11,671	9,871	8,633	16,155	17,237
Deferred debit items	.....	20,500	15,003	14,967	18,553	18,346
Profit and loss	8,000	17,009	16,293	15,159	.....	.....
Total	$321,986	$348,829	$347,687	$341,726	$324,114	$324,989
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	73,500	100,000	100,000	100,000	100,000	100,000
Working liabilities	2,206	3,802	32,684	26,759	3,780	2,940
Accrued liabilities not due	249	2,439	.....	.....	.....	.....
Appropriated surplus	46,031	42,588	15,003	14,967	3,462	3,375
Profit and loss	.....	.....	.....	.....	16,872	18,674
Total	$321,986	$348,829	$347,687	$341,726	$324,114	$324,989

Bonded Debt: $73,500 Dardanelle & Russellville R.R. first 6s; dated Jan. 15, 1900; due Jan. 15, 1920. Int. J. and J. 15, at Central Trust Co., New York. Coupon, $500. Sinking fund: 10% of net earnings, with a minimum of $2,000 per annum, to redeem bonds at not exceeding 110. Authorized, $100,000, of which $26,500 is held in treasury. First lien on 5 miles, Russellville to Dardanelle, Ark. Normal income tax deducted from interest. Rating, Caa.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 23.

Capital Stock: Auth. and outstanding, $200,000; par, $100. Dividends have been paid as follows: 1902, 3%; 1903, 3%; 1904, 3% and 1% extra; 1905, 2%; 1907, 2%; none since.

DAVENPORT, ROCK ISLAND & NORTHWESTERN RAILWAY

History: Incorporated under laws of Iowa, in January, 1898, succeeding, by change of title, to the Davenport & Rock Island Bridge, Railway & Terminal Co.

Location: Road extends from Clinton, Ia., to Carbon Cliff, Ill., 46.76 miles, including bridge over the Mississippi River. Trackage, 2.24 miles; sidings, etc., 41.61 miles. Equipment: Locomotives, 12; cars, 123.

Management: OFFICERS: E. P. Bracken, Pres.; James C. Hutchins, Vice-Pres., Chicago; P. L. Hinrichs, Secy. and Treas., J. H. Ells, Aud. and Asst. Treas., O. B. Grant, Gen. Mgr., Davenport, Ia. DIRECTORS: J. M. Dering, Jas. H. Hiland, Jas. C. Hutchins, E. P. Bracken, D. L. Bush, C. S. Jefferson, Hale Holden, Chicago. Annual meeting, second Tuesday in January. OFFICE, Davenport Savings Bank Bldg., Davenport, Ia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$117,492	$75,926	$118,215	$135,191	$89,460	$101,563
Maintenance of way	36,018	22,630	39,973	46,578	32,701	32,682
Maintenance of equipment	19,943	18,367	21,974	18,294	18,090	15,983
All other operat. expenses	76,073	49,116	72,997	74,063	55,288	61,840
Net oper. revenues	(def.)$14,542	(def.)$14,187	(def.)$16,729	(def.)$3,744	(def.)$16,619	(def.)$8,942
Other income	45,944	47,377	46,559	34,136	44,046	35,523
Total net income	$31,402	$33,190	$29,830	$30,392	$27,427	$26,581
Taxes	23,950	24,846	23,304	22,020	20,618	19,840
Fixed charges	7,452	8,344	6,526	8,372	6,809	6,741
Balance	.....	.....	.....	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,448,701	$3,451,279	$3,442,510	$3,462,485	$3,390,952	$3,402,507
Working assets	141,210	135,903	143,186	151,247	121,009	125,952
Deferred debit items	666	1,058	.....	.....	.....	.....
Total	$3,590,577	$3,588,240	$3,585,696	$3,613,732	$3,511,961	$3,528,459
LIABILITIES:						
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	507,585	502,666	486,344	468,650	432,752	.....
Working liabilities	45,202	47,784	61,562	65,945	41,419	490,669
Deferred credit items	.....	.....	.....	41,347	.....	.....
Profit and loss surplus	37,790	37,790	37,790	37,790	37,790	37,790
Total	$3,590,577	$3,588,240	$3,585,696	$3,613,732	$3,511,961	$3,528,459

Note: Funded debt consists of open accounts with proprietary companies.

Capital Stock: Auth. and outstanding, $3,000,000; par, $100. Owned jointly by the Chicago, Burlington & Quincy and the Chicago, Milwaukee & St. Paul Rys. No bonded debt.

DAYTON & UNION RAILROAD COMPANY

History: Incorporated under Ohio laws, Jan. 8, 1863, as successor to the Greenville & Miami R.R. Company owns, 31.74 miles from Union City, Ind., to Dodson, Ohio, and operates under trackage rights on 15.3 miles from Dodson to Dayton, the latter being leased from the Pitts., C., C. & St. L. Ry. at $10,000 per annum. Sidings, 10.57 miles. Equipment: Locomotives, 5; passenger cars, 6; caboose, 1; box car, 1.

Management: OFFICERS: O. G. Murray, Pres.; J. Q. Van Winkle, Vice-Pres.; R. N. Harry, Secy. and Treas.; F. A. Deverell, Aud. DIRECTORS: Daniel Willard, O. G. Murray, J. M. Davis, F. M. Carter, H. A. Worcester, J. Q. Van Winkle, H. B. Voorhees, A. H. Smith, Chas. J. Brister. Annual meeting, second Tuesday in January. OFFICE: Cincinnati, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$152,132	$141,772	$141,630	$143,736	$147,687	$148,260	$161.065
Net earnings	32,653	15.462	7,042	21,879	29,922	41,278	50,230
Operating ratio	81%	89.1%	95%	84.8%	79.7%	72.6%	68.8%
Total net income	32,653	19,422	11,521	26,493	32,227	43,511	52,330
Taxes accrued	9,409	8.287	9,208	8,776	9,715	7,344	5,656
Fixed charges	29,523	29,526	28,930	25,660	21,498	25,822	21,679
Surplus	(def.) 6,279	(def.) 18,391	(def.) 26,617	(def.) 7,943	1,014	10,345	24,995

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $2,288; unrefundable overcharges, $35; miscellaneous credits, $218; debit balance carried to balance sheet, $4,543; total, $7,084. Contra: Debit balance transferred from income, $6,279; surplus appropriated for investment in physical property, $805; total, $7,084.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$621,733	$621,123	$619,854	$621,541	$623.308	$625,225
Working assets	48,499	55,703	71,873	112,562	105,514	112,646
Deferred debit items	567	937	500	359	1,324	3,916
Profit and loss	4,543	.....	.....	.....	.....	.....
Total	$675,342	$677,763	$692,227	$734,462	$730,146	$741,787
LIABILITIES:						
Capital stock	$86,300	$86,300	$86,300	$86,300	$86.300	$86,300
Working liabilities	30,216	31,457	26,384	36,894	28,519	36,520
Accrued liabilities not due	6,249	5,003	6,050	5,760	5,452	4,453
Deferred credit items	260	1,203	690	6,087	1,774	4,041
Appropriated surplus	552,317	551.512	546,510	546,511	.....	.....
Profit and loss	.....	2,288	26,293	52,910	608,101	610,474
Total	$675,342	$677,763	$692,227	$734,462	$730,146	$741,787

Capital Stock: Authorized, $1,000,000; outstanding, $86,300, of which $3,050 is preferred and $83,250 is common; par, $50. The stock is owned jointly by the C. C. C. & St. Louis and the Cinn., Ham. & Dayton railways. No bonded debt.

THE DAYTON UNION RAILWAY COMPANY

History: Incorporated in Ohio, May 12, 1891, to construct and operate a union station at Dayton.

Location: Owns trackage, 5.548 miles, and station at Dayton, O., which is jointly used by C. H. & Dayton, C. C. C. & St. Louis and Pitts., C. C. & St. Louis railways.

Management: OFFICERS: G. L. Peck, Pres.; J. M. Davis, Vice-Pres.; R. C. Barnard, Secy.; R. N. Harry, Treas. DIRECTORS: J. Q. Van Winkle, Daniel Willard, R. E. McCarty, J. M. Davis, H. A. Worcester, G. L. Peck. OFFICE, Dayton, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$59,114	$55,804	$56,159	$56,763	$56,597	$53,184
Taxes accrued	10,086	6,686	7,055	7,563	7,195	3,956
Fixed charges	40,932	41,258	41,473	41,802	49,402	26,758
Surplus	$8,096	$7,860	$7,631	$7,398	.....	$22,470

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$834,457	$828,575	$828,575	$830,836	$830,836	$833,748
Working assets	29,596	31,466	35,260	26,557	23,496	22,854
Deferred debit items	.....	5,786	14,187	14,717	14,474	6,732
Total	$864,053	$865,827	$878,022	$872,110	$868,806	$863,334
LIABILITIES:						
Capital stock	$321,000	$321,000	$321,000	$321,000	$321,000	$321,000
Funded debt	404,575	412,575	420,575	430,836	437,836	448,748
Working liabilities	18,452	26,570	38,594	30,266	27,380	18,431
Deferred credit items	11,144	250	250	.....	.....	.....
Appropriated surplus	108,882	100,787	92,927	85,297	77,899	70,732
Profit and loss surplus	.....	4,645	4,676	4,711	4,691	4,423
Total	$864,053	$865,827	$878,022	$872,110	$868,806	$863,334

Bonded Debt: $397,000 Dayton Union Railway first 4s; dated July 1, 1899; due July 1, 1949. Int. Jan. 1 and July 1, at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Subject to call at par for sinking fund. Now in fund, $103,000. First lien on entire property. Agreement with controlling railroads provides that interest on bonds and expenses be borne on a wheelage basis. This practically guarantees the issue. Interest paid without deduction for normal income tax. Market: New York and Philadelphia. Net Rating, A.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 23.

Capital Stock: Auth., $500,000; outstanding, $321,000; par, $100. All owned by controlling railroads. Dividends of 7% per annum paid as rental.

DELAWARE & NORTHERN RAILROAD

History: Incorporated under laws of New York, Oct. 14, 1911. Purchased the line of the Delaware & Eastern R.R., sold under foreclosure August 16, 1911, for $150,000 to William H. Seif, Pittsburgh, in the interest of the bondholders.

Location: Road extends from Arkville to East Branch, N. Y., and a branch to Andes, N. Y., 45.89 miles. Sidings, 5.50 miles. Equipment: Locomotives, 6; passenger cars, 14; box cars, 19; flat cars, 51; caboose, 1; work, 3; total cars, 88.

Management: OFFICERS: A. M. Moreland, Pres.; W. H. Seif, Vice-Pres., Pittsburg, Pa.; A. I. Elkus, Vice-Pres., New York; Howard Feist, Sec. and Treas., Pittsburg, Pa.; R. Young, Asst. Sec.; J. J. Welch, Supt., Margaretville, N. Y. DIRECTORS: A. M. Moreland, C. C. Taylor, Wm. H. Seif, J. D. Hailman, J. H. Holmes, Pittsburg, Pa.; J. J. Jermyn, Scranton, Pa.; A. I. Elkus, New York; H. W. Noble, J. R. Wardrop, Pittsburgh, Pa. Annual meeting, first Tuesday in August. GENERAL OFFICE, Margaretville, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	*1912
Gross revenues	$131,754	$125,239	$135,793	$116,209	$65,881
Operating expenses	107,018	112,038	123,664	100,780	55,458
Net operating revenues	$24,736	$13,201	$12,129	$15,429	$10,423
Other income	38	11	2,371	3,559	2,165
Total net income	$24,774	$13,212	$14,500	$18,988	$12,588
Taxes	8,004	8,006	8,000	7,267	5,833
Fixed charges	7,456	2,523	1,852	1,083	439
Surplus	$9,314	$2,683	$4,648	$10,638	$6,316

* For eight months.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $9,314; profit on road and equipment sold, $249; debit balance carried to balance sheet, $26,097; total, $35,660. Contra: Debit balance at beginning of year, $20,660; surplus applied to sinking and other reserve funds, $15,000; total, $35,660.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,222,391	$1,273,992	$1,274,939	$1,272,868	$1,221,660
Working assets	26,334	29,494	29,801	25,779	62,508
Deferred debit items	1,689	3,024	948	589	985
Profit and loss	26,097	20,660	9,085	.....	.....
Total	$1,276,511	$1,327,170	$1,314,773	$1,299,236	$1,285,153

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$1,250,000	$1,250,000	$1,250,000	$1,250,000	$1,250,000
Working liabilities	21,883	72,639	19,113	18,744	9,749
Accrued liabilities not due	4,069	4,419	5,523	5,186	5,833
Deferred credit items	559	112	137	138	5,101
Appropriated surplus	70,000	.....	40,000	25,000	10,000
Profit and loss	.....	.....	.....	168	4,470
Total	$1,276,511	$1,327,170	$1,314,773	$1,299,236	$1,285,153

Capital Stock: (1) Authorized and outstanding, $250,000 6% cumulative preferred. Par, $100. No dividends paid to date.

(2) Authorized and outstanding, $1,000,000 common. Par, $100. No bonded debt.

TRANSFER AGENT AND REGISTRAR: Lawyers' Title & Trust Co., New York.

DELAWARE RIVER & UNION RAILROAD

History: Incorporated under laws of Pennsylvania, July 22, 1902. Company does a switching business.

Location: Delaware River, at Marcus Hook, Pa., to Philadelphia, Baltimore & Washington R.R., and Philadelphia & Reading Ry., 1.18 miles. Sidings, 3.02 miles. Equipment: Locomotives, 3; freight cars, 336.

Management: OFFICERS: J. Howard Pew, Pres., Philadelphia, Pa.; Oliver Duke, Vice-Pres., Marcus Hook, Pa.; Frank Cross, Sec. and Treas., Philadelphia, Pa. DIRECTORS: The foregoing and J. N. Pew, Jr., Arthur E. Pew, Philadelphia, Pa. Annual meeting second Tuesday in June. OFFICE, Finance Building, Philadelphia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$35.510	$29,121	$27,735	$26,369
Operating expenses	37,378	.....	39,582	91,826
Net operating revenues	(def.)$1,868	$29,121	(def.)$11,847	(def.)$65,457
Other income	20,851	19,173	17,992	11,616
Total net income	$18,983	$48,294	$6,145	(def.)$53,841
Taxes	368	.....	80	614
Fixed charges	1,961	1,980	.....	.....
Surplus	$16,654	$46,314	$6,065	(def.)$54,455

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $16,654; debit balance carried to balance sheet, $124.385; total, $141,039. Contra: Debit balance at beginning of year, $141,016; miscellaneous debits, $23; total, $141,039.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$339,294	$264,780	$265.403	$255,882
Working assets	24.628	26,327	28,811	34,637
Profit and loss	124,385	141,016	159,399	194,305
Total	$488,307	$432,123	$453,613	$484,824
LIABILITIES:				
Capital stock	$200,000	$200,000	$200,000	$200,000
Working liabilities	288,307	232,123	253,613	284,824
Total	$488,307	$432,123	$453,613	$484,824

Capital Stock: Authorized and outstanding, $200,000 Par, $100. No bonded debt. No dividends. TRANSFER OFFICE. Finance Building, Philadelphia. Controlled by the Sun Co. through ownership, 1,990 shares of stock out of 2,000 outstanding.

DELAWARE VALLEY RAILWAY COMPANY

History: Incorporated under Pennsylvania laws, Jan. 1, 1904. Reorganization of Delaware Valley R.R.; sold under foreclosure.

Location: East Stroudsburg to Bushkill, Pa., 12.4 miles. Equipment: Locomotive, 1; cars, 2.

Management: OFFICERS: J. H. Shull, Pres. and Gen. Counsel, Stroudsburg, Pa.; E. F. Peters, Vice-Pres., Bushkill, Pa.; Sam'l E. Shull, Secy., Stroudsburg, Pa.; Wm. Bray, Treas., East Bangor, Pa.; A. P. Stevens, Aud., East Stroudsburg, Pa. DIRECTORS: H. P. Kinsey, Easton, Pa.; Thos. Masters, Bangor, Pa.; Almer P. Stevens, East Stroudsburg, Pa.; Joshua Bray, East Bangor, Pa.; C. C. Shull, W. A. Erdman, M. R. Yetter, Stroudsburg, Pa.; A. Lederer, New York City; C. A. Renieck, Easton, Pa. Annual meeting, second Wednesday in January. OFFICE, Stroudsburg, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$21,581	$22,032	$20,406	$22,546
Maintenance of way and structures	4,102	3,689	5,691	6,219
Maintenance of equipment	3,687	2,128	1,833	3,309
All other operating expenses	12,152	8,912	10,087	9,453
Net operating revenue	$1,640	$7,303	$2,795	$3,565
Other income	1,471	1,336	1,300	1,639
Total net income	$3,111	$8,639	$4,095	$5,204
Taxes	.....	314	613	618
Fixed charges	5,042	5,450	5,450	5,400
Surplus	(def.) $1,931	$2,875	(def.) $1,968	(def.) $814

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $3,005. Contra: Debit balance transferred from income, $1,931; loss on retired road and equipment, $1,074; total, $3,005.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$292,788	$292,788	$292,788	$292,788
Working assets	30,417	33,513	30,638	33,112
Profit and loss deficit	3,005	.....	.....	.....
Total	$327,200	$326,301	$323,426	$325,900
LIABILITIES:				
Capital stock	$99,000	$99,000	$99,000	$99,000
Funded debt	190,000	190,000	190,000	190,000
Working liabilities	1,090	.....	.....	506
Appropriated surplus	30,110	.....	.....	.....
Profit and loss surplus	.....	37,301	34,426	36,394
Total	$327,200	$326,301	$323,426	$325,900

Bonded Debt: $190,000 Delaware Valley R.R. first 5s; dated Jan. 1, 1899; due Jan. 1, 1929. Int. paid J. and J. 1. Coupon, $1,000. Interest paid on $90,000 of these bonds only.

Capital Stock: Auth. and outstanding, $99,000; par, $50. Dividends of 4% paid in 1913; none since.

THE DENVER BOULDER & WESTERN RAILROAD

History: Incorporated under laws of Colorado, March 29, 1909, as successor to the Colorado & North Western R.R. The latter was sold under foreclosure in 1909.

Location: Line of road, Boulder to Eldora and Sunset to Ward, Colo., 45.99 miles; trackage, 0.80 mile; sidings, 6.21 miles. Equipment owned: Locomotives, 6; passenger, 13; cars, combination, 2; freight and company cars, 64.

Management: OFFICERS: C. D. Marvin, Pres., Boulder, Colo.; W. M. Culbertson, Vice-Pres., Erie, Pa.; C. M. Williams, Secy. and Treas. and Supt.; L. R. Ford, Gen. Mgr. and Aud. Boulder, Colo. DIRECTORS: W. M. Culbertson, Erie, Pa.; L. R. Ford, C. M. Williams, C. D. Marvin, Boulder, Colo.; E. E. Whitted, Denver, Colo. Annual meeting, first Monday in October. OFFICE, Boulder, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$93.985	$61,197	$53,602	$58,065	$64,369	$89,946	$132,801
Net operating revenues	11.961	(def.) 2,426	(def.) 12,138	226	2,530	14,236	33.547
Total net income	12,098	(def.) 1,796	(def.) 11,410	1.371	3,967	15,344	34,034
Total charges	593	1,663	3,504	3,973	13.862	25,493	6,892
Balance	11,505	(def.) 3,459	(def.) 14,914	(def.) 2,602	(def.) 9,895	(def.) 10,149	27,142

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $11.505; debit balance carried to Balance Sheet, $9.685; total, $21,190. Contra: Debit balance at beginning of year, $20,178; miscellaneous debits, $1,012; total, $21,190.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$977,166	$1,080.564	$2,001.803	$1,000,969	$990,759	$994,043
Working assets	27,801	9,540	10,002	22,648	123,717	134,990
Accrued income not due	.....	.....	.....	.....	627	694
Deferred debit items	46	1.582	1.508	100,035	155	160
Profit and loss	9,685	20,178	19,322	.....	.....	.....
Total	$1,004,698	$1,111,864	$1,132,635	$1,124,662	$1,115,258	$1,129,887
LIABILITIES:						
Capital stock	$300.000	$300.000	$300.000	$300.000	$300.000	$300.000
Funded debt	700.000	800 000	800.000	800.000	800.000	800.000
Working liabilities	11.740	9,392	13,860	10,145	7,936	8,975
Accrued liabilities not due	1.050	825	.....	.....	1,494	1,749
Deferred credit items	1,074	813	17,940	75	3	204
Appropriated surplus	834	834	835	14,442	834	720
Profit and loss	.....	.....	.....	.....	4,991	18,239
Total	$1,004,698	$1,111,864	$1,132.635	$1,124,662	$1,115,258	$1,129,887

Bonded Debt: $700,000 Denver, Boulder & Western R.R. first income gold 5s. Dated May 17, 1909; due July 1, 1939. Int. (up to 5%, if earned) payable Sept. 1 each year at A. M. Kidder & Co., New York. Coupon, $100 and $1,000; principal may be registered. Issued in payment for property acquired; balance reserved for extensions, improvements and equipment. Subject to call at any interest date at par. $100,000 held in treasury. Secured on entire property and equipment. Interest has been paid as follows: 3% Sept. 1, 1910; 1½% Sept. 1, 1911.

Capital Stock: Authorized and outstanding, $300,000; par, $100. Transfer agent and registrar, A. M. Kidder & Co., 5 Nassau St., New York.

DENVER, LARAMIE & NORTHWESTERN RAILROAD

History: Incorporated under laws of Wyoming, Feb. 8, 1910, as successor to the Denver, Laramie & Northwestern Ry. The latter road was organized to build a road from Denver through Wyoming to the Idaho line. Only 52 miles from Utah Junction to Greeley has been constructed. In June, 1912, receivers were appointed for the property. In March, 1913, the Bankers' Trust Co., New York, trustee under the mortgage, filed a complaint in foreclosure proceedings, but has not yet asked for a decree. Sale still pending. Equipment owned: Locomotives, 7; cars, 8 passenger, 2 combination, 214 freight, etc.

Management: OFFICERS: M. B. Smith, Rec.; W. E. Green, Pres. and Gen. Mgr.; J. R. Pearson, Vice-Pres.; W. D. Moore, Vice-Pres.; Stansbury Thompson, Secy. and Asst. Treas., Denver. DIRECTORS: W. W. Garwood, W. E. Green, J. R. Pearson, W. A. Williams, John D. Milliken, Denver, Colo.; W. D. Moore, Wichita, Kan.; J. E. McCarty, Enid, Okla.; Peter Mangold, Bennington, Neb.; Isaac Shockey, Abilene, Kan.; I. W. Crumley, Colby, Kan.; W. M. Irvin, Greeley, Colo.; W. T. Lowe, Milliken, Colo.; Martin Ingweisen, Clinton, Ia.; P. C. Schoonover, Lyons, Kan.; O. W. Palm, Lincoln, Neb. Annual meeting, second Wednesday in May. OFFICE, Denver, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$134,756	$106,694	$102,205	$100,149	$100,125	$109,282
Net operating revenues	(def.) 4,011	(def.) 6,420	(def.) 15,023	(def.) 25,173	(def.) 856	7,469
Taxes accrued	7,320	7,320	7,320	7,320	7,400	2,610
Fixed charges	87,372	89,113	89,097	87,490	104,777	127,088
Deficit for year	82,232	97,039	98,867	107,968	96,220	122,229

Comparative Condensed Balance Sheet, as of June 30
(*Receiver's Consolidated*)

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,131,150	$2,141,288	$2,987,483	$2,989,278	$6,147,585	$6,051,465
Working assets	4,435,503	4,422,788	4,391,717	4,372,878	2,312,534	2,800,641
Accrued income not due	.....	.....	.....	549	.....	6,998
Deferred debit items	24,467,532	24,477,222	24,475,537	24,446,700	23,511,000	24,428,730
Profit and loss	678,394	596,154	450,934	308,338	238,218	147,877
Total	$31,712,579	$31,637,452	$32,305,671	$32,117,743	$32,209,337	$33,435,711
LIABILITIES:						
Capital stock	$30,000,000	$30,000,000	$30,000,000	$30,000,000	$30,155,950	$30,157,350
Funded debt	897,698	882,698	1,622,436	1,562,738	1,574,587	3,082,438
Working liabilities	766,009	702,287	643,825	531,417	457,912	180,530
Accrued liabilities not due	42,052	45,893	39,410	23,588	20,888	15,393
Deferred credit items	6,820	6,574	.....	.....	.....	.....
Total	$31,712,579	$31,637,452	$32,305,671	$32,117,743	$32,209,337	$33,435,711

Bonded Debt: $808,000 Denver, Laramie & Northwestern first gold 5s. (Auth., $22,500,000, or at rate of $30,000 per mile, on 750 miles of road, to be issued as road is constructed.) Dated April 1, 1910; due April 1, 1940. Int. paid A. and O., at Bankers' Trust Co., New York. Coupon, $1,000. Principal may be registered. Issued, $1,500,000, of which $808,000 are outstanding and $692,000 were deposited as collateral for $228,017.24 notes, issued to pay off floating debt and for construction of extension from Greeley to Severance. A first lien on the entire property of the company. In default.

Protective Committee: J. G. Gunter, W. E. Green, Wm. Barth, J. R. Pearson, Stansbury Thompson, Wm. Semke, J. H. Bender, J. F. Wallace, A. R. Oppenheim, F. B. Silsbee, C. B. Martin, Otto Huber, J. W. Crumley. OFFICE, Denver, Colo.

Capital Stock: Auth., $30,000,000; outstanding, $25,660,900; par, $100. TRANSFER AGENT: Bankers' Trust Co., New York. In 1912, the majority of the stock was placed in a ten-year voting trust.

THE DENVER UNION TERMINAL RAILWAY

History: Incorporated under Colorado laws, Aug. 17, 1912, for the purpose of taking over the property, franchise, etc., of the Union Depot & Railway Co., which company owned the Union Passenger Station at Denver, Colo., with 3.41 miles of depot tracks used as an entrance to the city by six railroads, which have exclusive use of the terminal, each road owning one-sixth of the capital stock and each guaranteeing one-sixth of the principal and interest of the bond issue. The roads are: The Union Pacific R.R., Denver & Rio Grande R.R., Colorado & Southern Ry., Chicago, Burlington & Quincy R.R., Atchison, Topeka & Santa Fe Ry. and Chicago, Rock Island & Pacific Ry. The new company assumed operation on April 1, 1914.

Management: OFFICERS: A. E. Sweet, Pres.; E. S. Koller, Vice-Pres.; P. R. Morris, Secy. and Aud.; C. S. Haughwout, Treas.; J. Keating, Mgr., Denver, Colo. DIRECTORS: J. B. Andrews, H. T. Rogers, H. E. Byram, A. C. Ridgway, A. E. Sweet, Hale Holden, W. B. Storey, C. W. Jones, E. S. Koller, J. H. Bradbury, E. E. Calvin, William Jeffers. Annual meeting, first Tuesday in August. GENERAL OFFICE, Denver, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross income	*$100,255	*$65,591	$20,629
Taxes accrued	.....	13,000	9,750
Fixed charges	150,455	52,591	30,379
Surplus	(def.) $50,200	.....	(def.) $19,500
Other deductions	.....	.....	30,379
Balance	(def.) $50,200	.....	(def.) $49,879

* Non-operating income.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $164,518. Contra: Debit balance transferred from income, $50,200; debit discount extinguished through surplus, $114,318; total, $164,518.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$3,637,807	$3,098,214	$2,555,376
Working assets	410,865	937,125	61.921
Accrued income not due	.....	.....	18,875
Deferred debit items	11,402	114,731	3,932
Profit and loss	164,518	.....	.....
Total	$4,224,592	$4,150,070	$2,640,104
LIABILITIES:			
Capital stock	$30,000	$30,000	$30,000
Funded debt	4,000,000	4,000,000	.....
Working liabilities	147,742	120,070	2,561,040
Accrued liabilities not due	46,850	.....	47,972
Deferred credit items	.....	.....	1,092
Total	$4,224,592	$4,150,070	$2,640,104

Bonded Debt: $4,000,000 Denver Union Terminal Railway first 4½s; dated March 1, 1914; due March 1, 1964. Int. paid M. and S., at 165 Broadway, New York. Coupon and reg., $1,000; interchangeable. Callable at 105 and int. after Mar. 1, 1934, on twelve weeks' notice. Auth., $10,000,000, of which $6,000,000 are reserved for further construction. First lien on entire property of the company, including the Union Passenger Station at Denver, Colo. Under agreement, the six tenant companies pay ratably, sufficient sums to cover interest on the issue and jointly guarantee both principal and interest. Int. paid after deduction for normal income tax. Rating, A.

Capital Stock: Auth. and outstanding, $30,000; par, $100. All owned in equal shares by the six tenant companies.

DE QUEEN & EASTERN RAILROAD

History: Incorporated under the laws of Arkansas, Sept. 22, 1900. Road was opened in 1903. Company controls the Texas, Oklahoma & Eastern R.R. described below.

Location: Road extends from De Queen to Dierks, Ark., 27.02 miles; yard track and sidings, 4.40 miles; total, 31.50 miles. Equipment: Locomotives, 2; passenger coach, 1; freight cars, 19; service, 8.

Management: OFFICERS: Hans Dierks, Pres.; Herman Dierks, Vice-Pres. and Gen. Mgr.; H. L. Dierks, Sec., Kansas City, Mo.; Herbert Dierks, Treas.; M. F. Allen, Gen. Supt.; H. J. Large, Aud., De Queen, Ark. DIRECTORS: Hans Dierks, Herman Dierks, Harry L. Dierks, F. H. Dierks, Kansas City, Mo.; J. P. Clayton, M. F. Allen, Fredk. J. Luper, De Queen, Ark. Annual meeting in September. GENERAL OFFICE, De Queen, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$21,502	$26,583	$24,910	$34,398	$25,561
Operating expenses	31,810	33,213	47,809	33,081	29,971
Net operating revenues	(def.) $10,308	(def.) $6,630	(def.) $22,899	$1,317	(def.) $4,416
Other income	800	.....	4,662	.....	.....
Total net income	(def.) $9.508	(def.) $6,630	(def.) $18 237	$1.317	(def.) $4,416
Fixed charges, incl. taxes	10,941	7,418	22,307	5,515	5,700
Balance	(def.) $20,449	(def.) $14,048	(def.) $40,544	(def.) $4,198	(def.) $10,116

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $97,316; debit balance transferred from income, $20,449; loss on retired road and equipment, $4,634; total, $122,399. Debit balance carried to balance sheet, $122,399; total, $122,399.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$641,493	$673.095	$680.113	$680,488	$699,354
Working assets	27,324	27,231	39.146	11,769	14,312
Deferred debit items	1,754	1,004	1,004	.....	.....
Profit and loss	122,399	97,316	83,268	42,837	13,510
Total	$893,070	$798,646	$803,531	$735,094	$727,176

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$691,800	$695,300	$693,000	$617,800	$617,800
Funded debt	.....	2,934	6,846	.....	.....
Working liabilities	101,170	100,412	103,685	117,294	109,376
Total	$792,970	$798,646	$803,531	$735,094	$727,176

Capital Stock: Authorized, $700,000; outstanding, $691,800; par, $100. No bonded debt. Secretary acts as Transfer Agent and Registrar. No dividends.

TEXAS, OKLAHOMA & EASTERN RAILROAD

(Controlled by De Queen & Eastern R.R.)

History: Incorporated under the laws of Oklahoma, Oct. 21, 1910. Road opened in June, 1911.

Location: Road extends from Valliant to Broken Bow, Okla., 24.08 miles. Equipment: Locomotives, 6; passenger coaches, 2; freight cars, 95; service cars, 24.

Management: OFFICERS: Herman Dierks, Pres.; Hans Dierks, Vice-Pres., Kansas City, Mo.; M. F. Allen, 2nd Vice-Pres., Broken Bow, Okla.; F. H. Dierks, Sec., Kansas City, Mo.; D. V. Dierks, Treas.; J. M. Campbell, Gen. Supt.; H. J. Large, Aud., Broken Bow, Okla. DIRECTORS: Herman Dierks, Hans Dierks, H. L. Dierks, F. H. Dierks, J. S. Kirkpatrick, Kansas City, Mo.; C. E. Baxter, H. M. Kirkpatrick, Idabel, Okla. Annual meeting, fourth Tuesday in Sept. GENERAL OFFICE, Broken Bow, Okla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$213,250	$277,647	$221,214	$212,812	$154,440
Operating expenses	105,863	201,845	200,279	169,686	128,682
Net operating revenues	$107,386	$75,802	$20,935	$43,126	$25,758
Other income	14,216	250	.....	.....	.....
Total net income	$121,602	$76,052	$20,935	$43,126	$25,758
Fixed charges, incl. taxes	32,678	33,846	41,048	11,711	5,121
Surplus	$88,924	$42,206	(def.) $20,113	$31,415	$20,637

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$521,222	$542.085	$524,075	$520,449	$361,031
Working assets	21,471	57,352	32,476	39,374	31,284
Total	$542,693	$599,437	$556,551	$559,823	$392,315
LIABILITIES:					
Capital stock	$200,000	$200,000	$200.000	$200,000	$200,000
Funded debt	.....	3,105	7,245	.....	.....
Working liabilities	182,067	324,093	319,272	306,910	170,817
Accrued liabilities not due	.....	.....	109	.....	.....
Profit and loss	160,626	72,239	29,925	52,913	21,498
Total	$542,693	$599,437	$556,551	$559,823	$392,315

Capital Stock: Authorized and outstanding, $200,000; par, $100. The De Queen & Eastern R.R. owns practically all of the stock. No bonded debt.

DES MOINES UNION RAILWAY

History: Incorporated in Iowa in 1884 to operate railway terminal properties in Des Moines, Iowa.

Location: Owns 4.18 miles terminal main track and 19.91 miles extra track and sidings, and bridge across Des Moines River. Property leased to Chicago, Milwaukee & St. Paul, Chicago, Burlington & Quincy, Chicago Great Western, Wabash, and Minneapolis & St. Louis Railways, at rental equaling fixed charges and expenses. Equipment owned: 8 locomotives, 24 freight and company cars.

Management: OFFICERS: F. C. Hubbell, Pres. and Pur. Agt.; H. D. Thompson, Vice-Pres. and Treas.; F. M. Hubbell, Secy. DIRECTORS: D. L. Bush, J. C. Cook, Chicago; E. B. Pryor, St. Louis; F. M. Hubbell, F. C. Hubbell, G. C. Hubbell, H. D. Thompson, Des Moines; N. T. Guernsey, New York. Annual meeting, first Thursday in January. OFFICE, Des Moines, Ia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$108,021	$377.203	$407,631	$373,327	$367,252	$382,010	$373,396
Maintenance of way	11,524	53,530	51.337	48.936	35,303	50.905	42,510
Maintenance of equipment	5,851	15.457	11,596	11,528	12,166	11,312	7,812
All other operating expenses	24,440	222,320	237,160	210,429	184,338	187,382	196,116
Net operating revenues	$66,206	$85.896	$107,538	$102,434	$135,445	$132,411	$126.958
Operating ratio	38.7%	10.1%	73.6%	72.6%	63.1%	65.3%	66%
Other income	156,715	123,469	100,016	98,657	45,022	42,068	40,396
Total net income	$222,921	$209.366	$207,554	$201.091	$180,468	$174,479	$167,354
Taxes accrued	42.000	43.861	50,756	49.682	49,467	49,486	41.319
Fixed charges	35,632	35,040	35,348	35,387	33,550	33,550	35,196
Surplus	$145,289	$130,465	$121,450	$116,022	$97,451	$91,443	$90,839

Note: New terminal railway accounting classification alters operating accounts as above in 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $946,708; credit balance transferred from income, $145,289; delayed income credits, $41,536; miscellaneous credits, $15,099; total, $1,148,632. Contra: Surplus appropriated for investment in physical property, $23,998; delayed income debits, $41,537; credit balance carried to balance sheet, $1,083,097; total, $1,148,632.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,382,367	$1,377,198	$1,382,929	$1,316,213	$1,316,213	$1,316,213
Working assets	1,201,178	1,007,035	817,587	772,160	644,454	551,781
Total	$2,583,545	$2,384,233	$2,200,516	$2,088,373	$1,960,668	$1,867,994
LIABILITIES:						
Capital stock	$400,000	$400,000	$400,000	$400.000	$400,000	$400,000
Funded debt	671,000	671,000	671,000	671.000	671,000	671,000
Working liabilities	44.835	51.579	70,242	79,364	67,681	72,458
Accrued liabilities not due	6,383	6,383	.....	.....	.....	.....
Deferred credit items	47,446	777	.....	24.919	24.919	24,919
Appropriated surplus	330.784	307,786	305,129	219.694	219,694	219,694
Profit and loss surplus	1,083,097	946,708	754,145	693,396	577,374	479,923
Total	$2,583,545	$2,384,233	$2,200,516	$2,088,373	$1,960,668	$1,867,994

Bonded Debt: $671,000 Des Moines Union Ry. first 5s; dated Nov. 1, 1887; due Nov. 1, 1917; interest May and November at Central Trust Co., New York. Coupon, $1,000. First lien on entire property. Int. guaranteed under lease by the six railroad companies named above. Listed on New York Stock Exchange. Normal income tax deducted from interest. Net Rating, A.

Capital Stock: Auth., $2,000,000; outstanding, $400,000; par, $100. The Chicago, Milwaukee & St. Paul Ry. owns $100,000; the Wabash R.R. Co., $50,000, and F. M. Hubbell's Son & Co., $250,000.

DES MOINES WESTERN RAILWAY

History: Incorporated under the laws of Iowa, Feb. 10, 1902. A terminal road. Road changed from steam to electric year beginning July 1, 1914.

Location: Road in East Des Moines, Iowa, 4.5 miles.

Management: OFFICERS: F. M. Hubbell, Pres.; H. D. Thompson, Sec. and Treas.; C. H. Hueston, Aud. and Supt., Des Moines, Ia. DIRECTORS: F. M. Hubbell, H. D. Thompson, G. C. Hubbell, O. P. Thompson, F. O. Thompson, Des Moines, Ia. Annual meeting, first Thursday in January. GENERAL OFFICE, Des Moines, Ia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross income	$8,483	$8,732	*$8,454	$12.882	$11,304
Taxes	.....	.....	2,855	2,906	2,770
Fixed charges	755	769	391	592	.....
Surplus	$7,728	$7,963	$5,208	$9,384	$8,534

* For nine months.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $84,997; credit balance transferred from income, $7,728; miscellaneous credits, $15; total, $92.740. Contra: Dividend appropriations of surplus, $29,485; credit balance carried to balance sheet, $63,255; total, $92,740.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$151,246	$139.610	$154,379	$154,324	$140,205
Working assets	1,867	31,367	30,674	26,450	37,146
Total	$153,113	$170,977	$185,053	$180,774	$177,351
LIABILITIES:					
Capital stock	$89,000	$85,000	$85,000	$85,000	$85,000
Working liabilities	858	980	2,348	3,277	8,553
Profit and loss	63,255	84,997	97,705	92,497	83,798
Total	$153,113	$170,977	$185,053	$180,774	$177,351

Capital Stock: Authorized, $300,000; outstanding, $85,000; par, $100. No bonded debt. A dividend of 8% was paid in 1908, and 25% in 1915; 9.8% in 1916.

DETROIT TERMINAL RAILROAD

History: Incorporated under the laws of Michigan, Dec. 8, 1905. Road is controlled through stock ownership by the Michigan Central R.R., New York Central R.R., Grand Trunk Ry., and Detroit, Grand Haven & Milwaukee R.R.

Location: Detroit, Mich., 19.58 miles; sidings, 39.74 miles. Equipment: Locomotives, 11; freight cars, 4, service cars, 9.

Management: OFFICERS: H. B. Ledyard, Pres.; A. B. Atwater, Vice-Pres.; G. W. Alexander, Treas.; F. O. Waldo, Sec.; E. B. Kennedy, Aud.; W. D. Trump, Mgr., Detroit, Mich. DIRECTORS: H. B. Ledyard, Henry Russell, E. D. Bronner, A. B. Atwater, G. W. Alexander, Detroit; H. G. Kelly, E. J. Chamberlain, Montreal, Que.; J. J. Bernet, Chicago. Annual meeting, last Tuesday in January. GENERAL OFFICE, Detroit, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$619,958	$424,038	$350,703	$223,827	$138,417
Operating expenses	309,087	198,254	202,230	138,467	64,629
Net operating revenues	$310,871	$225,784	$148,473	$85,360	$73,788
Other income	7,315	16,181	3,690	23	5
Total net income	$318,186	$241,965	$152,163	$85,383	$73,793
Taxes	25,846	17,147	14,275	9,113	10,996
Fixed charges	57,281	1,206	47,537	109,944	80,816
Surplus	$235,059	$223,613	$90,351	(def.) $33,674	(def.) $18,019

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,781,247	$1,656,746	$1,434,548	$1,104,553	$861,507
Working assets	526,602	459,256	358,062	121,558	22,572
Deferred debit items	408,021	242,246	279,847	117,607	.....
Profit and loss	.....	.....	.....	100,080	66,406
Total	$2,715,870	$2,358,248	$2,072,457	$1,443,798	$950,485
LIABILITIES:					
Capital stock	$373,000	$373,000	$373,000	$373,000	$373,000
Funded debt	.....	.....	.....	.....	488,508
Working liabilities	1,617,194	1,518,274	1,424,794	693,955	88,977
Accrued liabilities not due	63,585	127,127	136,742	82,805	.....
Deferred credit items	142,009	54,824	76,512	294,038	.....
Profit and loss	520,082	258,023	61,409	.....	.....
Total	$2,715,870	$2,358,248	$2,072,457	$1,443,798	$950,485

Capital Stock: Authorized, $2,000,000; outstanding, $373,000. Par, $100. No bonded debt. No dividends paid.

DETROIT UNION RAILROAD DEPOT & STATION COMPANY

History: Incorporated in 1881 to construct railway terminal at Detroit, Mich.

Location: Owns about 3 miles of terminals and station properties at Detroit. Terminals are leased in perpetuity to Wabash and Pere Marquette R.R. companies.

Management: OFFICERS: R. P. Joy, Pres.; H. B. Joy, Vice-Pres.; F. W. Dennis, Secy. and Treas. DIRECTORS: H. D. Sheldon, W. E. Buhl, P. H. McMillan, T. H. Newberry, H. B. Joy, R. P. Joy, James G. Miller. Annual meeting, first Wednesday in February. OFFICE, Detroit, Mich.

Capital Stock: Authorized, $2,500,000; outstanding, $2,250,000; par, $100. Dividends 4% per annum, payable quarterly, Jan. 15. No bonded debt. Net Rating, B.

DIAMOND & CALDOR RAILWAY

(Controlled by California Door Co.)

History: Incorporated under laws of California. Principally a lumber road.

Location: Road extends from Diamond Springs to Caldor, Cal., 34 miles. Gauge, 3 feet. Equipment: Locomotives, 5; cars, 80.

Management: OFFICERS: W. Y. Kellogg, Pres., Oakland, Cal.; Chas. W. Doe, Vice-Pres., San Francisco; F. A. Merguire, Sec., Oakland, Cal.; E. H. Kittredge, Treas., San Francisco; W. I. Wilson, Gen. Mgr.; V. A. Boell, Aud., Oakland, Cal.; A. Hassler, Supt., Diamond Springs, Cal. DIRECTORS: E. H. Kittredge, C. W. Doe, San Francisco, Cal.; W. Y. Kellogg, W. I. Wilson, Oakland, Cal.; G. E. Wilson, Saratoga, Cal. Annual meeting, third Wednesday in March. GENERAL OFFICE, 45 Main Street, San Francisco, Cal.

Bonded Debt: $122.000 Diamond & Caldor first 5s. Dated March 1, 1907; due March 1, 1927. Interest paid M. and S. 1, at Union Trust Co., San Francisco, Cal., and at Wells Fargo & Co., New York. Coupon, $1,000. Authorized, $240,000. Callable at 110 and interest. Sinking fund 5% annually of all outstanding bonds, commencing in 1912. First lien on entire property of company. Guaranteed principal and interest by California Door Co. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and issued, $240,000; all owned by California Door Co.

DULUTH & NORTHEASTERN RAILROAD

History: Incorporated under laws of Minnesota, Sept., 10, 1898. Controlled by the Cloquet Lumber Co. and the Northern Lumber Co. through equal ownership of capital stock.

Location: Road extends from Cloquet to Hornby, Minn., 57.75 miles; branches, 4.00 miles; total, 61.75 miles. Sidings, 14.10 miles. Equipment: Locomotives, 9; passenger cars, 2; freight and other cars, 256.

Management: OFFICERS: R. M. Weyerhaeuser, Pres., Cloquet, Minn.; J. P. Weyerhaeuser, Vice-Pres., St. Paul, Minn.; Hugo Schlenk, Sec.; J. E. Lynds, Treas.; H. C. Hornby, Gen. Mgr.; H. G. Stevens, Aud.; Albert Cox, Pur. Agt.; William O'Neil, Supt., Cloquet, Minn. DIRECTORS: H. C. Hornby, J. E. Lynds, Hugo Schlenk, R. M. Weyerhaeuser, Cloquet, Minn.; J. P. Weyerhaeuser, St. Paul, Minn. Annual meeting, first Tuesday in June. OFFICE, Cloquet, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$151.309	$166,467	$292.729	$187,126	$126,697
Operating expenses	111,543	151,429	184,349	147,084	119,897
Net operating revenues	$39,766	$15.038	$108,380	$40,042	$6,800
Other income	7,261	7,364	.....	.....	273
Total net income	$47.027	$22.402	$108,380	$40,042	$7,073
Taxes	13,823	12.964	13,250	5,219	9,017
Fixed charges	9,158	19,208	16,638	14,454	12,619
Surplus	$24,046	(def.)$9,770	$78,492	$20,369	(def.)$14,563

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $36,988; credit balance transferred from income, $24.046; profit on road and equipment sold, $25; total, $61,059. Contra: Dividend appropriations of surplus, $50,000; credit balance carried to balance sheet, $10,948; loss on retired road and equipment, $51; miscellaneous debits, $60; total, $61,059.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$989.341	$1,008 734	$1,033,242	$885.174	$894,173
Working assets	33.818	33.060	18.655	22,729	18,329
Deferred debit items	2,184	2,244	2,244	7,122	11,616
Total	$1,025,343	$1,044,038	$1,054,141	$915,025	$924,118
LIABILITIES:					
Capital stock	$1,000.000	$1,000 000	$560,154	$560,154	$560,154
Working liabilities	7,829	7,045	296,773	233.912	262,906
Accrued liabilities not due	6,563	.....	8,136	5,427	6,185
Deferred credit items	3	5	6	14	.....
Profit and loss	10,948	36,988	189,072	115,518	94,873
Total	$1,025,343	$1,044,038	$1,054,141	$915,025	$924,118

Capital Stock: Authorized and outstanding, $1,000.000; par, $100. No bonded debt. A dividend of $129,845.84 was paid March 20, 1915, and a dividend of $50,000 or 5% was paid June 6, 1916.

THE DULUTH & NORTHERN MINNESOTA RAILWAY

History: Incorporated under laws of Minnesota, May 31, 1898, the first section of the road being completed in 1901. Extended 1903-1912.

Location: Road extends from Knife River to Mile, Minn., 80.50 miles; main line to logging operations, 52.57 miles; total, 133.07 miles.

Equipment: Locomotives, 11; cars, passenger, 2; freight, 522.

Management: OFFICERS: John Millen, Pres. and Gen. Mgr., Duluth, Minn.; Benjamin W. Arnold, Vice-Pres., Albany, N. Y.; J. W. Bayly, Secy., Asst. Aud. and Gen. Pass. Agt., Duluth, Minn.; Russell A. Alger, Treas.; G. H. Stalker, Aud., Detroit, Mich.; W. E. Brown, Gen. Frt. Agt., Duluth, Minn.; Geo. Ward, Gen. Supt., Knife River, Minn. DIRECTORS: B. W. Arnold, Albany, N. Y.; R. A. Alger, F. M. Alger, Detroit, Mich.; J. W. Bayly, John Millen, Duluth, Minn. Annual meeting, first Wednesday in June. OFFICE, Duluth, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Passenger earnings	$34.483	$27.652	$36.616	$39,193	$36.469	$38.680	$29,605
Freight earnings	180,611	219.897	269.071	276.306	295.734	284.046	293,992
Gross earnings	240.152	312.249	357.362	382,290	372.780	378.176	387,994
Operating expenses and taxes	276,959	266,458	303,348	291,191	282.192	304,878	291,875
Net earnings	(def.)$36,807	$45.791	$54,014	$91.099	$90,588	$73,298	$96,120
Other income	.....	.....	.....	5,409	.....	.....	.....
Fixed charges	67,814	73,784	67,141	61,425	85,556	47,972	42,442
Surplus	(d.)$104,621	(df.)$27,993	(df.)$13,127	$35,083	$5,038	$25,326	$53,677

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	*1914	1913	1912	1911
Property investment	$2,039.034	$1,838.502	$1,879,093	$1,862.718	$1,692.826	$1,600,892
Working assets	90 571	40.788	.....	351,956	316,873	311,835
Deferred debit items	28,382	30,579	.....	.....	.....	.....
Total	$2,157,987	$1,909,869	.....	$2,214,674	$2,009,699	$1,912,727
LIABILITIES:						
Capital stock	$1,000.000	$200.000	$200 000	$200.000	$200.000	$200,000
Working liabilities	973.314	1,417,717	1,679,093	1,662,718	1,492,826	1,400,892
Accrued liabilities not due	7,603	10.460	.....	.....	.....	.....
Profit and loss surplus	177,070	281,692	309,685	351,956	316,873	311,835
Total	$2,157,987	$1,909,869	.....	$2,214,674	$2,009,699	$1,912,727

* Insufficient data to complete Condensed Balance Sheet shown in report to I. C. C.

Capital Stock: Auth., $1,000.000; outstanding, $1,000,000; par, $100. Dividends have been paid as follows: 1901 and 1902, 10% each; 1903 and 1904, none; 1905, 10%; none since. No bonded debt.

DUNBAR & WAUSAUKEE RAILWAY

History: Incorporated under the laws of Wisconsin, Jan. 1, 1912.

Location: Road extends from Girard Junc. to Dunbar, Wis., 13.5 miles; sidings, etc., about 3 miles. Equipment: Locomotive, 1; caboose, 1.

Management: OFFICERS: J. W. Wells, Pres. and Gen. Mgr., Menominee, Mich.; C. B. Culbertson, Vice-Pres., Pasadena, Cal.; A. C. Wells, Sec.; C. H. Law, Treas., Menominee, Mich.; E. G. Woodford, Aud.; T. H. Lovell, Supt., Dunbar, Wis. DIRECTORS: J. W. Wells, C. H. Law A. C. Wells, Menominee, Mich.; C. B. Culbertson, Pasadena, Cal. Annual meeting, second Tuesday in November. GENERAL OFFICE, Menominee, Mich.

Comparative Income Acc unt, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$16,680	$19,028	$23,936	$23,367	$22,840
Operating expenses	21,736	22,303	32,053	18,365	15,498
Net operating revenues	(def.) $5,056	(def.) $3,275	(def.) $8,117	$5,002	$7,342
Other income	1,888	1,349	6,069	518	500
Total net income	$3,168	(def.) $1,926	(def.) $2,048	$5,520	$7,842
Fixed charges, incl. taxes	1,845	2,105	1,238	1,088	976
Surplus	(def.) $5,013	$4,031	(def.) $3,826	$4,432	$6,866

Profit and Loss Account, year ended June 30, 1916: Debit balance transferred from income, $5,012; credit balance at beginning of year, $3,980; miscellaneous credit, $1,000; debit balance carried to balance sheet, $32.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$98,006	$103,460	$109,239	$120,000	$120,000
Working assets	23,522	23,153	20,773	17,936	7,086
Deferred debit items	.....	.....	659	562	449
Profit and loss	32	.....	.....	.....	.....
Total	$121,560	$126,613	$130,671	$138,498	$127,535
LIABILITIES:					
Capital stock	$120,000	$120,000	$120,000	$120,000	$120,000
Working liabilities	1,560	2,633	.....	2,562	669
Deferred credit items	.....	.....	2,659	4,638	.....
Profit and loss	.....	3,980	8,012	11,298	6,866
Total	$121,560	$126,613	$130,671	$138,498	$127,535

Capital Stock: Authorized and outstanding, $120,000; par, $100. No bonded debt.

DURHAM & SOUTH CAROLINA RAILROAD

History: Incorporated under North Carolina laws, Jan. 20, 1905, as successor to the New Hope Valley R.R.

Location: Durham to Duncan, N. C., 37.51 miles; sidings, 2.54 miles. Equipment: Locomotives, 2; cars, 13.

Management: OFFICERS: Ernest Williams, Pres.; W. B. Harris, Vice-Pres.; H. L. Williams, Secy. and Treas.; L. B. Harrah, Aud., Lynchburg, Va. DIRECTORS: Ernest Williams, W. B. Harris, H. L. Williams. Annual meeting, first Thursday in January. OFFICE: Lynchburg, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$86,878	$91,039	$100,248	$85,921	$56,193	$60,991	$57,998
Net revenues	50,286	47.683	49,248	50,700	20,445	24,339	26,441
Fixed charges	22,869	25.030	29,902	28,382	24,426	21,163	.....
Surplus	27,417	22,653	19,346	22,318	*4,081	3,176	.....
Taxes	1,812	1,770	.....	.....	.....	.....	.....
Balance	25,605	20,883	.....	.....	.....	.....	.....

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $99,276; credit balance transferred from income, $25,605; total, $124,881. Contra: Miscellaneous debits, $41,365; credit balance carried to Balance Sheet, $83,516; total, $124,881.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$843,016	$887,148	$893,998	$666,304	$662,785	$651,765
Working assets	27,788	18,473	7,384	16.401	1,994	4,222
Deferred debit items	31,507	23,175	18,910	10,000	.....	70
Total	$902,311	$928,796	$921,292	$692,705	$664,779	$656,057

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$500,000	$500,000	$500,000	$300,000	$300,000	$300,000
Funded debt	300,000	300,000	300,000	300,000	300,000	300,000
Working liabilities	18,378	23,308	38,600	18,770	18,585	10,940
Accrued liabilities not due	.....	.....	.....	5,000	5,160	.....
Deferred credit items	417	5,185	.....	5,585	.....	.....
Profit and loss surplus	83,516	100,303	82,692	63,350	41,034	45,117
Total	$902,311	$928,796	$921,292	$692,705	$664,779	$656,057

Bonded Debt: $300,000 Durham & South Carolina R.R. first 5s; dated Sept. 1, 1911; due Sept. 1, 1941. Int. paid J. and J. 1, at Mercantile Trust & Deposit Co., Baltimore. Coupon, $1,000. Callable at 105 and int. Sinking fund, $6,000 per annum. First lien on 42 miles, Durham to Duncan, N. C., at $10,000 per mile. Interest paid without deduction for normal income tax. Market: Baltimore, Md. Rating, Ba.

Capital Stock: Auth., $1,000,000; outstanding, $500,000; par, $100. No dividends. Transfer office, Lynchburg, Va.

DURHAM & SOUTHERN RAILWAY

History: Incorporated under laws of N. C., Jan., 1904, as a reorganization of the Cape Fear & Northern Ry. Line of road operated, Durham to Dunn, N. C., with branches, 58.97 miles; sidings, 7.41 miles. Equipment owned: 6 locomotives, 136 freight, etc., and 13 passenger cars.

Management: OFFICERS: B. N. Duke, Pres., New York; S. H. Reams, Vice-Pres.; W. H. Smith, Treas.; A. B. Cauthen, Secy., Durham, N. C. DIRECTORS: B. N. Duke, J. Harper Erwin, East Durham, N. C.; Geo. W. Watts, F. B. Fuller, J. B. Mason, W. A. Erwin, C. C. Thomas, C. McD. Carr, W. C. Bradsher, S. H. Reams, Durham, N. C.; Lawrence S. Holt, Burlington, N. C.; H. C. Satterfield, Durham, N. C. Annual meeting, second Wednesday in September. OFFICE: Durham, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$348,628	$294,617	$326,843	$351,404	$344,070	$335,206	$356,701
Maintenance of way	39,285	41,208	35,039	37,369			
Maintenance of equipment	27,946	30,259	29,239	27,286	159,374	149,588	140,605
All other operating expenses	96,068	98,969	97,802	100,763			
Net operating revenues	$185,379	$124,181	$164,763	$185,986	$184,696	$185,638	$216,096
Operating ratio	46.8%	57.9%	49.6%	47.1%	46.3%	44.6%	39.4%
Other income	2,288	1,877	1,702	1,445	.....	1,533	1,372
Total net income	$187,667	$126,058	$166,465	$187,431	$184,696	$187,171	$217,468
Taxes accrued	16,986	15,552	16,250	15,298	14,700	8,340	4,843
Fixed charges	15,451	16,698	11,726	10,463	32,496	35,770	39,516
Surplus	$155,230	$93,808	$138,489	$161,670	$137,500	$143,061	$173,109
Dividends paid	*	101,250	148,500	189,000	166,500	144,000	120,000
Balance	$155,230	(df.) $7,442	(df.) $10,011	(df.) $27,330	(df.) $29,000	(def.) $939	$53,109

* See Profit and Loss Account.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $49,518; credit balance transferred from income, $155,230; total, $204,748. Contra: Dividend appropriation of surplus, $94,500; credit balance carried to balance sheet, $110,248; total, $204,748.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,448,240	$1,446,345	$1,440,957	$1,420,198	$1,352,657	$1,349,357
Working assets	123,089	65,359	66,876	69,232	155,682	191,549
Total	$1,571,329	$1,511,704	$1,507,833	$1,489,430	$1,508,339	$1,540,906
LIABILITIES:						
Capital stock	$1,350,000	$1,350,000	$1,350,000	$1,350,000	$1,350,000	$600,000
Funded debt	.....	.....	.....	.....	.....	750,000
Working liabilities	92,646	109,345	100,873	72,459	64,038	67,605
Accrued liabilities not due	17,435	2,841	.....	.....	.....	.....
Profit and loss surplus	110,248	49,518	56,960	66,971	94,301	123,301
Total	$1,571,329	$1,511,704	$1,507,833	$1,489,430	$1,508,339	$1,540,906

Capital Stock: Authorized, $2,000,000; outstanding, $1,350,000; par, $100. Of the stock outstanding, $750,000 was issued Jan. 1, 1912, to retire an equal amount of First Mortgage 4% bonds, dated Jan. 1, 1906. Dividends of 6% were paid for the fiscal year 1907-8, 18% for the year 1908-9, 20% for the year 1909-10, and 24% each for 1910-11 and 1911-12, and 14% (on increased issue) in 1912-13; 11% in 1913-14; 7½% in 1914-15; 7% in 1916. TRANSFER AGENT: A. B. Cauthen, Durham, N. C.

DURHAM UNION STATION COMPANY

History: Incorporated under laws of North Carolina, on March 24, 1904. Company owns the Union Station and terminal, trackage at Durham, N. C., which is used by Norfolk & Western, Seaboard Air Line, Southern Railway and Durham & Southern Railway, under rental agreement providing for interest on bonds and 5% dividends per annum on stock.

Management: OFFICERS: H. W. Miller, Pres.; C. D. Mackay, Secy.; H. C. Ansley, Treas.; A. H. Plant, Aud. DIRECTORS: J. H. Pou, H. W. Miller, A. C. Needles, S. H. Reams, H. W. Stanley, E. H. Coapman. Annual meeting, third Wednesday in October. OFFICE: Raleigh, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$6,975	$6,995	$6,823	$6,675	$6,675	$6,675
Taxes accrued	10	30	27	10	10	10
Fixed charges	5,300	5,300	5,132	5,000	5,000	5,000
Surplus	$1,665	$1,665	$1,664	$1,665	$1,665	$1,665
Dividends paid	1,665	1,665	1,664	1,665	1,665	1,665

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$91,064	$91,064	$91,064	$87,031	$84,856	$84,856
Working assets	2,730	3,114	3,099	3,044	3,533	3,042
Deferred debit items	1,316	341	.....	94	188	281
Total	$95,110	$94,519	$94,163	$90,169	$88,577	$88,179
LIABILITIES:						
Capital stock	$33,300	$33,300	$33.300	$33,300	$33,300	$33,300
Funded debt	60.000	60,000	60,000	54.000	54,000	54,000
Working liabilities	1,810	1,219	863	2,869	1,277	879
Total	$95,110	$94,519	$94,163	$90,169	$88,577	$88,179

Bonded Debt: $60.000 Durham Union Station Co. first 5s; dated May 1, 1905; due May 1, 1955. Int. paid M. and N. 1, at Guaranty Trust Co., New York. Coupon, $1,000. Auth., $75,000. First lien on entire property. Int. guaranteed under lease by the four railroads named above. Interest paid without deduction for normal income tax. Rating, A.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 23.

Capital Stock: Auth. and outstanding, $33,300; par, $100, all owned in equal amounts by lessee companies. Dividends of 5% per annum have been regularly paid from 1908 to date.

EAST BROAD TOP RAILROAD & COAL COMPANY

History: Incorporated in Pennsylvania in 1856. Rocky Ridge R.R. and Shady Gap R.R., formerly leased, were merged into this company in December, 1913.

Location: Operates 49.30 miles, Mount Union to Woodvale, Rocky Ridge to Evanston, etc. Sidings, 20.48 miles.

Management: OFFICERS: Edward Roberts, Pres.; C. D. Jones, Asst. to Pres. and Secy.; J. D. Swisher, Treas. DIRECTORS: Herbert M. Howe, Edward Roberts, Edward R. Wood, Jr.; J. M. Driesbach, Alvan Markle, J. D. Dorris; G. Dallas Dixon, Jr. Annual meeting, fourth Thursday in April. MAIN OFFICE: 437 Chestnut Street, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$339,677	$315,034	$333,844	$335,509	$307,049	$250,483	$237,622
Maintenance of way	26,491	30,550	30,378	31,868	27,888	20,946	21,180
Maintenance of equipment	25,955	38,508	29,202	30,374	22,473	28,919	27,792
All other operating expenses	86,686	79,808	85,984	83,713	81,863	67,151	64,327
Net operating revenues	$200,545	$166,168	$188,280	$189,556	$174,825	$133,467	$124,323
Operating ratio	41%	47.3%	43.6%	43.5%	43.1%	46.7%	47.7%
Other income	14,751	12,605	6,838	2,982	1,010	5,476	4,917
Total net income	$215,296	$178,773	$195,118	$192,538	$175,835	$138,943	$129,240
Taxes accrued	11,963	10,411	9,836	8,931	5,690	5,038	3,261
Fixed charges	43,618	43,617	40,734	21,411	24,963	26,329	24,250
Surplus	$159,715	$124,745	$144,548	$162,196	$145,183	$107,576	$101,729

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $233,288; credit balance transferred from income, $159,715; profit on road and equipment sold, $685; miscellaneous credits, $6,486; total, $400,174. Contra: Loss on retired road and equipment, $33,616; credit balance carried to Balance Sheet, $366,558; total, $400,174.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,238,299	$2,154,678	$1,902,766	$2,084,875	$1,990,209	$1,920,041
Working assets	117,225	116,015	229,055	177,471	114,529	89,862
Accrued income not due	.....	*	1,581	1,047	.....	20
Deferred debit items	2,290	1,585	4,887	5,480	5,800	.....
Total	$2,357,814	$2,272,278	$2,138,289	$2,268,873	$2,110,538	$2,009,923

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$938,075	$938,825	$938,825	$815,150	$815,150	$815,150
Funded debt	1,053,900	1,056,900	1,056,900	964,400	964,400	1,006,400
Working liabilities	35,098	28,419	7,352	14,079	15,991	24,384
Accrued liabilities not due	9,428	8,898	22,813	11,391	15,297	10,210
Deferred credit items	8,755	5,948	3,856	1,990	33	.....
Profit and loss surplus	366,558	233,288	108,543	461,863	299,667	153,779
Total	$2,357,814	$2,272,278	$2,138,289	$2,268,873	$2,110,538	$2,009,923

* Included in Working Assets.

Bonded Debt: (1) $500,000 East Broad Top R.R. Co. first 4s; dated July 1, 1873; due Jan. 1, 1958. Interest Jan. 1 and July 1. Reg., $1,000. First lien on entire road owned. Interest paid without deduction for normal income tax. Net Rating, A.

(2) $464,400 East Broad Top R.R. second income 4s; due Jan. 1, 1958. Interest Jan. 1 and July 1 as earned. The bonds were issued in 1908 to fund back interest from 1885. Reg., $100, $500 and $1,000. No interest was paid on this issue until 1914, when full rate of 4% was paid, also paid in 1915 and 1916. Follows No. 1 on same property. Interest paid without deduction for normal income tax. Net Rating, Ba.

(3) $92,500 Shady Gap R.R. first 4s; dated July 1, 1908; due July 1, 1958. Int. paid J. and J. 1. First lien on 10 miles from Orbisonia to Neelyton, Pa. Reg., $500. Assumed by East Broad Top R.R. Co. Interest paid without deduction for normal income tax. Net Rating, Ba.

Capital Stock: Auth., $1,000,000 common and $246,750 6% non-cumulative preferred; outstanding, $692,075 common and $246,750 preferred. Par, $50. No dividends. TRANSFER AGENT: C. D. Jones, 437 Chestnut Street, Phlladelphla.

EAST CAROLINA RAILWAY

History: Incorporated under the laws of North Carolina, July 1, 1898. The road is loaned to the President of the Company, Mr. H. Clark Bridgers, at an annual rental of 4% on the stock. Line of road operated, Tarboro to Farmville, N. C., with branch to Hookerton, making a total of 38.2 miles. Equipment owned: Locomotives, 4; cars, 26.

Management: OFFICERS: H. Clark Bridgers, Pres., Treas. and Gen. Mgr.; J. L. Bridgers, Vice-Pres.; Haywood P. Foxhall, Secy., Gen. Frt. and Pass. Agt., Tarboro, N. C. DIRECTORS: H. C. Bridgers, J. L. Bridgers, H. P. Foxhall, A. D. Foulkes, Tarboro, N. C.; W. J. Turnage, J. R. Davis, Farmville, N. C.; B. F. Dalbutton, Hookerton, N. C. Annual meeting, second Thursday in December. OFFICE: Tarboro, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1912	1911	1910
Gross revenues	$70,553	$77,704	$78.972	$67,916	$74,987	$71,125
Net operating revenues	20,210	29,578	16,531	23,516	9.821	(def.)$5,785
Operating ratio	71.35%	70.25%	79.1%	65.4%	86.9%	108%
Taxes accrued	1,494	1.264	1,214	907	825	825
Fixed charges	24,898	28,314	22,642	16,980	7,493	.....
Surplus	.....	.....	(def.)$7,325	$5,629	$1,503	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property Investment	$279,584	$281,414	$281,414	$281,414	$281,414	$281,414
Working assets	36,262	28,285	24,023	20,337	20,194	11,540
Deferred debit Items	7,830	6,000	.....	11,011	.....	.....
Profit and loss deficit	42,738	42,738	50,063	42,738	51,917	57,546
Total	$366,414	$358,437	$355,500	$355,500	$353,525	$350,500
LIABILITIES:						
Capital stock	$55.500	$55.500	$55.500	$55.500	$55.500	$55,500
Funded debt	300,000	300,000	300,000	300,000	295.000	295,500
Working liabilities	10,914	2,937	.....	.....	3,025	.....
Total	$366,414	$358,437	$355,500	$355,500	$353,525	$350,500

Bonded Debt: $300,000 East Carolina Ry. first gold 4s. Dated July 1, 1906; due July 1, 1936. Int. paid Jan. and July 1, at Safe Deposit & Trust Co., Baltimore, Md. Coupon, $1,000. First lien on entire property, Hookerton to Tarboro, N. C., 38.2 miles. Interest paid without deduction for normal income tax. Rating, Caa.

Capital Stock: Authorized, $200,000; outstanding, $55,550; par, $100.

EAST JERSEY RAILROAD & TERMINAL COMPANY

History: Incorporated under the laws of New Jersey, March 12, 1901.

Location: In Bayonne, N. J. Road connects Central R.R. of N. J. at East Twenty-second Street with Kill von Kull, 1.98 miles, of which 1.70 miles leased, and 0.28 mile owned. Equipment: Locomotives, 4; cars, 177; also one tug boat, 2 steam lighters and 17 barges.

Management: OFFICERS: R. D. Benson, Pres.; E. H. Shelly, Vice-Pres. and Gen. Mgr.; G. L. Webb, Sec.; Byron D. Benson, Treas., New York; J. B. Hart, Supt., Bayonne, N. J.; C. H. Bickness, Pur. Agt., New York. DIRECTORS: R. D. Benson, New York City; E. H. Shelley, New York; Byron D. Benson, New York; S. H. Edwards. Bayonne, N. J.; Geo. A. Keeney. New York City; W. S. Benson, New York; G. L. Webb, New York City. Annual meeting, third Wednesday in October. GENERAL OFFICE, 11 Broadway, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$187,592	$166,259	$47,619	$48,247	$37,417
Operating expenses	190,887	158,964	50,381	38,341	33,303
Net operating revenues	(def.) $3,295	$7,295	(def.) $2,762	$9,906	$4,114
Other income	7,974	9,521	10,072	11,585	5,125
Total net income	$3,679	$16,816	$7,310	$21,491	$9,239
Taxes	5,789	4,345	4,200	3,199	2,400
Fixed charges	3,144	2,500	2,999	2,642	3,496
Surplus	(def.) $4,254	$9,971	$111	$15,650	$3,343

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $55,597; profit on road and equipment sold, $63; miscellaneous credits, $906; total, $56,566. Contra: Debit balance transferred from income, $4,254; dividend appropriations of surplus, $5,250; delayed income debits, $305; credit balance carried to balance sheet, $46,757; total, $56,566.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$289,025	$199,301	$215,189	$211,001	$147,920
Working assets	69,174	66,244	34,275	41,777	28,441
Accrued income not due	1,147	.....	.....	.....	.....
Deferred debit items	2,940	938	898	9,337	244
Total	$362,286	$266,483	$250,362	$262,115	$176,605
LIABILITIES:					
Capital stock	$257,000	$175,000	$175,000	$175,000	$100,000
Working liabilities	38,956	35,754	27,394	29,460	34,307
Accrued liabilities not due	3,173	2,132	2,283	1,473	630
Deferred credit items	16,400	.....	.....	.....	.....
Profit and loss	46,757	55,597	45,685	56,182	41,668
Total	$362,286	$266,483	$250,362	$262,115	$176,605

Capital Stock: Authorized, $300,000; outstanding, June 30, 1916, $257,000. Par, $100. No bonded debt. A dividend of 3% was paid in 1908; 6% in 1909; 3% in 1910; no further dividends until 1914, when 6% was paid; 3% in 1916.

EAST TENNESSEE & WESTERN NORTH CAROLINA RAILROAD

History: Incorporated in Tennessee in 1879 to construct a line from Johnson City, Tenn., to Cranberry, N. C. Controlled by Cranberry Iron & Coal Co.

Location: Owns and operates 36.18 miles, Johnson City, Tenn. to Cranberry, N. C., line being 3 feet gauge, with third rail for standard gauge, from Johnson City to Hampton, 15 miles. Equipment: Locomotives, 7; cars, 260.

Management: OFFICERS: F. P. Howe, Pres.; G. W. Harden, Vice-Pres.; John S. Wise, Secy. and Treas.; J. E. Vance, Compt. DIRECTORS: Frank Firmstone, John S. Wise, F. P. Howe, Edgar P. Earle, Ario Pardee, Henry Lewis, G. W. Harden. Annual meeting, second Wednesday in September. OFFICE, Johnson City, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$248,605	$190,465	$211,386	$234,311	$229,923	$230,731	$222,787
Maintenance of way	25,831	23,022		21,374	26,053	29,910	28,635
Maintenance of equipment	22,143	18,849	112,528	22,441	24,970	32,376	28,910
All other operating expenses	79,473	64,566		70,705	63,583	62,101	58,863
Net operating revenues	$121,158	$84,028	$98,858	$119,791	$115,317	$106,344	$106,379
Operating ratio	51.3%	55.9%	53.3%	48.9%	49.9%	53.9%	52.2%
Other income	8,183	9,349	8,509	9,181	7,840	6,711	5,894
Total net income	$129,341	$93,377	$107,367	$128,972	$123,157	$113,055	$112,272
Taxes accrued	8,888	10,639	11,418	6,113	5,956	5,124	6,301
Fixed charges	34,642	30,350	28,534	28,783	28,699	27,689	27,890
Surplus	$85,811	$52,388	$67,415	$94,076	$88,702	$80,242	$78,081
Dividends paid	12,270	34,356	83,436	88,344	.....	93,292	39,396
Balance	†$73,541	†$24,003	*$16,021	$5,732	$88,702	*$13,050	$38,685

† Includes Credit, $46,187 appropriated for property in 1916 and $5,971 in 1915. * Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $92,447; credit balance transferred from income, $27,354; miscellaneous credits, $1; total, $119,802. Contra: Dividend appropriastions of surplus, $53.988; loss on retired road and equipment, $269; credit balance carried to balance sheet, $65,545; total, $119,802.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,182,723	$1,142,281	$1,033,097	$1,029,665	$1,030,685	$1,024,474
Working assets	82,652	106,705	167,644	174,503	186,933	115,145
Accrued income not due ..	4,357	2,397	2,421	1,475	2,091	300
Deferred debit items	1,399	981	47,145	59,119	46,874	46,631
Total	$1,271,131	$1,252,364	$1,250,307	$1,264,762	$1,266,583	$1,186,550
LIABILITIES:						
Capital stock	$490,800	$490,800	$501,900	$501,900	$501,900	$501,900
Funded debt	500,000	500,000	500,000	500,000	500,000	500,000
Working liabilities	54,758	53,406	14,929	12,537	11,979	10,834
Accrued liabilities not due	8,893	9,611	6,967	6,967	2,800	2,577
Deferred credit items	113	266	300	557	80	80
Appropriated surplus	152,022	105,834	111,805	107,557	.....	.....
Profit and loss surplus ...	65,545	92,447	114,406	135,244	249,824	171,159
Total	$1,271,131	$1,252,364	$1,250,307	$1,264,762	$1,266,583	$1,186,550

Bonded Debt: $500,000 East Tennessee & Western North Carolina R.R. first 5s; dated Aug. 15, 1900; due Nov. 1, 1935. Int. May 1 and Nov. 1, at Guarantee Trust & Safe Deposit Co., Philadelphia. First lien on entire property. Listed on Philadelphia Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000. Net Rating, A.

Capital Stock: Auth. and outstanding, $490,800, all owned by Cranberry Iron & Coal Co.; par, $100. Dividends: 1906, 2½%; 1908, 3½%; 1909, 4%; 1910, 8%; 1911, 19%; Oct., 1912, 14%; April, 1913, 4%; year to June 30, 1914, 17%; 15½% in 1915; 13½% in 1916. TRANSFER AGENT, J. E. Vance, Johnson City, Tenn.

EASTERN KENTUCKY RAILWAY

History: Incorporated under laws of Kentucky in Jan., 1870, successor to the Kentucky Improvement Co.

Location: Road extends from Riverton to Webbville, Ky., 36 miles; sidings, etc., 8.67 miles. Equipment: Locomotives, 3; passenger cars, 6; freight cars, 43.

Management: OFFICERS: C. Minot Weld, Pres., Boston; Sturgis G. Bates, Vice-Pres. and Gen. Mgr., Riverton, Ky.; W. C. Harris, Secy. and Treas., Boston; R. B. Leedy, Supt., Grayson, Ky. DIRECTORS: Walter Hunnewell, J. E. Thayer, J. E. Crowe, C. Minot Weld, W. C. Harris, H. S. Blake, Boston; Sturgis G. Bates, Riverton, Ky. Annual meeting, first Wednesday in Feb. OFFICE, Riverton, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$44,630	$45,486	$53,084	$50,410	$54,770	$53,693
Maintenance of way	17,178	19,930	23,813	26,398	29,317	20,062
Maintenance of equipment	8,358	11,397	12,692	9,139	9,505	10,683
All other operat. expenses	26,028	24,645	25,976	24,284	23,164	22,296
Net operating revenue	*$6,934	*$10,486	*$9,397	*$9,409	*$7,216	$652
Other income	87	616	445	3,350	712	1,020
Total net income	*$6,847	*$9,870	*$8,952	*$6,059	*$6,504	$1,672
Taxes	1,522	1,339	1,375	1,360	1,393	1,379
Fixed charges	1,253	3,422	1,501	712	1,011	626
Deficit	$9,622	$14,631	$11,828	$8,131	$8,908	$333

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,600,987	$2,620,392	$2,638,035	$2,613,697	$2,608,811	$2,604,094
Working assets	638,018	631,799	637,853	662,205	647,627	655,658
Deferred debit items	9,790	10,121	.....	.....	13,776	14,124
Profit and loss deficit	324,727	315,106	302,520	289,349	281,228	270,340
Total	$3,573,522	$3,577,418	$3,578,408	$3,565,251	$3,551,442	$3,544,216
LIABILITIES:						
Capital stock	$3,455,900	$3,480,600	$3,480,600	$3,480,600	$3,480,600	$3,480,600
Working liabilities	114,499	93,805	80,180	74,218	59,970	51,176
Deferred credit items	3,123	3,013	17,628	10,433	10,872	12,440
Total	$3,573,522	$3,577,418	$3,578,408	$3,565,251	$3,551,442	$3,544,216

Capital Stock: Authorized, $3,000,000 preferred and $10,000,000 common; outstanding, $1,763,600 preferred, $1,692,299 common. Par, $100. No bonds. REGISTRAR and TRANSFER AGENT: W. C. Harris, Secy., Boston.

EAST JORDAN & SOUTHERN RAILROAD

History: Incorporated July 9, 1901, under the laws of Michigan, road being opened in the same year. Property is operated in connection with the East Jordan Lumber Co. Line of road, East Jordan to Bellaire, Mich., 18.6 miles, with branches of 23 miles. Equipment owned: 4 locomotives, 1 passenger, 2 combination and 210 freight cars.

Management: OFFICERS: Wm. P. Porter, Pres. and Gen. Mgr., East Jordan, Mich.; E. L. English, Vice-Pres., Pasadena, Cal.; A. H. Frost, Secy. and Treas., San Diego, Cal. DIRECTORS: W. P. Porter, East Jordan, Mich.; E. L. English, Pasadena, Cal.; A. H. Frost, San Diego, Cal. Annual meeting, second Monday in September. OFFICE, East Jordan, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$93,994	$85,496	$86,432	$98,029	$93,720	$93,325	$87,089
Operating expenses	60,499	62,979	54,053	61,197	61,356	60,125	60,686
Net operating revenues	$33,495	$22,517	$32,379	$36,832	$32,363	$33,200	$26,403
Operating ratio	64.4%	73.7%	62.5%	62.4%	65.5%	64.4%	70%
Taxes accrued	5,091	4,494	5,325	5,176	5,064	4,722	4,651
Fixed charges	5,109	5,229	7,911	6,519	5,965	.....	212
Surplus	$23,295	$12,794	$19,143	$25,137	$21,334	$28,478	$21,540
Dividends paid	.....	20,000	30,000	25,000	62,500	20,000	12,500
Balance	$23,295	*$7,206	*$10,857	$137	*$41,165	$8,478	$9,040

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$229,104	$236,356	$325,956	$319,776	$229,799	$238,928
Working assets	47,176	19,773	18,844	34,588	53,837	85,926
Total	$276,280	$256,129	$344,800	$354,364	$283,636	$324,854
LIABILITIES:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Working liabilities	1,060	4,204	2,487	864	1,285	1,338
Accrued liabilities not due	.....	.....	.....	13,000	12,500	12,500
Deferred credit items	.....	.....	83,182	70,512	.....	.....
Profit and loss surplus	25,220	1,925	9,131	19,988	19,851	61,016
Total	$276,280	$256,129	$344,800	$354,364	$283,636	$324,854

Capital Stock: Authorized and outstanding, $250,000; par, $100. Dividends of 5% each were paid in years 1906 to 1910, inclusive: 8% in 1911; 25% in 1912; 10% in 1913 and 12% in 1914; 8% in 1915; none in 1916. Dividends paid annually September 15.

EDDYSTONE & DELAWARE RIVER RAILROAD

History: Incorporated under the laws of Pennsylvania, June 12, 1899. Road opened in December of the same year.

Location: Road extends from the plant of the Eddystone Manufacturing Co. to the main line of the Philadelphia, Baltimore & Washington R.R. and the Philadelphia & Reading Ry., 1.3 miles. Equipment: Locomotives, 2; cars, 2.

Management: OFFICERS: W. P. Simpson, Pres. and Treas.; E. K. Nelson, Vice-Pres., Philadelphia; John Macadam, Sec.; W. P. Anthony, Gen. Mgr., Eddystone, Pa. DIRECTORS: W. P. Simpson, E. K. Nelson, Philadelphia; W. P. Anthony, John Macadam, J. H. Crowe, Eddystone, Pa. Annual meeting, fourth Tuesday in November. GENERAL OFFICE: 1011 Pennsylvania Building, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$8,754	$7,946	$5,361	$4,273	$5,455
Maintenance of way	335	1,030	277	457	330
Maintenance of equipment	929	656	373	411	527
All other operating expenses	2,841	2,871	2,753	2,644	2,751
Net revenues	$4,649	$3,289	$1,958	$761	$1,847
Taxes	306	275	240	241	238
Fixed charges	240	240	240	240	.....
Surplus	$4,103	$2,774	$1,478	$280	$1,609

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $8,696; credit balance transferred from income, $4,103; total, $12,799. Contra: Dividend appropriations of surplus, $2,500; credit balance carried to balance sheet, $10,299; total, $12,799.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$33,518	$34,198	$33,020	$33,380	$33,086
Working assets	9,281	6 998	5,403	3.564	4,829
Deferred debit items	17,500	17,500	17,500	17,500	17,500
Total	$60,299	$58,696	$55,923	$54,444	$55,415
LIABILITIES:					
Capital stock	$50.000	$50.000	$50,000	$50.000	$50,000
Profit and loss	10,299	8,696	5,923	4,444	5,415
Total	$60,299	$58,696	$55,923	$54,444	$55,415

Capital Stock: Authorized and outstanding, $50.000. Par $50. Paid in $32.50 per share. No bonded debt. Dividends have been paid as follows: 1901, 7%; 1902 and 1903, 10% each; 1904 to 1910, inclusive, 2½% each; 1913, 2½%; 1916, 5%.

ELBERTON & EASTERN RAILWAY

History: Incorporated under the laws of Georgia, June 12, 1911, for 99 years.

Location: Road extends from Elberton to Tignall, Ga., 21.8 miles. Sidings, 0.8 mile. Equipment: Locomotives, 2; passenger cars, 3; freight cars, 4.

Management: OFFICERS: W. O. Jones, Pres., Elberton, Ga.; T. W. Shelton, Vice-Pres., Norfolk, Va.; L. M. Heard, Sec. and Treas.; J. S. Crews, Aud., Gen. Mgr., Gen Fgt. and Pass. Agt., Elberton, Ga. DIRECTORS: W. O. Jones, W. F. Anderson, J. T. Dennis, E. M. Kerr, Norfolk, Va.; L. M. Heard, Elberton, Ga.; J. A. Moss, J. J. Wilkerson, W. J. Adams, Tignall, Ga.; T. W. Shelton, Norfolk, Va. Annual meeting, second Monday in January. GENERAL OFFICE, Elberton, Ga.

Income Account, Year Ended June 30, 1916

Gross revenues	$24,040
Operating expenses	19,936
Net operating revenues	$4,004
Taxes	1,479
Fixed charges	16,328
Surplus	(def.) $13,703

Condensed Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Property investment	$499,964	Capital stock	$200,000
Current assets	1,515	Funded debt	300,000
Profit and loss	37,584	Current liabilities	38,387
		Unadjusted debits	676
Total	$539,063	Total	$539,063

Bonded Debt: $300,000 Elberton & Eastern Railway 1st 5s. Dated Dec. 1, 1911; due Dec. 1, 1951. Interest paid J. and D. 1, at Fidelity & Deposit Co., Baltimore, Md. Coupon, $500. Authorized, $750,000. Callable at 105 and interest. First lien on entire property. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $200.000. Par, $100. No dividends paid.

EL DORADO & WESSON RAILWAY

History: Incorporated under laws of Arkansas, Sept. 14, 1905, and opened for traffic Oct., 1907.

Location: Road extends from El Dorado to Wesson, Ark., 10.19 miles. Connects at El Dorado with Rock Island and St. Louis Iron Mountain & Southern Ry. Sidings, 1.72 miles. Equipment: Locomotive, 1; cars, 6.

Management: OFFICERS: C. V. Edgar, Pres., Colorado Springs, Colo.; A. B. Banks, Vice-Pres., Fordyce, Ark.; E. T. Collins, Secy., Treas. and Traf. Mgr.; C. H. Newell, Gen. Mgr., Wesson, Ark. DIRECTORS: C. V. Edgar, Colorado Springs, Colo.; A. B. Banks, Fordyce, Ark.; C. H. Newell, Oklahoma City, Okla.; E. T. Collins, Wesson, Ark.; C. A. Buehner, Millville, Ark.; T. C. Edgar, Pine Bluff, Ark. Annual meeting in December. GENERAL OFFICE, Wesson, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$44.587	$38.821	$32.039	$31,871	$52,198	$47,228
Maintenance of way	9,906	15.212	4.768	5.156	6,251	4,189
Maintenance of equipment	2.576	2.504	1.594	1 350	824	3.762
All other operating exps.	9,903	12,003	10,442	11.813	9,780	6,913
Net operating revs.	$22,202	$9,102	$15,235	$13,552	$35,343	$32,364
Taxes	1,523	886	978	.....	1,024	833
Fixed charges	2.476	2.688	17,782	150	1.000	2,396
Surplus	$18,203	$5 528	(def.) $3.525	$13,402	$33.319	$29,135
Dividends paid	*.....	15,000	21,500	7,500	2.500	.....
Balance	$18.203	(def.) $20,528	(def.) $25,025	$5,902	$30,819	$29,135

* Dividend paid out of profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $92,046; credit balance transferred from income, $18,203; total, $110.249. Contra: Dividend appropriation of surplus, $27,500; credit balance carried to balance sheet, $82,749; total, $110,249.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$121,440	$138.864	$165.671	$167,171	$150,256	$149,746
Working assets	12,474	3.571	3,242	9,183	4,258	2.186
Total	$133,914	$142,435	$168,913	$176,354	$154,514	$151,932

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
Working liabilities	1,165	389	480	678	1,655	29,890
Appropriated surplus	.....	.....	16,915	16,915	.....	.....
Profit and loss surplus	82,749	92,046	101,518	108,761	102,859	72,042
Total	$133,914	$142,435	$168,913	$176,354	$154,514	$151,932

Capital Stock: Authorized and outstanding, $50,000. Par, $100. Dividend in 1912, 5%; in 1913, 15%; in 1914, 43%; in 1915, 30%; 55% in 1916. No bonded debt.

ELK & LITTLE KANAWHA RAILROAD

History: Incorporated under laws of West Virginia, Sept. 8, 1909.

Location: Road extends from Boggs to Shock, W. Va., 26.30 miles; sidings, 1.25 miles. Gauge, 3 feet. Equipment: Locomotives, 3; passenger cars, 2; freight cars, 62; service cars, 8.

Management: OFFICERS: Martin Snider, Pres., Cleveland, O.; F. W. Weller, Vice-Pres.; S. Tydeman, Treas., New York; H. M. Snider, Sec.; George W. Pike, Aud., Cleveland, O.; W. G. Johnston, Supt., Gassaway, W. Va. DIRECTORS: Martin Snider, Cleveland; Geo. W. Pike, New York; Virgil P. Kline, Cleveland, O.; S. Tydeman, F. W. Weller, New York. Annual meeting in April. GENERAL OFFICE, 56 New Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$63,049	$47,720	$53,001	$54,415
Operating expenses	42,651	30,954	36,983	53,089
Net operating revenues	$20,398	$16,766	$16,018	$1,326
Other income	451	199	1,059	1,357
Total net income	$20,849	$16,965	$17,077	$2,683
Fixed charges, incl. taxes	24,191	26,235	25,238	25,510
Deficit	$3,342	$9,270	$8,161	$22,827

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$519,873	$524,015	$525,147	$512,622
Working assets	6,383	4,550	2,827	3,922
Deferred debit items	.....	.....	.....	344
Profit and loss	56,807	52,721	43,443	35,279
Total	$583,063	$581,286	$571,417	$552,167
LIABILITIES:				
Capital stock	$150,000	$150,000	$150,000	$150,000
Working liabilities	433,062	431,274	421,417	402,167
Deferred credit items	1	12	.....	.....
Total	$583,063	$581,286	$571,417	$552,167

Capital Stock: Authorized and outstanding, $150,000; par, $100. No bonded debt. No dividends.

ELKIN & ALLEGHANY RAILWAY

History: Incorporated under the laws of North Carolina, Feb. 23, 1907. Road built with State convict labor, for which State was paid in common stock.

Receivership: December 13, 1915, C. B. Penney, of Elkin, N. C., and M. W. Thompson, of New York, were appointed receivers.

Location: In operation, Elkin to Veneer, 15 miles. Under construction 40 miles from Doughton to Aparta, N. C., 40 miles. Equipment: Locomotive, 1; cars, motor, 2; passenger, 1; freight, 6.

Management: OFFICERS: J. A. Mills, Pres. and Gen Mgr.; F. T. Ricks, Asst. to Pres., Raleigh, N. C.; H. G. Chatham, Vice-Pres., Winston-Salem, N. C.; Alex. Chatham, Jr., Sec. and Treas.; C. B. Penney, Gen. Mgr.; P. P. Gwyn, Gen. Agt., Elkin, N. C. DIRECTORS: A. Chatham Sr., Elkin, N. C.; T. L. Gwyn, Elkin, N. C.; C. C. Smoot, N. Wilkesboro, N. C.; R. H. Hackler, Sparta, N. C.; A. A. Woodruff, Cherry Lane; R. A. Doughton, Sparta, N. C.; A. H. Eller, G. W. Hinshaw, H. G. Chatham, Winston-Salem, N. C.; G. T. Roth, J. S. Atkinson, A. M. Smith, R. M. Chatham, A. G. Click, J. F. Hendren, E. F. McNeer, J. W. Ring, Elkin, N. C.; J. A. Mills, Raleigh, N. C.; C. W. Smith, Laurel Branch, N. C.; J. C. Smoot, North Wilkesboro, N. C. Annual meeting, May 1. OFFICE, Elkin, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$8,305	$10,470	$11,451	$10,599
Operating expenses	13,762	12,226	11,866	14,228
Net revenues	(def.) $5,457	(def.) $1,756	(def.) $415	(def.) $3,629
Taxes	.....	340	522	77
Fixed charges	11,587	26,453	9,910	8,800
Balance	(def.) $17,044	(def.) $28,549	(def.) $10,847	(def.) $12.506

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$977,200	$1,010,765	$715,124	$477,024
Working assets	5,881	896	.....	1,052
Deferred debit items	36,335	.....	37,426	24,235
Profit and loss	68,946	.....	23,353	12,506
Total	$1,088,362	$1,011,661	$775,903	$514,817
LIABILITIES:				
Capital stock	$476,300	$476,300	$436,300	$234,200
Funded debt	482,000	480,000	312,000	264,000
Working liabilities	129,831	55,361	27,603	16,617
Deferred credit items	231	.....	.....	.....
Total	$1,088,362	$1,011,661	$775,903	$514,817

Bonded Debt: (1) $192,000 Elkin & Alleghany Railway 1st 6s. Dated July 1, 1911; due July 1, 1941. Interest paid J. and J. 1 at Bankers Trust Co., New York. Coupon, $1,000. Mortgage is closed and limited to property acquired before May 1, 1914. Callable at 107½. Interest paid without deduction for normal income tax.

(2) $208,000 Elkin & Alleghany Railway 1st and refunding 6s. Dated May 1, 1914; due May 1, 1944. Interest paid M. and N. 1, at Columbia Trust Co., New York. Authorized, $3,750,000. Unissued bonds issuable at $25,000 per mile including terminals. Callable at 120. First lien on entire property subject to No. 1. Interest paid without deduction for normal income tax.

(3) $80,000 Elkin & Alleghany Railway non-cumulative Income 6s. Dated May 1, 1914; due May 1, 1944. Interest paid M. and N. 1 at Columbia Trust Co. Authorized, $750,000, the outstanding bonds having been issued to retire $120,000 6% Income bonds dated July 1, 1911. Unissued bonds issuable at rate of $5,000 per mile. Issue carries voting rights.

Capital Stock: Authorized, $3,000,000; outstanding, $476,300. Par $100. No dividends paid.

EL PASO & SOUTHWESTERN COMPANY

History: Incorporated in New Jersey, on March 26, 1901, as the Southwestern Investment Co., name changed to present style on April 28, 1908. Operates, under lease and otherwise, a system of roads known as the El Paso & Southwestern system, described in detail on the following pages. Company owns the entire capital stock of the El Paso & Northeastern Co. ($12,000,000); all the stock of the El Paso & Southwestern R.R. ($14,000,000), as well as all the bonds of the latter ($5,055,000), all the stock of the Morenci Southern Ry. Co. ($750,000), of the Nacozari R.R. ($1,000,000), and of the Burro Mountain R.R. Co. ($400,000).

Location: The El Paso & Northeastern Co. is a holding company, controlling the railroads forming the Eastern Division of the general system. The El Paso & Southwestern R.R. with controlled lines forms the Western Division of the general system. Total mileage operated, 1,027.08 (including 92.92 miles trackage); 741.57 miles are in New Mexico, 261.60 in Arizona, and 23.91 in Texas. The Morenci Southern R.R., 18.13 miles, and the Nacozari R.R., 77 miles, are separately operated, and not included in foregoing total. See these companies on following pages.

Equipment (entire system): Locomotives, 147; passenger and freight cars, 3,871; service cars, 380.

Management: OFFICERS: James Douglas, Pres.; Walter Douglas, Vice-Pres.; Arthur Curtiss James, Vice-Pres.; T. M. Schumacher, Vice-Pres.; Geo. Notman, Secy. and Treas. DIRECTORS: James Douglas, Arthur Curtiss James, Cleveland H. Dodge, Jas. McLean, Wm. C. Osborn, Edmund Coffin, Walter Douglas, T. M. Schumacher, W. D. Van Vleck. Annual meeting, in April. OFFICE, 99 John Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$10,671,627	$7,773,360	$9,057,553	$8,657,717	$7,613,456	$7,195,887	$7,437,661
Maintenance of way	1,314,373	1,021,496	1,283,247	1,039,279	906,737	890,116	979,674
Maintenance of equipment	1,337,981	1,075,214	1,241,720	1,161,259	1,045,765	966,905	984,047
All other operating expenses	3,271,914	2,632,515	3,313,374	2,917,806	2,605,049	2,473,996	2,448,407
Net operating revenues	$4,747,359	$3,044,135	$3,219,212	$3,539,433	$3,055,905	$2,864,871	$3,025,533
Operating ratio	55.5%	60.8%	61.8%	59.1%	59.9%	59.7%	59%
Other income	1,924,260	1,405,121	1,399,766	1,545,467	1,079,542	984,969	1,037,468
Total net income	$6,671,619	$4,449,256	$4,618,978	$5,084,900	$4,135,447	$3,849,840	$4,063,011
Taxes accrued	471,680	400,743	487,224	378,952	278,031	231,554	255,600
Fixed charges	3,632,190	2,235,866	2,372,036	2,546,316	1,848,254	1,789,670	1,684,667
Surplus	$2,567,749	$1,812,647	$1,759,718	$2,159,632	$2,009,162	$1,828,616	$2,122,744
Dividends paid	1,250,000	1,250,000	1,236,884	1,169,022	1,121,857	1,065,900	1,463,000
Balance	$1,317,749	$562,647	$522,834	$990,610	$887,305	$762,716	$659,744

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $2,994,631; credit balance transferred from income, $1,317,749; donations, $20,000; miscellaneous credits, $4,686; total, $4,337,066. Contra: Loss on retired road and equipment, $57,776; credit balance carried to balance sheet, $4,279,290; total, $4,337,066.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$35,619,411	$35,181,730	$35,009,173	$33,461,178	$29,880,619	$29,655,839
Working assets	4,963,488	4,222,281	6,261,907	6,945,879	8,530,499	6,248,142
Deferred debit items	1,373,076	1,036,209	2,257,479	2,347,250	4,436,389	2,733,309
Total	$41,955,975	$40,440,220	$43,528,559	$42,754,307	$42,847,507	$38,637,290

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$25,000,000	$25,000,000	$25,000,000	$23,950,700	$22,810.200	$21,318,000
Funded debt	2,000,000	.....	2,500,000	2,900,000	4,800,000	1,200,000
Working liabilities	3,734,744	5,509,523	3,540,870	2,748,636	2,743,493	4,582,594
Accrued liabilities not due	218,174	191,292	211,105	207,556	157,102	154,895
Deferred credit items....	508,509	539,516	602,438	707,109	1,158,935	1,065,103
Appropriated surplus	6,205,258	6,205,258	6,205,258	6,205,258	6,205,258	6,205,258
Profit and loss surplus...	4,279,290	2,994,631	5,468,888	5,955,048	4,972,519	4,111,440
Total	$41,955,975	$40,440,220	$43,528,559	$42,754,307	$42,847,507	$38,637,290

Bondd Debt: $2,000,000 4½% notes, dated Jan. 2, 1916; due $500,000 each Jan. 2, 1917 to 1921 inclusive. Int. payable quarterly Jan. Authorized, $2,500,000. Rating, A.

Capital Stock: Auth., $35,000,000; outstanding, June 30, 1915, $25,000,000; par, $100. Cash dividends, 1¼% quarterly January. Stock dividends in recent years have been paid as follows: 1909, $1,900,000; 1910, $418,000; 1911, $1,492,400; 1913, $1,140,500; 1914, $1,049,300. TRANSFER OFFICE: 99 John Street, New York.

COMPANIES CONTROLLED BY EL PASO & SOUTHWESTERN COMPANY

EL PASO & NORTHEASTERN COMPANY

(Constituting Eastern Division of El Paso & Southwestern System.)

History: Incorporated under New Jersey laws, May 15, 1897, under name of New Mexico Railway & Coal Co.; name, changed as above in December, 1905. The company owns all the securities of the El Paso & Northeastern Railway, the El Paso & Northeastern R.R., and all the capital stocks of the Alamogordo & Sacramento Mountain Ry., the El Paso & Rock Island Ry., the Dawson Railway & Coal Co., these companies constituting the Eastern Division of the El Paso & Southwestern Company. They are operated under lease contract by the latter company, which controls the El Paso & Northeastern Company through stock ownership. The El Paso & Northeastern Company also owns the entire capital stock and all the $340,000 outstanding bonds of the Alamogordo Lumber Company.

Location: The railroads controlled by the El Paso & Northeastern Company, and operated by the El Paso & Southwestern Company as the "Eastern Division" of the latter, are as follows: Dawson Railway (controlled through the Dawson Railway & Coal Co.), 132.20 miles, from Dawson to Tucumcari, N. M.; El Paso & Northeastern R.R., 19.22 miles, from El Paso, Tex., to New Mexico line; El Paso & Northeastern Ry., 149.66 miles, from Texas State line to Capitan, N. M.; El Paso & Rock Island Ry., 127.51 miles from Carrizosa to Santa Rosa, N. M.; Alamogordo & Sacramento Mountain Ry., 31.07 miles, from Alamogordo to Russia, N. M.

Management: OFFICERS: James Douglas, Pres.; A. C. James, T. M. Schumacher, Vice-Prests.; Geo. Notman, Secy. and Treas. DIRECTORS: James Douglas, C. H. Dodge, James McLean, T. M. Schumacher, A. C. James, Wm. Church Osborn, W. D. Van Vleck. Annual meeting, second Tuesday in January. OFFICE, 99 John Street, New York.

Bonded Debt: (1) $3,000,000 New Mexico Ry. & Coal Co. first and collateral trust 5s; dated Oct. 1, 1897; due Oct. 1, 1947. Int. April and October 1 at Equitable Trust Co., New York. Coupon, $1,000; prin. may be registered. Callable at 105 and interest. Secured by deposit of $2.700.000 stock and $2,700,000 bonds of El Paso & Northeastern Ry.; $300,000 stock of El Paso & Northeastern R.R.; $100,000 stock and $1,500,000 bonds of New Mexico Fuel Co. Interest paid without deduction for normal income tax. Net Rating, Aa.

(2) $1,792,000 New Mexico Ry. & Coal Co. first and consolidated and collateral trust 5s; dated Oct. 1, 1901; due Oct. 1, 1951. Int. April and October at Equitable Trust Company, New York. Coupon, $1,000; prin. may be registered. Auth., $5,000.000, of which $3,000,000 are reserved to retire at par the $3,000.000 first 5s described above. Secured on same collateral as No. 1, but subject thereto and in addition by deposit of $900,000 capital stock of Alamogordo & Sacramento Mountain Ry.; $1,500,000 (60%) stock of El Paso & Rock Island Ry., and $51.000 (51%) stock of Dawson Ry. & Coal Co. Interest paid without deduction for normal income tax. Net Rating, Aa.

(3) $372,000 Alamogordo & Sacramento Mountain Ry. first 5s; dated April 1, 1898; due April 1, 1928; int. Apr. and October, at Equitable Trust Co., New York. Coupon, $1.000. Prin. may be registered. Prin. and int. guar. by El Paso & Northeastern Co. First lien on 31 miles. Interest paid without deduction for normal income tax. Net Rating, Aa.

(4) $2.500,000 El Paso & Rock Island Ry. first 5s; dated Jan. 1, 1901; due Jan. 1, 1951. Int. January 1 and July 1 at Equitable Trust Company, New York. Coupon, $1,000; prin. may be registered. First lien on 128 miles. Guar. prin. and int. by El Paso & Northeastern Co. Interest paid without deduction for normal income tax. Market: J. S. Farlee & Co., New York; Perry, Coffin & Burr, Boston. Net Rating, Aa.

(5) $3,000,000 Dawson Ry. & Coal Co. first and collateral trust 5s; dated July 1, 1901; due July 1, 1951. Int. January 1 and July 1 at Equitable Trust Company, New York. Coupon, $1,000; prin. may be registered. First lien on 132 miles of road, on coal deposits of Dawson Fuel Co., and by deposit of all stock and bonds of Dawson Ry. and the Dawson Fuel Co. Prin. and int. guar. by El Paso & Northeastern Co. Sinking fund, 5 cents per ton on all coal mined. Interest paid without deduction for normal income tax. Net Rating, Aa.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

Capital Stock: Auth. and outstanding, $12,000,000; par $100. No dividends reported. All owned by El Paso & Southwestern Company.

ALAMOGORDO & SACRAMENTO MOUNTAIN RAILWAY

History: Incorporated under laws of New Mexico, March 28, 1898. Line of road, Alamogordo Junc. to Russia, N. M., 31.07 miles; sidings, 3.25 miles. Controlled by stock ownership by El Paso & Northeastern Co., and leased since May 1, 1908, to the El Paso & Southwestern Co. at an annual rental of $19,300.

Management: OFFICERS: A. C. James, Pres.; C. H. Dodge and T. M. Schumacher, Vice-Prests.; Geo. Notman, Treas.; F. T. Bulmer, Secy. Annual meeting, second Tuesday in September. OFFICE, 99 John Street, New York.

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$19,300	$19,300	$19,107	$18,600	$18,600	$18,600
Taxes accrued	5	6	2	.....	.....	.....
Fixed charges	18,723	18,720	18,600	18,600	18,600	18,600
Surplus	$572	$574	$505	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,277,414	$1,279,139	$1,281,742	$1,284,472	$1,302,805	$1,300,085
Working assets	6,302	5,832	5,934	5,748	5,707	8,427
Deferred debit items	27,445	24,392	21,340	18,292	.....	.....
Total	$1,311,161	$1,309,363	$1,309,016	$1,308,512	$1,308,512	$1,308,512
LIABILITIES:						
Capital stock	$900,000	$900,000	$900,000	$900,000	$900,000	$900,000
Funded debt	373,226	372,000	372,000	372,000	372,000	372,000
Accrued liabilities not due	4,650	4,650	4,649	4,650	4,650	4,650
Profit and loss surplus	32,285	32,713	32,367	31,862	31,862	31,862
Total	$1,311,161	$1,309,363	$1,309,016	$1,308,512	$1,308,512	$1,308,512

Bonded Debt: $372,000 first 5s; due April 1, 1928. For details and rating, see statement of El Paso & Northeastern Company, page 879.

Capital Stock: Auth. and issued, $900,000; par, $100. All owned by El Paso & Northeastern Company and deposited under the New Mexico Railway & Coal 5s of 1951.

DAWSON RAILWAY & COAL COMPANY

History: Incorporated June 27, 1901, under New Jersey laws. Owns the entire capital stock of the Dawson Railway Co. and all the stock of the Dawson Fuel Co. Latter owns 35,000 acres of coal lands in New Mexico.

Management: OFFICERS: James Douglas, Pres.; A. C. James, Vice-Pres.; Geo. Notman, Treas.; F. T. Bulmer, Secy. Annual meeting second Tuesday in January. OFFICE, 99 John Street, New York.

Bonded Debt: $3,000,000 first 5s; due July 1, 1951. For details and rating, see statement of El Paso & Northeastern Company, page 879.

Capital Stock: Auth. and issued, $100,000; par, $100. All owned by El Paso & Northeastern Co.

DAWSON RAILWAY

History: Incorporated under New Mexico laws, July 13, 1901. Line of road, Dawson to Tucumcari, N. M., 132.20 miles; sidings, 35.82 miles. Leased to El Paso & Southwestern Company at an annual rental of $170.300.

Management: OFFICERS: A. C. James, Pres.; T. M. Schumacher and C. H. Dodge, Vice-Prests.; Geo. Notman, Treas.; F. T. Bulmer, Secy. OFFICE, 99 John Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental Income	$170,300	$170,260	$170,000	$167,000	$167.000	$167.000
Taxes accrued	1,675	1,685	1,668	1,604	1,604	1,616
Fixed charges	80	.....	.....	80	.....	.....
Surplus	$168.545	$168.565	$168.332	$165.316	$165.396	$165.384
Dividends paid	168,000	168,000	168,000	165,000	165,000	165,000
Balance	$545	$565	$332	$316	$396	$384

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $394,117; credit balance transferred from income, $545; total, $394,662. Contra: Loss on retired road and equipment, $1,228; credit balance carried to balance sheet, $393,434; total, $394,662.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$6,776,830	$6,709.521	$6,679.738	$6,617,186	$6,547,597	$6,464.836
Working assets	31,133	30,587	30,022	31,294	29,374	28,977
Total	$6,807,963	$6,740,108	$6,709,760	$6,648,480	$6,576,971	$6,493,813
LIABILITIES:						
Capital stock	$3,000.000	$3.000.000	$3.000.000	$3.000.000	$3.000.000	$3.000,000
Funded debt	3,414.529	3.345.991	3,316.208	3,253.530	3,183.941	3,101.180
Profit and loss surplus	393,434	394,117	393,552	393,346	393,030	392,633
Deferred credit items	.....	.....	.....	1,604	.....	.....
Total	$6,807,963	$6,740,108	$6,709,760	$6,648,480	$6,576,971	$6,493,813

Note: Funded debt in 1916 includes $414,259 advances hy El Paso & Southwestern Co.

Bonded Debt: $3.000.000 Dawson Ry. first 5s; dated July 1, 1901; due July 1, 1951. Int. paid J. and J. 1. First lien on the entire road, 132.21 miles. Entire issue owned by Dawson Ry. & Coal Co. and deposited under that company's first mortgage.

Capital Stock: Auth. and issued, $3,000,000; par, $100. Entire issue owned by Dawson Ry. & Coal Co. Dividends average 5.6% per annum.

EL PASO & NORTHEASTERN RAILROAD

History: Incorporated under laws of Texas, June 12, 1896. Line of road, El Paso to New Mexico-Texas State line, 19.22 miles. Sidings, 20.04 miles. Entire stock owned by El Paso & Northeastern Co. Company owns a one-sixth interest in the El Paso Union Passenger Depot Company.

Management: OFFICERS: Walter Douglas, Pres.; H. J. Simmons, Vice-Pres.; A. L. Hawley, Secy.; J. S. Wright, Treas. Annual meeting, Wednesday after second Tuesday in September. OFFICE, El Paso, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$6,488	$7,818	$69,371	(def.)$25,567	$70,694	$72,583
Surplus	6.488	7,818	69,371	(def.) 25,567	70,694	72,583
Dividends paid	.....	.....	.....	37,458	.....	.....
Balance	$6,488	$7,818	$69,371	(def.)$63,025	$70,694	$72,583

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$517,660	$511,167	$502,631	$466,554	$440,688	$348,063
Deferred assets	901	.....	.....	.....	.....	.....
Profit and loss deficit	.....	.....	7,337	63,026	.....	.....
Total	$518,561	$511,167	$509,968	$529,580	$440,688	$348,063
LIABILITIES:						
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Working liabilities	150,956	150.051	149,333	168.944	47,301	19,234
Appropriated surplus	60,636	60,636	60,635	60,636	60,635	.....
Profit and loss surplus	6,969	481	.....	.....	32,752	28,829
Total	$518,561	$511,168	$509,968	$529,580	$440,688	$348,063

Capital Stock: Auth. and issued, $300,000; par, $100. All owned by El Paso & Northeastern Co. Dividends: in 1911, 39.2%; 1912, 22.25%; 1913, 23.40%; none reported since.

EL PASO & NORTHEASTERN RAILWAY

History: Incorporated under laws of New Mexico, Oct. 21, 1897. Line of road, Texas State line to Carrizozo, N. M., with branch to Capitan, 149.66 miles. Sidings, 30.45 miles. Controlled by stock ownership by El Paso & Northeastern Co. and leased to El Paso & Southwestern Co. at an annual rental of $189,000. Lessee operates the property.

Management: OFFICERS: A. C. James, Pres.; T. M. Schumacher and C. H. Dodge, Vice-Prests.; Geo. Notman, Treas.; F. T. Bulmer, Secy. Annual meeting, second Tuesday in September. OFFICE, 99 John Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$189,000	$188,950	$188,679	$188,000	$188,000	$188.000
Taxes accrued	1,871	1,871	1,843	1,811	1,812	1,826
Fixed charges	80	.....	.....	120	.....	.....
Surplus	$187,049	$187.079	$186.836	$186.069	$186,188	$186,174
Dividends declared	186,000	186,000	186,000	185,000	185,000	185,000
Balance	$1,049	$1,079	$836	$1,069	$1,188	$1,174

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $474,235; credit balance transferred from income, $1,049; total, $475,284. Contra: Loss on retired road and equipment, $24,749; credit balance carried to balance sheet, $450,535; total, $475,284.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,879.908	$6,030.600	$5,922.687	$5,905,308	$5,988,962	$5,979,488
Working assets	27,831	26,781	25,703	26,677	23,797	22,609
Deferred debit items	135,814	114,872	101,663	88,480	.....	.....
Total	$6,043,553	$6,172,253	$6,050,053	$6,020,065	$6,012,759	$6,002,097
LIABILITIES:						
Capital stock	$2,700.000	$2,700,000	$2,700,000	$2,700,000	$2,700.000	$2,700.000
Funded debt	2,893,018	2,883,146	2,876,897	2,846,335	2,839,382	2,829,909
Working liabilities	.....	114,872	.....	.....	.....	.....
Deferred credit items	.....	.....	.....	1,811	.....	.....
Appropriated surplus	.....	.....	.....	.....	.....	.....
Profit and loss surplus	450,535	474,235	473,156	472,319	473,377	472,188
Total	$6,043,553	$6,172,253	$6,050,053	$6,020,065	$6,012,759	$6,002,097

Note: Funded debt in 1916 includes $193,018 advances by El Paso & Southwestern Co.

Bonded Debt: $2,700,000 El Paso & Northeastern Ry. 50-year gold 5s; all owned by El Paso & Northeastern and deposited under its collateral trust mortgage.

Capital Stock: Auth. and outstanding, $2,700,000; par, $100. All owned by El Paso & Northeastern Co. and deposited under its collateral trust mortgage.

EL PASO & ROCK ISLAND RAILWAY

History: Incorporated under laws of New Mexico, Dec. 10, 1900. Line of road, 127.51 miles (sidings, 23.68 miles), connecting the El Paso system lines with the Chicago, Rock Island & Pacific Railway, with which the company has an agreement for the interchange of traffic. Leased to El Paso and Southwestern Co. at rental of $168,800 per annum.

Management: OFFICERS: A. C. James, Pres.; C. H. Dodge and T. M. Schumacher, Vice-Pres.; Geo. Notman, Treas.; F. T. Bulmer, Secy. OFFICE, 99 John St., New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$168,600	$168,550	$168,284	$166,000	$166,000	$166,000
Taxes accrued	423	420	418	356	356	363
Fixed charges	125,412	125,327	125,000	125,040	125,000	125,000
Surplus	$42,765	$42,803	$42,866	$40,604	$40,644	$40,637
Dividends paid	41,000	41,000	41,000	40,600	40,600	40,600
Balance	$1,765	$1,803	$1,866	$4	$44	$37

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,985,147; credit balance transferred from income, $1,765; total, $1,986,912. Contra: Loss on retired road and equipment, $250; credit balance carried to balance sheet, $1,986,662; total, $1,986,912.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$7,942,216	$7,830,766	$7,660,026	$7,552,621	$7,438,913	$7,329,183
Working assets	123,343	121,578	119,776	118,266	117,906	117,862
Total	$8,065,559	$7,952,344	$7,779,802	$7,670,887	$7,556,818	$7,447,045
LIABILITIES:						
Capital stock	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Funded debt	3,516,397	3,404,697	3,733,163	3,124,772	3,011,063	2,901,334
Working liabilities	62,500	62,500	.....	.....	.....	.....
Accrued liabilities not due	.....	.....	62,500	62,500	62,500	62,500
Deferred credit items	.....	.....	.....	356	.....	.....
Profit and loss surplus	1,986,662	1,985,147	1,984,139	1,983,259	1,983,255	1,983,211
Total	$8,065,559	$7,952,344	$7,779,802	$7,670,887	$7,556,818	$7,447,045

Note: Funded debt in 1916 includes $1,016,397 advances by El Paso & Southwestern Co.

Bonded Debt: $2,500,000 first 5s; due Jan. 1, 1951. For details and rating see statement of El Paso and Northeastern Company, page 879.

Capital Stock: Auth. and issued, $2,500,000; par, $100. All owned by El Paso & Northeastern Company. Dividends: 1910, 1%; 1911 to 1913, 1.62% each; 1914, 1915 and 1916, 1.64% each.

EL PASO & SOUTHWESTERN RAILROAD COMPANY

(Constituting Western Division of El Paso and Southwestern System.)

History: Incorporated under Arizona laws, Oct. 16, 1900, as successor to the Arizona and Southeastern R.R., the Southwestern R.R. of Arizona, the Southwestern R.R. of New Mexico, and the El Paso Terminal R.R. In 1914, acquired and merged the New Mexico and Colorado R.R. Also owns the entire capital stock of the El Paso and Southwestern R.R. of Texas, the Southwestern and International Telegraph Co. and the Texas and Western Tel. & Tel. Co. All stock owned by El Paso and Southwestern Company, which leases the road.

Location: Line of road: Texas State line to Tucson, Ariz., 337.81 miles; Bisbee to Osborn, 7.83 miles; Deming to Hermanas, N. M., 31.54 miles; Fairbank to Tombstone, 9.92 miles; Corta to Lowell, Ariz., 3.10 miles; Douglas Junc. to Cortland, Ariz., 34.73 miles; Fairbank to Benson, 17.55 miles; Lewis Springs to Fort Huachuca, Ariz., 14.30 miles; total owned, 456.78 miles. The Burro Mountain R.R., comprising 13.03 miles from Burro Mt. Junc. to Tyrone, N. M., is leased by the El Paso & Southwestern R.R. Co. at an annual rental equal to 5% on the investment in the property. Entire road, 469.81 miles, is operated by lessee. Yard track and sidings, 110.54 miles.

Management: OFFICERS: James Douglas, Pres.; A. C. James, Walter Douglas, T. M. Schumacher, Vice-Prests.; Geo. Notman, Sec. and Treas.; T. F. Bulmer, Asst. Sec. OFFICE, 99 John Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$2,598,689	$1,214,287	$1,253,069	$1,360,005	$788.000	$788.289
Taxes accrued	.....	.....	.....	.....	5,882	5.764
Fixed charges	273,455	273,350	252,750	252,750	252,750	252,750
Surplus	$2,325.234	$940.937	$1,000.319	$1,107.255	$529,368	$529,775
Dividends paid	1,400,000	840,000	910,000	857,500	525,000	525,000
Surplus	$925,234	$100,937	$90,319	$249,755	$4,368	$4,775

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,463,533; credit balance transferred from income, $925,234; miscellaneous credits, $39; total, $2,388,806. Contra: Loss on retired road and equipment, $2,209; credit balance transferred to balance sheet, $2,386,597; total, $2,388,806.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$21,003,579	$20,967,038	$20,839,521	$20,325,183	$17,218,661	$17,035,640
Working assets	744,761	.....	.....	358,686	.....	29,194
Deferred debit items	149,632	129,176	129,177	129,176	126,375	126,488
Total	$21,897,972	$21,096,214	$20,968,698	$20,813,045	$17,345,036	$17,191,322
LIABILITIES:						
Capital stock	$14,000,000	$14,000,000	$14,000,000	$14,000.000	$10,500,000	$10,500,000
Funded debt	5,055,000	5,055,000	5,055,000	5,055,000	5,055,000	5,055,000
Working liabilities	126.375	247,681	201,649	126.375	402,087	126,375
Appropriated surplus	330,000	330,000	330.000	330,000	330,000	330,000
Profit and loss surplus ...	2,386,597	1,463,533	1,382,049	1,301,670	1,057,949	1,179,947
Total	$21,897,972	$21,096,214	$20,968,698	$20,813,045	$17,345,036	$17,191,322

Bonded Debt: $5,055,000 El Paso & Southwestern R.R. first 5s; dated Jan. 1, 1903; due Jan. 1, 1923. Int. paid J. and J. 1, at Farmers' Loan and Trust Co., New York. Coupon, $1,000. First lien on all property owned, and by deposit of stock of El Paso and Southwestern R.R. Co., of Texas. Auth., $7,000,000. All owned by El Paso and Southwestern Company.

Capital Stock: Auth., $20,000,000; outstanding, $14,000,000; par, $100. Dividends: 1905, 8½%; 1906, 2½%; 1909 to 1913, 5% each; 1913, 7%; 1914, 5%; 1915, 6%; 1916, 10%. All owned by El Paso and Southwestern Company.

EL PASO & SOUTHWESTERN RAILROAD OF TEXAS

History: Incorporated July 12, 1902, under Texas laws. Line of road, El Paso to New Mex. State line, 4.69 miles, connecting with El Paso & Southwestern R.R. (of Ariz.), which owns all the capital stock. Company owns a one-sixth interest in the stock of the El Paso Union Passenger Depot Co. Operated under lease by the El Paso and Southwestern Company. Second track, 2.03 miles; yard track, etc., 18.87 miles.

Management: OFFICERS: Walter Douglas, Pres.; H. J. Simmons, Vice-Pres.; J. S. Wright, Treas.; A. L. Hawley, Secy., F. T. Bulmer, Asst. Secy., 99 John Street, New York. OFFICE, El Paso, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$195,713	$199,973	$210,318	$140,292	(def.) $1,032	(def.) $5,303
Fixed charges	60,000	60,000	60,000	.....	.....	.....
Balance	$135,713	$139,973	$150,318	$140,292	(def.) $1,032	(def.) $5,303
Dividends paid	.....	.....	.....	140,000	.....	.....
Balance	$135,713	$139,973	$150,318	$292	(def.) $1,032	(def.) $5,303

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,906; credit balance transferred from income, $135.713; debit balance carried to balance sheet, $381; total, $140,000. Contra: Dividend appropriations of surplus, $100,000.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,364,275	$3,291,438	$3,290,091	$3,181.161	$3,167,932	$3,066,855
Profit and loss deficit.....	381	.....	.....	6,123	5,000	5,384
Deferred assets	611	.....	.....	.....	.....	.....
Total	$3,365,267	$3,291,438	$3,290,091	$3,189,284	$3,172,932	$3,072,239
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000.000	$2,000,000	$2,000,000
Funded debt	.....	.....	.....	971,400	.....	.....
Working liabilities	1,287,382	1,069,647	1,208,011	140,000	1,101,463	1,072,239
Accrued liabilities not due	.....	140.000	.....	.....	.....	.....
Appropriated surplus	77,885	77,885	77,885	77,884	149,354	.....
Profit and loss surplus ...	.....	3,906	4,195	.....	6,415	.....
Total	$3,365,267	$3,291,438	$3,290,091	$3,189,284	$3,172,932	$3,072,239

Capital Stock: Auth. and issued, $2,000,000; par, $100. Dividends, 7% per annum. All owned by El Paso & Southwestern R.R. (of Ariz.).

MORENCI SOUTHERN RAILWAY

History: Incorporated under laws of Arizona, Sept. 14, 1899. Line of road, Morenci to Guthrie, Ariz., 18.41 miles. Yard track, 1.74 miles. Controlled by stock ownership by El Paso and Southwestern Company, but separately operated. Equipment: Locomotives, 7; cars, 31.

Management: OFFICERS: James Douglas, Pres.; A. C. James, Vice-Pres.; T. M. Schumacher, Vice-Pres.; Geo. Notman, Secy. and Treas. Annual meeting in October. OFFICE, 99 John Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$77,055	$82,636	$112,253	$100,353	$87,043	$93,329
Maintenance of way	43,103	24,638	64,797	26,203	14,505	8,395
Maintenance of equipment	14,150	19,159	26,195	17,788	15,025	19,067
All other expenses	49,838	50,584	77,130	79,576	60,128	65,403
Net operating revenue	*$30,036	*$11,745	*$45,869	*$13,214	*$2,615	$464
Operating ratio	139.0%	114.2%	140.8%	113.1%	103%	99.5%
Other income	123	95	165	247	232	.....
Total net income	*$29,913	*$11,650	*$45,704	*$12,967	*$2,383	$464
Taxes accrued	5,244	5,584	4,096	5,188	2,053	2,948
Surplus	*$35,157	*$17,234	*$49,800	*$18,155	*$4,436	*$2,484

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $36,639; donations, $53,173; total, $89,812. Contra: Debit balance transferred from income, $35,157; loss on retired road and equipment, $23,489; credit balance carried to Balance Sheet, $31,166; total, $89,812.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$775,558	$755,972	$758,931	$796,930	$750,126
Working assets	28,324	24,308	553,644	594,168	647,646
Deferred debit items	245	32,056	14,510	12,317	.....
Total	$804,127	$812,336	$1,327,085	$1,403,415	$1,397,772
LIABILITIES:					
Capital stock	$750,000	$750,000	$1,250,000	$1,250,000	$1,250,000
Working liabilities	20,364	23,434	21,109	34,452	21,030
Accrued liabilities not due	2,597	2,263	2,074	.....	1,186
Deferred credit items	.....	.....	29	13,497	.....
Profit and loss surplus	31,166	36,639	53,873	105,466	125,556
Total	$804,127	$812,336	$327,085	$1,403,415	$1,397,772

Capital Stock: Auth., $1,250,000; outstanding, $750,000; par, $100. All owned by El Paso and Southwestern Company.

NACOZARI RAILROAD COMPANY

History: Incorporated under New Jersey laws, March 10, 1899. Line of road, Douglas, Ariz., to Nacozari, Mexico, 77 miles.

Management: OFFICERS: James Douglas, Pres.; A. C. James and T. M. Schumacher, Vice-Pres.; Geo. Notman, Secy. and Treas. OFFICE, 99 John Street, New York.

Capital Stock: Auth. and issued, $1,000,000; par, $100. All owned by El Paso & Southwestern Co.

EL PASO UNION PASSENGER DEPOT COMPANY

History: Incorporated in 1903, to construct a union passenger station at El Paso, Texas. Owns the Union Station and about 5 miles of terminal tracks at El Paso, Texas. Leased to El Paso & Northeastern R.R., El Paso & Southwestern R.R. of Texas, Galveston, Harrisburg & San Antonio Ry., Rio Grande & El Paso Ry., Texas & Pacific Ry., and Mexican Central Ry., Ltd. Each company owns one-sixth of the stock and agrees jointly and severally to pay as rental an amount sufficient to cover interest on the bonds and provide for sinking fund to retire bonds at or before maturity.

Management: OFFICERS: Geo. F. Hawks, Pres., El Paso; G. S. Waid, Vice-Pres.; U. S. Stewart, Treas.; W. R. Martin, Secy., El Paso, Texas. DIRECTORS: F. C. Fox, Amarillo, Texas.; G. F. Hawks, El Paso; W. A. Hawkins, W. W. Turney, El Paso, Texas; J. H. Elliott, Dallas, Texas; G. S. Waid, Houston, Texas; A. J. Pani, Mexico, D. F. MAIN OFFICE, El Paso, Texas. Annual meeting, first Tuesday in February.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Net operating revenue	$14,243	$14,583	*$2,812	$3,801	*$1,466	$3,963
Other income	11,700	12,000	17,143	17,608	19,505	21,559
Total net income	$25,943	$26,583	$14,331	$21,409	$18,039	$25,522
Taxes accrued	7,200	5,031	5,144	4,960	5,122	4,975
Fixed charges	11,700	12,000	12,000	12,000	12,000	12,000
Surplus	$7,043	$9,552	*$2,813	$4,449	$917	$8,547
Other deductions	2,406	.....	.....	648	2,383	4,584
Balance	$4,637	$9,552	*$2,813	$3,801	*$1,466	$3,963

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $14,950; credit balance transferred from income, $4,637; total, $19,587. Contra: Miscellaneous appropriations of surplus, $12,000; credit balance carried to Balance Sheet, $7,587; total, $19,587.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$342,559	$342.479	$338,531	$338,531	$337,883	$335,499
Working assets	21,973	25,999	11,982	21,165	11,058	12,052
Deferred debit items	.....	.....	.....	2,558	2,559	2,467
Total	$364,532	$368,478	$350,513	$362,254	$351,500	$350,018
LIABILITIES:						
Capital stock	$88,800	$88,800	$88,800	$88,800	$88,800	$88,800
Funded debt	232,500	240.000	240,000	240.000	240,000	240,000
Working liabilities	2,260	8.151	3,686	20,777	3,753	11,590
Accrued liabilities not due	3,211	2,432	2,432	2,480	2,559	2,463
Deferred credit items	3,950	.....	.....	.....	.....	.....
Appropriated surplus	26,224	14,145	10,197	10,197	9,548	7,165
Profit and loss surplus ...	7,587	14,950	5,398	.....	6,840	.....
Total	$364,532	$368,478	$350,513	$362,254	$351,500	$350,018

Bonded Debt: $228,000 El Paso Union Passenger Depot Co. first 5s; dated Jan. 1, 1905; due Jan. 1, 1934. Int. paid J. and J. 1, at Equitable Trust Co., New York. Coupon, $1,000. Callable at par and int. on and after Jan. 1, 1916. Sinking fund: $12,000 per annum of bonds are to be retired annually from Jan. 1, 1916, bonds being called by lot at par. Guar. int. and sinking fund, under terms of lease by the six lessees (see above). First lien on entire property. Interest paid without deduction for normal income tax. Market: F. H. Hatch & Co., New York.

Rating, Aa.

Capital Stock: Auth., $240,000; outstanding, $88,800, of which $14,800 is owned by each of the tenant companies.

ERIE & MICHIGAN RAILWAY & NAVIGATION COMPANY

History: Incorporated under the laws of Michigan, June 30, 1904. Also authorized to do business in Illinois.

Location: Operated under trackage rights (Detroit and Mackinac Ry.), Alabaster to East Tawas, Mich., 8.3 miles; sidings owned, 2.7 miles. Total operated, 11 miles. Equipment: Locomotives, 2; cars, 148. Also operates a line of steamers on the Great Lakes.

Management: OFFICERS: Chas. G. Root, Pres. and Gen. Mgr.; S. T. Meservey, Vice-Pres.; S. S. Jenkins, Sec. and Treas.; J. J. Walsh, Aud., Chicago, Ill.; C. W. Luce, Gen. Supt., East Tawas. DIRECTORS: S. S. Jenkins, Chicago; C. W. Luce, East Tawas, Mich. Annual meeting, second Monday in July. GENERAL OFFICE, 108 South La Salle Street, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$68,528	$63,135	$49,136	$46,836	$35,051
Operating expenses	62,211	64,992	46,989	44,334	38,651
Net operating revenues	$6,317	(def.)$1,857	$2,147	$2,502	(def.)$3,600
Other income	22,463	19,549	14,351	17,002	19,882
Total net income.....	$28,780	$17,692	$16,498	$19,504	$16,282
Taxes	2.381	1,622	2,141	2,064	2,109
Fixed charges	4,206	113	882	1,696	2,003
Surplus	$22,193	$15,957	$13,475	$15,744	$12,160

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $35,564; credit balance transferred from income, $22,193; delayed income credits, $100; total, $57,857. Contra: Dividend appropriations of surplus, $13,906; delayed income debits, $1,254; credit balance carried to Balance Sheet, $42,697; total, $57,857.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$108,920	$102,331	$114,735	$128,499	$138,612
Working assets	39,784	29,899	24,401	17,130	14,152
Deferred debit items	4,431	1,063	1,321	1,817	1,751
Total	$153,135	$133,293	$140,547	$147,446	$154,515
LIABILITIES:					
Capital stock	$92.705	$92,705	$92,705	$92,705	$93,005
Working liabilities	4,968	3,260	13,684	29,501	52,616
Deferred credit items	2,765	1,764	600	600	.....
Profit and loss	42,697	35,564	33,468	24,640	8,994
Total	$153,135	$133,293	$140,547	$147,446	$154,515

Capital Stock: Authorized, $100,000; outstanding, $92,705. No bonded debt. A dividend of 12% was paid Dec., 1907; in year ended June 30, 1914, a dividend of 5% was paid; 1915 and 1916, 15% each.

ESCANABA & LAKE SUPERIOR RAILROAD

History: Incorporated under laws of Michigan, Nov. 17, 1893, as the Escanaba & Lake Superior Ry. On Feb. 12, 1900, was reorganized under present title. At Channing, connection is made with the Chicago, Milwaukee & St. Paul Ry., and that company has the right, for 20 years from 1901, to use the line from Channing to Escanaba.

Location: Wells to Channing, Mich., 63.36 miles; Northland to Kates, Mich., 19.78 miles; Kates to Logging Camps, 26.97 miles; Ralph to Logging Camps, 19.99 miles; Turner to Logging Camps, 4.66 miles; Flat Rock to Escanaba, Mich., 6.63 miles, in all a total of 141.39 miles. Sidings, 23 miles. Equipment: Locomotives, 10; passenger cars, 4; freight and other cars, 463.

Management: OFFICERS: Isaac Stephenson, Pres., Marinette, Wis.; H. A. J. Upham, Vice-Pres.; Nelson L. Barnes, Treas.; G. T. Stephenson, Sec.; C. W. Kates, Gen. Mgr. and Pur. Agt. DIRECTORS: Isaac Stephenson, J. A. Van Cleve, H. J. Brown, Marinette, Wis.; H. A. J. Upham, Grant T. Stephenson, Milwaukee, Wis.; C. W. Kates, Wells, Mich.; N. L. Barnes, Chicago. Annual meeting, second Tuesday in Jan. OFFICE, Wells, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Passenger earnings	$14.414	$20,042	$28,907	$23,409	$20,096	$20,894	$21,589
Freight earnings	243,774	279.958	326.075	332 996	299,891	275,928	249,435
Gross earnings	263,349	305,119	359,201	360,931	324,222	301,280	275.852
Operating expenses and taxes	211,623	222,741	271,908	226,747	211.833	203,005	180,823
Net earnings	51,726	82,378	87,293	134,184	112,389	98,275	95,029
Other income	28,479	19,704	24,483	10,676	10,673	10,673	10.603
Fixed charges	31.102	31,900	34.839	33.840	25,703	26,004	21,087
Dividends	*69.300	69,300	69,300	69.300	51,975	86.625	34,650
Surplus	(def.) 20,197	882	7,637	41,721	45,384	(def.) 3,681	49,895

* Paid from surplus.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $696,087; credit balance transferred from income, $49,103; total, $745.190. Contra: Dividend appropriations of surplus, $69,300; credit balance carried to Balance Sheet, $675,890; total, $745,190.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,619,341	$1,641,209	$1,655.410	$1,674.269	$1,550,798	$1,545,420
Working assets	71,773	67,907	56,864	35,025	74,433	35,732
Total	$1,691,114	$1,709,116	$1,712,274	$1,709,294	$1,625,231	$1,581,152
LIABILITIES:						
Capital stock	$693 000	$693.000	$693.000	$693.000	$693.000	$693.000
Working liabilities	322,224	320.029	324.067	328,726	286,384	287,690
Profit and loss surplus	675.890	696,087	695,205	687,568	645,847	600,462
Total	$1,691,114	$1,709,116	$1,712,274	$1,709,294	$1,625,231	$1,581,152

Bonded Debt: $250,000 6% notes; dated Jan. 2, 1909; due on demand. Interest paid J. and J. 1, at company's office. $20.000 6% demand notes, dated Nov. 26, 1909, due on demand; interest paid M. and N. 1, at company's office. $60,000 6% notes, dated Dec. 4, 1912; due on demand; interest paid J. and D. 1, at office of company.

Capital Stock: Authorized and outstanding, $693.000. Par, $100. Dividends of 5% were paid each year from 1907 to 1910 inclusive; 12½% in 1911; 7½% in 1912; 10% in 1913, 1914, 1915 and 1916. Dividends paid annually in November.

ETNA & MONTROSE RAILROAD

History: Incorporated under laws of Pennsylvania, April 27, 1896. This is a switching road controlled through stock ownership, by the Carnegie Steel Company.

Location: Road extends from Pine Creek to Etna, Pa., 2 miles; sidings, including 6.60 miles leased, 7.12 miles. Equipment: Locomotives, 5; and (leased) 12 gondola cars.

Management: OFFICERS: J. H. Reed, Pres.; D. M. Clemson, Vice-Pres.; G. W. Kepler, Sec. and Treas.; G. E. Campbell, Aud., Pittsburg, Pa.; L. E. Riddle, Supt., Etna, Pa. DIRECTORS: J. H. Reed, D. M. Clemson, D. G. Kerr, W. W. Blackburn, H. D. Williams, L. C. Bihler, G. W. Kepler, Pittsburg, Pa. Annual meeting, second Monday in January. GENERAL OFFICE, 1417 Carnegie Building, Pittsburg, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$76.313	$22.225	$52 096	$68.614	$46,178
Operating expenses	64,491	23.333	58,307	59,321	49,961
Net operating revenues	$11,822	*$1,108	*$6,211	$9,293	*$3,783
Other Income	134	111	129	1,539	2,141
Total net Income	$11,956	*$997	*$6.082	$10,832	*$1,642
Taxes	410	465	510	600	420
Fixed charges	10,000	10,000	10,000	10,000	10,000
Surplus	$1,546	*$11,462	*$16,592	$232	*$12,062

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$55,792	$57,696	$59,637	$61,577	$63,517
Working assets	25,625	7,568	10,319	11,663	15,342
Deferred debit items	180	160	130	110	90
Profit and loss	31,421	32,967	21,505	4,914	5,145
Total	$113,018	$98,391	$91,591	$78,264	$84,094
LIABILITIES:					
Capital stock	$60,000	$60,000	$60,000	$60,000	$60,000
Working liabilities	52,356	37,759	30,966	17,828	23,484
Accrued liabilities not due	482	472	495	326	520
Deferred credit items	180	160	130	110	90
Total	$113,018	$98,391	$91,591	$78,264	$84,094

Capital Stock: Authorized and outstanding, $60,000; par, $50. All owned by Carnegie Steel Co. No bonded debt.

EVANSVILLE, SUBURBAN & NEWBURGH RAILWAY

History: Incorporated under Indiana laws, Dec. 15, 1888. On May 4, 1905, electric power was installed for the passenger service on the Newburgh line, and on the Boonville line, July 3, 1906. Both lines use steam for freight service.

Location: Evansville to Newburgh, Ind., 10.33 miles; Evansville to Boonville, Ind., 14.34 miles; total, 24.67 miles; sidings, 3 miles. Equipment: Locomotives, 4; electric cars, 6; trailers, 12; freight cars, 100.

Management: Lee Howell, Pres.; C. W. Cook, Vice-Pres. and Treas.; Gus Muhlhausen, Sec., Gen. Mgr. and Pur. Agt.; C. H. Hendricks, Aud., Evansville, Ind. DIRECTORS: Chas. W. Cook, H. E. Cook, Geo. A. Cunningham, Lee Howell, Gus Muhlhausen, James E. Cox, C. H. Hendricks, Evansville, Ind. Annual meeting, first Monday in October. OFFICE, Evansville, Ind.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Freight earnings	$22,563	$22,870	$42,057	$43,795	$42,959	$38,774	$34,478
Passenger earnings	76,397	75,502	81,110	77,797	77,160	79,345	75,373
Gross earnings	120,688	121,238	123,167	123,296	121,552	118,119	111,061
Operating expenses and taxes	91,651	87,194	86,152	82,877	77,924	76,132	71,241
Net income	*29,973	†34,848	37,015	40,419	43,628	41,987	39,820
Fixed charges	24,250	24,375	31,676	30,866	32,687	40,091	35,154
Surplus	5,623	10,473	7,215	9,553	10,941	3,178	4,666

† Includes "Other income," $804. * Includes $836 "Other Income."

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $129,594; credit balance transferred from income, $5,623; total, $135,217. Contra: Miscellaneous debits, $125; credit balance carried to balance sheet, $135,092; total, $135,217.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$900,670	$899,271	$896,796	$890,270	$885,229
Working assets	26,822	1,898	26,340	27,897	20,969
Deferred debit items	.....	23,325	.....	.....	.....
Total	$927,492	$924,494	$923,135	$918,167	$906,198
LIABILITIES:					
Capital stock	$307,400	$307,400	$307,400	$307,400	$307,400
Funded debt	485,000	487,500	490,000	492,500	495,000
Profit and loss surplus	135,092	129,594	125,735	118,267	103,798
Total	$927,492	$924,494	$923,135	$918,167	$906,198

Bonded Debt: $485,000 Evansville, Suburban & Newburgh Ry. 1st 5s. Dated Jan. 1, 1905; due Jan. 1, 1935. Interest paid J. and J. 1, at Evansville Trust & Savings Co., Evansville, Ind., and at Chase National Bank, New York. Coupon, $500 and $1,000. Original issue, $500,000. Sinking fund of $2,500 per annum began July 1, 1910, to retire bonds at 105. Entire issue is callable at 105 after Jan. 1, 1920. First lien on entire property. Interest paid without deduction for normal income tax. Market: Robert Garrett & Sons, Baltimore. Rating, B.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

Capital Stock: Authorized, $500,000; outstanding, $307,400. Par, $100. Dividend in 1915, 2%; 1916, none.

FAIRPORT, PAINESVILLE & EASTERN RAILROAD

History: Incorporated under the laws of Ohio, July 18, 1910. Began operation on Jan. 6, 1912.

Location: Road extends from Fairport Harbor to Painesville, O., 4.38 miles; branches, 1.42 miles. Equipment: Locomotives, 2; cars, 5.

Management: OFFICERS: A. L. Metzner, Pres., Wheeling, W. Va.; Alfred Martin, Sec.; C. J. Baumann, Treas.; W. E. Birchmore, Aud., Pittsburg, Pa.; Frank Van Slyck, Gen. Mgr., Cincinnati, O. DIRECTORS: A. L. Metzner, Wheeling, W. Va.; C. J. Baumann, Alfred Martin, Pittsburg, Pa.; C. O. Stewart, Zanesville, O.; H. E. York, S. J. Merrill, Painesville, O.; Frank Van Slyck, Cincinnati, O.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	*1912
Gross revenues	$57,939	$44,227	$42,990	$43,563	$12,251
Operating expenses	25,907	27,501	23,134	15,959	7,016
Net operating revenues	$32,032	$16,726	$19,856	$27,604	$5,235
Other income	512	716	269	201	.....
Total net income	$32,544	$17,442	$20,125	$27,805	$5,235
Taxes	1,840	1,388	1,992	974	93
Fixed charges	490	445	1,600	161	823
Surplus	$30,214	$15,609	$16,533	$26,670	$4,319
Dividends	5,010	5,010	5,845	1,670	.....
Balance	$25,204	$10,599	$10,688	$25,000	$4,319

* For six months.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $37,508; credit balance transferred from income, $25,204; total, $62,712. Contra: Dividend appropriations of surplus, $1,670; credit balance carried to balance sheet, $61,042; total, $62,712.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1914	1912
Property investment	$162,701	$112,171	$106,115	$110,938	$111,035
Working assets	15,398	13,857	13,535	6,537	8,828
Deferred debit items	3,127	.....	.....	138	107
Total	$181,226	$126,028	$119,650	$117,613	$119,970
LIABILITIES:					
Capital stock	$83,500	$83,500	$83,500	$83,500	$83,500
Working liabilities	36,178	1,578	7,571	10,793	31,965
Accrued liabilities not due	.....	.....	.....	.....	186
Deferred credit items	506	3,442	.....	.....	.....
Profit and loss	61,042	37,508	28,579	23,320	4,319
Total	$181,226	$126,028	$119,650	$117,613	$119,970

Capital Stock: Authorized and outstanding, $83,500. Par $100. No bonded debt. Dividends paid: 1913, 2%; 1914, 7%; 1915, 8%; 1916, 8%.

FAIRCHILD & NORTH-EASTERN RAILWAY

History: Incorporated under laws of Wisconsin, July 7, 1898, a reorganization of the Chicago, Fairchild & Eau Claire River R.R.

Location: Road extends from Owen to Cleghorn, Wis., 65 miles. Sidings, 5 miles. Equipment: Locomotives, 2; cars, 24.

Management: OFFICERS: N. C. Foster, Pres. and Gen. Mgr.; Willard Foster, Vice-Pres. and Gen. Supt., Fairchild, Wis.; G. A. Foster, Treas., Chicago; C. M. Sherwood, Sec., Aud. and Traf. Mgr., Fairchild, Wis. DIRECTORS: E. J. Foster, Waukesha, Wis.; E. M. Foster, N. C. Foster, Willard Foster, Fairchild, Wis.; G. A. Foster, Chicago, Ill. Annual meeting, in July. GENERAL OFFICE, Fairchild, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$38,549	$40,690	$37,813	$28,499	$31,033
Operating expenses	59,044	47,786	31,462	34,670	27,586
Net operating revenues	(def.) $20,395	(def.) $7,096	$6,351	(def.) $6,171	$3,447
Other income	.....	155	4,931	.....	101
Total net income	(def.) $20,395	(def.) $6,941	$11,282	(def.) $6,171	$3,548
Taxes	2,615	2,666	2,441	1,266	1,109
Fixed charges	50	.....	50	50	50
Surplus	(def.) $23,060	(def.) $9,607	$3,871	(def.) $7,487	$2,389

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$797,175	$785,784	$774,585	$615,880
Working assets	45,608	44,354	9,240	148,672
Profit and loss	48,180	25,120	15,513	.....
Total	$890,963	$855,258	$799,338	$764,552

LIABILITIES:	1916	1915	1914	1913
Capital stock	$500,000	$500,000	$500,000	$500,000
Working liabilities	4,635	32,084	.....	.....
Deferred credit items	387,328	323,274	299,338	764,052
Total	$890,963	$855,258	$799,338	$764,552

Capital Stock: Authorized and outstanding, $500,000. All owned by the N. C. Foster Lumber Co.

FERDINAND RAILROAD

History: Incorporated under the laws of Indiana, Oct. 13, 1911, successor to the Ferdinand Railway, sold under foreclosure on Oct. 7, 1911. The first mortgage bondholders exchanged their bonds for stock in the new company at par.

Location: Road extends from Ferdinand to Huntingburg, Ind., 6.48 miles. Trackage over Southern Ry., 0.90 mile. Total, 7.38 miles. Equipment: Locomotive, 1, cars, 2.

Management: OFFICERS: J. A. Sonderman, Pres.; Frank Muller, Vice-Pres.; R. J. Beckman, Sec. and Treas.; Leonard Muller, Gen. Mgr., Gen. Frt. and Pass. Agt. DIRECTORS: J. A. Sonderman, Frank Muller, Leonard Muller, Wm. Helming, R. J. Beckman, Ferdinand, Ind. Annual meeting, in November. GENERAL OFFICE, Ferdinand, Ind.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$19,171	$18,360	$16,322	$13,418	$6,652
Operating expenses	12,410	13,170	11,321	11,188	6,471
Net operating revenues	$6,761	$5,190	$5,001	$2,229	$181
Other income	289	.....	.....	.....	.....
Gross income	$7,050	$5,190	$5,001	$2,229	$181
Fixed charges, incl. taxes	453	403	396	363	181
Surplus	$6,597	$4,787	$4,605	$1,866	.....

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,685; credit balance transferred from income, $4,102; total, $7.787. Contra: Surplus appropriated for investment in physical property, $4,433; loss on retired road and equipment, $600; credit balance carried to balance sheet, $2,754; total, $7,787.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$62,022	$57,789	$55,686	$51,623	$49,900
Working assets	2,954	3,705	6,471	1,866	.....
Deferred debit items	1,737	1,737	.....	.....	.....
Total	$66,713	$63,231	$62,157	$53,489	$49,900
LIABILITIES:					
Capital stock	$49,900	$49,900	$49,900	$49,900	$49,900
Working liabilities	.....	.....	4,883	1,723	.....
Appropriated surplus	14.059	9,646	903	.....	.....
Profit and loss	-2,754	3.685	6,471	1,866	.....
Total	$66,713	$63,231	$62,157	$53,489	$49,900

Capital Stock: Authorized, $60.000; outstanding, $49.900; par $100. No bonded debt. A dividend of 4% was paid in the year ended June 30, 1915, and in Nov., 1915, 5%.

FERNWOOD & GULF RAILROAD

History: Incorporated under Mississippi laws, March 31, 1906.

Location: Road extends from Fernwood to Kokomo, Miss., 31.93 miles. Sidings, 11.75 miles. Connects at Fernwood with Illinois Central R.R., and at Tylertown, with New Orleans, Great Northern R.R. Equipment: Locomotives, 4; passenger cars, 4; freight cars, 17; service cars, 2; log cars, 58.

Management: OFFICERS: F. B. Enochs, Pres., Gen. Mgr. and Treas.; N. E. Ball, Vice-Pres. and Asst. Gen. Mgr.; J. L. Bentz, Secy. and Aud., Fernwood, Miss. DIRECTORS: F. B. Enochs, J. L. Bentz, G. H. McElroy, Fernwood, Miss.; S. J. Wilson, McComb, Miss.; N. E. Ball, Tylertown, Miss. Annual meeting, first Monday in January. GENERAL OFFICE, Fernwood, Miss.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$179.944	$158.149	$138.728	$115.673	$118.412	$114.458
Maintenance of way	43.698	33.561	31.777	31.057	37.537	37.346
Maintenance of equipment	18.980	23.447	15.018	9 095	5 935	7.101
All other operating exps.	60.615	64.528	60.028	46,403	44.553	35,048
Net operating revs.	*$59.277	$36.613	$31.905	$29.118	$31.387	$34.963
Taxes	4.298	3.960	3.350	2.958	2.617	1.643
Fixed charges	35,770	37,544	38.547	40.252	40,749	20,683
Surplus	$19,209	(def.)$4,891	(def.)$9,992	(def.)$14,092	(def.)$11,979	$12,637

* Includes $2,626 other income.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $19,209; delayed income credits, $17,253; miscellaneous credits, $149; total, $36,611. Contra: Debit balance at beginning of year, $17,603; miscellaneous debits, $252; credit balance carried to balance sheet, $18,756; total, $36,611.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$590,995	$580,709	$583,794	$512,689	$293,040	$278,840
Working assets	20,475	10,107	7,766	103,067	165,939	155,400
Deferred debit items	14,735	4,456	382	142	112	1,337
Profit and loss deficit	.....	17,603	9,992	.....	.....	.....
Total	$626,205	$612,875	$601,934	$615,898	$459,091	$435,577
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$10,000	$10,000
Funded debt	400,000	466,299	400 000	500,000	400,000	400.000
Working liabilities	98,936	38,295	91,009	10,351	9,260	11,904
Accrued liabilities not due	8,473	8,281	8,070	5,547	5,148	4,665
Deferred credit items	40	.....	2,855	.....	539	2,062
Profit and loss surplus	18,756	.....	.....	.....	34,144	6,946
Total	$626,205	$612,875	$601,934	$615,898	$459,091	$435,577

Bonded Debt: $400,000 Fernwood & Gulf R.R. first 6s. Dated May 1, 1911; due May 1, 1936. Interest paid at Interstate Trust & Banking Company, New Orleans, La., Trustee. Coupon, $1,000. Authorized, $500 000. These bonds were issued to retire $125,000 first 6s; dated March 11, 1909; due March 11, 1934; and to cover construction cost of completing road to West Columbia. First lien on entire property. Interest payable without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $100,000. Par, $100.

FLINT RIVER & NORTHEASTERN RAILROAD

History: Incorporated under laws of Georgia, June 26, 1903. Line of road, Pelham to Ticknor, Ga., 23.03 miles. Equipment: Locomotives, 3; cars, 6.

Management: OFFICERS: J. L. Hand, Pres.; T. P. Hinman, Vice-Pres.; H. I. Ashburn, Treas.; J. R. Hackett, Secy. DIRECTORS: Above officers and Leland Hand, F. R. Pidcock, R. L. Shipp, C. W. Pidcock, J. W. Parker, J. N. Pidcock. Annual meeting, May 2, at Pelham, Ga. OFFICE, Moultrie, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1911
Gross revenues	$51,720	$48,343	$66,307	$55.206	$42,937
Maintenance of way and structures	4,894	6 413	10.673	3.592	17,079
Maintenance of equipment	3.381	5 596	5.392	8.981	5,604
All other operating expenses	17,219	19,948	23.579	24,393	12,842
Net operating revenues	*$26,775	$16.386	$26.663	$18,240	$7.412
Taxes accrued	1,914	1,835	2.437	1,125	1,039
Fixed charges	13,405	11,673	14,186	10,778	3.737
Surplus	$11,396	$2.878	$10.040	$6.337	$2,636
Dividends paid	†.....	6,250	6,287	4,366	.....
Balance	$11,396	(def.) $3,372	$3,753	$1,971	$2,636

* Includes $389 non-operating income. † Dividend paid from profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $11,396; miscellaneous credits, $280; total, $11,676. Contra: Debit balance at beginning of year, $2 763; dividend appropriation of surplus, $3,750; miscellaneous debits, $797; credit balance carried to balance sheet, $4,366; total, $11,676.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1911
Property investment	$234,566	$235.162	$233 100	$228 371	$105.508
Working assets	14.255	2.869	2.888	13,944	9.774
Deferred debit items	18,549	20.443	3,178	.....	1,059
Profit and loss deficit	.....	2.783	.....	.....	.....
Total	$267,470	$261,257	$239,166	$242,315	$166,341
LIABILITIES:					
Capital stock	$125.000	$125 000	$125 000	$114.300	$106,100
Funded debt	125 000	125.000	106 250	106 250	.....
Working liabilities	11.660	10.357	6.373	17.832	8.687
Accrued liabilities not due	1,344	900	954	313	1,059
Deferred credit items	.....	.....	.....	2,836	.....
Profit and loss surplus	4,366	.....	589	794	495
Total	$267,470	$261,257	$239,166	$242,315	$116,341

Bonded Debt: $125.000 Flint River and Northeastern R.R. first 6s; dated Jan. 1, 1905; due Jan. 1, 1935. Int. paid J. and J. 1. Coupon, $1.000. First lien on entire property. Rating, Baa.

Capital Stock: Auth., $130,000; outstanding, $125,000; par, $100. Dividends in 1913, 1914 and 1915, 5% each; 1916, 3%.

FORT SMITH & WESTERN RAILROAD

History: Incorporated under laws of Ark., Jan. 25, 1899; first section of road opened in December, 1901. The company owns 51% of the stock of the St. Louis, El Reno & Western Ry. and guarantees the interest on that company's bonds. Line of road owned, Coal Creek to Guthrie, Oklahoma, with branches 201 miles. Also operates 52.59 miles of trackage rights. Equipment owned: 20 locomotives and 1,411 cars, of which 26 are passenger. In September, 1913, a sale of the property was pending.

Management: OFFICERS: A. L. Mills, Rec.; A. C. Dustin, Pres. and Treas.; W. R. Woodford, Vice-Pres.; W. C. Merrick, Secy., Cleveland, O.; A. L. Mills, Gen. Mgr. DIRECTORS: W. H. Canniff, A. C. Dustin, J. H. Hoyt, W. G. Mather, W. R. Woodford, Cleveland, O.; W. E. Crane, St. Louis, Mo.; H. B. Herendeen, A. L. Mills, Fort Smith, Ark.; H. C. Frick, Pittsburgh, Pa. Annual meeting, first Tuesday in February. OFFICES: Fort Smith, Ark., and Title Guarantee Bld., St. Louis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$715,779	$630,604	$667,148	$726,308	$770,089	$804,760	$657,379
Operating expenses	638,754	594,181	711,277	657,717	637,883	661,270	641,130
Net operating revenues	$77,025	$36,423	(df.) $44,129	$68,591	$132,206	$143,490	$16,249
Operating ratio	82.01%	87.2%	106.6%	90.6%	82.8%	82.1%	97.5%
Other income	18,213	39,160	73,266	58,689	70,842	73,683	68,621
Total net income	$95,238	$75,583	$29,137	$127,280	$203,048	$217,173	$84,870
Fixed charges, incl. taxes	140,212	*309,094	308,292	309,486	308,212	307,998	309,726
Deficit	$44,974	$233,511	$279,155	$182,206	$105,164	$90,825	$224,855

* Excludes taxes.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $157; debit balance carried to balance sheet, $2,528,221; total, $2,528,378. Contra: Debit balance at beginning of year $1,847,625; debit balance transferred from income, $44,974; miscellaneous debits, $635,779; total, $2,528,378.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$11,449,764	$11,243,423	$11,234,399	$11,249,159	$11,268,456	$11,273,214
Working assets	216,871	199,004	940,992	924,914	875,059	728,020
Deferred debit items	7,601	723,082	2,550	1,356	1,684	12,007
Profit and loss deficit	2,528,221	1,847,625	1,615,095	1,338,582	1,156,521	1,041,476
Total	$14,202,457	$14,013,134	$13,793,036	$13,514,011	$13,301,720	$13,054,717
LIABILITIES:						
Capital stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5.000,000	$5,000,000
Funded debt	6,509,077	6,246,735	6,301,125	6,580,145	6,603,067	6,614,003
Working liabilities	2,710,225	2,703,366	2,426,378	1,867,851	1,633,894	1,376,911
Accrued liabilities not due	33,355	62,538	64,658	64,659	64,759	63,803
Deferred credit items	.....	495	875	1,356	.....	.....
Total	$14,202,457	$14,013,134	$13,793,036	$13,514,011	$13,301,720	$13,054,717

Bonded Debt: $6,240,000 Fort Smith & Western first gold 4s. (Authorized, $7,500,000.) Dated April 1, 1904; due April 1, 1954. Int. Aug. and Oct. 1 (unpaid since October 1, 1907). Coupon, $1,000. Principal may be registered. Of the authorized amount, $5,833,000 were issued in exchange for $5,000,000 gold 5s; $400,000 are reserved for the construction or acquisition of a line from Fort Smith, Ark., to Coal Creek, Okla., issuable at not exceeding the rate of $20,000 per mile; $400,000 for the purchase of equipment and the balance for other corporate purposes. First lien on the property now owned, and will be secured on any property acquired hereafter by the issue of bonds secured by the same mortgage. Issue is now in default, and majority of bonds deposited with Superior Savings & Trust Co., Cleveland, Ohio, power being held by committee to sell or exchange the same.

Equipment Trusts: Outstanding, as follows: $61,125 6% Series C, dated May 17, 1907, covering 200 box cars; $4,994 6% Series D, dated Oct. 1, 1907, covering 3 locomotives.

Capital Stock: Authorized, $7,500,000; outstanding, $5,000,000; par, $100.

ST. LOUIS, EL RENO & WESTERN RAILWAY

(Controlled by Fort Smith & Western R.R.)

History: Incorporated under laws of Okla., Jan. 5, 1903. Line of road, Guthrie to El Reno. Okla., 42.21 miles. Controlled by Fort Smith & Western R.R.

Management: OFFICERS: A. L. Mills, Rec.; J. C. Van Riper, Pres.; W. E. Crane, Vice-Pres.; L. T. Tune, Secy.; R. L. Rinaman, Treas. OFFICE, Fort Smith, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$64,941	$58,599	$51,799	$52,900	$48,849	$69,042
Operating expenses	56,470	55,208	60,202	64,450	69,034	68,287
Net operating revs	$8,471	$3,391	(def.) $8,403	(def.) $11,550	(def.) $20,185	$755
Operating ratio	87%	94%	.....	.....	.....	.....
Other income	1,692	2,750	.....	225	622	497
Total net income	$10,163	$6,141	(def.) $8,403	(def.) $11,325	(def.) $19,563	$1,252
Taxes accrued	5,373	4,061	5,062	4,669	4,701	7,749
Fixed charges	24,432	60,407	59,523	54,628	52,924	57,343
Surplus	(def.) $19,642	(def.) $58,327	(def.) $72,988	(def.) $70,622	(def.) $77,188	(def.) $63,840

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $62; debit balance carried to balance sheet, $505,849; total, $505,911. Contra: Debit balance at beginning of year, $486,269; debit balance transferred from income, $19,642; total, $505,911.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property Investment	$1,787,386	$1,788,129	$1,798,106	$1,797,576	$1,790,284	$1,790,509
Working assets	20,737	9,623	13,011	7,316	8,441	5,193
Deferred debit items.....	767	.....	.....	129	130	144
Profit and loss deficit.....	505,849	486,269	428,253	355,270	284,662	207,510
Total	$2,314,739	$2,284,021	$2,239,370	$2,160,291	$2,083,517	$2,003,356
LIABILITIES:						
Capital stock	$970,800	$970,800	$970,800	$970,800	$970,800	$970,800
Funded debt	817,000	817,000	817,000	817,000	817,000	817,000
Working liabilities	522,902	496,221	418,038	343,684	285,239	212,064
Accrued liabilities not due	.....	.....	.....	17,463	10,478	3,492
Deferred credit items.....	4,037	.....	33,532	11,044	.....	.....
Total	$2,314,739	$2,284,021	$2,239,370	$2,160,291	$2,083,517	$2,003,356

Bonded Debt: $817,000 St. Louis, El Reno & Western Ry., first 4½s; dated Aug. 1, 1906; due Aug. 1, 1926. Int. paid J. and J. 1. Int. guar. by Fort Smith & Western R.R. First lien on entire property. Now in default.

Capital Stock: Auth. and issued, $970,800; par, $100. Fort Smith & Western R.R. owns 51% of stock.

THE FORT STREET UNION DEPOT COMPANY

History: Incorporated in 1889 in Michigan to construct and operate passenger and freight terminals at Detroit.

Location: Owns terminals, realty, and union passenger station at Detroit, including 2.5 miles of main track and 1.89 miles of sidings, which are leased for 990 years to the Wabash, Canadian Pacific and Pere Marquette Railroads. Lessees pay as rental, 5% on cost, and also current expenses on a wheelage basis.

Management: OFFICERS: F. H. Alfred, Pres.; E. N. Weller, Treas.; J. L. Cramer, Secy. DIRECTORS: P. H. King, S. T. Crapo, F. H. Alfred, S. L. Merriam, J. T. Arundel. Annual meeting, first Wednesday in February. MAIN OFFICE: Detroit, Mich.

Bonded Debt: (1) $1,000,000 Fort Street Union Depot Co. first 4½s; dated Jan. 1, 1891; due Jan. 1, 1941; int. Jan. 1 and July 1, at Central Trust Co., New York. Coupon, $1,000. Interest paid without deduction for normal income tax. Listed on New York Stock Exchange. Net Rating, A.

(2) $329,000 Fort Street Union R.R. 6% gold notes; dated July 1, 1915; due July 1, 1918; interest paid Jan. and July 1, at Merchants' National Bank, Boston, Mass. Coupon, $1,000. Issued, par for par, in exchange for a like amount of old 5% bonds, which matured July 1, 1915. As exchanged, the old bonds are deposited under these notes as collateral. Interest paid without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth. and outstanding, $1,000,000; par, $100. Owned by the leasing railroads, the Pere Marquette owning the majority. Dividends have been regularly paid from 1893 to date at an average rate of over 5%.

FOURCHE RIVER VALLEY & INDIAN TERRITORY RAILWAY

History: Incorporated under the laws of Arkansas, August 16, 1905, succeeding to the Arkansas River & Southern Ry. Co.

Location: In operation, Bigelow to Thornburg, Ark., 19 miles. Sidings, 2 miles. 33 miles of road additional are planned. Equipment: Locomotive, 1; cars, combination, 1; skeleton log, 61; flat, 8; box, 1; tank, 1.

Management: OFFICERS AND DIRECTORS: N. P. Bigelow, Pres., Bigelow, Ark.; L. T. Walker, Vice-Pres., Chicago, Ill.; F. T. Rowlands, Secy.; C. L. Sailor, Treas.; J. W. Swords, Aud., Bigelow, Ark. Annual meeting, third Wednesday in July. OFFICE, Bigelow, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$55,958	$41,870	$54,466	$49,665	$29,712	$61,924
Maintenance of way.....	11,375	13,688	8,402	12,922	10,105	9,403
Maintenance of equipment	4,909	5,596	5,286	6,403	4,414	3,700
All other operating exps..	15,312	16,730	16,219	17,150	21,293	17,667
Net operating revs..	$24,362	$5,856	$24,559	$13,190	(def.) $6,100	$31,154
Other income	469	140	76	190	.....	.....
Total net income.....	$24,831	$5,996	$24,635	$13,380	(def.) $6,100	$31,154
Taxes	3,174	2,484	2,474	2,148	3,241	3,113
Fixed charges	10,063	6,333	6,643	6,333	6,780	7,301
Surplus	$11,594	(def.) $2,821	$15,518	$4,899	(def.) $16,121	$20,740
Dividends paid	.....	10,710	3,300	*30,800	.....	.....
Balance	$11,594	(def.) $13,531	$12,218	(def.) $25,901	(def.) $16,121	$20,740

* Paid from surplus.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$343,678	$344,440	$326,267	$326,267	$325,638	$325,001
Working assets	12,205	13,527	14,770	16,633	27,732	18,944
Accrued income not due..	.....	.....	.....	.....	.....	18,667
Profit and loss deficit.....	.....	.....	.....	4,636	.....	.....
Total	$355,883	$357,967	$341,037	$347,536	$353,370	$326,612
LIABILITIES:						
Capital stock	$238,000	$238,000	$220,000	$220,000	$220,000	$220,000
Funded debt	100,000	100,000	100,000	100,000	100,000	100,000
Working liabilities.....	2,796	16,473	4,012	15,773	391	3,215
Accrued liabilities not due	.....	.....	.....	833	2,269	1,995
Deferred credit items.....	.....	.....	.....	1,484	9,945	.....
Appropriated surplus	.....	.....	.....	9,446	.....	.....
Profit and loss surplus...	15,087	3,494	17,025	.....	21,265	37,402
Total	$355,883	$357,967	$341,037	$347,536	$353,370	$326,612

Bonded Debt: $100,000 Fourche River Valley & Indian Territory Ry. first 5s; dated May 2, 1910. These bonds were originally due May 2, 1920, but were extended to May 2, 1925. Interest paid M. and N. 2. First lien on entire property. Interest paid without deduction for normal income tax. All owned by the Fourche River Lumber Co.

Capital Stock: Authorized and outstanding, $238,000; par, $100. The Fourche River Lumber Co. owns $237,500 of the capital stock. An initial dividend of 4½% was paid from operations for year 1906-7; 8% in 1908-9; 16% in 1909-10; 14% in 1912-13; 1½% in 1913-14; 4½% in 1914-15; none in 1916.

FRANKFORT & CINCINNATI RAILWAY

History: Incorporated under the laws of Kentucky, Feb. 27, 1897, successor to the Kentucky Midland Railway Company. Prior to June 30, 1912, road was operated by Louisville & Nashville R.R. Since operated independently.

Location: Road extends from Frankfort to Paris, Ky., 40 miles; sidings, 3.21 miles. Equipment: Locomotives, 3; passenger cars, 2; service cars, 3; caboose, 1; total cars, 6.

Management: OFFICERS: Chas. E. Hoge, Pres.; C. Bowles, Sec., Treas. and Aud.; P. F. Manning, Gen. Mgr., Frankfort, Ky. DIRECTORS: Chas. E. Hoge, P. F. Manning, E. E. Hoge, Frankfort, Ky.; J. R. Shaw, Jetts, Ky.; W. O. Carrick, Georgtown, Ky. Annual meeting, first Tuesday in October. GENERAL OFFICE, Frankfort, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$94,859	$83,396	$100,175	$104,629
Operating expenses	75,126	70,410	79,449	86,472
Net operating revenues.....	$19,733	$12,986	$20,726	$18,157
Taxes	3,940	3,664	3,629	1,789
Fixed charges	12,072	11,518	12,953	12,694
Surplus	$3,721	(def.) $2,196	$4,144	$3,674

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $3,721; debit balance carried to balance sheet, $71,803; total, $75,524. Contra: Debit balance at beginning of year, $75,266; delayed income debits, $258; total, $75,524.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$253,153	$253,843	$250,000	$252,778
Working assets	33,046	23,316	28,153	32,233
Profit and loss.....	71,803	75,266	73,744	77,187
Total	$358,002	$352,425	$351,897	$362,198
LIABILITIES:				
Capital stock	$40,000	$40,000	$40,000	$40,000
Funded debt	160,000	160,000	160,000	160,000
Working liabilities	158,002	152,425	151,897	162,198
Total	$358,002	$352,425	$351,897	$362,198

Bonded Debt: $160,000 Frankfort & Cincinnati Railway, 1st 4s. Dated Jan. 20, 1899; due Jan. 20, 1923; interest paid J. and J. at State National Bank, Frankfort, Ky. Coupon, $2, $10 and $20. Authorized, $200,000. No sinking fund and bonds are not callable. First lien on property. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $40,000; par $25. No dividends. Secretary of company acts as Transfer Agent and Registrar.

FRANKLIN & ABBEVILLE RAILWAY

History: Incorporated under the laws of Louisiana, Oct., 1897. Reorganized in March, 1904. The Morgan's Louisiana & Texas R.R. & S.S. Co., constructed the extension from David's Junction to Milton, La., 17.40 miles, and turned it over to this company for operation, July 1, 1910, the company agreeing to pay the Morgan's Louisiana & Texas R.R. & S.S. Co. 50% of gross revenue of extension for a period of fifteen years from July 1, 1910, in lieu of interest on amount expended. The M. La. & Tex. R.R. & S.S. Co. has an option at the expiration of fifteen years to take up track or renew agreement for a further term of 15 years. In case neither option is exercised, it shall then sell the extension of the Franklin & Abbeville Ry. at not exceeding original cost plus cost of additions and betterments. The right of way was acquired by the Franklin & Abbeville Railway and will remain property of company.

Location: Road extends from Franklin and Abbeville Junction to Davids, La., 20.69 miles; Davids to Milton, La., 17.40 miles; Sterling to Sterling "Y," La., 2.02 miles; Sterling to Columbia, La., 1.91 miles; Sterling to Coupertown, La., 2.14 miles; trackage rights (Southern Pacific Co.) Franklin to F. & A. Junc., 6.52 miles; Davids to New Iberia, La., 4.66 miles; total, 55.34 miles. Equipment: Locomotives, 5; cars, 29.

Management: OFFICERS: Frank B. Williams, Pres., New Orleans, La.; Chas. Godchaux, Vice-Pres., Treas. and Pur. Agt., New Orleans, La.; Jules Godchaux, Gen. Mgr., New Orleans, La.; F. E. Larue, Aud., New Orleans, La.; C. D. Kemper, Sec. and Gen. Supt., Franklin, La. DIRECTORS: Chas. Godchaux, New Orleans, La.; Jules Godchaux, Frank B. Williams, New Orleans; C. S. Williams, Harris Hyman, C. D. Kemper. Annual meeting in February. GENERAL OFFICE, New Orleans, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$58,230	$64,690	$88,098	$66,027	$123,913
Operating expenses	53,710	53,776	56,378	61,765	90,834
Net operating revenues	$4,520	$10,914	$31,720	$4,262	$33,079
Other income	168	5,740	110	2,121	1,878
Total net income	$4,688	$16,654	$31,830	$6,383	$34,957
Fixed charges, inc. taxes	37,389	39,652	37,646	30,133	39,541
Net income	$32,701	$22,998	$5,816	$23,753	$4,584

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$338,888	$339,028	$338,946	$332,914	$335,729
Working assets	8,267	6,711	28,092	19,460	17,668
Accrued income not due	.....	.....	232	.....	.....
Deferred debit items	364	1,034	120	203	4,231
Profit and loss	213,316	180,864	157,867	152,051	125,223
Total	$560,835	$528,537	$525,257	$504,628	$482,851
LIABILITIES:					
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Government grants	11,231	9,178	.....	.....	.....
Funded debt	200,000	200,000	361,547	354,595	354,595
Working liabilities	141,010	110,494	109,710	95,217	73,576
Accrued liabilities not due	4,000	4,270	4,000	4,816	4,680
Deferred credit items	154,594	154,595	.....	.....	.....
Total	$560,835	$528,537	$525,257	$504,628	$482,851

Bonded Debt: $200,000 Franklin & Abbeville Ry. first 6s. Dated March 1, 1904; due March 1, 1929. Interest paid M. and S. 1. Authorized, $200,000; first lien on line from F. & A. Junc. to Davids, La., 20.69 miles, and from Sterling to Sterling "Y," La., 2.02 miles.

There is also outstanding $153,669 due the Morgan's Louisiana & Texas R.R. & S.S. Co. for advances for construction, equipment and betterments, secured on line from Davids to Milton, 17.4 miles.

Capital Stock: Authorized and outstanding, $50,000; par, $100.

FRANKLIN & PITTSYLVANIA RAILROAD

History: Incorporated under the laws of Virginia, March 13, 1878. Company was formerly leased to the Southern Railway Company for a term of years ended May 1, 1914, since which time it has been operated independently.

Location: Road extends from Pittsville to Rocky Mount, Va., 29.9 miles; sidings, etc., 1.21 miles. Company leases from Southern Ry. road from Gretna to Pittsville, Va., 7.1 miles. Equipment: Locomotive, 1; cars, 3.

Management: OFFICERS: N. P. Angle, Pres., Rocky Mount, Va.; C. W. Dudley, Sec., Union Hall, Va.; C. J. Davis, Treas.; R. E. Ferguson, Aud. GENERAL OFFICE, Rocky Mount, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$37,995	$36,338	$6,224
Operating expenses	41,414	35,593	6,859
Net operating revenues	*$3,419	$745	*$635
Other income	.....	1,817	10
Total net income	*$3,419	$2,562	*$625
Fixed charges, including taxes	5,553	4,829	1,150
Deficit	$8,972	$2,267	$1,775

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$204,899	$204,728	$200,785
Working assets	4,230	4,524	3,575
Deferred debit items	79	15	3,144
Profit and loss	11,501	2,529	2,031
Total	$220,709	$211,796	$208,535
LIABILITIES:			
Capital stock	$202,650	$202,650	$202,650
Funded debt	.....	2,500	.....
Working liabilities	15,861	3,906	5,885
Accrued liabilities not due	288	336	.....
Deferred credit items	1,910	2,404	.....
Total	$220,709	$211,796	$208,535

Capital Stock: Authorized and outstanding, $202,650. Par, $100. A majority of the stock owned by Franklin County, Va. No bonded debt.

GAINESVILLE & NORTHWESTERN RAILROAD

History: Incorporated under laws of Georgia, Feb. 9, 1912. Commenced operations in March, 1913.

Location: Road extends from Gainesville to North Helen, Ga., 35 miles; sidings, 2.76 miles. Equipment: Locomotives, 3; cars, 9.

Management: OFFICERS: R. M. McCombs, Pres., St. Louis, Mo.; B. S. Barker, Vice-Pres. and Gen. Mgr., Gainesville, Ga.; C. D. Matthews, Jr., Vice-Pres. and Treas., Sikeston, Mo.; A. R. Byrd, Jr., Sec., St. Louis, Mo.; H. A. McLaurin, Aud.; H. C. Erwin, Gen. Frt. and Pass. Agt., Gainesville, Ga. DIRECTORS: H. H. Dean, M. C. Brown, J. E. Redwine, Jr., J. H. Hosch, Gainesville, Ga.; C. D. Matthews, Jr., Sikeston, Mo.; J. E. Mitchell, St. Louis, Mo.; H. A. Jarrard, Cleveland, Ga.; D. T. Quillion, Brookton, Ga. Annual meeting in April. GENERAL OFFICE, Gainesville, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$57,851	$57,597	$62,244
Operating expenses	56,185	52,980	52,715
Net revenues	$1,666	$4,617	$9,529
Taxes	1,752	1,161	1,379
Fixed charges	5,591	4,900	4,882
Surplus	*$5,677	*$1,444	$3,268
Other deductions	4,566	.....	7,695
Balance	*$10,243	*$1,444	*$4,427

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$780,100	$773,535	$769,449
Working assets	3,908	4,400	6,883
Profit and loss	19,118	8,875	4,427
Total	$803,126	$786,810	$780,759
LIABILITIES:			
Capital stock	$750,000	$750,000	$750,000
Funded debt	2,000	4,729	10,573
Working liabilities	35,284	20,513	12,491
Accrued liabilities not due	676	868	.....
Appropriated surplus	15,166	10,700	7,695
Total	$803,126	$786,810	$780,759

Notes: $2,000 promisory notes. Issued, $5,000 on April 12, 1914, payable $200 a month. Interest 8%.

Capital Stock: Authorized and outstanding, $250,000, 6% cumulative preferred. Par, $100. Callable until Feb. 1, 1920, at par and dividends. No bonded debt.

2. Authorized and outstanding, $500,000 common. Par, $100.

GAINESVILLE MIDLAND RAILWAY

History: Incorporated in Georgia, August 2, 1904. Operates 74 miles from Gainesville to Fowler Junc., Ga., with branches, of which 72 miles are owned. Equipment: Locomotives, 7; passenger and freight cars, 45.

Management: OFFICERS: Geo. J. Baldwin, Pres.; W. W. Mackall, Vice-Pres.; Gordon C. Carson, Sec.; W. R. Beauprie, Treas. and Gen. Mgr. DIRECTORS: Geo. J. Baldwin, W. W. Mackall, Joseph Hull, Sigo Myers, Jacob Paulsen, Henry D. Stevens, J. Ferris Come, B. M. Stallworth, A. A. Camp, C. T. Mobley, W. W. Osborne. Annual meeting, first Monday in Feb. OFFICE, Gainesville, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$195,260	$168,038	$187,082	$162,133	$173,881	$168,144	$156,891
Maintenance of way	27,036	30,840	26,253	36,248	29,557	22,612	21,689
Maintenance of equipment	16,940	17,275	21,810	20,322	22,022	17,626	18,714
All other operating expenses	91,670	91,894	94,034	86,081	85,689	81,491	79,222
Net operating revenues	†$60,293	†$28,514	$44,985	$19,482	$36,613	$46,415	$37,266
Operating ratio	67.57%	83.3%	75.9%	88%	79%	72.4%	76.2%
Taxes accrued	5,690	5,180	4,800	4,800	4,800	4,332	4,825
Fixed charges	67,622	67,141	54,838	49,056	47,643	44,611	41,030
Deficit	*$13,019	$43,807	$14,653	$34,374	$15,830	$2,528	$8,590

† Includes $485 non-operating income in 1915 and $679 in 1916. * Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $163,354; debit balance transferred from income, $13,019; miscellaneous debits, $4,778; total, $181,151. Contra: Debit balance carried to balance sheet, $181,151.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$1,450,117	$1,450,375	$1,471,417	$1,270,541	$1,264,490	$1,293,272
Working assets	50,959	38,195	536,160	63,443	69,208	37,101
Deferred debit items	4,943	3,725	.....	.....	.....	.....
Profit and loss deficit	181,151	163,354	97,577	82,222	48,669	25,160
Total	$1,687,170	$1,655,649	$2,105,154	$1,416,206	$1,382,367	$1,355,533
Liabilities:						
Capital stock	$550,000	$550,000	$550,000	$550,000	$550,000	$550,000
Funded debt	963,285	963,285	1,429,285	687,000	687,000	687,000
Working liabilities	161,179	130,265	116,456	171,121	137,251	110,408
Accrued liabilities not due	12,706	9,470	9,413	8,085	8,116	8,125
Deferred credit items	.....	2,629	.....	.....	.....	.....
Total	$1,687,170	$1,655,649	$2,105,154	$1,416,206	$1,382,367	$1,355,533

Bonded Debt: $661,000 Gainesville Midland Ry. first 5s; dated Nov. 1, 1905; due Nov. 1, 1935. Interest May 1 and Nov. 1, at Savannah Trust Co., Savannah, Ga. Authorized, $1,000,000, of which $14,000 are reserved to retire a like amount of old 6s still outstanding which are due in 1916. Callable at 110. Direct lien on entire 72 miles from Gainesville to Fowler June., 40 miles, Bellmont to Monroe, 32 miles, subject as to 55 miles, to $14,000 first 6s, mentioned above. Net Rating, Ca.

Coupon Notes: In 1913, company proposed to issue $325,000 6% coupon notes to provide for further construction, etc. Of the total issue, $250,000 are Series A and $75,000 Series B, the first series having priority. Dated Oct. 1, 1913; due Oct. 1, 1916. The Series B notes are issued to retire the floating debt. Both issues secured by large amount of the present outstanding bonds and nearly all the capital stock. Outstanding June 30, 1916, Series A, $213,285; Series B, $75,000.

Capital Stock: Auth. and outstanding, $550,000; par, $100. No dividends.

GALVESTON TERMINAL RAILWAY COMPANY

History: Incorporated on Aug. 29, 1905 in Texas to construct terminal properties at Galveston.

Location: Owns terminals and trackage at Galveston, including about 23.86 miles of track, piers, and waterfront facilities. Property is used by Colorado & Southern, Rock Island, Trinity & Brazos Valley, and St. Louis & San Francisco railroad companies.

Management: Officers: J. W. Robins, Pres.; Chas. Fowler, Vice-Pres.; E. R. Cheeseborough, Secy. and Treas. Directors: J. W. Robins, John Neethe, L. A. Adoue, J. H. Kempner, R. W. Smith, Chas. Fowler, C. H. Moore. Office, Galveston, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$77,101	†$72,395	$76,144	$74,959	$73,844	$73,389
Taxes accrued	9,022	9,355	9,784	8,599	7,484	7,029
Fixed charges	69,383	68,223	66,360	66,360	66,360	66,360
Balance	*$1,304	*$5,183	.....	.....	.....	.....

† Includes $385 deficit from operations. * Deficit.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$1,174,674	$1,173,996	$1,157,273	$1,155,409	$1,154,400	$1,152,866
Working assets	33,134	37,995	41,627	40,783	39,200	39,434
Deferred debit items	2	198	.....	.....	.....	.....
Profit and loss deficit	6,487	5,183	.....	.....	.....	.....
Total	$1,214,297	$1,217,372	$1,198,900	$1,196,192	$1,193,600	$1,192,300

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
Funded debt	1,148,336	1,137,050	1,106,000	1,106,000	1,106,000	1,106,000
Working liabilities	15,901	28,968	41,818	40,114	37,763	36,779
Accrued liabilities not due	25,060	26,354	26,082	25,078	24,837	24,521
Total	$1,214,297	$1,217,372	$1,198,900	$1,196,192	$1,193,600	$1,192,300

Bonded Debt: $1,106,000 Galveston Terminal Ry. first 6s; dated March 1, 1908; due March 1, 1938. Interest March 1 and Sept. 1, at Bankers' Trust Co., New York. First lien on entire property. Authorized, $5,000,000. Guaranteed principal and interest by Chicago, Rock Island & Pacific Ry., and the Colorado & Southern Ry.
Net Rating, Baa.

Capital Stock: Outstanding, $25,000. Owned by Chicago, Rock Island & Pacific Ry. and Trinity & Brazos Valley Ry.

GENESEE & WYOMING RAILROAD

History: Successor, March 22, 1899, of the Genesee & Wyoming Valley Ry.

Location: Operates 17.52 miles, Retsof, N. Y., to Pittsburg & Lehigh Junc. and Greigsville and to Halite, N. Y. Sidings, 6.55 miles. Equipment: Owns 1 passenger coach and 5 locomotives.

Management: OFFICERS: M. B. Fuller, Pres.; M. M. Belding, Jr., Vice-Pres.; W. H. Barnard, Sec. and Treas. DIRECTORS: M. M. Belding, M. M. Belding, Jr., Edmonds Putney, F. G. Lee, W. H. Barnard, M. B. Fuller, D. Hyman, F. T. Patterson. Annual meeting, third Tuesday in July. MAIN OFFICE, Scranton, Pa. NEW YORK OFFICE, 2 Rector Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$249,585	$203,249	$205,046	$183,465	$107,834	$105,383	$113,885
Net operating revenues	150,362	109,364	116,601	105,391	49,751	57,961	71,250
Operating ratio	39.8%	46.2%	43.1%	42.6%	53.9%	45%	37.4%
Other income	1,564	1,293	1,088	523	.....	.....	.....
Total net income	$151,926	$110,657	$117,689	$105,914	$49,751	$57,961	$71,250
Taxes accrued	5,906	4,968	4,583	3,465	2,892	2,755	2,551
Fixed charges, etc.	85,729	65,327	68,716	63,590	30,467	29,264	29,040
Surplus	$60,291	$40,362	$44,390	$38,859	$16,392	$25,942	$39,659
Dividends paid	30,000	30,000	30,000	25,000	25,000	25,000	20,000
Balance	$30,291	$10,362	$14,390	$13,859	(def.)$8,608	$942	$19,659

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,044,219	$1,023,936	$1,025,565	$1,027,001	$1,024,047	$1,024,403
Working assets	106,698	97,970	89,729	77,860	61,152	69,251
Deferred debit items	10,475	4,365	1,978	.....	.....	.....
Total	$1,161,392	$1,126,271	$1,117,272	$1,104,861	$1,085,199	$1,093,654
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	500,000	500,000	500,000	500,000	500,000	500,000
Working liabilities	8,039	3,885	5,800	7,775	5,009	4,856
Accrued liabilities not due	11,106	10,518	9,966	9,971	6,934	6,934
Profit and loss surplus	142,247	111,868	101,506	87,115	73,256	81,864
Total	$1,161,392	$1,126,271	$1,117,272	$1,104,861	$1,085,199	$1,093,654

Bonded Debt: $500,000 Genesee & Wyoming R.R. first 5s; dated April 1, 1899; due April 1, 1929. Interest April and October, at Columbia Trust Co., New York. Callable at par at any time. First lien on entire property. Coupon, $1,000. Normal income tax deducted from interest.
Net Rating, Ba.

Capital Stock: Auth. and outstanding, $500,000; par, $100. Dividends paid: 1900, 7½%; 1901 and 1902, 5% each; 1903 and 1904, 8% each; 1905, 2%; 1906 to 1910, 4% each; 1911, 1912 and 1913, 5% each; 1914, 1915 and 1916, 6% each. TRANSFER OFFICE, 2 Rector Street, New York. Dividends paid quarterly, February.

GEORGES VALLEY RAILROAD

History: Incorporated under laws of Maine, Aug. 10, 1899. Road opened in December, 1893.

Location: Road extends from Warren to Union, Me., 8 miles: Limekiln branch, 0.5 mile. Equipment, Locomotive, 1; cars, 3.

Management: OFFICERS: John Lovejoy, Pres., Sec., Treas. and Gen. Mgr., Rockland, Me. DIRECTORS: C. M. Brainerd, Wm. W. Case, N. F. Cobb, Wm. T. Cobb, John Lovejoy, Rockland, Me.; Alonzo Buter, I. C. Thurston, Union, Me. Annual meeting first Tuesday in October. GENERAL OFFICE, Union, Me.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$12,015	$14,229	$15,707	$15,792	$14,199
Operating expenses	11,596	9,991	12,321	12,091	9,279
Net operating revenues	$419	$4,238	$3,386	$3,701	$4,920
Other income	.....	21	.....	.....	.....
Total net income	$419	$4,259	$3,386	$3,701	$4,920
Taxes	155	163	189	133	134
Fixed charges	4,241	5,002	3,087	3,120	4,510
Surplus	*$3,977	*$906	$110	$448	$276

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$86,729	$86,729	$86,729	$86,729	$86,729
Working assets	5,192	5,909	5,698	5,872	6,229
Deferred debit items	61	66	86	.....	68
Profit and loss	80,119	76,142	73,001	73,111	73,560
Total	$172,101	$168,846	$165,514	$165,712	$166,586
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	.....	.....	.....	50,000	50,000
Working liabilities	72,101	68,846	65,514	15,612	16,586
Total	$172,101	$168,846	$165,514	$165,712	$166,586

Bonded Debt: $50,000 Georges Valley R.R. first 6s. Dated 1893; due July 1, 1913. Interest paid J. and J. 1, at Rockland Trust Co., Rockland, Me. Coupon, $1,000. First lien on entire property.

Up to June 30, 1916, no arrangements made to renew or pay off this issue.

Capital Stock: Authorized and outstanding, $100,000. Par, $100. No dividends paid.

GEORGIA COAST & PIEDMONT RAILROAD

History: Successor in 1906 of the Darien & Western, Collins & Reidsville, and Reidsville & Southwestern railways. Operates 98.40 miles, Brunswick to Collins, Ga. An extension of 18 miles from Darien to Brunswick was completed in 1914. Equipment: Locomotives, 9; cars, 148.

Management: OFFICERS: F. J. Lisman, Pres.; S. Aronstein, Vice-Pres.; A. de Sola Mendes, Vice-Pres. and Gen. Mgr.; Wm. Goodman, Treas.; T. F. Willson, Sec. DIRECTORS: T. D. Rhodes, F. J. Lisman, A. de Sola Mendes, F. D. Aiken, Richard W. Grubb, T. F. Willson, L. R. Aiken, E. H. Mason, W. G. Edinburg. Annual meeting in February. MAIN OFFICE, Darien, Ga. NEW YORK OFFICE, 30 Broad Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1913	1912	1911	1910
Gross revenues	$126,270	$125,548	$85,126	$81,870	$91,469	$83,614
Maintenance of way	26,082	35,052	23,512	20,429	19,044	21,557
Maintenance of equipment	16,199	16,511	12,241	10,846	11,145	11,379
All other operat. expenses	59,076	75,473	44,775	43,627	40,686	38,316
Net operating revenue	$24,914	*$1,488	$4,598	$6,968	$20,594	$12,362
Operating ratio	80.2%	101.1%	94.6%	91.5%	77.5%	85.2%
Other income	.....	.....	.....	.....	.....	1,026
Total net income	$24,914	*$1,488	$4,598	$6,968	$20,594	$13,388
Taxes accrued	6,608	5,580	4,250	4,250	4,250	4,250
Fixed charges	84,755	54,856	15,645	44,035	43,881	42,447
Balance, deficit	$66,449	$61,924	$15,297	$41,317	$27,539	$33,309

* Deficit.

Note: For year to June 30, 1914, gross revenues were $109,271, and surplus after deducting taxes was $7,189. No full report.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $67,122; debit balance transferred from income, $66,449; miscellaneous debits, $10,795. Contra: Debit balance carried to balance sheet, $144,366.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,445,470	$3,443,831	$4,116,405	$4,031,334	$4,026,978	$2,009,880
Working assets	17,486	13,458	11,078	9,823	10,693	22,776
Deferred debit items	2,880	5,729	4,126	2,090	5,146	2,005
Profit and loss deficit	144,366	67,122	.....	.....	.....	124,081
Total	$3,610,202	$3,530,140	$4,131,609	$4,043,247	$4,042,817	$2,249,742

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$1,572,000	$1,354,000	$1,600,000	$1,600,000	$1,600,000	$1,000,000
Funded debt	1,873,280	1,999,750	2,390,000	2,390,000	2,390,000	1,034,692
Working liabilities	148,166	133,971	97,477	23,206	19,347	202,085
Accrued liabilities not due	3,005	2,178	.....	2,762	2,110	12,965
Deferred credit items	13,751	40,241	37,130	.....	.....	.....
Profit and loss surplus	.....	.....	6,802	17,279	31,360	.....
Total	$3,610,202	$3,530,140	$4,131,609	$4,043,247	$4,042,817	$2,249,742

Bonded Debt: (1) $32,000 Georgia Coast & Piedmont R.R. first 5s; dated March 1, 1906; due March 1, 1946. Interest paid M. and S. 1, at F. J. Lisman & Co., New York. Coupon, $1,000. First lien on main lines, underlying No. 2. The bonds are to be retired by No. 2. Interest paid without deduction for normal income tax.

(2) $1,655,000 Georgia Coast & Piedmont R.R. first sinking fund 5s; dated April 1, 1912; due April 1, 1962. Int. paid April and Oct. 9 in New York. Auth., $3,500,000. Sufficient reserved to retire balance of No. 1. Coupon, $100 and $1,000. First lien on 98.40 miles from Collins to Brunswick, Ga., subject to No. 1, and on the extension under construction from Darien to Brunswick, Ga. Interest paid without deduction for normal income tax.

(3) $250,000 Georgia Coast & Piedmont R.R. income debenture 6s; due Sept. 1, 1918. Int. paid, when earned, in September.

Capital Stock: Auth. and outstanding, $1,572,000; par, $100.

GEORGIA, FLORIDA & ALABAMA RAILWAY COMPANY

History: Incorporated Nov. 2, 1895, under laws of Georgia and Florida as the Georgia Pine Ry. Co.; name changed as above April 22, 1901. Operates 192.86 miles, Carrabelle, Fla., to Richland, Ga., Havana to Quincy, Fla. Sidings, 18.65 miles. An extension from Richland to Columbus, Ga., 27 miles, is under construction. Equipment: Locomotives, 20; passenger and freight cars, 248. The company operates a steamship line from Carrabelle to Apalachicola. Equipment: 1 steamboat, 1 barge.

Management: OFFICERS: Mrs. Cora B. Williams, Pres.; G. S. Johnson, Sr., Vice-Pres.; L. G. Papy, Secy. and Treas. DIRECTORS: Mrs. C. B. Williams, J. E. Coffin, J. W. Callahan, C. R. Shaw, F. S. Jones, E. B. Shelfer, G. S. Johnson, Sr., J. A. McLaurin, J. S. Bush, D. B. Teabeaut, L. A. Yeats. Annual meeting, third Tuesday in November. OFFICE, Bainbridge, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$523.627	$483,179	$609,622	$592,254	$564,585	$487,134	$417,757
Net earnings	114,308	91,815	90,004	102,944	83,862	89,124	77,226
Operating ratio	76.3%	81.0%	85.2%	82.6%	85.1%	81.7%	81.5%
Total net income	118,414	94,492	92.531	99,100	78,613	90,826	77,476
Taxes accrued	24,817	28,950	26,900	28,200	24,797	22,392	18,725
Fixed charges	128,628	127,975	139,428	127,034	125,155	105,966	100,597
Balance, deficit	35,031	66,389	73,797	56,134	71,339	37,532	41,846

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $374; debit balance carried to balance sheet. $529,945; total, $530,319; debit balance at beginning of year, $494,682; debit balance transferred from income, $35,031; miscellaneous debits, $606; total, $530,319.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,500.150	$2,489,243	$2,449,339	$2,447,570	$2,404.435	$2,403.890
Working assets	151,539	99,381	103,947	102,791	137,520	122,299
Deferred debit items	67,775	70,628	78,849	85,867	74,017	75,443
Profit and loss deficit	529,945	494,682	425,119	352,334	297,303	226,108
Total	$3,249,409	$3,153,934	$3,107,254	$2,988,562	$2,913,275	$2,827,740
LIABILITIES:						
Capital stock	$572.000	$572,000	$572,000	$572.000	$572,000	$572,000
Funded debt	2,113.000	2,123,202	2,136,413	2,123,850	2,113,000	2,113,000
Working liabilities	552.764	441.062	385.140	279,402	213,483	132,317
Accrued liabilities not due	10,095	15,998	12,406	11,465	8,855	9,082
Deferred credit items	1,550	1,672	1,295	1,845	5,937	1,341
Total	$3,249,409	$3,153,934	$3,107,254	$2,988,562	$2,913,275	$2,827,740

Note: Capital stock as above includes $122,000 premiums.

Bonded Debt: $2,113,000 Georgia, Florida & Alabama Ry. first 5s; dated July 1, 1904; due July 1, 1954. Int. paid January and July, at Bankers' Trust Co., New York, or Savannah Trust Co., Savannah, Ga. Coupon, $1,000. First lien on entire property owned, 192.13 miles; also on new mileage under construction. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $450,000; par, $100. No dividends since 1906.

GEORGIA NORTHERN RAILWAY

History: Incorporated under laws of Georgia, Feb. 7, 1895, as successor to the Boston & Albany Railroad. Line of road, Boston to Albany, Ga., 66.78 miles. Leased from Central of Georgia Ry., 1 mile. Sidings, 8.86 miles. Equipment: Locomotives, 9; passenger and freight cars, 65.

Management: OFFICERS: C. W. Pidcock, Pres.; F. R. Pidcock, Vice-Pres. and Gen. Mgr.; J. N. Pidcock, Vice-Pres.; G. E. Smith, Vice-Pres. and Treas. DIRECTORS: Above officers and J. W. Grippen, Mrs. E. A. Williams. Annual meeting, first week in December. OFFICE, Moultrie, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1911
Gross revenues	$223,619	$199,903	$238,143	$213,036	$211,170
Maintenance of way and structures	22,342	23,959	24,950	33,022	33,118
Maintenance of equipment	19,660	19,235	26,196	21,949	21,946
All other expenses	91,995	92,353	97,052	95,842	81,116
Net operating revenues	$89,622	$64,356	$89,945	$62,223	$74,990
Other income	2,002	.....	8,605	11,614	490
Total net income	$91,624	$64,356	$98,550	$73,837	$75,480
Taxes accrued	10,385	9,197	9,560	8,014	6,771
Fixed charges	32,368	26,312	38,224	39,180	29,584
Surplus	$48,871	$28,847	$50,766	$26,643	$39,125
Dividends paid	.....	.....	30,000	.....	31,500
Balance	$48,871	$28,847	$20,766	$26,643	$7,625

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $9,236; credit balance transferred from income, $48,871; miscellaneous credits, $1,077; total, $59,184. Contra: Dividend appropriations of surplus, $36,000; credit balance carried to Balance Sheet, $23,183; miscellaneous debits, $1; total, $59,184.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1911
Property investment	$903,647	$907,371	$894,782	$889,000	$898,316
Working assets	49,337	21,941	30,942	51,440	53,275
Deferred debit items	158,635	3,205	2,508	.....	.....
Profit and loss deficit	.....	.....	.....	570	.....
Total	$1,111,619	$932,517	$928,232	$941,010	$951,591
Liabilities:					
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	450,000	300,000	289,000	300,000	314,250
Working liabilities	29,953	17,398	17,750	37,061	25,776
Accrued liabilities not due	8,483	5,883	4,915	3,949	6,771
Profit and loss surplus	23,183	9,236	16,567	.....	4,794
Total	$1,111,619	$932,517	$928,232	$941,010	$951,591

Bonded Debt: $450,000 Georgia Northern Ry. first 6s; dated Dec. 1, 1915; due Dec. 1, 1935. Int. paid J. and D. 1, at Moultrie Banking Co., Moultrie, Ga. Coupon, $1,000. First lien on 68 miles from Boston to Albany, Ga. Auth. and outstanding, $450,000. Net Rating, Baa.

Capital Stock: Auth. and issued, $600,000; par, $100. Dividends in recent years as follows: 1906, 3.6%; 1907, 12%; 1908, 5%; 1910, 6%; 1911, 5¼%; 1912 to 1914, inc., 5% per annum; 1915, 6%; 1916, 6%.

GEORGIA, SOUTHWESTERN & GULF RAILROAD COMPANY

History: Incorporated under Georgia laws, July 24, 1906, to build a line of road from Albany, Ga., in a southwesterly direction to St. Andrews, Fla., about 155 miles. In 1910 the property of the Albany & Northern Ry. was acquired. Company now owns a one-fifth interest in the Albany Passenger Terminal Co. Line of road operated: Cordele to Albany, Ga., 36 miles (former Albany & Northern Ry.). Sidings, 4.55 miles. No other milcage has as yet been constructed. Equipment owned: Locomotives, 6; passenger cars, 4; combination, 2; and freight cars, 36.

Management: Officers: W. M. Legg, Pres. and Gen Mgr., Albany, Ga.; H. J. Bruton, 1st Vice-Pres., Sec, and Treas., Bainbridge, Ga. Directors: W. M. Legg, F. F. Putney, Albany, Ga.; T. J. Shingler, Donalsonville, Ga.; H. J. Bruton, Jno. E. Donalson, John W. Calahan, Bainbridge, Ga.; B. P. O'Neal, Macon, Ga.; P. S. Cummings, Lela, Ga. Annual meeting, second Tuesday in September. General Offices: Albany, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$105,630	$95,387	$133,720	$114,130	$122,051	$107,100	$98,025
Maintenance of way	14,334	11,091	13,457	12,963	78,269	75,211	71,383
Maintenance of equipment	10,008	7,734	11,214	8,400			
All other operating expenses	51,512	48,251	60,127	54,756			
Net operating revenues	*$30,629	$28,411	$48,922	$38,011	$43,782	$31,889	$26,642
Operating ratio	71.8%	70.3%	63.5%	66.7%	64.2%	70.2%	72.8%
Taxes accrued	5,216	4,447	5,564	5,068	5,372	4,756	21,822
Fixed charges, etc	35,923	31,894	34,037	34,365	34,167	24,311	
Surplus	(def.) $10,510	(def.) $7,930	$9,321	(def.) $1,422	$3,062	$2,822	$4,820

* Includes $853 non-operating income.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$545,726	$897,675	$899,646	$901,094	$901,926	$966,993
Working assets	21,733	16,210	24,781	15,640	20,634	22,618
Deferred debit items	102,454	105,280	91,427	92,445	93,587	304
Profit and loss deficit	5,755	.....	.....	.....	.....	.....
Total	$675,668	$1,019,165	$1,015,854	$1,009,179	$1,016,147	$989,915

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$40,500	$390,500	$390,700	$390,700	$390,700	$390,700
Funded debt	558,500	561,500	564,500	567,500	570,500	573,500
Working liabilities	73,420	59,014	44,216	43,034	46,935	11,838
Accrued liabilities not due	2,556	2,345	2,718	2,591	2,644	2,247
Deferred credit items	692	1,051	1,035	1,992	583	7,053
Profit and loss surplus	.....	4,755	12,688	3,362	4,785	4,577
Total	$675,668	$1,019,165	$1,015,854	$1,009,179	$1,016,147	$989,915

Bonded Debt: (1) $155,500 Georgia, Southwestern & Gulf R.R. first 5s. (Auth., $4,000,000.) Dated Jan. 1, 1909; due 1969. Int. J. and J. 1, at Central Trust Co., New York. Issuable at not exceeding $20,000 per mile. Secured by deposit of $350,000 stock of Albany & Northern Ry. Co. Interest paid without deduction for normal income tax. Rating, B.

(2) $400,000 Albany & Northern Ry. first 5s (of which $50,000 are preferred). (Auth., $4,000,000.) Dated Jan. 1, 1896; due Jan., 1946. Int. J. and J. 1, at Baltimore and New York. Denomination, $1,000. Issuable at $20,000 per mile. Secured by first 35 miles of line, Cordele to Albany, Ga. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Auth., $4,000,000 (increased from $300,000 in August, 1908); outstanding, $40,500; par, $100. The stock of the Albany & Northern Ry., $350,000, is all deposited under No. 1 above.

GLADY & ALPENA RAILROAD

History: Incorporated under laws of West Virginia, Feb. 19, 1901.

Location: Road extends from Gladwin to Evenwood, W. Va., 18 miles; spur at Gladwin, 0.05 mile; total, 18.05 miles. Equipment: locomotive, 1; cars, 3.

Management: OFFICERS: T. W. Raine, Pres., Treas. and Gen. Mgr., Evenwood, W. Va.; F. L. Andrews, Vice-Pres., New Bethlehem, Pa.; John Raine, Sec., Rainelle, W. Va.; L. R. B. Preysz, Aud., Evenwood, W. Va. DIRECTORS: T. W. Raine, Mrs. K. Z. Raine, Evenwood, W. Va.; John Raine, Rainelle, W. Va.; F. L. Andrews, New Bethlehem, Pa. Annual meeting, third Wednesday in May. GENERAL OFFICE, Evenwood, W. Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$36,183	$39,259	$35,533	$34,206	$30,498
Operating expenses	32,310	32,032	31,566	18,291	18,556
Net operating revenues	$3,873	$7,227	$3,967	$15,915	$11,942
Other income	.....	.....	900	1,800	.....
Total net income	$3,873	$7,227	$4,867	$17,715	$11,942
Taxes	1,101	941	727	616	712
Fixed charges	.....	.....	.....	.....	488
Surplus	$2,772	$6,286	$4,140	$17,099	$10,742
Dividends	*	*	*	17,000	2,000
Balance	$2,772	$6,286	$4,140	$99	$8,742

* Dividends paid from profit and loss since 1913.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $2,772; debit balance carried to balance sheet, $17,580; total, $20,352. Contra: Debit balance at beginning of year, $5,352; dividend appropriation of surplus, $15,000; total, $20,352.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$79,690	$91.074	$102,459	$113,843	$113,356
Working assets	3,995	4,299	2,902	378	766
Profit and loss	17,580	5,352	.....	.....	.....
Total	$101,265	$100,725	$105,361	$114,221	$114,122
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	1,265	725	.....	.....	.....
Profit and loss	.....	.....	5,361	14,221	14,122
Total	$101,265	$100,725	$105,361	$114,221	$114,122

Capital Stock: Authorized and outstanding, $100,000; par, $100. No bonded debt. Dividends paid: 2% in 1912; 17% in 1913; 13% in 1914; 17% in 1915; 15% in 1916.

GRAFTON & UPTON RAILROAD COMPANY

History: Incorporated under Massachusetts laws, Oct. 22, 1873, as the Grafton Center R.R., name being changed to above in 1888. Line of road operated, North Grafton to Milford, Mass., with branches to West Upton, 21.89 miles. Equipment owned: Locomotives, 2; freight and company cars, 17. Absorbed the Upton Street Ry. Co. The company's passenger business is operated by electric cars hired from Milford & Uxbridge Street Railway.

Management: OFFICERS: Geo. A. Draper, Pres.; E. D. Bancroft, Vice-Pres.; Frank J. Dutcher, Sec., Hopedale, Mass.; H. A. Billings, Treas., Gen. Mgr., Supt., and Pur. Agt., Hopedale, Mass. DIRECTORS: Eben D. Bancroft, Geo. A. Draper, Frank J. Dutcher, Hopedale, Mass.; Geo. W. Knowlton, Jr., West Upton, Mass.; Edward P. Usher, Grafton, Mass. Annual meeting, first Monday in Nov. at Hopedale, Mass. OFFICE, Hopedale, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$139,798	$118,612	$118,841	$114,243	$122,254	$129,974	$140,957
Maintenance of way	27,471	26,031	22,527	14,565			
Maintenance of equipment	7,543	8,449	6,064	10,738	87,270	103,604	77,413
All other operating expenses	55,638	55,691	55,479	67,580			
Net operating revenues	$49,146	$28,441	$34,771	$21,360	$34,984	$26,370	$63,544
Operating ratio	64.9%	76%	70.7%	81.3%	71.4%	79.2%	54.9%
Other income	400	.....	.....	.....	.....	.....	.....
Total net income	$49,546	$28,441	$34,771	$21,360	$34,984	$26,370	$63,544
Taxes accrued	1,226	663	576	1,238	829	641	553
Fixed charges, etc	30,084	26,468	34,172	19,213	14,616	13,728	67,472
Surplus	$18,236	$1,310	$23	$909	$19,539	$12,001	* $4,481
Other deductions	9,284	5,111	.....	.....	.....	.....	.....
Balance	$8,952	* $3,801	.....	.....	.....	.....	.....

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$520,971	$527,536	$533,141	$541,718	$615,520	$615,520
Working assets	17,885	15,849	18,159	16,492	23,496	20,957
Deferred debit items	910	635	594	730	.....	.....
Profit and loss deficit	49,388	58,340	59,762	11,529	.....	.....
Total	$589,154	$602,360	$611,656	$570,469	$675,016	$672,477
LIABILITIES:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Funded debt	.....	.....	.....	18,000	268,000	268,000
Working liabilities	268,374	291,088	305,551	298,561	57,000	74,000
Accrd. liabilities not due	645	420	365	2,760	.....	.....
Appropriated surplus	70,135	60,852	55,740	1,148	49,520	49,520
Profit and loss surplus	.....	.....	.....	.....	50,496	30,957
Total	$589,154	$602,360	$611,656	$570,469	$675,016	$672,477

Bonded Debt: In Jan., 1917, the company was authorized to issue $250,000 5% 25-year bonds, dated Jan. 1, 1917, to refund notes maturing June 1, 1917.

Capital Stock: Auth. and outstanding $250,000; par, $100. No dividends paid in recent years.

GRAND RAPIDS & NORTHWESTERN RAILROAD

History: Incorporated under the laws of Michigan, Jan. 31, 1908, to construct a railroad from Grand Rapids to Ludington, Mich. Owns entire stock of the Mason & Oceana R.R. Co., also harbor properties at Ludington, Mich., and terminal rights at Grand Rapids and Milwaukee. It is intended to reconstruct the line of the Mason & Oceana R.R., to standardize and extend the lines into Ludington and Grand Rapids, and to establish a line of car ferries, with terminals at Milwaukee and Manitowoc.

Management: OFFICERS: P. W. Gates, Pres., Chicago; R. R. Dunn, Vice-Pres., New York; W. S. Syrett, Sec. and Treas., Chicago. DIRECTORS: M. F. Butters, Ludington, Mich.; J. N. Tittemore, W. P. Bloodgood, Milwaukee; P. W. Gates, W. S. Syrett, Chicago, Ill.; R. R. Dunn, New York; Geo. Clapperton, Grand Rapids, Mich. Annual meeting, February 1. OFFICES: Ludington, Mich., and 72 W. Adams St., Chicago.

Bonded Debt: $2,000,000 Grand Rapids & Northwestern R.R. first 5s. Dated Feb. 1, 1908; due Feb. 1, 1958. Interest paid F. and A. 1, at Girard Trust Company, Philadelphia, Trustee, and at First National Bank, Chicago. Coupon, $1,000. Authorized, $5,000,000. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $500,000 6% non-cumulative preferred and $2,500,000 common. Par, $100. TRANSFER AGENT, W. S. Syrett, Sec., 72 Adams St., Chicago.

GREAT SOUTHERN RAILROAD COMPANY

History: Incorporated under laws of Oregon, June 2, 1908, to build a road from The Dallas to Tygh, Ore., 55 miles. Originally organized March 3, 1904, in Washington.

Location: In operation, The Dallas to Friend, Ore., 40.67 miles; sidings, 3.36 miles. Equipment: Locomotives, 2; passenger cars, 3; freight cars, 24.

Management: OFFICERS: Vacancy, Pres.; J. L. Meier, Vice-Pres.; G. W. Joseph, Sec., Portland, Ore.; J. G. Heimrich, Treas., Gen. Mgr. and Supt.; A. Froembling, Aud., The Dallas, Ore. DIRECTORS: G. W. Joseph, J. L. Meier, Portland, Ore.; S. A. Hull, Seattle, Wash.; J. G. Heimrich, The Dallas, Ore. Annual meeting, in October. OFFICE, The Dalles, Ore.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$43,085	$43,556	$45,630	$63,971	$49,434	$61,578
Maintenance of way	9,821	5,787	15,566	5,514	7,572	6,121
Maintenance of equip.	4,732	4,892	6,016	4,349	7,302	4,106
All other oper. expenses	16,542	17,924	18,647	17,123	17,427	18,509
Net oper. revenues	$11,990	$14,953	$5,401	$36,985	$17,133	$32,842
Other income	132	101	313	.....	415	516
Total net income	$12,122	$15,054	$5,714	$36,985	$17,548	$33,358
Taxes	4,202	4,601	4,402	2,953	3,010	3,284
Fixed charges	31,841	31,785	31,857	25,779	25,508	21,028
Surplus	* $23,921	* $21,332	* $30,545	$8,253	* $10,970	$9,046

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$698,492	$697,265	$703,216	$697,413	$627,962	$531,308
Working assets	19,179	12,735	11,237	12,319	14,652	18,598
Deferred debit items	27,485	29,628	31,906	34,186	24,465	.....
Profit and loss deficit	31,821	7,900	.....	.....	.....	.....
Total	$776,977	$747,528	$746,359	$743,918	$665,079	$549,906
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	590,000	590,000	590,000	590,000	450,000	406,000
Working liabilities	83,525	56,212	32,893	1,572	81,902	31
Deferred credit items	3,452	1,316	10,034	.....	1,265	993
Appropriated surplus	.....	.....	.....	8,369	.....	.....
Profit and loss surplus	.....	.....	13,432	43,977	31,912	42,882
Total	$776,977	$747,528	$746,359	$743,918	$665,079	$549,906

Bonded Debt: $590,000 Great Southern R.R. first 5s. Dated July 1, 1908; due July 1, 1928. Interest paid Jan. and July 1, at Security Savings & Trust Co., Portland, Ore., Trustee. Coupon, $1,000. Callable at 105 and interest. Authorized, $5,000,000. A first lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $100,000. Par, $100. REGISTRAR AND TRANSFER AGENT, Secretary of company.

GREAT WESTERN RAILWAY

History: Incorporated under the laws of Colorado, Oct. 17, 1901. The entire capital stock is owned by the Great Western Sugar Company.

Location: Road extends from Loveland to Longmont, Col., 29 miles; Johnstown to Welty, Col., 6 miles; Johnstown to Milliken, 3 miles; Officers to Eaton, 19 miles; total, 57 miles. Sidings, 20 miles. Equipment: Locomotives, 7; passenger cars, 2; freight cars, 167.

Management: OFFICERS: C. S. Morey, Pres.; W. A. Dixon, 1st Vice-Pres.; C. Boettcher, 2nd Vice-Pres.; E. R. Griffin, 3rd Vice-Pres. and Gen. Mgr.; C. W. Luff, Sec.; W. D. Lippitt, Asst. Sec., Denver; R. K. Marsh, Treas., Denver; R. K. Marsh, Aud., Denver; C. E. Angrove, Supt., Loveland, Colo. DIRECTORS: C. S. Morey, Charles Boettcher, E. R. Griffin, W. A. Dixon, W. L. Petrikin, C. W. Waterman, Denver; R. K. Marsh, Denver, Colo. Annual meeting, fourth Wednesday in March. GENERAL OFFICE, Denver. Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$270,164	$236,512	$242,406	$216,856	$110,032
Operating expenses	161,031	139,456	156,086	137,048	116,595
Net operating revenues	$109,133	$97,056	$86,320	$79,808	(def.) $6,563
Other income	19,610	21,088	13,231	10,488	16,459
Total net income	$128,743	$118,144	$99,551	$90,296	$9,896
Taxes	18,855	8,216	8,022	10,178	9,115
Fixed charges	7,770	7,551	7,941	2,837	.....
Surplus	$102,118	$102,377	$83,588	$77,281	$781

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $573,600; credit balance transferred from income, $102,118; miscellaneous credits. $9,733; total, $685,451. Contra: Miscellaneous debits, $18,478; credit balance carried to balance sheet, $666,973; total, $685,451.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$2,040,627	$2,057,127	$2,075,914	$2,063,120	$2,077,120
Working assets	787,679	668,896	574,820	480,289	400,082
Total	$2,828,306	$2,626,023	$2,650,734	$2,543,409	$2,477,202

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$2,132,000	$2,132,000	$2,132,000	$2,132,000	$2,132,000
Working liabilities	26,890	20,423	47,544	28,837	34,910
Accrued liabilities not due	1,328	.....	.....	.....	.....
Deferred credit items	1,115	.....	.....	.....	.....
Profit and loss	666,973	573,600	471,190	387,572	310,292
Total	$2,828,306	$2,626,023	$2,650,734	$2,543,409	$2,477,202

Capital Stock: Authorized, $2,500,000; outstanding, $2,132,000; par $100. No bonded debt. No dividends paid.

GREENE COUNTY RAILROAD

History: Incorporated under the laws of Georgia, July 27, 1911, to construct a road from Bostwick to Monroe, Ga., and also to acquire road and equipment of the former Bostwick R.R., extending to Apalachee to Bostwick, Ga.

Location: Road extends from Apalachee to Monroe, Ga., 19.69 miles. Sidings, 1.84 miles. Equipment: Locomotives, 2; passengar car, 1; freight cars, 2.

Management: OFFICERS: Forest Greene, Pres., Atlanta, Ga.; J. C. Knapp, Vice-Pres., Sec., Treas. and Gen. Mgr. DIRECTORS: Forest Greene, W. D. Branan, W. H. Paterson, Atlanta, Ga.; J. C. Knapp, Monroe, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$21,340	$19,716	$14,743	$10,743	$6,582
Operating expenses	20,100	18,642	9,706	8,359	6,856
Net operating revenues	$1,240	$1,074	$5,037	$2,384	(def.) $274
Other income	1,179	484	47	.....	.....
Total net income	$2,419	$1,558	$5,084	$2,384	(def.) $274
Taxes	1,010	1,112	178	201	.....
Fixed charges	5,326	5,605	1,232	1,409	.....
Surplus	(def.) $3,917	(def.)$5,159	$3,674	$774	(def.) $274

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$135,206	$130,927	$166,492	$43,504
Working assets	4,431	39,618	3,833	100,326
Deferred assets	742	1,057	.....	23
Profit and loss	3,894	.....	.....	.....
Total	$144,273	$171,602	$170,325	$143,853
LIABILITIES:				
Capital stock	$65,814	$100,000	$100,000	$100,000
Funded debt	44,072	53,050	40,103	8,729
Working liabilities	30,971	16,081	23,862	7,994
Accrued liabilities not due	1,490	773	.....	523
Deferred debit items	1,926	1,675	1,177	26,108
Profit and loss	.....	23	5,183	500
Total	$144,273	$171,602	$170,325	$143,853

Bonded Debt: Outstanding, June 30, 1916: Equipment trust notes, $1,500; notes secured on rail, $11,312; four notes secured on Monroe terminals, $31,260; total, $44,072.

Capital Stock: Authorized and issued, $100,000. Outstanding, June 30, 1916, $65,813; $34,187 held in treasury. Par, $100. Secretary of company acts as TRANSFER AGENT AND REGISTRAR. No dividends paid.

GROVETON, LUFKIN & NORTHERN RAILWAY

History: Incorporated under laws of Texas, Aug. 17, 1908, as the Texas Northern Ry.; present title assumed shortly thereafter. Road opened for operation in July, 1909.

Location: Road extends from Veitch to Vair, Tex., 21.15 miles. Trackage rights over M., K. & T. Ry. of Tex., Groveton to Veitch, 1.25 miles; over Texas Southeastern R.R., Vair to Lufkin, 12.65 miles; over East Texas R.R. & St. L. S. W. Ry., Lufkin to terminals, 0.95 mile; total, 14.85 miles. Total operated, 36 miles. Sidings, etc., 4 miles. Equipment: Locomotives, 2; cars, 16.

Management: OFFICERS: J. S. Boyce, Pres., Chicago.; R. B. Fowler, Gen. Mgr., Winnfield, La.; L. P. Atmar, Vice-Pres. and Treas.; E. Ford, Sec., Aud., Supt. and Pur. Agt., Groveton, Tex. DIRECTORS: C. L. Carter, H. M. Garwood, C. R. Wharton, Houston, Tex.; R. B. Fowler, Winnfield, La.; L. P. Atmar, E. Ford, Groveton, Tex.; J. S. Joyce, Chicago, Ill. Annual meeting, third Monday in February. OFFICE, Groveton, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$62,521	$67,317	$72,580	$70,255	$63,146	$59,344
Maintenance of way	16,219	18,925	20,930	27,268	20,118	17,427
Maintenance of equip.	5,651	4,113	6,667	7,264	7,421	5,161
All other oper. expenses	18,585	22,103	25,678	27,077	26,163	23,242
Net oper. revenues	$22,066	$22,176	$19,305	$8,646	$9,444	$13,514
Other income	800	870	.....	.....	.....	.....
Total net income	$22,866	$22,546	$19,305	$8,646	$9,444	$13,514
Taxes	3,000	3,000	2,700	2,035	1,800	1,800
Fixed charges	31,652	36,994	36,670	34,670	32,061	31,148
Deficit	$11,786	$17,448	$20,065	$28,059	$24,417	$19,434

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $128,197. Contra: Debit balance at beginning of year, $113,762; debit balance transferred from income, $11,786; loss on retired road and equipment, $1,108; delayed income debits, $1,541; total, $128,197.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$473,095	$476,058	$483,467	$470,435	$475,554	$477,884
Working assets	12,264	13,490	10,761	10,546	8,349	6,531
Deferred debit items	.....	.....	.....	.....	301	311
Profit and loss deficit	128,197	113,762	107,973	87,750	59,368	34,961
Total	$613,556	$603,310	$602,201	$568,731	$543,572	$519,687
LIABILITIES:						
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	437,816	441,080	437,000	437,000	437,000	437,000
Working liabilities	124,994	111,362	105,890	75,858	55,692	31,539
Accrd. liabilities not due	746	868	.....	701	678	817
Deferred credit items	.....	.....	9,311	5,172	202	331
Total	$613,556	$603,310	$602,201	$568,731	$543,572	$519,687

Bonded Debt: $437,000 Groveton, Lufkin & Northern Ry. first 5s. Dated Jan. 1, 1909; due Jan. 1, 1939. Interest paid Jan. and July 1, at Illinois Trust & Savings Bank, Chicago, and at company's office, Chicago. A first lien on entire property. Interest payable without deduction for normal income tax.

Capital Stock: Authorized and issued, $50,000. Par, $100.

GULF & SABINE RIVER RAILROAD

Origin: Incorporated under laws of Louisiana, on Sept. 1, 1906, to construct a railroad from Leesville, La., to Marysville, with a branch from Fullerton Junc. to Fullerton, La.; amended in 1907 to build to Alexandria, La.

Location: In operation, June 30, 1916, 34.96 miles, consisting of main line and sidings, 28.23 miles; spurs, 6.73 miles. Locomotives, 10; cars, 144.

Management: OFFICERS: S. H. Fullerton, Pres., East St. Louis, Ill.; P. D. Rust, Vice-Pres., Boston, Mass.; Robert Fullerton, Jr., Vice-Pres.; Frank Goepel, Treas.; R. W. Fullerton, Sec.; G. W. Peabody, Aud., East St. Louis; S. Bridgwater, Gen. Mgr., Fullerton, La.; A. M. Houston, Compt., East St. Louis. DIRECTORS: S. H. Fullerton, Frank Goepel, R. W. Fullerton, Robert Fullerton, Jr., East St. Louis; Paul D. Rust, Boston. Annual meeting, third Monday in Jan., at Leesville, La. GENERAL OFFICE, Murphy Bldg., E. St. Louis, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$155,322	$132,781	$128,219	$115,545	$126,347	$147,392
Maintenance of way	35,322	27,443	44,223	36,314	37,062	20,336
Maintenance of equip.	36,660	34,856	55,532	46,198	40,890	44,006
All other oper. expenses	52,815	50,831	63,795	66,262	56,463	46,517
Net oper. revenues	$30,525	$19,651	* $35,331	* $33,229	* $8,068	$36,533
Other income	13,208	11,025	1,807	2,271	1,367	.....
Total net income	$43,733	$30,676	* $33,524	* $30,958	* $6,701	$36,533
Taxes	3,763	.....	.....	.....	2	75
Fixed charges	46,615	59,303	51,844	37,973	33,141	23,856
Surplus	* $6,645	* $28,627	* $85,368	* $68,931	* $39,844	$12,602

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Delayed income credits, $37,740; miscellaneous credits, $643; debit balance carried to balance sheet, $157,484; total, $195,867. Contra: Debit balance at beginning of year, $188,882; debit balance transferred from income, $6,645; miscellaneous debits, $340; total, $195,867.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$437,945	$423,987	$413,328	$413,390	$367,293	$350,595
Working assets	21,272	9,978	16,545	13,899	23,910	8,188
Deferred debit items	90,342	97,742	105,142	112,542	119,941	127,342
Profit and loss deficit	157,484	188,882	168,637	60,831	.....	.....
Total	$807,043	$720,589	$703,652	$600,662	$511,444	$486,125

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	300,000	300,000	300,000	300,000	300,000	300,000
Working liabilities	299,349	314,268	299,276	196,264	98,670	33,429
Accrd. liabilities not due	5,261	4,375	4,376	4,375	4,375	4,375
Deferred credit items	2,433	1,946	.....	23	.....	.....
Profit and loss surplus	.....	.....	.....	.....	8,099	48,321
Total	$807,043	$720,589	$703,652	$600,662	$511,444	$486,125

Bonded Debt: $300,000 (entire issue) Gulf & Sabine River R.R. first 5s. Dated Sept. 15, 1908; due Sept. 15, 1928. Interest paid Mar. and Sept. 15, at St. Louis, Mo. Coupon, $1,000. Frank Goepel, St. Louis, Mo., TRUSTEE. Callable at 105 and accrued interest. First lien on entire property of company. Interest payable without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $100,000. Par, $100.

GULF, FLORIDA & ALABAMA RAILWAY COMPANY

History: Incorporated on Feb. 6, 1911, under the laws of Florida. Acquired the railroad of the Southern States Lumber Co. extending from Cantonment, Fla., to Local, Ala., 64 miles, late in 1911. The first section of the road was put into operation Jan. 1, 1913. Will connect with the Southern Railway at Pine Hill, Uniontown and Greensboro; with the Louisville & Nashville at Pensacola, Atmore and Thomaston; with the Mobile & Ohio and the Alabama Great Southern at Tuscaloosa; with the Illinois Central and the St. Louis & San Francisco near Jasper. The company received a grant from the City of Pensacola comprising three city blocks of water front for piers, warehouses, etc. Road opened, as common carrier, Jan. 1, 1913.

Location: Operates a line of road from Pensacola, Fla. to Kimbrough, Ala., 142.52 miles; Gatewood branch, 11.00 miles; Cantonment branch, 0.74 mile; Goulding branch, 2.35 miles; total miles operated, 156.61 miles. Sidings, 15.70 miles.

Equipment, June 30, 1915: Locomotives, 9; cars, passenger, 14; freight (box, 58; flat, 128; coal, 23), 209; total, 223.

Management: OFFICERS: Roy C. Megargel, Pres., New York; W. H. Knowles, Vice-Pres.; George A. Berry, Vice-Pres. and Gen. Mgr., Pensacola, Fla.; M. J. Murphy, Treas., New York; C. W. Byram, Sec., Pensacola, Fla. DIRECTORS: W. H. Knowles, J. A. Merritt, J. B. McNeil, W. A. Blount, R. M. Cary, T. A. Jennings, George A. Berry, Pensacola, Fla.; R. C. Megargel, M. J. Murphy, William Barbour, New York; C. F. Coombs, Boston, Mass.; D. P. Coleman, Uniontown, Ala.; W. D. Owens, Jr., Atmore, Ala. Annual meeting, second Tuesday in April. OFFICE, Pensacola, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$170,570	$88,398	$138,143
Maintenance of way	30,435	15,201	6,246
Maintenance of equipment	33,154	13,793	12,845
All other operating expenses	88,691	49,134	50,774
Net operating revenues	$18,290	$10,270	$68,278
Other income	.....	707	18,155
Total net income	$18,290	$10,977	$86,433
Taxes	17,245	10,689	8,252
Fixed charges	75,610	58,792	77,668
Surplus over charges	*$74,565	*$58,504	$513

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$8,820,000	$5,125,700	$3,848,000	$2,350,000
Treasury stock	.....	.....	126,000	32,958
Treasury bonds	.....	.....	126,000	.....
Working assets	24,024	36,922	45,526	.....
Deferred debit items	202	948	316	.....
Profit and loss deficit	130,663	56,099	.....	.....
Total	$8,974,889	$5,219,669	$4,145,842	$2,382,958
LIABILITIES:				
Capital stock	$4,410,000	$2,268,700	$2,050,000	$1,175,000
Funded debt	4,446,000	2,857,000	2,050,000	1,175,000
Working liabilities	104,064	87,407	38,263	27,516
Accrued liabilities	14,825	6,562	5,174	3,550
Profit and loss	.....	.....	2,405	1,892
Total	$8,974,889	$5,219,669	$4,145,842	$2,382,958

Bonded Debt: $4,410,000 Gulf, Florida & Alabama Ry. Co. first mortgage 50-year gold 5s; due July 1, 1961. Int. payable Jan. and July 1, at office of trustee, Columbia Trust Co., New York. Coupon bonds, $100, $500 and $1,000. Interchangeable. Callable at 105 and interest on any interest date, on 60 days' notice. Authorized, $10,000,000. No sinking fund. Secured by first mortgage on all property of the company, including terminals, piers,

warehouses, franchises, etc., consisting of 104½ miles. Bonds were authorized: To construct railroad piers, etc., at not to exceed $20,000 per mile of standard railway line constructed and ready for operation; $500,000 for terminals at Pensacola, Fla.; $500,000 for bridges, etc., and $500,000 for new construction from Tuscaloosa north to connections with the Illinois Central and St. Louis & San Francisco Railroads at Jasper, making a total of $7,500,000. The remaining $2,500,000 are reserved for improvements, extensions, etc., at 90% of actual cost. Interest payable without deduction for normal income tax. Rating, B.

Capital Stock: Auth., common, $6,000,000; 5% non-cumulative preferred, $1,500,000; total, $7,500,000; par, $100. Outstanding, June 30, 1916, common, $3,528,000; preferred, $882,000. TRANSFER AGENTS, New York Trust Co., New York.

GULF TERMINAL COMPANY

History: Incorporated in Alabama on Jan. 19, 1905, to construct terminals at Mobile, Ala.

Location: Owns passenger terminals, realty, and 2.448 miles of trackage at Mobile, Ala., which are leased to the Southern Railway Co. and the Mobile & Ohio R.R. These companies own all the capital stock of the Gulf Terminal Company.

Management: OFFICERS: R. V. Taylor, Pres.; E. H. Coapman, First Vice-Pres.; Geo. A. Cooke, Sec. and Treas. DIRECTORS: E. H. Coapman, H. B. Spencer, S. R. Prince, R. V. Taylor, C. B. Hayes. Annual meeting, fourth Wednesday in January. OFFICE, Mobile, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$30,081	$29,535	$29,556	$29,543	$29,451	$29,465
Taxes accrued	4.241	3,695	3,716	3,703	3.611	3,625
Fixed charges	24,000	24,000	24,000	24,000	24,000	24,000
Balance	$1,840	$1,840	$1,840	$1,840	$1,840	$1,840
Dividends paid	1,840	1,840	1,840	1,840	1,840	1,840

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$641,975	$641,975	$641,975	$641,975	$641,975	$641,975
Working assets	20,630	7,602	19,512	19,036	19,269	20,093
Deferred debit items	165	12,431	764	1,096	1,429	.....
Total	$662,770	$662,008	$662,251	$662,107	$662,673	$662,068
LIABILITIES:						
Capital stock	$46,000	$46,000	$46,000	$46,000	$46,000	$46,000
Funded debt	600,000	600,000	600,000	600,000	600,000	600,000
Working liabilities	14,224	13,835	14,008	13,865	14,500	13,825
Accr'd liabilities not due	2,546	2,173	2,243	2,243	2,173	2,243
Total	$662,770	$662,008	$662,251	$662,107	$662,673	$662,068

Bonded Debt: $600,000 Gulf Terminal Co. first 4s; dated Jan. 1, 1907; due Jan. 1, 1957; interest Jan. 1 and July 1, at Franklin Trust Co., New York. Coupon, $1,000; reg., $1,000 and multiples. Auth., $700,000. First lien on entire property. Guaranteed prin. and int. by Southern Ry. and Mobile & Ohio R.R. Net Rating, A.

Capital Stock: Auth. and outstanding, $46,000; par, $100. Dividends paid, 4% per annum. All owned by Southern Railway and Mobile & Ohio R.R.

GULF, TEXAS & WESTERN RAILWAY

History: Incorporated under Texas laws, Nov. 2, 1908. Absorbed the Dallas & New Mexico Railroad. Projected 500 miles from Burrs Ferry to Benjamin, Tex.

Location: Completed up to June 30, 1915: Salesville to Seymour, Tex., 99.1 miles; trackage, Salesville to Weatherford, 30.5 miles; total operated, 129.6 miles. Extension from Jacksboro to Salesville, Tex., 24.6 miles, was put in operation on March 27, 1913. Sidings, 13.13 miles. Equipment: Locomotives, 7; passenger cars, 8; freight, 97.

Management: OFFICERS: J. J. Jermyn, Pres., Scranton, Pa.; B. B. Cain, Vice-Pres. and Gen. Mgr.; W. F. Knox, Sec. and Treas., Dallas, Tex.; W. A. Blasing, Aud.; P. E. Bock, Supt. and Pur. Agt., Jermyn, Tex. DIRECTORS: J. J. Jermyn, G. B. Jermyn, Scranton, Pa.; B. B. Cain, W. F. Knox, L. M. Dabney, Dallas, Tex.; P. E. Bock, Oliver Loving, Jermyn, Tex.; J. W. Knox, Jacksboro, Tex.; J. W. Cain, Houston, Tex. Annual meeting, first Tuesday in February. GENERAL OFFICE, Dallas, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$172,177	$193,558	$140,612	$117,444	$51,426	$85,287
Maintenance of way	77,071	72,181	64,760	30,187	20,649	26,523
Mainten. of equipment	47,844	30,858	17,263	14,642	11,388	7,989
All other oper. expenses	102,967	96,185	85,023	65,067	57,447	61,944
Net oper. revenues	*$55,705	*$5,666	*$37,034	$7,548	*$38,058	*$11,169
Other income	33	.....	.....	.....	2,668	5,022
Total net income	*$55,672	*$5,666	*$37,034	$7,548	*$35,390	*$6,147
Taxes	13,016	9,683	12,278	6,265	7,287	7,160
Fixed charges	115,736	119,759	93,291	80,658	76,450	76,450
Deficit	$184,424	$135,108	142,603	$79,375	$119,127	$89,757

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$1,887,570	$2,500,105	$2,357,627	$2,340,621	$2,000,703	$1,978,974
Working assets	30,072	79,649	288,861	243,393	251,571	233,285
Deferred debit items...	823,717	232,349	23,292	9,257	6,670	6,743
Profit and loss deficit...	751,322	566,954	459,926	324,809	245,906	127,229
Total	$3,492,681	$3,379,057	$3,129,706	$2,918,080	$2,504,850	$2,346,251
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debit	2,002,688	2,005,595	1,541,977	1,545,100	1,554,764	1,564,428
Working liabilities	966,329	849,929	1,011,852	800,055	432,403	269,936
Accr'd liabilities not due	22,973	21,886	18,875	16,096	16,255	10,588
Deferred credit items...	691	1,647	57,002	56,829	1,428	1,299
Total	$3,492,681	$3,379,057	$3,129,706	$2,918,080	$2,504,850	$2,346,251

Bonded Debt: $2,000,000 Gulf, Texas & Western Ry. first 5s. Dated November 1, 1909; due Nov. 1, 1939. Interest paid May and Nov. 1, at Metropolitan Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $10,000. Callable at 105 and int. upon 30 days' notice. First lien on all property, real and personal. Interest payable without deduction for normal income tax.

Capital Stock: Authorized and issued, $500,000, of which $250,000 is fully paid. Par, $100. Stock transferred and registered at company's office.

HAMPDEN RAILROAD CORPORATION

History: Incorporated under the laws of Massachusetts in July, 1910. Owns road from Boston & Albany R.R., Athol Junction, about two miles from Springfield, Mass., to a connection with the Central Mass. division of the Boston & Maine R.R. at a point within two miles of Bondsville, a total of 14.82 miles. This road when completed was to have been leased to the Boston & Maine R.R. for 99 years at a rental equal to interest on debts of the company and 5% on the stock. In June, 1914, the Mass. legislature voted down the bill providing for the lease of the road to the Boston & Maine. Under act of Jan., 1915, the B. & M. is authorized to purchase the road subject to approval of Mass. Pub. Service Commission. Road is not being operated.

Governor Walsh has allowed to become law without his signature, the bill passed by the Mass. legislature extending to July 1, 1918, the time within which the company shall locate and complete its proposed lines to Holyoke and Chicopee Falls, and open them for use.

Management: OFFICERS: E. L. Gillett, Pres., Westfield, Mass.; J. A. Skinner, Vice-Pres., Holyoke, Mass.; A. W. Eaton, Treas., Pittsfield, Mass.; A. D. Robinson, Clerk; O. E. Parks, Gen. Mgr., Westfield, Mass.; H. S. Durkee, Chief Engineer, Springfield, Mass. DIRECTORS: E. L. Gillett, H. W. Ely, A. D. Robinson, Westfield, Mass.; A. W. Eaton, Pittsfield, Mass.; J. A. Skinner, Holyoke, Mass.; H. A. Bowman, Springfield, Mass. Annual meeting, third Wednesday in June. GENERAL OFFICE, Westfield, Mass.

Capital Stock: Authorized and outstanding, $1,400,000. Par, $100. All owned by Hampden Investment Co.

HAMPTON & BRANCHVILLE RAILROAD

History: Incorporated under the laws of South Carolina, December 16, 1891.

Location: Road extends from Hampton to Smoaks, S. C., 24 miles. Equipment: Locomotives, 2; cars, 6.

Management: OFFICERS: W. C. Mauldin, Pres. and Treas.; J. Mauldin, Vice-Pres.; B. H. Cuttino, Aud., Hampton, S. C. DIRECTORS: J. Mauldin, L. C. Mauldin, W. C. Mauldin, Hampton, S. C. Annual meeting, second Tuesday in January. GENERAL OFFICE, Hampton S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$26,468	$28,811	$34,819	$35,164	$29,367
Operating expenses	19,960	19,584	22,408	25,461	18,923
Net operating revenues.....	$6,508	$9,227	$12,411	$9,703	$10,444
Other income	23,682	19,698	16,594	24,037	.....
Total net income.....	$30,190	$28,925	$29,005	$33,740	$10,444
Taxes	1,255	1,139	970	1,137	705
Fixed charges	23,806	21,584	24,794	19,856	912
Surplus	$5,129	$6,202	$3,241	$22,747	$8,827
Dividends	.....	4,500	.....	4,000	.....
Balance	$5,129	$1,702	$3,241	$18,747	$8,827

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $76,974; credit balance transferred from income, $5,129; total, $82,103. Contra: Dividend appropriations of surplus, $4,000; credit balance carried to balance sheet, $78,103; total, $82,103.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$161,021	$157,560	$148,436	$158,300
Working assets	26,344	27,632	33,720	28,535
Total	$187,365	$185,192	$182,156	$176,835

LIABILITIES:	1916	1915	1914	1913
Capital stock	$100,000	$100,000	$100,000	$100,000
Working liabilities	9,262	8,218	7,384	11,282
Deferred credit items	.....	.....	4,000	.....
Profit and loss surplus	78,103	76,974	70,772	75,558
Total	$187,365	$185,192	$182,156	$176,835

Capital Stock: Authorized and outstanding, $100,000. Par, $100. Dividends paid: 1913, 4%; 1914, 5½%; 1915, 4½%; 1916, 4%. No bonded debt.

HANNIBAL CONNECTING RAILROAD

History: Incorporated under laws of Missouri, July 5, 1902, for purpose of constructing a railroad from the plant of the Atlas Portland Cement Co., near Hannibal, to a connection with the St. Louis & Hannibal R.R., and the Missouri, Kansas & Texas Ry. in Hannibal.

Location: Road extends from Hannibal to Hasco, Mo., 6 miles; sidings, 1.15 miles. Equipment: locomotives, 3; cars, 120.

Management: OFFICERS: H. W. Maxwell, Pres.; A. de Navarro, Vice-Pres., New York; L. Anderson, Sec. and Treas., Hannibal, Mo.; J. L. Medler, Asst. Treas. and Asst. Sec., New York; W. C. Averill, Aud., Hannibal, Mo.; E. T. Magowan, Asst. Aud., New York; W. H. Baker, Supt., Hannibal, Mo.; W. H. Dutcher, Pur. Agt., New York. DIRECTORS: Alfonso de Navarro, H. W. Maxwell, W. E. Miner, New York; Geo. Mahan, W. C. Averill, W. H. Baker, H. T. Lee, Hannibal, Mo. Annual meeting, second Tuesday in March. GENERAL OFFICE, Hannibal, Mo. NEW YORK OFFICE, 30 Broad Street.

Comparative Income Account, Years Ended June 30

	1916	1914	1913	1912	1911
Gross revenues	$79,025	$79,976	$108,306	$124,152	$102,068
Operating expenses	82,048	87,671	105,641	112,913	65,512
Net operating revenues	* $3,023	* $7,695	$2,665	$11,239	$36,556
Other income	362	1,096	1,232	2,482	2,571
Total net income	* $2,661	* $6,599	$3,897	$13,721	$39,127
Taxes	950	821	1,103	1,160	1,230
Fixed charges	13,032	13,147	13,169	14,565	13,122
Surplus	* $16,643	* $20,567	* $10,375	* $2,004	$24,775

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $130,529; miscellaneous credits, $1,299; total, $131,828. Contra: Debit balance transferred from income, $16,643; miscellaneous debits, $293; credit balance carried to balance sheet, $114,892; total, $131,828.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$151,897	$263,315	$263,653	$260,923	$241,984
Working assets	173,900	83,322	107,600	142,824	148,991
Deferred debit items	440	451	229	364	500
Total	$326,237	$347,088	$371,482	$404,111	$391,475
LIABILITIES:					
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000
Working liabilities	10,694	15,908	19,731	41,996	27,354
Accrued liabilities not due	645	645	645	645	645
Deferred credit items	6	6	10	.....	.....
Profit and loss	114,892	130,529	151,096	161,470	163,476
Total	$326,237	$347,088	$371,482	$404,111	$391,475

Capital Stock: Authorized and outstanding, $200,000. Par, $100. No dividends and no bonded debt.

HANNIBAL UNION DEPOT COMPANY

History: Incorporated under the laws of Missouri June 13, 1881. Station opened in 1882. Owns Union Passenger Station with .9 mile of terminal tracks. Station used jointly by Missouri, Kansas & Texas Ry. Co., Wabash Railroad Co., and Chicago, Burlington & Quincy R.R. Co., which companies undertake to meet any deficit from operations.

Management: OFFICERS: F. H. Ustick, Pres., St. Louis, Mo.; C. M. Carter, Sec. and Treas., St. Joseph, Mo.; H. L. Penfield, Supt., Hannibal, Mo. DIRECTORS: F. H. Ustick, S. E. Cotter, St. Louis, Mo.; C. M. Carter, St. Joseph, Mo.; W. C. Welch, St. Louis, Mo.; W. A. Chittenden, Brookfield, Mo.; W. E. Williams, Parsons, Kan. Annual meeting, second Tuesday in February. GENERAL OFFICE, St. Joseph, Mo.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$140,000	$140,000	$140,000	$140,000	$140,000
Working assets	3,874	2,974	2,640	2,910	2,350
Total	$143,874	$142,974	$142,640	$142,910	$142,350

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$40,000	$40,000	$40,000	$40,000	$40,000
Working liabilities	2,326	1,426	1,092	1,362	802
Profit and loss	101,548	101,548	101,548	101,548	101,548
Total	$143,874	$142,974	$142,640	$142,910	$142,350

Capital Stock: Authorized and outstanding, $100,000; par, $100. No bonded debt.

HARDWICK & WOODBURY RAILROAD

History: Incorporated under the laws of Vermont in 1894; organized March 16, 1895; road opened in July, 1896.

Location: Road extends from Buffalo Road to Woodbury Quarry, Vt., 7.0 miles; Holton Summit, Vt., to other quarries, 1.75 miles. Total owned 8.75 miles. Trackage over St. Johnsbury & Lake Champlain R.R., Granite Junc. to Buffalo Road, Vt., 1.75 miles; total operated, 10.5 miles. Sidings, 5.0 miles. Locomotives, 3; flat cars, 58. One special patented well-car for transportation of large pieces of granite.

Management: OFFICERS: Charles W. Leonard, Pres., Boston, Mass.; A. J. Holden, Vice-Pres., Bennington, Vt.; George James, Sec. and Treas.; Wm. C. Clifford, Gen. Mgr., Hardwick, Vt. DIRECTORS: Charles W. Leonard, Boston, Mass.; A. J. Holden, Clarence L. Holden, Bennington, Vt.; Geo. James, Wm. C. Clifford, Frank H. Stone, Hardwick, Vt. Annual meeting, second Tuesday in August at Hardwick, Vt. OFFICE, Hardwick, Vt.

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$33,244	$29,085	$63,288	$68,314	$42,198	$35,069
Maintenance of way	6,111	8,259	12,492	19,673	11,125	9,469
Mainten. of equipment	5,739	8,459	19,947	18,239	8,763	6,394
All other oper. expenses	10,305	7,356	16,143	18,297	11,191	10,903
Net oper. revenues	$11,089	$5,011	$14,706	$12,105	$11,118	$8,303
Other income	1,798	2,775	2,435	.....	1,464	1,541
Total net income	$12,887	$7,786	$17,141	$12,105	$12,582	$9,844
Taxes	1,914	1,828	2,009	2,041	1,176	988
Fixed charges	4,156	3,615	7,883	.....	1,066	794
Surplus	$6,817	$2,343	$7,249	$10,064	$10,340	$8,062
Dividends paid	.....	.....	7,750	3,875	7,750	7,750
Balance	$6,817	$2,343	(def.) $501	$6,189	$2,590	$312

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $7,372; credit balance transferred from income, $6,817; total, $14,189. Contra: Surplus appropriated to sinking and other reserve funds, $2,047; dividend appropriation of surplus, $10,875; credit balance carried to balance sheet, $1,267; total, $14,189.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$131,726	$127,380	$157,266	$157,266	$141,738	$136,121
Working assets	26,110	40,998	47,683	47,004	26,370	24,217
Deferred debit items	.....	.....	.....	.....	10	10
Total	$157,836	$168,378	$204,949	$204,270	$168,118	$160,348
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Working liabilities	6,569	5,159	7,720	12,160	7,155	1,975
Deferred credit items	.....	5,847	34,450	24,957	.....	.....
Profit and loss surplus	1,267	7,372	12,779	17,153	10,963	8,373
Total	$157,836	$168,378	$204,949	$204,270	$168,118	$160,348

Capital Stock: Authorized and outstanding, $150,000. Par, $25. The issue of $25,000 preferred was retired Jan. 1, 1916, by issue of a like amount of common at par plus $14 per share. Secretary of company acts as registrar. Dividends in recent years. On preferred, 7% in 1905; 13% in 1906 and 1907 each; 10% in 1908; 1909 to 1913, inclusive, 11% per annum; 1914 and 1915, 11%; 1916, 5½% and $14 per share on retirement. On common stock, 6% each 1906 and 1907; 3% 1908; 1909 to 1913, inclusive, 4% per annum; 1914 and 1915, 4%; 1916, 2%.

HAWAII CONSOLIDATED RAILWAY LTD.

Origin: Incorporated in 1916, under laws of Hawaii as successor March 1, 1916, to Hilo R.R., sold at foreclosure. Company has the right under its charter to operate railways anywhere on the Island of Hawaii, and to construct and operate terminals, docks, waterworks, etc.

Location: Line of road in operation, Hilo to Puna Plantation, with branches to Glenwood, etc., 53 miles. Extension of 32 additional miles from Hilo to Paauilo projected. Equipment owned: 9 locomotives and 158 cars.

Management: OFFICERS: J. R. Galt, Pres.; A. W. T. Bottomley, Treas. Honolulu, T. H.; R. W. Filler, Gen. Supt., Hilo, T. H. GENERAL OFFICE, Honolulu, T. H.

Comparative Income Account, Years Ended June 30

	*1916	1915	1914	1913	1912	1911	1910
Gross revenue	$156,891	$429,089	$436,404	$409,671	$316,226	$226,985	$225,741
Net operating revenue	75,584	183,163	180,164	167,706	131,620	93,567	95,429
Operating ratio	58.20%	49.71%	58.7%	40.9%	41.6%	42%	42.4%
Total net income	96,099	227,584	180,164	173,685	151,246	121,179	125,124
Fixed charges including taxes	33,578	331,410	315,000	.....	119,436	86,315	119,744
Surplus	$52,521	df $103,826	df $134,836	.....	$31,810	$34,863	$5,380

* Four months to June 30, 1916. Figures of old company prior to 1916.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,971,865	$6,881,766	$5,964,973	$6,724,667	$5,647,760	$4,592,794
Working assets	127,837	863,511	873,501	1,116,143	2,049,908	576,931
Deferred debit items	8,380	1,800,116	1,808,105	1,702,490	1,193,986	1,173,336
Profit and loss deficit	.....	1,265,541	311,573	144,833	144,697	193,035
Total	$6,108,082	$10,810,934	$9,723,152	$9,688,133	$9,036,351	$6,536,096
LIABILITIES:						
Capital stock	$3,654,960	$4,500,000	$4,500,000	$4,500,000	$4,500,000	$3,150,000
Funded debt	2,350,000	5,850,000	4,500,000	4,500,000	4,163,000	3,101,000
Working liabilities	21,171	384,135	655,254	612,058	325,550	267,846
Accrued liabilities not due	29,370	76,799	67,425	75,470	33,345	17,250
Deferred credit items	.....	.....	473	605	14,456	.....
Profit and loss surplus	52,581	.....	.....	.....	.....	.....
Total	$6,108,082	$10,810,934	$9,723,152	$9,688,133	$9,036,351	$6,536,096

Note: Balance sheet prior to 1916 is that of old company, Hilo R.R.

Bonded Debt: $2,350,000 Hawaii Consolidated Ry. first 5s; dated April 1, 1916. Auth., $2,500,000; in treasury, $150,000. No further details available.

Capital Stock: Outstanding, $2,575,000 7% cumulative first preferred; $679,960 6% non-cumulative second preferred, and $400,000 common.

HAYNEVILLE & MONTGOMERY RAILROAD

History: Incorporated under the laws of Alabama, September 5, 1905, to construct railroad from Hayneville to Tyson and from Tyson to Montgomery, Ala., also from Hayneville to Big Swamp. Line of road completed, Hayneville to Tyson, Ala., 9 miles; sidings, 1.37 miles. Equipment: Locomotive, 1; cars, 8.

Management: OFFICERS: Chas. Schuessler, Pres., La Fayette, Ala.; H. H. McPherson, Sec., Treas. and Gen. Mgr., Morganville, Ala.; Jasper Knight, Aud. and Supt., Hayneville. Ala. DIRECTORS: Chas. Schuessler, La Fayette, Ala.; G. E. McGhee, J. R. Persons, Hayneville, Ala.; W. G. Davis, Hogansville, Ga.; H. H. McPherson, Morganville, Ala. Annual meeting, in January. GENERAL OFFICE, Hayneville, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$8,527	$14,885	$14,579	$13,386	$14,848
Operating expenses	7,971	11,117	11,640	11,840	10,396
Net operating revenues	$556	$3,768	$2,939	$1,546	$4,452
Other income	18	36	80	9	.....
Total net income	$574	$3,804	$3,019	$1,555	$4,452
Taxes	459	454	459	753	453
Fixed charges	3,654	4,508	4,329	4,196	4,289
Surplus	(def.) $3,539	(def.) $1,158	(def.) $1,769	(def.) $3,394	(def.) $290

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $3,599; debit balance carried to balance sheet, $29,709; total, $33,308. Contra: Debit balance at beginning of year, $29,769; debit balance transferred from income, $3,539; total, $33,308.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$88,882	$89,955	$91,028	$90,604	$95,818
Working assets	1,733	6,706	2,596	3,513	2,619
Profit and loss	29,709	29,769	28,611	26,842	18,152
Total	$120,324	$126,430	$122,235	$120,959	$116,589
LIABILITIES:					
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Bonded debt	41,000	50,000	50,000	50,000	50,000
Working liabilities	29,098	26,204	22,235	20,959	16,589
Deferred credit items	226	226	.....	.....	.....
Total	$120,324	$126,430	$122,235	$120,959	$116,589

Bonded Debt: $41,000 Hayneville & Montgomery R.R. 1st 8s. Dated July 1, 1908; due July 1, 1918. Interest paid J. and J. 1. First lien on road and equipment.

Capital Stock: Authorized and outstanding, $50,000. Par, $100.

HILL CITY RAILWAY

History: Incorporated under the laws of Minnesota, November 3, 1915. Acquired the property of the Mississippi, Hill City & Western Ry. on Nov. 22, 1915.

Location: Road owned, Hill City to Mississippi Junc., Minn., 17.5 miles; operated under agreement with Great Northern Ry., Mississippi Junc. to Swan River, Minn., 7.6 miles; total operated, 25.1 miles; sidings, 2.32 miles. Equipment: Locomotives, 3; cars, 24.

Management: OFFICERS: G. B. Robbins, Pres.; F. W. Ellis, Vice-Pres.; C. J. Faulkner, Jr., Sec.; F. W. Croll, Treas., Chicago, Ill.; R. J. Hinkle, Gen. Man., Hill City, Minn.; J. W. Stull, Gen. Aud., Chicago, Ill. DIRECTORS: G. B. Robbins, F. W. Ellis, J. H. Berry, Chicago, Ill. Annual meeting, first Thursday in August. GENERAL OFFICE, Union Stock Yards, Chicago, Ill.

Income Account, year ended June 20, 1916: Gross revenues, $26,554; operating expenses, $19,999; net operating revenues, $6,555; other income, $74; total net income, $6,629; taxes, $1,342; fixed charges, $6,344; deficit, $1,057.

Condensed Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Property investment	$246,111	Capital stock	$50,000
Working assets	14,260	Funded debt	200,000
Deferred debit Items	796	Working liabilities	9.796
Profit and loss	1,057	Deferred credit items	2,428
Total	$262,224	Total	$262,224

Bonded Debt: $200,000 Hill City Ry. first 5s; dated Nov. 22, 1915; due Nov. 22, 1945. Interest paid M. and N. 22, at Merchants' Trust & Savings Bank, St. Paul, Minn., and at company's office in Chicago. Coupon and reg., $1,000. Authorized, $200,000. Callable at 105 and interest. First lien on entire property.

Capital Stock: Authorized, $200,000; outstanding, $50,000; par, $100.

HILLSBORO & NORTHEASTERN RAILWAY

History: Incorporated under laws of Wisconsin in December, 1902. Road opened in 1903.

Location: Road extends from Union Center to Hillsboro, Wis., 5.7 miles. An extension of 26.5 miles south through Hub City and Rockbridge to Richland, has been surveyed. Equipment: Locomotives, 2; cars, 6.

Management: OFFICERS: W. H. H. Cash, Pres., New Lisbon, Wis.; G. Weinstein, Vice-Pres.; J. A. Cash, Sec., Treas., Supt., Pur. Agt. and Aud.; F. I. Pinch, Gen. Mgr., Hillsboro, Wis. DIRECTORS: W. H. H. Cash, New Lisbon, Wis.; F. I. Pinch, G. Weinstein, J. A. Cash, Hillsboro, Wis.; C. J. Hausman, Madison, Wis. GENERAL OFFICE, Hillsboro, Wis. Annual meeting, second Tuesday in December.

Income Account, Year Ended June 30, 1916

Gross revenue	$23,956
Operating expenses	9,805
Net operating revenues	$14,151
Other Income	146
Total net income	$14,297
Taxes	447
Fixed charges	1,321
Surplus	$12,529
Dividends	4,902
Balance	$7,627

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $7,627; miscellaneous credits, $509; total, $8,136. Contra: Debit balance at beginning of year, $5,199; credit balance carried to balance sheet, $2,937; total, $8,136.

Condensed Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Property investment	$97,428	Capital stock	$81,700
Current assets	2,402	Current liabilities	15,193
		Profit and loss	2,937
Total	$99,830	Total	$99,830

Capital Stock: Authorized, $100,000; outstanding, $81,700. Par, $100. No bonded debt. Dividends of 6% paid from 1908 to 1916. Cost of road and equipment, $97,428.

HOLTON INTER-URBAN RAILWAY

History: Incorporated under laws of California, Dec. 31, 1903. Line of road, El Centro to Holtville, Cal., 10.47 miles; El Centro to Seeley (leased), 8.74 miles; Seeley to Dixieland, Cal. (leased), 10 miles; other leased lines, 19.36 miles; sidings, 0.66 mile; total operated, 49.23 miles. Equipment: Locomotives, 3; cars, 16.

Management: OFFICERS: A. B. West, Pres. and Gen. Mgr.; A. S. Cooper, Treas.; W. G. Driver, Sec.; P. R. Ferguson, Aud. DIRECTORS: W. F. Holt, W. G. Driver, A. B. West, C. O. Poole, A. S. Cooper. Annual meeting, third Wednesday in February. OFFICE: Redlands, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$63,315	$81,801	$92,380	$80,999	$65,627	$48,487	$42,364
Operating expenses	49,584	50,185	59,282	50,113	38,898	39,902	28,918
Net operating revenues	$13,731	$31,616	$33,098	$30,886	$26,729	$8,585	$13,446
Other income	396	340	.....	.....	.....	523	415
Total net income	$14,127	$31,956	$33,098	$30,886	$26,729	$9,118	$13,861
Fixed charges	†22,190	†28,987	26,443	24,490	22,575	11,962	9,948
Surplus	*$8,063	$2,969	$6,655	$6,396	$4,153	*$2,844	$3,913

* Deficit. † Includes taxes.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $6,248; miscellaneous credits, $538; debit balance to balance sheet, $1,423; total, $8,209. Contra: Debit balance transferred from income, $8,063; miscellaneous debits, $146; total, $8,209.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$322,238	$325,391	$334,437	$336,923	$313,014	$307,725
Working assets	10,069	29,548	10,686	11,924	14,880	13,152
Profit and loss deficit	1,423	.....	.....	2,858	9,197	13,106
Total	$333,730	$354,939	$345,223	$351,705	$337,091	$333,983
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	100,000	100,000	100,000	100,000	100,000	100,000
Working liabilities	28,838	44,501	24,203	43,415	37,091	33,838
Accrd. liabilities not due	4,892	4,190	.....	.....	.....	.....
Profit and loss surplus	.....	6,248	3,278	.....	.....	.....
Total	$333,730	$354,939	$345,223	$351,705	$337,091	$333,983

Bonded Debt: $100,000 Holton Inter-Urban Ry. first 6s. Dated April 1, 1907; due $5,000 annually from Jan. 1, 1918, to Jan. 1, 1937. Int. paid J. and J. 1, at Citizens' National Bank, Redlands, Cal. Coupon, $250 and $1,000. First lien on line from El Centro to Holtville, Cal., 10.47 miles, on leases and all other property of company. Company deducts income tax. Rating, **Ba.**

Capital Stock: Auth. and issued, $200,000; par, $100. TRANSFER AGENT, W. G. Driver, Redlands, Cal.

HOOSAC TUNNEL & WILMINGTON RAILROAD

History: Incorporated under laws of Massachusetts, Dec. 28, 1886, and in 1892 absorbed the Deerfield Valley R.R. Line of road operated, Hoosac Tunnel, Mass., to Wilmington, Vt., with branch from Readsboro to Heartwellville, 29.059 miles in all. Equipment owned: Locomotives, 6; cars: passenger, 5; freight, 90; cabooses, 2.

Management: OFFICERS: J. P. Kellas, Pres. and Gen. Mgr.; L. M. Kellas, Treas.; John W Genaway, Sec., Wilmington, Vt.; H. E. Mann, Aud. and Traffic Agt.; K. S. Macteer, Supt. and Pur. Agt., Wilmington, Vt. DIRECTORS: John W. Genaway, John P. Kellas, L. M. Kellas, Malone, N. Y.; K. S. Macteer, Hoosac Tunnel, Mass.; H. E. Mann, Wilmington, Vt. Annual meeting, in June, at North Adams, Mass. OFFICE, Wilmington, Vt.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$118,737	$92,366	$100,635	$113,775	$97,335	$90,607
Maintenance of way	25,906	19,100	40,900	24,270		
Maintenance of equip.	10,582	11,472	16,804	12,494	64,458	59,968
All other oper. expenses	52,824	39,946	39,601	43,700		
Net oper. revenues	$29,425	$21,848	$3,330	$33,281	$32,877	$30,639
Operating ratio	75.3%	76.3%	96.7%	70.8%	66.2%	65.5%
Other income	.....	.....	.....	.....	5,314	7,165
Total net income	$29,425	$21,848	$3,330	$33,281	$38,191	$37,804
Taxes accrued	2,772	2,725	2,626	2,681	2,278	1,569
Fixed charges, etc.	13,693	14,433	15,213	12,733	19,375	12,335
Surplus	$12,960	$4,690	*$14,509	$17,867	$16,538	$26,100
Dividends paid	.....	.....	.....	.....	.....	25,000
Balance	$12,960	$4,690	*$14,509	$17,867	$16,538	$1,100

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$567,357	$582,798	$583,214	$590,777	$536,090	$511,357
Working assets	92,903	89,336	84,466	93,031	89,960	93,240
Total	$660,260	$672,134	$667,680	$683,808	$626,050	$604,597

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Funded debt	226,000	228,000	230,000	232,000	234,000	236,000
Working liabilities	30,267	53,068	51,270	50,222	8,298	1,350
Accrd. liabilities not due	3,767	3,800	3,833	3,867	3,900	3,933
Profit and loss surplus.	150,226	137,266	132,577	147,719	129,852	113,314
Total	$660,260	$672,134	$667,680	$683,808	$626,050	$604,597

Bonded Debt: $226,000 Hoosac Tunnel & Wilmington R.R. first gold 5s. Dated Sept. 1, 1892; due Sept. 1, 1922. Int. M. and S. 1, at Old Colony Trust Co., Boston. Coupon and registered, $1,000. First lien on entire property. Normal income tax deducted from interest. Net Rating, Baa.

Capital Stock: Auth. and outstanding, $250,000; par, $100. Dividends have been paid as follows: 1896, 1%; 1897 to 1905, inclusive, 2% per annum; 1906, 3%; for year ended June 30, 1911, 10%; none since. TRANSFER OFFICE, North Adams, Mass.

HOUSTON BELT & TERMINAL RAILWAY

History: Incorporated in Texas, August 31, 1905, to construct a belt and terminal railway in Houston.

Location: Owns about 49.41 miles of tracks, including belt line around the city of Houston, Tex., which is leased for 99 years from July 1, 1907, to the Gulf, Colorado & Pacific (Atchison system), Trinity & Brazos Valley, Beaumont, Sour Lake & Western and St. Louis, Brownsville & Mexico railroads. These companies own all the capital stock. Leased from Gulf, Colorado and Santa Fe, 11.73 miles.

Management: OFFICERS: J. W. Robins, Pres. and Gen. Mgr.; J. M. Rockwell, Vice-Pres.; J. S. Pycatt, Vice-Pres.; T. C. Dunn, Treas.; J. W. McCullough, Sec. and Aud. DIRECTORS: J. M. Rockwell, B. F. Bonner, F. G. Pettibone, Frank Andrews, J. W. Robins, J. S. Pyeatt, J. E. Anderson, J. A. Brown. Annual meeting, Wednesday preceding second Tuesday in November. OFFICE, Houston, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$407,892	$381,107	$386,749	$391,697	$346,196	$241,785
Taxes accrued	80,000	48,000	54,212	45,901	37,000	21,000
Fixed charges	277,892	283,107	282,537	295,796	309,196	220,785
Surplus	$50,000	$50,000	$50,000	$50,000	.....	.....

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $1,000; debit balance carried to balance sheet, $107,697; total, $108,697. Contra: Debit balance at beginning of year, $108,697.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,889,970	$4,882,430	$4,878,000	$4,844,995	$4,438,557	$4,194,375
Working assets	292,511	277,874	296,585	347,845	537,188	758,624
Deferred debit items	57,155	55,090	6,032	3,519	14,247	108,976
Profit and loss deficit	107,697	108,697	108,757	109,652	.....	.....
Total	$5,347,333	$5,324,091	$5,289,374	$5,306,011	$4,989,992	$5,061,975
LIABILITIES:						
Capital stock	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
Funded debt	4,718,000	4,768,000	4,771,000	4,818,000	4,650,000	4,696,000
Working liabilities	185,298	85,511	118,869	141,647	173,174	129,834
Accrued liabilities not due.	76,353	154,616	143,261	139,038	116,250	122,701
Deferred credit items	11,710	9,800	.....	.....	.....	.....
Appropriated surplus	330,972	281,164	231,244	182,326	25,568	88,440
Total	$5,347,333	$5,324,091	$5,289,374	$5,306,011	$4,989,992	$5,061,975

Bonded Debt: $4,718,000 Houston Belt & Terminal Railway sinking-fund gold 5s; dated July 1, 1907; due July 1, 1937. Int. Jan. 1 and July 1, at Central Trust Co., New York. Sinking fund, 1% annually of all bonds issued. Now retired by fund, $282,000. Callable at 105 and int., on and after July 1, 1917. First lien on entire property owned. Interest and sinking fund are guaranteed by the four leasing railroad companies. Listed on New York Stock Exchange. Interest payable without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth. and issued, $25,000; par $100. All owned equally by the lessees.

IDAHO SOUTHERN RAILROAD

History: Incorporated under Delaware laws, December 9, 1908, under perpetual charter. The railroad was built as part of the Twin Falls North Side Irrigation project, and although operated as a separate company, is considered part of the irrigation plant. Now in receivers' hands. Road discontinued, September 1, 1916.

Location: Road extends from Gooding to Jerome, Idaho, 24 miles; opened Jan. 2, 1909; under construction, Jerome to Milner, 35 miles. The road will untimately be operated by electricity. Sidings, 3.23 miles. Equipment: 3 locomotives, 11 cars.

Management: OFFICERS: D. C. MacWatters, Rec.; A. C. Robinson, Pres.; R. L. Kester, Vice-Pres.; C. M. Barr, Vice-Pres.; H. B. Smith, Sec. and Treas., Pittsburgh, Pa.; D. C. McWatters, Gen. Mgr., Jerome, Idaho. DIRECTORS: A. C. Robinson, R. L. Kester, H. B. Smith, C. M. Barr, P. D. Remington, Pittsburgh, Pa.; A. M. Johnston, Freeport, Pa.; H. W. Davis, Wilmington, Del. Annual meeting, in March. OFFICE, Milner, Idaho.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$9,476	$10,355	$13,940	$15,650	$25,634	$43,918
Maintenance of way	2,840	636	1,121	1,407	2,495	2,969
Maintenance of equipment	686	3,285	4,480	6,696	5,601	5,154
All other oper. expenses	11,959	16,002	17,749	22,018	23,569	25,549
Net operating revenue	*$6,009	*$9,568	*$9,410	*$14,471	*$6,031	$10,246
Other income	1,470	3,901	3,806	3,206	3,620	7,816
Total net icome	*$4,539	*$5,667	*$5,604	*$11,265	*$2,411	$18,062
Taxes	222	600	600	1,800	3,015	3,630
Fixed charges	8,703	23,460	23,560	26,865	28,636	30,000
Surplus	*$13,464	*$29,727	*$29,764	*$39,930	*$34,062	*$15,568

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credit, $26,181; debit balance carried to balance sheet, $133,973; total, $160,154. Contra: Debit balance at beginning of year, $143,832; debit balance transferred from income, $13,464; miscellaneous debits, $2,858; total, $160,154.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,425,575	$5,149,537	$5,160,446	$5,160,355	$4,897,403	$5,029,134
Working assets	80,392	81,624	83,363	75,515	305,242	173,078
Accrued income not due	.....	.....	3,519	3,993	.....	.....
Deferred debit items	.....	2,991	.....	.....	3,628	140
Profit and loss deficit	133,973	143,832	114,105	84,340	44,409	10,347
Total	$4,639,940	$5,377,984	$5,361,433	$5,324,203	$5,250,682	$5,212,699
LIABILITIES:						
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	.....	750,000	1,141,000	1,141,000	1,150,000	1,250,000
Working liabilities	1,639,940	1,621,303	1,198,797	1,158,289	1,093,206	955,331
Accrued liabilities not due.	.....	6,647	.....	3,910	7,476	7,368
Deferred credit items	.....	34	21,636	.....	.....	.....
Appropriated surplus	.....	.....	.....	21,004	.....	.....
Total	$4,639,940	$5,377,984	$5,361,433	$5,324,203	$5,250,682	$5,212,699

Bonded Debt: $750,000 Idaho Southern R.R. 1st 5s. dated May 1, 1909; due May 1, 1959. Int. paid May and Nov. 1. Auth., $3.000,000. Of amount issued, $563,000 are deposited as collateral for the 6% collateral-trust notes described below, and $187.000 are in company's treasury. Sinking fund of 5% of net earnings began in 1915. First lien on entire property. None in hands of public on June 30, 1916.

(2) $391,000 Idaho Southern Collateral Trust 6% notes. Dated May 1, 1909; due May 1, 1914. Interest paid May and Nov. 1, at Commonwealth Trust Company, Pittsburgh, Pa., Trustee. Coupon, $1,000. Callable at 102½ and interest, on 60 days' notice. Original issue, $700,000, of which $59,000 are held in treasury. $100,000 were retired May 1, 1912, and $150,000 May 1, 1913. Secured by pledge of $563,000 1st 5s. Interest and principal in default since Nov., 1913. Not in hands of public.

Capital Stock: Authorized and outstanding, $3,000,000. Par, $100.

ILLINOIS NORTHERN RAILWAY

History: Incorporated under the laws of Illinois, March 15, 1901. Road completed in 1902. As of March 1, 1909, the company leased, for a term of 42 years, from the International Harvester Company, the ground occupied by the railway company, for its public service tracks, station, roundhouse, etc., at an annual rental of $9,474. This lease was transferred to the International Harvester Corporation in Feb., 1913. Under an agreement, dated Aug. 1, 1902, the company uses 0.79 mile of track of the Atchison, Topeka & Santa Fe Ry., for 50 years, at an annual rental of $15,000 and 33 1/3% of the gross earnings over $27,500 per annum. Operates a belt line connecting 21 railroads.

Location: Hoyne Avenue to Elsdon, Chicago, Ill., 6.95 miles. Sidings, 21.74 miles. Equipment: Locomotives, 7; cars, 61.

Management: OFFICERS: F. B. Montgomery, Pres. and Gen. Mgr.; S. D. Snow, Vice-Pres.; W. M. Gale, Treas.; A. G. Huckin, Sec.; T. J. Maloney, Aud.; H. P. Utley, Purch. Agt., Chicago, Ill. DIRECTORS: S. D. Snow, F. B. Montgomery, C. T. Bradford, A. G. Huckin, G. A. Ranney, Chicago, Ill. Annual meeting, first Monday in June, at Chicago, Ill. OFFICE, 606 South Michigan Avenue, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$421,341	$306,954	$380,852	$403,654	$292,138	$259,686
Maintenance of way	29,757	21,402	27,099	19,437	13,564	16,007
Maintenance of equipment	31,515	28,376	35,981	33,013	28,446	30,452
All other operating exp.	184,632	152,174	180,157	179,721	144,863	150,350
Net oper. revenues	$175,437	$105,002	$137,615	$171,483	$105,265	$62,877
Other income	26,940	14,122	32,380	24,937	24,432	26,814
Total net income	$202,377	$119,124	$169,995	$196,420	$129,697	$89,691
Taxes	9,228	7,424	7,229	5,612	11,051	8,610
Fixed charges	112,022	91,654	103,691	105,392	82,066	68,622
Surplus	$81,127	$20,046	$59,075	$85,416	$36,580	$12,459

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $380,474; credit balance transferred from income, $81,127; total, $461,601. Contra: Dividend appropriations of surplus, $40,000; credit balance carried to balance sheet, $421,601; total, $461,601.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$600,054	$480,069	$498,442	$491,294	$485,802	$666,193
Working assets	205,499	265,899	326,846	244,548	222,627	194,173
Deferred debit items...	340,321	539,138	377,973	588,772	419,630	265,060
Total	$1,145,874	$1,105,106	$1,203,261	$1,324,614	$1,128,059	$1,125,426
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Working liabilities.....	136,750	147,997	275,095	236,207	365,960	406,394
Accr'd liabilities not due	65,380	40,129	50,434	50,771	4,196	2,503
Deferred credit items...	22,143	36,506	11,987	8,983	6,648	3,426
Appropriated surplus ..	.....	.....	6,067	198,050	6,067	6,067
Profit and loss surplus..	421,601	380,474	359,678	330,603	245,188	207,036
Total	$1,145,874	$1,105,106	$1,203,261	$1,324,614	$1,128,059	$1,125,426

Capital Stock: Authorized and outstanding, $500,000. Par, $100. All owned by International Harvester Corporation. No bonded debt. A dividend of 6% paid in year ended June 30, 1914. None in 1915; 8% in 1916.

THE ILLINOIS SOUTHERN RAILWAY COMPANY

History: Incorporated under laws of Illinois, May 21, 1900, as successor to the Centralia & Chester R.R.; also acquired and merged the Southern Missouri Ry. and the St. Louis & Southern Illinois R.R.

Location: Line of road, Salem to Kellogg, Ill., 79.58 miles; Little Rock Landing to Bismarck, Mo., 43.16 miles; Collins to Chester, Ill., 10.67 miles; Sparta to Illinois Fuel Co. mines, 2.83 miles; Miss. River Transfer, 0.6 mile; trackage, 2.81 miles; total operated, 139.65 miles. Equipment: Locomotives, 20; passenger, freight and service cars, 759.

Management: OFFICERS: E. K. Boisot, Pres., Chicago, Ill.; J. W. Walsh, Vice-Pres. and Asst. Treas., St. Louis, Mo.; O. A. Bestel, Treas.; E. M. Tourtelot, Sec., Chicago, Ill. DIRECTORS: Above officers, with F. O. Wetmore, J. C. Hutchins, M. Rosenfeld. Annual meeting, fourth Wednesday in September. OFFICE, 38 So. Dearborn St., Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$698,981	$532,460	$566,911	$543,000	$465,524	$481,243
Maintenance of way....	103,762	85,064	76,853	75,222	73,000	106,086
Maintenance of equip...	104,680	85,979	92,741	80,892	71,830	76,691
All other expenses....	301,471	255,948	264,331	253,636	237,863	226,553
Net oper. revenues	$189,068	$105,469	$132,986	$133,250	$82,831	$71,912
Other income	3,003	2,276	239	472	1,254	1,201
Total net income...	$192,071	$107,745	$133,225	$133,722	$84,085	$73,103
Taxes accrued	26,819	24,447	27,163	22,895	22,418	18,000
Fixed charges	119,937	78,024	122,130	105,128	99,367	213,780
Surplus	$45,315	$5,274	(def.)$16,068	$5,699	(def.)$37,700	(def.)$158,667

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $22,279; credit balance transferred from income, $45,314; miscellaneous credits, $1,708; total, $69,291. Contra: Miscellaneous debits, $1,633; credit balance carried to balance sheet, $67,668; total, $69,291.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$8,500,699	$8,476,656	$8,167,208	$8,098,900	$8,028,076	$10,130,181
Working assets.....	132,335	102,333	140,617	158,434	132,896	98,019
Deferred debit items...	9,082	6,692	7,740	4,125	2,737	8,462
Profit and loss deficit..	.....	.....	58,489	40,077	45,329	858,046
Total	$8,642,116	$8,588,681	$8,374,054	$8,301,536	$8,209,038	$11,094,708
LIABILITIES:						
Capital stock.....	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Funded debt.....	3,407,000	3,416,055	3,135,000	3,141,000	3,079,000	4,614,000
Working liabilities.....	133,539	114,426	217,389	150,536	121,059	1,480,708
Accrd. liabilities not due	21,713	23,818	21,665	10,000	8,979	.....
Deferred credit items..	12,196	10,443	.....	.....	.....	.....
Profit and loss surplus.	67,668	23,939	.....	.....	.....	.....
Total	$8,642,116	$8,588,681	$8,374,054	$8,301,536	$8,209,038	$11,094,708

Bonded Debt: (1) $2,018,000 Illinois Southern Ry. first 5s; dated June 1, 1911; due June 1, 1951. Int. paid June and Dec. 1 at First Trust & Savings Bank, Chicago. $82,000 of those outstanding are held in the treasury. Coupon, $1,000. First lien on all property owned, consisting of 136.24 miles (see above), and all equipment. Interest payable without deduction for normal income tax. Rating, B.

(2) $1,380,000 Illinois Southern Ry. income 5s; dated June 1, 1911; due June 1, 1951. Int. paid up to 5%, if and when earned. Coupon, $1,000. Follow No. 1 on same property.

Capital Stock: Auth. and Issued, $1,000,000 6% cumulative preferred and $4,000,000 common; par, $100. REGISTRAR, Central Trust Co. of Illinois, Chicago. Secretary of company acts as TRANSFER AGENT.

ILLINOIS TERMINAL RAILROAD

History: Successor July 6, 1895, to old Illinois Terminal Co. and Mississippi Valley Terminal Co.

Location: Operates 25.55 miles of railway terminals at Alton, Ill., of which 9.95 miles is owned, 6.8 miles leased from Wabash R.R., and 8.8 miles used under trackage rights. Sidings, 14.66 miles. Equipment: Locomotives, 9; cars, 86.

Management: OFFICERS: Vacancy, Pres.; H. H. Ferguson, Vice-Pres. and Gen. Mgr.; H. S. Baker, Sec.; L. A. Schlafly, Treas., Alton, Ill. DIRECTORS: H. S. Baker, J. A. Duncan, H. H. Ferguson, G. M. Levis, L. A. Schlafly, Alton, Ill. Annual meeting, first Tuesday in July. OFFICE, Alton Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$410,143	$299,137	$291,433	$294,505	$226,824	$192,968	$168,596
Maintenance of way	113,902	54,321	71,838	92,525	41,240	39,074	19,303
Maintenance of equipment	49,535	33,637	36,524	41,494	25,720	24,471	14,712
All other operating expenses	119,270	106,491	107,594	92,116	71,366	80,606	78,366
Net operating revenues	$127,436	$104,688	$75,072	$68,370	$88,498	$48,817	$56,215
Operating ratio	68.9%	65%	74.2%	76.8%	61%	74.7%	66.6%
Other income	6,195	10,801	688	270	7,657	9,090	22,833
Total net income	$133,631	$115,489	$75,760	$68,640	$96,155	$67,907	$79,048
Taxes accrued	6,720	6,639	5,983	4,796	4,925	4,537	3,738
Fixed charges	24,912	27,258	27,175	29,349	46,524	26,306	27,460
Surplus	$101,999	$81,592	$42,602	$34,495	$44,706	$37,064	$47,850

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $253,536; credit balance transferred from income, $101,999; miscellaneous credits, $1,008; total, $356,543. Contra: Dividend appropriations of surplus, $40,000; miscellaneous debits, $186; credit balance carried to balance sheet, $316,357; total, $356,543.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,015,338	$1,074,084	$1,007,530	$971,688	$924,207	$914,729
Working assets	420,316	246,384	183,094	182,193	181,645	142,986
Deferred debit items	1,215	720	1,676	2,356	2,307	2,180
Total	$1,436,869	$1,321,188	$1,192,300	$1,156,237	$1,108,159	$1,059,895
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	410,000	450,000	450,000	450,000	450,000	450,000
Working liabilities	206,066	112,898	61,796	73,270	55,067	47,367
Accrd. liabilities not due	4,446	4,754	2,793	2,397	2,380	2,268
Profit and loss surplus	316,357	253,536	177,711	130,570	100,712	60,260
Total	$1,436,869	$1,321,188	$1,192,300	$1,156,237	$1,108,159	$1,059,895

Bonded Debt: $410.000 Illinois Terminal R.R. first 5s; dated Jan. 1, 1905; due Jan. 1, 1925; interest Jan. 1 and July 1, at Illinois Trust & Savings Bank, Chicago. Callable at par and interest. Authorized, $500,000. First lien on entire property. Legal for Savings Banks in Maine and Missouri. Interest payable without deduction for normal income tax. Net Rating, *A.*

New Issue: In 1913, a new issue of $5.000,000 first 5s was authorized, dated Dec. 1, 1913; due Dec. 1, 1938. Int. paid Jan. and July 1, at First Trust & Savings Bank, Chicago. It was proposed to issue $1,500,000 of these bonds to take up present mortgage of $450,000, and to extend the line to East Carondelet, Ill.

Capital Stock: Auth., $5,000.000; outstanding, $500,000; par, $100. The entire stock issue was given with the bonds. A dividend of 4% was paid in 1912; 1913 to 1915, none; 8% in 1916. TRANSFER AGENT, H. S. Baker, Alton, Illinois.

INDEPENDENCE & MONMOUTH RAILWAY

History: Incorporated under laws of Oregon, Mar. 23, 1899, and first opened in Aug., 1890. Line of road operated: Independence to Monmouth, Ore., with trackage rights from Arlie to Dallas, a total of 2.5 miles. Equipment owned: locomotives, 3; passenger cars, 4.

Management: OFFICERS: H. Hirschberg, Pres., Treas., & Gen. Mgr., Independence, Ore.; D. W. Sears, Vice-Pres. and Sec., Portland, Ore.; J. Dornsife, Supt., Independence, Ore. DIRECTORS: H. Hirschberg, J. Dornsife, Independence, Ore.; D. W. Sears, Portland, Ore. Annual meeting, December 31. OFFICE, Independence, Ore.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$6,933	$10,569	$18,399	$30,531	$28,498	$22,144	$23,949
Operating expenses	10,938	11,468	14,786	24,353	17,787	14,743	15,891
Net operating revenues	* 4,005	* 899	3,613	6,178	10,711	8,401	8,058
Operating ratio	160.4%	108.5%	80.4%	79.7%	62.4%	62.1%	66.4%
Taxes accrued	373	459	241	.....	431	356	320
Fixed charges	.....	.....	2,183	.....	6.209	4,158	4,356
Dividends paid	.....	.....	.....	.....	2,500	.....	.....
Balance	*$4,378	*†$1,007	$1,189	.....	$1,570	$3,886	$3,382

* Deficit.

† Includes credit $351 non-operating income.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$31,571	$31,816	$31,618	$31,618	$31,350	$31,094
Working assets.....	654	3,550	4,493	4,055	6,110	4,842
Total	$32,225	$35,366	$36,111	$35,673	$37,460	$35,936
LIABILITIES:						
Capital stock.....	$25,000	$25,000	$25,000	$25,000	$ 25,000	$25,000
Working liabilities.....	2,022	785	523	1,025	987	1,033
Profit and loss surplus.	5,203	9,581	10,588	9,648	11,473	9,903
Total	$32,225	$35,366	$36,111	$35,673	$37,460	$35,936

Capital Stock: $25,000; par, $50. A dividend of 15% was paid for year 1906-7, 10% for year 1907-8, 12% for years 1908-9, 1909-10; none in 1910 and 1911; 10% in 1912. None since.

INDIAN CREEK VALLEY RAILWAY

History: Incorporated under the laws of Pennsylvania, May 21, 1902, to build a line from Indian Creek to Rockwood, Pa., 55 miles, with a 10-mile branch from Bakersville to Barronvale, Pa.

Location: Road in operation: Indian Creek to Jones Mill, 23 miles; total, 23 miles. Equipment: Locomotives, 3; cars, 26.

Management: OFFICERS: Chas. F. Hood, Pres.; S. F. Hood, Gen. Supt., Connellsville, Pa.; J. M. Stauffer, Vice-Pres. and Pur. Agt., Scottdale, Pa.; J. S. Braddock, Sec. & Treas., Mt. Pleasant, Pa. DIRECTORS: Chas. F. Hood, S. F. Hood, Connellsville, Pa.; J. M. Stauffer, D. R. Stauffer, Frederick Brown, Scottdale, Pa.; Jas. S. Braddock, Mt. Pleasant, Pa.; J. L. Sheek, Connellsville, Pa.; H. L. Robinson, Uniontown, Pa.; E. H. Werner, Somerset, Pa. Annual meeting, first Monday in Jan. GENERAL OFFICE, Connellsville, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$49,237	$38,096	$44,295	$38,551	$30,798
Operating expenses	29,371	25,979	33,280	28,436	24,937
Net operating revenues.....	$19,866	$12,117	$11,015	$10,115	$5,861
Taxes	.....	.....	.....	1,400	1,657
Fixed charges	38,090	.....	.....	.....	.....
Surplus	* $18,224	$12,117	$11,015	$8,715	$4,204

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $52,865. Contra: Debit balance transferred from income, $18,224; loss on equipment, $13,243; credit balance carried to balance sheet, $21,398; total, $52,865.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$724,352	$717,336	$713,606	$643,413	$593,612
Working assets	* 5,715	* 1,831	4,569	* 3,717	45,910
Total	$718,637	$715,505	$718,175	$639,696	$639,522
LIABILITIES:					
Capital stock	$69,750	$69,750	$69,750	$69,750	$69,750
Funded debt	253,000	259,000	300,000	265,000	300,000
Working liabilities	368,693	326,490	306,276	273,813	247,710
Accrued liabilities not due.....	5,796	1,400	1,400	1,400	1,043
Profit and loss.....	21,398	52,865	40,749	29,733	21,019
Total	$718,637	$715,505	$718,175	$639,696	$639,522

* Credit.

Bonded Debt: $253,000 Indian Creek Valley Ry. first 6s. Dated, 1907; due serially from 1917 to 1927. Interest paid June and Dec. 1 at Fidelity Title & Trust Co., Pittsburgh. Coupon and registered, $1,000. Authorized, $300,000, $12,000 in treasury. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $1,500,000; outstanding, $69,750.

INDIANAPOLIS UNION RAILWAY

History: Incorporated in Indiana on May 31, 1850 to operate terminals at Indianapolis. Leases Belt R.R. & Stock Yards Co. at $49,577 per annum. See below.

Location: Owns and leases a belt terminal system in Indianapolis, which is used by Chicago, Indianapolis and Louisville, Cincinnati, Hamilton & Dayton, C., C., C. and St. Louis, Lake Erie & Western, Peoria & Eastern, Pitts., C., C. & St. Louis, Vandalia, and Illinois Central railroads. 21 locomotives, 19 service cars. Total miles operated, 15.11; second track and sidings, 53.58 miles.

Management: OFFICERS: J. J. Turner, Pres.; J. Q. Van Winkle, Vice-Pres.; C. M. South, Vice-Pres.; W. T. Cannon, Sec. and Treas.; A. F. Bromley, Aud. DIRECTORS: J. J. Turner, G. L. Peck, H. A. Worcester, J. Q. Van Winkle, V. T. Malott. Annual meeting of directors, second Tuesday in February. OFFICE, Indianapolis, Ind.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$363,007	$363,238	$357,481	$471,400	$475,675	$445,147
Taxes accrued	135,630	120,187	107,285	100,706	116,145	104,561
Fixed charges	86,402	87,527	99,455	143,743	107,850	117,557
Surplus	$140,975	$155,524	$150,741	$226,951	$251,680	$223,029
Dividends paid	.....	48,829	.....	.....	.....	.....
Other deductions	30,410	24,867	72,359	188,696	174,177	144,954
Balance	$110,565	$81,828	$78,382	$38,255	$77,503	$78,075

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,019,721	$3,185,694	$2,929,362	$2,835,935	$2,605,311	$2,415,360
Working assets	408,784	354,541	237,746	302,251	277,892	255,565
Deferred debit items	* 3,384,628	* 3,995,794	343,010	293,262	310,708	322,686
Total	$7,813,133	$7,536,029	$3,510,118	$3,431,448	$3,193,911	$2,993,611
LIABILITIES:						
Funded debt	$5,866,426	$5,891,426	$1,916,426	$1,939,426	$1,962,426	$1,953,028
Working liabilities	320,178	189,673	70,597	118,915	94,952	101,824
Accrd. liabilities not due	6,075	6,262	6,450	6,623	7,145	7,310
Deferred credit items	89,677	5,320	4,888	5,604	4,906	4,757
Appropriated surplus	1,316,812	1,339,928	1,266,651	1,194,292	996,208	799,745
Profit and loss surplus	213,985	103,420	245,106	166,588	128,274	126,947
Total	$7,813,133	$7,536,029	$3,510,118	$3,431,448	$3,193,911	$2,993,611

* Includes $3,584,722 "Special Deposits" in 1915 and $3,201,732 in 1916.

Bonded Debt: (1) $810,000 Indianapolis Union Railway sinking fund 4½s; dated May 1, 1886; due May 1, 1926. Int. paid May 1 and Nov. 1, at Fidelity Trust Co., Philadelphia. Coupon, $1,000. First lien on entire property. Rental payments of proprietary companies cover, interest, sinking funds, etc. Underlie No. 2 which provide for retirement. Interest payable without deduction for normal income tax. Net Rating, Aa.

(2) $4,000,000 Indianapolis Union Railway general and refunding 5s; dated Jan. 1, 1915; due Jan. 1, 1965. Int. Jan. and July 1 at Farmers' Loan & Trust Co., New York. Coupon, $1,000; reg., $1,000, $5,000 and multiples, interchangeable. Callable as a whole, on and after Jan. 1, 1930 at 103 and int., on 90 days' notice. Sinking fund of 1% annually of outstanding bonds beginning 1926. Bonds so called to be kept alive in sinking fund. Guaranteed, jointly and severally as to prin. and int., by C., C., C. & St. Louis Ry., Pitts., C., C. & St. Louis Ry. and Vandalia R.R., by endorsement. Auth., $10,000,000. Sufficient reserved to retire No. 1, balance for new construction, etc. First lien on entire property following No. 1, also a lien on the 999-year lease of the Belt R.R. & Stockyards Co. Interest payable without deduction for normal income tax. Rating, Aa.

Note: The company has no stock issue, but the joint interests of the proprietary companies are represented by the amounts of their advances; total, June 30, 1916, $1,056,426.

BELT RAILROAD & STOCKYARDS COMPANY

History: Incorporated under laws of Indiana, Aug. 20, 1876, as the Union Railroad Transfer & Stockyards Co. Owns 62.39 miles of terminal tracks in and around city of Indianapolis, Ind. Leased for 999 years, to Indianapolis Union Ry., at fixed rental of $49,577 per annum.

Management: OFFICERS: S. E. Rauh, Pres.; J. A. Hanson, Vice-Pres.; J. H. Holliday, Sec. Annual meeting, first Tuesday in February. OFFICE, Indianapolis, Ind.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross income	$373,311	$325,916	$598,546	$556,248	$290,005
Taxes accrued	3,195	18,980	.....	.....	1,923
Fixed charges	40,000	40,000	599,119	505,389	40,000
Surplus	$330,116	$266,936	* $573	$50,859	$248,082
Dividends paid	350,000	390,000	.....	.....	195,000
Balance	* $19,884	* $123,064	* $573	$50,859	$53,081

* Deficit.

Bonded Debt: $1,000,000 Belt R.R. & Stockyards Co. first ref. 4s; dated May 1, 1909; due May 1, 1989. Int. paid May and Nov. 1, at National City Bank, New York. Coupon, $1,000. First lien on entire property. Company does not deduct income tax. Rating, Aa.

Capital Stock: Auth. and issued, $500,000 6% cumulative preferred and $2,000,000 common stock; par, $50. Dividends regularly paid, on preferred, at full rate since 1882; on common, has paid rates varying from 3% to 15% since 1892. In 1913, paid 13%; 1914, 15%; 1915, 18%; 1916, 16%; also a stock dividend of 50% in 1911, and 33⅓% in 1914. TRANSFER AGENT, J. H. Holliday, Indianapolis, Ind.

INTERSTATE RAILROAD

History: Incorporated under laws of Virginia, Feb. 18, 1896. The road was completed in 1909. Operated as a common carrier for transportation of freight and passengers. Absorbed the Wise Terminal Company on March 1, 1913.

Location: Stonega to Norton, Va., and Norton to Glamorgan, Va., with branches, trackage rights, etc., 53.81 miles. Equipment: 9 Locomotives, 2 passenger, 3 combination, 579 freight and company cars.

Management: OFFICERS: Harry L. Miller, Pres., Big Stone Gap, Va.; Wm. C. Kent and W. H. Harding, Vice-Prests., Philadelphia; H. B. Price, Sec. and Treas.; F. E. Richardson, Aud., Big Stone Gap, Va.; W. A. Johnson, Supt., Appalachia, Va. DIRECTORS: H. B. Price, W. H. Harding, W. C. Kent, J. S. Wentz, Philadelphia; Harry L. Miller, R. A. Ayers, Big Stone Gap, Va. Annual meeting, third Wednesday in February, at Alexandria, Va. GENERAL OFFICE, Big Stone Gap, Va. PHILADELPHIA OFFICE, Land Title Building.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$275,253	$127,109	$135,326	$115,187	$77,420	$91,202	$91,646
Operating expenses and taxes	242,122	174,316	166,089	129,632	92,862	94,389	93,501
Net earnings	33,131	†47,207	†30,763	†14,445	†15,442	†3,187	†1,855
Other income	58,264	124,436	131,085	66,735	41,840	29,901	23,837
Fixed charges	20,587	41,565	58,753	16,547	3,440	2,728	635
Dividends	.....	39,215	30,836	22,341	21,000	22,900	24,940
Surplus	70,808	*3,551	10,693	13,402	1,958	1,086	*3,592

* Deficit. † Dividend paid out of profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $25,630; credit balance transferred from income, $70,808; miscellaneous credits, $6,860; total, $103,298. Contra: Dividend appropriations of surplus, $45,593; miscellaneous debits, $3,904; credit balance carried to balance sheet, $53,801; total, $103,298.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,812,275	$1,651,645	$1,654,050	$1,591,010	$1,048,357	$1,038,080
Working assets	81,653	44,791	49,136	54,877	16,712	26,312
Deferred debit items	1,095	2,765	6,040	8,204	5,258	7,029
Total	$1,895,023	$1,699,201	$1,709,226	$1,654,091	$1,070,327	$1,071,421
LIABILITIES:						
Capital stock	$1,482,100	$1,342,100	$1,272,200	$1,184,100	$1,050,000	$1,050,000
Funded debt	263,000	300,000	338,000	375,000	.....	.....
Working liabilities	78,110	15,860	60,611	66,415	16,831	19,164
Accrd. liabilities not due	13,714	14,618	8,500	9,375	.....	538
Deferred credit items	4,298	993	1,961	1,221	14	13
Profit and loss surplus	53,801	25,630	27,954	17,980	3,482	1,706
Total	$1,895,023	$1,699,201	$1,709,226	$1,654,091	$1,070,327	$1,071,421

Bonded Debt: $263,000 Interstate R.R. Equipment Trusts 5s; Series A, dated Jan. 1, 1913; due $37,000 and $38,000 alternately from Jan. 1, 1914 to Jan. 1, 1923 inclusive. Int. paid Jan. and July 1 at Philadelphia. Coupon, $1,000. Philadelphia Trust, Safe Deposit & Insurance Co., trustee. Guaranteed prin. and int. by the Interstate R.R. Co. and the Virginia Coal and Iron Co. First lien on 500 steel coal cars. Interest paid without deduction for normal income tax. Original issue, $375,000, of which $112,000 have been retired. Rating, Baa.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 23.

Capital Stock: Auth., $1,500,000. Increased from $1,000,000 in January, 1911. Outstanding, $1,482,100; par, $100. Dividends have been paid as follows: 1909, 3%; 1910, 2½%; 1911, 2¼%; 1912 and 1913, 2% each; 1914, 2½%; 1915, 3%; 1916, 3¼%.

THE IRONTON RAILROAD COMPANY

History: Incorporated under Pennsylvania laws, Mar. 4, 1859. Since Jan. 1, 1908, has leased the Thomas R.R. Is controlled by Thomas Iron Co.

Location: Operates 12.41 miles, of which the Thomas R.R., 1.35 miles, is leased; sidings, 6.35 miles. Lines extend from Lower Copley to Ironton, Pa.; Egypt to West Catasauqua; West Catasauqua to Lower Copley. Equipment: Locomotives, 7; cars, 26.

Management: OFFICERS: R. H. Sweetser, Pres., Easton, Pa.; R. S. Thomas, Vice-Pres., Hokendauqua, Pa.; O. T. Case, Sec.; L. K. Diffenderfer, Treas. and Aud., Easton, Pa. DIRECTORS: S. R. Thomas, F. R. Drake, Edwin Thomas, W. H. Hulick, J. S. Krause. Annual meeting, second Monday in October. MAIN OFFICE, Easton, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$289,462	$288,178	$262,114	$256,531	$240,958	$321,287	$277,318
Maintenance of way	21,613	17,662	19,357	20,206	21,553	23,933	19,797
Maintenance of equipment	22,353	18,759	26,811	26,128	28,003	36,964	38,679
All other operating expenses	79,839	73,601	79,865	87,125	83,961	124,776	123,208
Net operating revenues	$165,657	$178,156	$136,081	$123,072	$107,441	$135,614	$95,634
Operating ratio	42.8%	38.2%	48.1%	52%	55.4%	57.8%	65.5%
Other income	3,814	1,295	203	.....	1,886	1,201	1,127
Total net income	$169,471	$179,451	$136,284	$123,072	$109,327	$136,815	$96,761
Taxes accrued	9,183	8,871	8,255	7,675	8,145	7,800	7,020
Fixed charges	33,368	29,939	26,958	27,209	23,924	13,210	12,471
Surplus	$126,920	$140,641	$101,071	$88,188	$77,258	$115,805	$77,270
Dividends paid	120,000	110,000	95,000	80,000	90,000	100,000	60,000
Balance	$6,920	$30,641	$6,071	$8,188	*$12,742	$15,805	$17,270

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $92,354; credit balance transferred from income, $6,920; total, $99,274. Contra: Loss on retired road and equipment, $383; credit balance carried to balance sheet, $98,891; total, $99,274.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$263,090	$262,142	$242,394	$287,284	$247,524	$245,977
Working assets.....	143,878	166,799	118,897	112,964	96,380	131,974
Deferred debit items...	775	676	7	14,182	.....	.....
Accrued income not due	136	7	100	.....	.....	.....
Total	$407,879	$419,624	$361,398	$414,429	$344,904	$377,951
LIABILITIES:						
Capital stock.....	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Working liabilities.....	63,978	83,100	56,052	61,828	53,565	75,596
Accrd. liabilities not due	10,145	10,416	.....	.....	.....	.....
Deferred credit items..	1,153	42	245	.....	.....	.....
Appropriated surplus...	33,712	33,712	33,712	87,284	33,209	32,483
Profit and loss surplus.	98,891	92,354	71,389	65,318	57,130	69,872
Total	$407,879	$419,624	$361,398	$414,429	$344,904	$377,951

Capital Stock: Auth. and outstanding, $200,000; par, $50. Dividends in recent years as follows: 1900, 32%; 1901 and 1902, 50% each; 1903, 40%; 1904 and 1905, 60%; 1906, 50%; 1907, 25%; 1908, 4½%; 1909, 50%; 1910, 30%; 1911, 50%; 1912, 45%; 1913, 40%; 47½% in 1914; 1915, 55%; 1916, 60%. Payments are made June and Dec. 30, at Easton, Pa. No bonds.

ISLAND RAILROAD

History: Incorporated under laws of New York, Sept. 1, 1883. Road opened in 1884. Track located in City of Buffalo, from Ganson Street to City Ship Canal, 1.5 miles. The Mutual Elevator Company purchased this property on Feb. 27, 1903, and it is now used by the Mutual Transit Co. in connection with their grain and freight handling business. The entire stock of the Mutual Terminal Co., is owned or controlled by the New York Central R.R., Delaware, Lackawanna & Western R.R., Lehigh Valley R.R. and Erie R.R. companies, each of which owns $15,000.

Management: OFFICERS: Chas. M. Heald, Pres., Buffalo, N. Y.; F. H. Silvernail, Sec. and Treas., New York. DIRECTORS: John Carstensen, John A. Middleton, P. J. Flynn, C. S. Goldborough, F. H. Silvernail, New York; Chas. M. Heald, Lorenze W. Lake, Buffalo, New York. Annual meeting, second Tuesday in September. OFFICE, Buffalo, New York.

Capital Stock: Authorized, $250,000; outstanding, $200,000. Par, $100. No bonded debt.

IVORYDALE & MILL CREEK VALLEY RAILWAY

History: Incorporated under the laws of Ohio, April 1, 1890. A switching property leased from the Procter & Gamble Co. of Cincinnati.

Location: Road extends from Junction of C., H. & D. Ry. and Big Four, at Ivorydale, O., to connection with B. & O. S. W. R.R. at Ivorydale Junc., 1.36 miles; sidings, 7.67 miles. Equipment: locomotives, 4; cars, 55.

Management: OFICERS: R. P. Buchanan, Pres., Cincinnati, O.; W. E. McCaw, Sec.; H. G. French, Treas., Cincinnati, O.; A. C. Anderson, Gen. Mgr., Ivorydale, O. DIRECTORS: R. P. Buchanan, W. E. McCaw, H. G. French, A. C. Anderson, W. C. Procter, Cincinnati, O. Annual meeting, first Tuesday in June. GENERAL OFFICE, Cincinnati, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$22,263	$99,465	$102,197	$86,514	$77,857
Operating expenses	37,061	48,592	50,221	40,692	39,738
Net operating revenues.....	* $14,798	$50,873	$51,976	$45,822	$38,119
Other income	4,993	3,866	.....	.....	.....
Total net income.....	* $9,805	$54,739	$51,976	$45,822	$38,119
Taxes	4,783	2,756	1,332	1,700	1,062
Fixed charges	19,932	19,500	19,500	19,500	19,500
Surplus	* $34,520	$32,483	$31,144	$24,622	$17,557

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$27,343	$28,412	$24,791	$26,420	$23,700
Working assets	84,263	109,626	80,304	46,472	25,204
Profit and loss.....	2,210	.....	173	31,316	56,096
Total	$113,816	$138,038	$105,268	$104,208	$105,000
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	13,816	5,728	5,268	4,208	5,000
Profit and loss.....	.....	32,310	.....	.....	.....
Total	$113,816	$138,038	$105,268	$104,208	$105,000

* Deficit.

Capital Stock: Authorized and outstanding, $100,000. Par, $100. No bonded debt. No dividends paid.

JACKSONVILLE TERMINAL COMPANY

History: Incorporated in Florida, April 17, 1894, to construct passenger and freight terminals at Jacksonville.

Location: Owns union passenger station and freight terminals and about 31.16 miles of track in Jacksonville, Fla., which are used by the Atlantic Coast Line R.R., Seaboard Air Line R.R., Florida East Coast Ry., Southern Ry., and Georgia, Southern & Florida Ry. These companies own all the stock and guarantee the bonds.

Management: OFFICERS: J. B. Munson, Pres.; J. P. Beckwith, Vice-Pres.; T. V. Pomar, Treas.; F. C. Sawyer, Sec.; J. C. Blanton, Mgr. DIRECTORS: J. P. Beckwith, J. R. Kenly, J. B. Munson, W. H. Beardsley, H. W. Miller, M. J. Harahan, W. L. Seddon, L. Delano. Annual meeting, first Monday in December. OFFICE, Jacksonville, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$78,204	$90,250	$65,428	$53,827	$49,435	$48,656
Taxes accrued	34,160	23,911	27,300	22,195	17,803	14,138
Fixed charges	44,044	66,339	38,128	31,632	31,632	31,622
Balance	.....	.....	.....	.....	.....	$2,886

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,006,025	$969,940	$945,789	$869,495	$894,482	$786,265
Working assets	156,733	118,176	127,234	91,303	83,280	62,173
Deferred debit items	14,514	1,734	2,150	4,232	1,419	1,254
Total	$1,777,272	$1,089,850	$1,075,183	$965,030	$979,181	$849,692
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	500,000	500,000	500,000	608,796	500,000	545,320
Working liabilities	406,579	332,605	316,293	145,470	224,938	51,676
Accrd. liabilities not due	14,933	12,985	14,181	10,764	9,983	8,436
Deferred credit items	11,500	.....	439	.....	.....	.....
Appropriated surplus	44,260	44,260	44,260	.....	44,260	44,260
Total	$1,777,272	$1,089,850	$1,075,183	$965,030	$979,181	$849,692

Bonded Debt: $500,000 Jacksonville Terminal Co. first 5s; dated July 1, 1894; due July 1, 1939; interest Jan. 1 and July 1 at Guaranty Trust Co., New York. Coupon, $1,000. Prin. may be registered. First lien on entire property. Guaranteed, prin. and int., by the five controlling railroads. Interest payable without deduction for normal income tax. Net Rating, Aaa.

Capital Stock: Auth. and outstanding, $200,000; par, $100. Owned, in equal amounts, by the four systems controlling the property.

JEFFERSON & NORTHWESTERN RAILWAY

History: Incorporated under laws of Texas, Nov. 25, 1899.

Location: Road extends from Jefferson to Camp, Tex., 35.86 miles; leased, 12 miles; trackage, 0.22 mile; sidings, 1.65 miles. Equipment: Locomotives, 2; cars, 13.

Management: OFFICERS: A. D. Clark, Pres. and Treas., Dallas, Tex.; F. I. Clark, Vice-Pres., Gen. Mgr. & Pur. Agt., Dallas, Tex.; H. W. Adams, Sec., Dallas, Tex.; G. W. Russell, Aud., Jefferson, Tex. DIRECTORS: A. D. Clark, F. R. Bissell, H. W. Adams, S. S. Clark, H. C. Adams, N. Morse, Dallas, Tex.; F. I. Clark, Jefferson, Tex. Annual meeting, in November. GENERAL OFFICE, Jefferson, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$35,478	$31,394	$46,284	$43,919	$24,900
Operating expenses	53,131	42,763	45,608	40,192	25,033
Net operating revenues	* $17,653	* $11,369	$676	$3,727	* $133
Other income	4,189	4,252	3,300	.....	.....
Total net income	* $12,464	* $7,117	3,976	3,727	* $133
Taxes	1,532	1,139	1,323	827	303
Fixed charges	11,186	10,269	8,286	2,314	8,090
Surplus	* $26,182	* $18,525	* $5,633	* $414	* $8,526

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $191; debit balance carried to balance sheet, $76,003; total, $76,194. Contra: Debit balance at beginning of year, $50,012; debit balance transferred from income, $26,182; total, $76,194.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$232,454	$237,383	$229,007	$226,499	$212,852
Working assets	11,793	6,625	5,248	4,865	7,072
Deferred debit items	700	.....	.....	.....	.....
Profit and loss	76,003	50,012	31,481	25,742	25,330
Total	$320,950	$294,020	$265,736	$257,106	$245,254

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	.....	.....	60,000	60,000	.....
Working liabilities	270,950	244,020	155,736	147,106	195,254
Total	$320,950	$294,020	$265,736	$257,106	$245,254

Note: $60,000 Jefferson & Northwestern Ry. ten-year 6% mortgage lien notes. Due 1909, but not yet redeemed. Interest payable monthly. Secured on entire road and equipment.

Capital Stock: Authorized and outstanding, $50,000. Par, $100.

JONESBORO, LAKE CITY & EASTERN RAILROAD

History: Incorporated under Arkansas laws, Oct. 1, 1905, as a consolidation of a former company of the same name with the Chickasaw R.R. In 1912, the Wilson Northern Ry. was acquired.

Location: Line of road operated: Jonesboro to Barfield, with branches to Osceola, Luxora, and Wilson, Ark. Total operated, 96½ miles; sidings, 30.1 miles. Equipment owned: Locomotives, 9; passenger cars, 8; combination, 1; baggage, etc., 3; freight and company cars, 135.

Management: OFFICERS: R. E. Lee Wilson, Pres., Wilson, Ark.; Chas. T. Coleman, Vice-Pres., Little Rock, Ark.; L. C. Gaty, Vice-Pres., Jonesboro, Ark.; C. A. Cunningham, Sec., Blytheville, Ark.; V. C. Pettie, Treas., Jonesboro, Ark. DIRECTORS: R. E. L. Wilson, Wilson, Ark.; L. K. Thompson, Memphis, Tenn.; C. T. Coleman, Little Rock, Ark.; C. E. Crigger, Blytheville, Ark.; L. C. Gaty, C. M. Lutterloh, Thos. Burress, Jonesboro, Ark. Annual meeting, first Monday in October. OFFICE, Jonesboro, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$344,694	$284,002	$285,510	$268,486	$221,529	$185,253	$178,675
Maintenance of way	56,439	76,381	75,482	63,784			
Maintenance of equipment	44,438	26,463	39,164	32,519	148,427	122,996	111,535
All other operating expenses	155,871	113,289	123,800	97,040			
* Net revenues	$87,947	$67,869	$47,064	$75,143	$73,102	$62,257	$67,140
Operating ratio	74.5%	76.1%	83.5%	72%	67%	66.4%	62.4%
Taxes accrued	18,602	13,025	21,538	20,526	58,574	12,380	12,774
Fixed charges	98,512	77,152	82,285	67,637		36,128	32,715
Dividends paid	.....	.....	.....	.....	.....	5,250	6,750
Balance	* $29,167	* $22,308	* $56,759	* $13,020	$14,528	$8,499	$14,901

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $379; debit balance carried to balance sheet, $93,060; total, $93,439. Contra: Debit balance at beginning of year, $64,048; debit balance transferred from income, $29,167; loss on retired road and equipment, $9; miscellaneous debits, $215; total, $93,439.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,631,429	$1,641,164	$1,602,571	$1,608,912	$1,294.136
Working assets	31,401	28,239	36,973	32,356	29,641
Deferred debit items	6,748	2,250	.....	1,208	5,230
Profit and loss	93,060	64,048	41,932	.....	.....
Total	$1,762,638	$1,735,701	$1,681,476	$1,642,476	$1,329,007
LIABILITIES:					
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	697,780	732,320	738,250	724,000	560,056
Working liabilities	433,548	369,563	313,781	277,516	129,527
Accrued liabilities not due	25,123	32,258	29,445	21,503	8,333
Deferred credit items	6,197	1,560	.....	.....	.....
Profit and loss	.....	.....	.....	19,457	31,091
Total	$1,762,638	$1,735,701	$1,681,476	$1,642,476	$1,329,007

Bonded Debt: $674,000 Jonesboro, Lake City & Eastern R.R. first gold 5s. Dated Sept. 1, 1905; due Sept. 1, 1925. Int. March and Sept. 1, at Bank of Commerce & Trust Co., Memphis. Coupon, $1,000. Authorized, $1,000,000. First lien on entire property. Int. paid without deduction for normal income tax. Rating, B.

Capital Stock: Auth. and outstanding, $600,000; par, $100. A cash dividend was paid in the year 1905-6, together with a stock dividend of $35,000. A cash dividend was paid for the fiscal year 1906-7; 1⅛% in 1910 and ⅞% in 1911; none in 1912, 1913, 1914, 1915 or 1916.

JOPLIN UNION DEPOT COMPANY

History: Incorporated in Missouri on June 23, 1908 to construct passenger and freight terminals at Joplin, Missouri.

Location: Owns both passenger and freight terminals at Joplin which are used jointly by the Atchison, Topeka & Santa Fe, the Kansas City Southern, the Missouri, Kansas & Texas, and the Missouri & North Arkansas Railroad companies. Owns one service car. These companies own all the stock and jointly and severally guarantee the bonds. Operates 6.32 miles of track in and around Joplin, Mo.

Management: OFFICERS: C. W. Kouns, Pres.; Geo. G. Tunell, Vice-Pres.; L. J. Hensley, Sec. and Aud.; H. Visscher, Treas., Kansas City, Mo. DIRECTORS: G. G. Tunell, Chicago, Ill.; Chas. Gilbert, St. Louis, Mo.; S. W. Moore, J. A. Edson, Kansas City, Mo.; C. W. Kouns, Topeka, Kan.; W. A. Webb, Dallas, Tex.; E. M. Wise, Harrison, Ark. Annual meeting, second Tuesday in March. OFFICE, Joplin, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Rental income	$42,483	$38,235	$3,072
Taxes accrued, etc	4,841	5,824	44,372
Fixed charges	34,178	30,199	.....
Surplus	$1,514	$2,212	* $41,300

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$639,455	$636,851	$618,391
Working assets	66,147	64,832	91,911
Accrued income not due	7,325	7,293	7,680
Deferred debit items	333	635	13,136
Total	$713,260	$709,611	$731,118
LIABILITIES:			
Capital stock	$40,000	$40,000	$40,000
Funded debt	650,000	650,000	650,000
Working liabilities	11,137	8,817	19,477
Accrued liabilities not due	7,002	7,257	7,484
Deferred credit items	235	166	.....
Profit and loss surplus	4,886	3,371	14,157
Total	$713,260	$709,611	$731,118

Bonded Debt: $650,000 Joplin Union Depot Co. first 4½s; dated May 2, 1910; due May 1, 1940. Interest May 1 and Nov. 1, at Philadelphia Trust, Safe Deposit & Insurance Co. Coupon, $1,000; prin. may be registered. Reg. $1,000, $5,000, $10,000 and multiples. Callable at 105. Authorized, $750,000. First lien on entire property. Guaranteed, principal and interest, by the four proprietary railroads. Interest paid without deduction for normal income tax.

Net Rating, Aa.

Capital Stock: Auth., $750,000; outstanding, $40,000; par, $100. Owned equally by the four companies mentioned above.

KALAMAZOO, LAKE SHORE & CHICAGO RAILWAY

History: Incorporated under the laws of Michigan, August 12, 1905. On April 16, 1907, the line from Lawton to South Haven, known as the South Haven Branch of the Pere Marquette R.R. Co., was leased to this company, for 25 years from April 5, 1907, at an annual rental of $18,000 per annum for the first five years, and $20,000 per annum for the balance of term, the lessee paying taxes and maintenance.

On June 1, 1911, the company leased its property for five years to the Michigan United Railways Co. On December 30, 1911, a 999-year lease was signed by the Michigan United Traction Co., to take over and operate the lines of the Michigan United Railways Co., also a transfer of the lease of the Kalamazoo, Lake Shore & Chicago Ry., to the traction company as of January 1, 1912. The line of road leased from the Pere Marquette R.R. Co., has been assumed by the Michigan United Traction Co. Because of the fact that the K. L. S. & C. is operated by steam power, the earnings are kept separate from the Michigan United Traction Co.

Location: Kalamazoo to Lawton, Mich., 16.69 miles; Toquin to Paw Paw, 4.4 miles. Leased, Lawton to So. Haven, Mich., 33.82 miles. Line from Toquin to Paw Paw abandoned. Total operated, 50.51 miles.

Management: OFFICERS: B. F. Cobb, Pres., New York; J. F. Collins, Vice-Pres. and Gen. Mgr.; H. H. Crowell, Vice-Pres.; F. Silliman, Jr., Vice-Pres.; J. W. Clendenning, Treas.; G. B. Dobbin, Sec., Jackson, Mich.; C. E. Morgan, Gen. Supt. and Pur. Agt., Grand Rapids, Mich. DIRECTORS: H. H. Crowell, Grand Rapids, Mich.; B. C. Cobb, J. C. Weadock, New York City; G. W. Mechern, Battle Creek, Mich.; F. Silliman, Jr., Philadelphia, Pa.; J. F. Collins, N. S. Potter, G. B. Dobbin, Jackson, Mich.; B. F. Davis, Lansing, Mich. Annual meeting, in December. OFFICE, Jackson, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$118,613	$154,757	$128,961	$143,385	.....	$11,748
Maintenance of way	21,907	23,670	18,314	14,886	.....	1,059
Maintenance of equip	13,567	18,332	13,697	14,675	.....	922
All other oper. expenses	60,157	69,986	60,453	62,663	.....	5,013
Net oper. revenues	$22,982	$42,769	$36,417	$51,161	.....	$4,754
Total net income	22,982	42,769	36,417	51,161	12,407	4,754
Taxes	7,868	6,183	5,922	5,286	1,680	422
Fixed charges	37,730	42,928	42,304	41,888	4,573	2,948
Surplus	*$22,616	*$6,342	* $11,809	$3,987	$6,154	$1,384

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	.....	.....	.....	.....	$433,513
Working assets	$55,618	$71,186	$42,692	$39,876	19,280
Deferred debit items	216	327	32,783	32,783	.....
Profit and loss deficit	23,385	769	.....	.....	114,590
Total	$79,219	$72,282	$75,475	$72,659	$567,383

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	.....	.....	.....	.....	$37,400
Funded debt	.....	.....	.....	.....	390,000
Working liabilities	$55,863	$50,083	$48,766	$33,700	139,983
Accrued liabilities not due	2,856	2,945	2,136	2,578	.....
Deferred credit items	20,500	19,254	19,000	19,000	.....
Profit and surplus	.....	.....	5,573	17,381	.....
Total	$79,219	$72,282	$75,475	$72,659	$567,383

Bonded Debt: $390,000 Kalmazoo, Lake Shore & Chicago first 5s. Due April 1, 1927. Interest April and Oct. 1. Authorized, $500,000. Interest payable without deduction for normal income tax.

Capital Stock: Authorized, $500,000; outstanding, $37,400. Par, $100. Nearly all owned by Commonwealth Power Ry. & Light Co.

KANAWHA, GLEN JEAN & EASTERN RAILROAD

History: Incorporated under laws of West Virginia, November 1, 1895.

Location: Road extends from Tamroy to Glen Jean, W. Va., 8 miles; Sugar Creek Junc. to junction with Virginian Ry. at Pax, W. Va., 6.2 miles; total, 14.2 miles. Sidings, etc., 10.59 miles. Equipment: Locomotives, 4; passenger cars, 2; box cars, 3; ballast cars, 5; flat cars, 7.

Management: OFFICERS: Wm. McKell, Pres., Glen Jean, W. Va.; Jas. F. Brown, Vice-Pres., Charleston, W. Va.; R. W. Manley, Sec.; J. D. McKell, Treas., Chillicothe, O.; Thos. Nichol, Supt. and Pur. Agt; O. F. McCoy, Aud., Glen Jean, W. Va. DIRECTORS: Wm. McKell, Glen Jean, W. Va.; John D. McKell, R. W. Manley, Chillicothe, O.; J. F. Brown, Malcolm Jackson, Charleston, W. Va. Annual meeting, in January, at Chillicothe, O. GENERAL OFFICE, Glen Jean, W. Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$100,936	$82,811	$109,220	$115,304	$95,005
Operating expenses	57,511	50,238	61,003	54,256	46,087
Net operating revenues	$43,425	$32,573	$48,217	$61,048	$48,918
Other income	600	600	600	626	600
Total net income	$44,025	$33,173	$48,817	$61,774	$49,518
Taxes	5,651	4,031	4,125	3,204	2,337
Fixed charges	32,974	32,980	42,138	61,340	30,195
Surplus	$5,400	* $3,838	$2,554	* $2,870	$16,986

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$620,015	$623,403	$628,024	$609,190	$610,140
Working assets	30,048	27,619	22,445	14,554	12,020
Deferred debit items	52	21	.....	.....	.....
Profit and loss	.....	1,031	.....	.....	.....
Total	$650,115	$652,074	$650,469	$623,744	$622,160
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	545,746	552,074	547,662	523,491	519,037
Profit and loss	4,369	.....	2,807	253	3,123
Total	$650,115	$652,074	$650,469	$623,744	$622,160

Capital Stock: Authorized and outstanding, $100,000. Par, $100. No bonded debt.

KANE & ELK RAILROAD

History: Incorporated under the laws of Pennsylvania, September 4, 1895. On December 27, 1913, the Hamlin Bank & Trust Co., of Smethport, Pa., was appointed receiver of the company by Judge Bouten.

Location: Road extends from East Kane to La Mont,, Pa., 7.10 miles; Hillview to James City, 0.50 mile; Martinville Junc. to Martinville, Pa., 2.90 miles; Martinville to Timberland, 2.5 miles; total, 13 miles; sidings, 2 miles. Equipment: Locomotives, 5; cars, 18.

Management: OFFICERS: W. A. James, Pres. and Pur. Agt.; A. P. Huey, Vice-Pres.; H. J. James, Sec. and Treas.; G. H. Stephenson, Aud., Kane. Pa.; U. G. Smith, Supt., East Kane, Pa. DIRECTORS: W. A. James, H. J. James, R. D. Marshall, A. P. Huey, E. B. James, Kane, Pa.; D. M. James, Hartford, Conn. Annual meeting, in January. GENERAL OFFICE, Kane, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$32,364	$31,626	$45,016
Operating expenses	26,381	29,472	31,936
Net operating revenues	$5,983	$2,154	$13,080
Other income	300	2,653	.....
Total net income	$6,283	$4,807	$13,080
Taxes	152	1,709	11
Fixed charges	4,863	3,132	4,309
Surplus	$1,318	*$34	$8,760

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$56,298	$78,691	$95,430
Working assets	17,658	17,844	11,083
Deferred debit items	.....	2,101	3,743
Profit and loss	16,789	18,107	4,413
Total	$90,746	$116,743	$114,669
LIABILITIES:			
Capital stock	$75,000	$75,000	$75,000
Funded debt	.....	20,000	20,000
Working liabilities	15,746	21,743	10,260
Deferred credit items	.....	.....	9,409
Total	$90,746	$116,743	$114,669

Capital Stock: Authorized, $100,000; outstanding, $75,000. Par, $100. No bonded debt.

KANKAKEE & SENECA RAILROAD

History: Incorporated under Illinois laws, February 22, 1881. Operates 42.19 miles from Kankakee to Seneca, Ill; sidings, 6.46 miles. Owned jointly by the Cleveland, Cincinnati, Chicago & St. Louis Ry. and the Chicago, Rock Island & Pacific Ry.

Management: OFFICERS: Vacancy, Pres.; H. U. Mudge, Vice-Pres.; G. H. Crosby, Sec.; R. N. Harry, Treas. DIRECTORS: H. M. Sloan, A. H. Smith, H. U. Mudge, J. J. Mitchell, H. A. Worcester. Annual meeting, last Wednesday in October. OFFICE, Cincinnati, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$95,075	$78,050	$84,696	$80,266	$71,670	$37,702
Maintenance of way	34,928	36,866	27,714	32,149	28,060	30,164
Maintenance of equipment	6,756	1,762	8,363	8,160	7,220	8,850
All other operating expenses	61,700	43,390	37,581	37,093	37,731	34,492
Net operating revenues	*$8,309	*$3,968	$11,038	$2,864	*$1,341	$3,996
Other income	462	376	481	278	368	1,027
Total net income	$7,847	*$3,592	$11,519	$3,142	*$973	$5,023
Taxes accrued	11,844	16,296	10,753	10,182	8,442	9,181
Fixed charges, etc	66,061	59,868	59,278	54,817	48,988	49,084
Deficit	$85,762	$79,756	$58,512	$61,857	$58,402	$53,242

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$704,637	$703,368	$702,979	$702,678	$702,770	$703,283
Profit and loss deficit	1,542,933	1,457,171	1,386,368	1,307,106	1,245,248	1,169,141
Total	$3,247,570	$2,160,539	$2,089,347	$2,009,784	$1,948,018	$1,872,424
LIABILITIES:						
Capital stock	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
Funded debt	650,000	650,000	650,000	650,000	650,000	650,000
Working liabilities	1,565,045	1,479,400	1,408,597	1,209,000	1,288,018	1,212,424
Deferred credit items	.....	.....	.....	140,784	.....	.....
Appropriated surplus	22,525	21,139	20,750	.....	.....	.....
Total	$3,247,570	$2,160,539	$2,089,347	$2,009,784	$1,948,018	$1,872,424

Bonded Debt: $650,000 Kankakee & Seneca R.R. first 6s. Dated July 1, 1882; due July 1, 1922. Int. paid Jan. and July at J. P. Morgan & Co., New York. First lien on entire property. The bonds are owned jointly by the C., C., C. & St. Louis Ry. and the C., R. I. & Pacific Ry.

Capital Stock: Outstanding, $10,000. Par, $50. Owned jointly by the two companies mentioned above.

KANONA & PRATTSBURGH RAILWAY

History: Incorporated under New York laws, April 14, 1897, as successor to Kanona & Prattsburgh R.R.

Location: Kanona to Prattsburgh, N. Y., 11.44 miles. Equipment: Locomotive, 1; cars, 4.

Management: OFFICERS: Jacob C. Klinck, Pres. and Mgr.; Bertram Cruger, Vice-Pres.; J. Walter Benson, Sec. and Treas.; Edwin W. Berry, Asst. Sec. and Asst. Treas. DIRECTORS: J. F. McNamara, R. W. K. Anderson, Geo. C. Van Tuyl, Jr., J. W. Benson, J. C. Klinck, F. E. Fried, Bertram Cruger, New York, N. Y.; Wm. C. Knapp Jr., Bath, N. Y. Annual meeting, first Monday in April, at 49 Wall Street, New York. OFFICE, 49 Wall Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$14,468	$23,152	$21,599	$20,769	$20,357	$23,176
Maintenance of way	5,831	7,641	5,280	6,130	4.977	5,040
Maintenanco of equipment	1,559	1,447	2,340	551	2,102	585
All other operating expenses	8,005	10,560	9,350	9,426	8,817	9,537
Net operating revenues	*$927	$3,544	$4,665	$4,662	$4,461	$7,914
Other income	.....	.....	.....	.....	.....	.....
Total net income	*$927	$3,544	$4,665	$4,662	$4,461	$7,914
Taxes	1,320	1,260	1,080	1,080	1,080	1,080
Fixed charges	510	3,450	4,360	4,650	3,360	2,800
Surplus	*$2,757	* $1,166	* $775	* $1,068	$21	$4,034

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$188,923	$188,923	$188,923	$197,923	$197,923	$197,923
Working assets	3,138	5,894	5,867	6,955	5,274	5,436
Profit and loss	1,729	.....	.....	.....	.....	.....
Total	$193,790	$194,817	$194,790	$204,878	$203,197	$203,359
LIABILITIES:						
Capital stock	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000
Funded debt	70,000	70,000	70,000	70,000	70,000	70,000
Working liabilities	3,790	3,789	2,596	2,908	160	343
Profit and loss surplus.	.....	1,028	2,194	11,970	13,037	13,016
Total	$193,790	$194,817	$194,790	$204,878	$203,197	$203,359

Bonded Debt: $70,000 Kanona & Prattsburgh Ry. first 4s. Dated April 1, 1897; due April 1, 1937. Int. paid Jan. and July 1, at Metropolitan Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $75,000. First and only lien on the entire property of the company. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $120,000; par, $100. TRANSFER OFFICE, Metropolitan Trust Co., 49 Wall Street, New York.

KANSAS & OKLAHOMA SOUTHERN RAILWAY

History: Incorporated under the laws of Oklahoma, Feb. 24, 1914, succeeding to the Cherryvale, Oklahoma & Texas Ry. Co., whose property was acquired at a foreclosure sale, Feb. 12, 1914.

The company proposes to build a railroad from Kansas City, Mo., to El Paso, Tex., a distance of 900 miles.

Management: OFFICERS: S. M. Porter, Pres., Caney, Kans.; Geo. A. Masters, V. P. Perry, Okla.; H. V. Bolinger, Sec., Caney, Kansas; R. E. Wade, Treas., Perry, Okla.; R. L. Plunkett, Gen. Mgr., Coffeyville, Kans.; K. D. Brewster, Supt., Independence, Kans. DIRECTORS: The foregoing and J. H. Brewster, Independence, Kans. Annual meeting, first Tuesday in January. OFFICE, Oklahoma City, Oklahoma, and Caney, Kans.

Bonded Debt: The Kansas & Oklahoma Southern Ry. has an issue of $2,000,000 in preparation, but nothing definite has been done, owing to present financial conditions.

Capital Stock: Authorized, $1,000,000; outstanding, $56,700; par, $100.

KANSAS CITY & MEMPHIS RAILWAY COMPANY

History: Incorporated under laws of Arkansas, Dec. 17, 1910. Absorbed the Arkansas, Oklahoma & Western R.R. and the Monte Ne Ry. in 1911.

Receivership: On July 14, 1914, Judge Youmans in the United District Court at Fort Smith, Ark., on application of W. P. Wiley, of New York, who held a freight charge bill of $3,131 against the company, appointed J. E. Felker and O. C. Lisman receivers. Later R. C. Bright, of Little Rock, Ark., was appointed additional receiver. O. C. Lisman resigned April 6, 1915.

Location: Road extends from Rogers to Fayetteville, Ark., 30 miles; Cave Springs to Siloam Springs, Ark., 20 miles; Freeman to Monte Ne, Ark., 6 miles; total, 56 miles. Equipment: Locomotives, 4; cars: passenger, 5; freight, 20. Has an agreement with the Kansas City Southern Ry. providing for 20% of gross earnings of that company on business interchanged with Kansas City & Memphis Ry., which is available to meet any dificiency in interest charges.

Management: J. E. Felker, R. C. Bright, Receivers. OFFICERS: W. R. Felker, Pres., Rogers, Ark.; R. C. Hobbs, Vice-Pres. and Gen. Mgr., Rogers, Ark.; Connelly Harrington, 2d Vice-Pres., Siloam Springs, Ark.; L. Parks, Sec. and Treas., Rogers, Ark.; Wm. Goodman, Asst. Sec., 61 Broadway, New York, N. Y. DIRECTORS: W. R. Felker, James F. Read, R. C. Bright, W. O. Davis, R. C. Hobbs, Dick Rice, G. W. Rattenbury, Connelly Harrington and L. Parks. OFFICE. Rogers, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$81,082	$74,219	$79,276	$68,809	$65,488
Maintenance of way	27,323	21,688	76,088	11,187	16,385
Maintenance of equipment	7,473	6,293	15,717	2,796	2,742
All other operating expenses	43,160	45,072	52,619	28,071	19,241
Net income	$3,126	$1,166	* $65,148	$26,755	$27,120
Other income	15	100	3,275	4,500	3,100
Total net income	$3,141	$1,266	* $61,873	$31,255	$30,220
Taxes	6,000	6,255	7,992	4,370	3,668
Fixed charges	16,643	16,351	64,943	41,270	26,464
Surplus	* $19,502	* $21,340	* $134,808	* $14,385	$88

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,744,831	$1,722,657	$1,645,555	$1,657,976	$964,022	$511,440
Working assets	10,454	17,872	11,500	27,852	21,255	155,627
Deferred debit items	32,854	38,706	38,737	15,301	528,016	35,000
Profit and loss deficit	187,607	178,228	156,888	13,779	.....	309
Total	$1,975,746	$1,957,463	$1,852,680	$1,714,908	$1,513,293	$702,376
LIABILITIES:						
Capital stock	$852,000	$852,000	$852,000	$852,000	$765,000	$215,000
Funded debt	970,974	966,036	892,331	803,845	712,425	480,000
Working liabilities	121,930	123,399	91,404	44,205	21,162	5,582
Accrd. liabilities not due	30,842	16,028	.....	14,858	14,100	1,794
Deferred credit items	.....	.....	16,945	.....	.....	.....
Profit and loss surplus	.....	.....	.....	.....	606	.....
Total	$1,975,746	$1,957,463	$1,852,680	$1,714,908	$1,513,293	$702,376

Bonded Debt: (1) $508,000 Kansas City & Memphis Ry. 1st 5s, "Series A." Dated May 1, 1911; due May 1, 1961. Int. paid May and Nov. 1, at company's office, New York City, and Mississippi Valley Trust Co., St. Louis, Trustee. Coupon, $1,000. Authorized, $6,000,000. $300,000 reserved to retire No. 2. Issuable at not exceeding $18,000 per mile, of which $15,000 is for building and equipping the line, and $3,000 reserved for betterments. Issuable only when earnings of company have, during one fiscal year, equalled the interest charges of bonds issued and outstanding, and 50% in excess. Secured on 57 miles owned (subject to prior liens on 30 miles), and additionally secured by a contract with the Kansas City Southern Ry. Co., giving the company 20% of gross revenue received on business interchanged. "Series A" bonds will also cover the line between Fayette and Huntsville. Cumulative sinking fund of ½ of 1% commences in 1916. Interest paid without deduction for normal income tax.

(2) $300,000 Arkansas, Oklahoma & Western R.R. 1st 6s. Dated Jan. 1, 1907; due Jan. 1, 1947. Int. paid Jan. and July 1, at United States Mortgage & Trust Co., New York, trustee. Coupon, $1,000. Authorized, $1,250,000, issuable at not exceeding $10,000 per mile of completed road. First lien on 30 miles of road from Rogers to Siloam Springs, Ark. July, 1914, interest defaulted.

Protective Committee: Holders of the 1st 6s of the company in August, 1914, formed a protective committee, and asked deposits of these bonds with the Real Estate Trust Co., Philadelphia, Pa. Committee consists of Francis X. Quinn, Chairman; John J. Tyler, James H. Morris and Richard Billings. Nearly all holders have deposited their bonds.

(4) **Receivers' Certificates:** In Dec., 1914, $100,000 6% receivers' certificates were authorized, of which $80,658 have been issued. They are a first lien on the property of the Kansas City & Memphis Ry., but junior to issue No. 2. Coupons on No. 1 due July 1, 1914, were paid in cash, and coupons due Jan. 1, 1915, in receivers' certificates.

Capital Stock: Authorized, $6,000,000, at rate of $15,000 per mile, to be held in voting trust; outstanding, $852,000; par, $100.

KANSAS CITY, CLINTON & SPRINGFIELD RAILWAY

History: Incorporated under Missouri and Kansas laws, Feb. 12, 1885, as a consolidation of the Kansas City, Clinton & Springfield R.R., and the Pleasant Hill & De Soto R.R. In Sept., 1901, the company purchased from the Kansas City, Fort Smith & Memphis Ry. the line from Springfield, Mo., to Arcadia, Kansas. This line was resold to the original company in 1906. Line of road owned, 162 miles; operated, Olathe, Kan., to Ash Grove, Mo., 154 miles. Branch to Pleasant Hill not operated. Equipment owned: Locomotives, 12; passenger cars, 6; combination, 3; freight and company cars, 54.

Management: OFFICERS: H. S. Priest, Pres., St. Louis; E. J. Perry, Vice-Pres. and Supt.; E. M. Smith, Sec., Treas. and Aud., Springfield, Mo. DIRECTORS: Geo. T. Priest, H. S. Priest, St. Louis, Mo.; E. M. Smith, E. J. Perry, Springfield, Mo.; W. T. Johnson, John H. Lucas, Wm. C. Lucas, Kansas City, Mo.; C. C. Nelson, Ft. Scott, Kansas; Geo. W. Davies, Osceola, Mo. Annual meeting, second Wednesday in March, at Kansas City. OFFICE, Springfield, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$346,142	$382,314	$381,776	$402,998	$379,419	$374,855	$363,219
Maintenance of way	105,126	90,540	80,515	70,146	71,500	265,141	254,056
Maintenance of equipment	30,950	29,694	39,659	42,600	30,458		
All other operating expenses	165,135	173,774	172,186	278,332	161,968		
Net operating revenues	$44,931	$88,306	$89,416	$111,920	$105,393	$109,714	$109,163
Operating ratio	87.0%	76.9%	76.7%	72.2%	72.2%	70.7%	70%
Other income	3,799	9,045	4,160	4,863	4,316	(def.) 4,196	4,557
Total net income	$48,730	$97,351	$93,576	$116,783	$109,701	$103,910	$113,720
Taxes accrued	22,000	24,800	25,200	24,900	24,000	24,000	28,000
Fixed charges	188,967	187,848	180,398	179,097	176,605	163,700	173,294
Deficit	$162,237	$115,297	$112,022	$87,214	$90,895	$83,790	$87,575

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,059,700	$5,059,644	$5,033,644	$5,006,204	$4,986,310	$4,984,427
Working assets	74,990	71,208	63,142	68,550	48,073	54,959
Deferred debit items	22,137	5,259	17,767	23,505	23,761	8,134
Profit and loss deficit	2,589,037	2,426,811	2,309,535	2,197,852	2,110,638	2,019,743
Total	$7,745,864	$7,562,922	$7,424,088	$7,296,111	$7,168,782	$7,067,263
LIABILITIES:						
Capital stock	$1,775,400	$1,775,400	$1,775,400	$1,775,400	$1,775,400	$1,775,400
Funded debt	3,274,000	3,274,000	3,274,000	3,274,000	3,274,000	3,274,000
Working liabilities	2,633,544	2,456,641	2,320,375	2,194,022	2,066,471	1,960,638
Accr'd liabilities not due	53,079	54,867	53,920	52,401	52,696	53,827
Deferred credit items	9,841	2,014	393	288	215	3,398
Total	$7,745,864	$7,562,922	$7,424,088	$7,296,111	$7,168,782	$7,067,263

Bonded Debt: $3,274,000 Kansas City, Clinton & Springfield Ry. first gold 5s. Dated Oct. 1, 1885; due Oct. 1, 1925. Int. April and Oct. 1, at Old Colony Trust Co., Boston. Coupon, $1,000. Principal may be registered. First lien on 162.63 miles. The bonds bear upon their face the guarantee as to payment of principal and interest of the Kansas City, Ft. Scott & Gulf R.R. This guarantee was assumed by the Kansas City, Ft. Scott & Memphis Ry. Co., the successor company. Interest due April 1, 1914, was defaulted, and a protective committee was appointed for the securities of the Kansas City, Fort Scott & Memphis Ry., and for these bonds. Depository, Bankers' Trust Co., New York. Past due coupons paid in 1916.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Ratings, see pages 19 to 21.

Capital Stock: Auth., $2,500,000; outstanding, $1,775,400; par, $100. No dividends. TRANSFER AGENT, Old Colony Trust Co., Boston.

THE KANSAS CITY, MEXICO & ORIENT RAILROAD COMPANY

History: Incorporated in Kansas July 6, 1914, as successor to the Kansas City, Mexico & Orient Railway Co.; sold under foreclosure. Old company was incorporated in Kansas in 1900 and operated in the Republic of Mexico under the Kansas charter, which was legalized by the Mexican Government.

Location: The lines of the company are still under construction, and when completed will form a continuous line from Kansas City, Mo., to Topolobampo Bay, Mex., on the Pacific Coast, a distance of 1,659 miles. Total operated mileage on June 30, 1916, 964.07 miles as follows: K. C. M. & O. R.R. (lines in Kansas and Oklahoma), Wichita, Kan., to Foley, Okla., 177.97 miles; Ewing, Okla., to Okla.-Tex. State line, 81.46; trackage rights, 12.73 miles; total, 272.16 miles. K. C. M. & O. Ry. of Texas: State line to Alpine, Tex., 464.08 miles; spur tracks, 1.63 miles. K. C. M. & O. R.R. lines in Mexico: Marquez to Tobalaopa, 86.77 miles; Minaca to Sanchez, 74.28 miles; El Fuerte to Tapolobampo, 62.23 miles; Mochis to Mochis Jct., 2.92 miles. In addition to the main lines as above, the company has projected a branch from San Angelo southward to Del Rio, Tex., where it will make connection with Mexican lines for Mexico City, and with American lines for Galveston, Houston, and other Gulf ports. On the Pacific Coast an arrangement will be made with the Hamburg-American Steamship Co. for trans-Pacific connections. The Kansas City Outer Belt & Electric R.R., constructing a double track belt line around Kansas City, is controlled by the same interests, and when completed will afford an entrance into Kansas City for the Kansas City, Mexico & Orient Ry., and connection with the various other roads entering the city.

Location of Main Line: In Kansas, 72.68 miles; in Oklahoma, 186.75 miles; in Texas, 464.08 miles; in Mexico, 226.20 miles; total, 949.71 miles.

Sidings owned (Wichita to Alpine), 101.33 miles. Gauge, standard. Rail (steel), 70, 75 and 80 lbs.

Equipment, June 30, 1916, in United States: Locomotives, 64; cars: passenger, 24; baggage, mail and express, 13; freight (box, 1,052; flat, 120; stock, 359; coal, 241; tank, 10; refrigerator, 5; other, 1), 1,788; service, 79; total cars, 1,904. In Mexico: Locomotives, 9; cars: passenger, 8; combination passenger, baggage and mail, 6; freight (box, 72; flat, 131; stock, 14; coal, 5), 222; service, 8; total cars, 244.

Management: OFFICERS: Vacancy, Pres.; Neal S. Doran, Sec. and Aud.; Townley Albertson, Treas. DIRECTORS: Lord Monson (representing English bondholders), Chairman, London, Eng.; W. W. Colpitts, W. V. King, Chas. H. Jones, Henry Sanderson, J. B. Niven, of New York; Edwd. Dickinson, W. T. Kemper, H. F. Hall, D. J. Haff, Clifford Histed, of Kansas City; Frederick Hurdle, J. B. Braithwaite, P. D. Tuckett, of London, Eng.; Benj. F. McLean, C. H. Smyth, of Wichita, Kans.; Jas. Couzens, E. D. Stair, of Detroit; Thos. Best, Medicine Lodge, Kans.; John R. Mulvane, Topeka, Kans.; Geo. Tyson, Boston. EXECUTIVE COMMITTEE: W. V. King, Edwd. Dickinson, Henry Sanderson, J. B. Niven, W. T. Kemper, H. F. Hall, D. J. Haff, W. W. Colpitts, Geo. Tyson, E. D. Stair, Clifford Histed. OFFICE: Kansas City, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914*	1913*	1912*	1911
Gross revenues	$2,599,332	$2,397,019	$868,428	$928,428	$891,029	$1,848,479
All operating expenses.	2,484,297	2,090,011	934,974	868,608	967,494	1,845,207
Net oper. revenues.	$115,035	$307,008	†$66,550	$59,820	†$76,465	$3,272
Operating ratio	99.5%	88.1%	107.6%	93.6%	108.6%	98.2%
Other income	26,905	30,827	269,271	288,764	191,621	43,968
Total net income	$141,940	$337,835	$202,721	$348,584	$115,156	$47,241
Taxes accrued	141,231	108,673	66,799	61,123	52,457	66,362
Fixed charges	469,662	502,676	.....	97,181	96,160	125,997
Deficit	$468,953	$273,514	$28,516	(sur.)$190,280	$33,461	$145,118

* Operations of lines in Kansas and Oklahoma only. † Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$80,392,634	$79,031,152	$58,692,726	$58,706,825	$61,667,451	$52,718,674
Working assets	810,543	1,285,988	3,894,505	3,888,209	988,821	405,213
Deferred debit items	30,769	452,707	3,540,013	3,540,045	3,554,530	2,369,137
Profit and loss deficit	690,414	1,334,082	365,276	343,995	268,060	381,687
Total	$81,924,360	$82,103,929	$66,492,530	$66,479,074	$66,478,862	$55,874,711
LIABILITIES:						
Capital stock	$45,000,000	$45,000,000	$25,000,000	$25,000,000	$25,000,000	$25,000,000
Funded debt	31,000,000	36,640,200	30,099,472	30,099,472	29,769,223	23,468,665
Working liabilities	5,819,147	345,783	11,391,282	11,377,860	11,683,660	7,375,433
Accr'd liabilities not due	89,902	111,402	.....	.....	16,337	30,613
Deferred credit items	15,311	6,544	1,776	1,742	9,642	.....
Total	$81,924,360	$82,103,929	$66,492,530	$66,479,074	$66,478,862	$55,874,711

Bonded Debt: $31,000,000 Kansas City, Mexico & Orient R.R. adjustment mortgage bonds; dated July 15, 1914; due July 1, 1964. Int. payable as earned for first ten years; thereafter at 5%. All pledged under 6% notes described below.

Notes: $5,640,200 Kansas City, Mexico & Orient R.R. 6% gold notes; dated April 30, 1914; due April 30, 1916; int. April 30 and Oct. 31, at Columbia Trust Company, New York, and in London, England. Coupon, various amounts. Authorized, $6,000,000. Subject to call at par and interest at any time upon 60 days' notice. Notes were issued to provide for the receivers' certificates and notes; preferential claims, about $550,000; the proportion of the sale price attributable to non-depositing bondholders, the costs, charges and expenses of the bondholders' committee of the foreclosure, and the whole interest on the present note issue. Secured by pledge of $31,000,000 adjustment mortgage non-cumulative income 5% bonds, the entire amount which has been issued and which has been authorized by the Kansas Public Utilities Commission; also by pledge of the $20,000,000 stock. The notes are to be paid off out of first proceeds from the sale of securities provided under reorganization plan whenever issued. First publicly offered in April, 1914, at 97½. Normal income tax deducted from interest. Principal in default. Protective Committee, J. Z. Meller, Chm.; C. M. Sigler, Sec., 54 Wall Street, New York.

Capital Stock: Authorized by charter, $45,000,000, of which the Kansas Public Utilities Commission has authorized the issuance of $20,000,000; issued, $20,000,000, which is pledged under the notes described above; par, $100.

KANSAS CITY TERMINAL RAILWAY

History: Incorporated in Missouri on July 10, 1906, to construct terminals in Kansas City, Mo.

Location: The properties under construction and in operation are used by the following railroads: The Atchison, Chicago & Alton, the Burlington, the St. Paul, the Rock Island, Chicago Great Western, Kansas City Southern, Missouri, Kansas & Texas, Missouri Pacific, Union Pacific, St. Louis & San Francisco, and the Wabash. In 1910, absorbed the Kansas City Belt Ry. and the Union Depot Co. of Kansas City. Total trackage, including belt line, 157.87 miles. Owns 33 locomotives, 6 freight cars, 174 service cars.

Management: OFFICERS: W. M. Corbett, Pres.; S. W. Moore, Sec.; E. F. Swinney, Treas. DIRECTORS: W. B. Storey, S. M. Felton, J. A. Edson, E. D. Sewall, A. C. Ridgway, A. Robertson, W. M. Corbett, A. L. Mohler, W. G. Bierd, J. E. Taussig, Hale Holden, C. N. Whitehead, W. C. Nixon. Annual meeting, second Tuesday in March. OFFICE, Kansas City, Mo.

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$945,209	$706,756	$430,540	$462,616	$373,252	$351,560
Maintenance of way	59,038	57,950	49,689	44,483	36,652	45,304
Maint. of equipment	104,638	94,163	89,063	84,791	68,163	55,664
All other oper. expenses	346,920	306,490	310,954	332,110	274,471	236,266
Net oper. revenues.	$434,613	$248,153	(def.)$19,166	$232	(def.)$6,034	$14,326
Operating ratio	54%	64.81%	104.6%	100%	101.6%	95.9%
Other income	2,079,594	1,393,306	187,098	162,374	176,196	181,566
Total net income	$2,514,207	$1,641,459	$167,932	$162,606	$170,161	$195,892
Taxes accrued	192,681	152,330	70,838	54,910	65,646	64,675
Fixed charges	1,971,526	1,502,389	159,545	167,696	143,391	136,373
Other deductions	350,000	.....	.....	.....	.....	.....
Balance	.....	(def.)$13,260	(def.)$62,451	(def.)$60,000	(def.)$38,875	(def.)$5,156

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $1,391; donations, $500; miscellaneous credits, $223,378; debit balance carried to balance sheet, $2,229,585; total, $2,454,854. Contra: Debit balance at beginning of year, $2,324,667; debit discount extinguished through surplus, $76,503; loss on retired road and equipment, $81; miscellaneous debits, $53,604; total, $2,454,854.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$41,189,595	$49,185,409	$43,088,678	$28,990,395	$27,412,566	$17,932,247
Working assets	1,945,857	1,416,642	3,998,833	2,847,186	1,545,277	5,743,497
Deferred debit items...	527,409	953,019	2,535,613	3,167,473	1,503,402	931,667
Accrued income not due	*	*	16,152	11,575	15,113	.....
Profit and loss deficit...	2,229,585	2,324,667	177,397	116,580	57,881	19,491
Total	$45,892,446	$53,879,737	$49,816,673	$35,133,209	$30,534,239	$24,626,902
LIABILITIES:						
Capital stock	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000
Funded debt	40,094,000	49,127,250	47,127,250	32,594,000	27,594,000	22,594,000
Working liabilities	3,741,130	3,035,469	1,261,760	1,075,365	1,597,655	768,835
Accr'd liabilities not due	125,308	196,614	163,108	44,071	51,645	44,243
Deferred credit items..	382,008	320,404	64,555	219,773	90,939	19,824
Appropriated surplus ..	350,000	.....	.....	.....	.....	.....
Total	$45,892,446	$53,879,737	$49,816,673	$35,133,209	$30,534,239	$24,626,902

* Included in working assets.

Bonded Debt: (1) $33,094,000 Kansas City Terminal Ry. first 4s. Dated Jan. 1, 1910; due Jan. 1, 1960. Interest Jan. 1 and July 1 at New York, Boston and Chicago. Authorized, $50,000,000. Guaranteed principal and interest, by the 12 railroads mentioned above, each company agreeing to pay, unconditionally, one-twelfth of the principal and interest of the bonds. In the event of any of the guaranteeing companies failing to carry out its part of the agreement, the remaining companies must make good all deficiencies. The bonds will be callable at 105. Legal for S. B. in Minn., N. H., Listed on New York Stock Exchange. Net Rating, Aa.

Notes: (a) $5,000,000 3-year 4½% secured gold notes. Dated Nov. 15, 1915; due Nov. 15, 1918. Interest payable May and Nov. 15. Secured by deposit of $6,750,000 of No. 1. Authorized, $5,000,000.

(b) $2,000,000 2-year 5¼% secured notes. Dated Nov. 30, 1915; due Nov. 30, 1917. Interest payable May and Nov. 30. Authorized and outstanding, $2,000,000. Secured by deposit of $2,500,000 of No. 1. Rating, Aa.

(c) $2,500,000 5-year 4½% secured notes. Dated July 1, 1916; due July 1, 1921. Interest paid Jan. and July. Secured by deposit of $2,500,000 of No. 1. Rating, Aa.

Capital Stock: Auth., $50,000,000; outstanding, $1,200,000. Par, $100. The twelve controlling roads have equal interest in this stock.

KEESEVILLE, AUSABLE CHASM & LAKE CHAMPLAIN RAILROAD

History: Incorporated under laws of New York, April 4, 1889.

Location: Road extends from Port Kent to Keeseville, N. Y., 5.64 miles; total track, 6.22 miles. Equipment: Locomotive, 1; cars, 6. The road is now being operated by steam.

Management: OFFICERS: M. J. Callanan, Pres.; C. H. Prescott, Vice-Pres.; E. K. Romeyn, Treas.; J. J. Long, Sec.; L. G. Palmer, Supt., Keesville, N. Y. DIRECTORS: M. J. Callanan, C. H. Prescott, Geo. N. Kingsland, N. T. Hewitt, E. K. Romeyn, C. M. Hopkins, J. A. Baber, L. G. Palmer, J. J. Long, Keeseville, N. Y.; W. J. Callanan, Saranac Lake, N. Y.; J. K. Collins, Joseph Kentle, J. B. Riley, Plattsburgh, N. Y. Annual meeting, in May. OFFICE: Keeseville, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$12,378	$12,997	$15,915	$17,566	$17,920	$19,051
Maintenance of way...	2,835	3,154	4,417	6,418	2,729	3,490
Maintenance of equip..	1,990	558	444	2,167	2,626	2,770
All other oper. expenses	8,428	7,830	8,523	10,710	11,374	10,012
Net oper. revenues	*$875	$1,455	$2,531	*$1,729	$1,091	$2,779
Taxes	1,141	909	1,030	744	591	1,280
Fixed charges	3,178	3,009	4,620	5,114	2,536	1,862
Deficit	$5,194	$2,463	$3,119	$7,587	$2,036	$363

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$105,683	$107,899	$107,899	$99,145	$97,368	$97,368
Working assets	25,988	25,525	38,744	26,978	28,032	26,400
Deferred debit items...	12,948	12,948	.....	12,948	12,948	10,803
Total	$144,619	$146,372	$146,643	$139,071	$138,348	$134,571

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000
Funded debt	10,350	10,350	30,000	30,000	.....	.....
Working liabilities	57,836	54,395	32,703	20,238	43,607	39,520
Accrd. liabilities not due	150	150	.....	.....	.....	516
Deferred credit items	13,273	13,273	13,273	13,273	13,273	9,124
Profit and loss surplus	3,010	8,204	10,667	15,560	21,468	25,411
Total	$144,619	$146,372	$146,643	$139,071	$138,348	$134,571

Bonded Debt: $30,000 (entire issue) first 6s. Dated Dec. 1, 1899; due Dec. 1, 1909 (issue not paid off at maturity). Interest paid Jan. and Dec. 1, at Keeseville National Bank, Keeseville, N. Y., trustee. First lien on property. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $60,000. Par, $10. Dividends 32.6% were paid in both 1903 and 1905. None since.

KENNEBEC CENTRAL RAILROAD

History: Incorporated under the laws of Maine, October 3, 1889. Road completed, July 1, 1890.

Location: Road extends from Randolph to Togus, Maine, 5 miles; sidings, 0.74 mile. Equipment: Locomotives, 2; cars, 18.

Management: OFFICERS: J. S. Maxcy, Pres. and Gen. Mgr.; H. S. Webster, Sec. and Aud., Gardiner, Maine; A. B. Thompson, Treas., Gen. Supt. and Pur. Agt., Randolph, Maine. DIRECTORS: W. S. Whitmore, H. Farrington, Weston Lewis, J. S. Maxcy, C. H. Gray, Gardiner, Maine. Annual meeting, third Monday in September. GENERAL OFFICE, Randolph, Maine.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$12,243	$12,072	$14,807	$14,817	$14,697
Operating expenses	10,863	10,505	10,240	11,084	10,916
Net revenues	$1,380	$1,567	$4,567	$3,733	$3,781
Taxes	.....	.....	.....	311	345
Fixed charges	878	1,252	1,277	1,164	1,135
Surplus	$172	$315	$3,290	$2,258	$2,301
Dividends	.....	.....	800	2,000	2,400
Balance	$172	$315	$2,490	$258	*$99

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$80,408	$80,833	$81,268	$82,768	$82,768
Working assets	1,678	1,081	2,330	1,983	1,726
Total	$82,086	$81,914	$83,598	$84,751	$84,494
LIABILITIES:					
Capital stock	$40,000	$40,000	$40,000	$40,000	$40,000
Funded debt	.....	.....	.....	.....	25,000
Working liabilities	19,500	19,500	21,500	25,000	.....
Accrd. liabilities not due	.....	.....	.....	142	142
Profit and loss	22,586	22,414	22,098	19,609	19,352
Total	$82,086	$81,914	$83,598	$84,751	$84,494

Bonded Debt: $19,500 Kennebec Central R.R. first 4½s dated Nov. 15, 1890; due Nov. 15, 1910, and extended from year to year. Int. paid May and Nov. 15, at Maine Trust & Banking Co., Gardiner, Me., trustee. Coupon, $1,000. Authorized issue, $40,000. A first lien on property. Rating, Baa.

Capital Stock: Authorized, $50,000; outstanding, $40,000; par, $100. Regular dividends were paid for a number of years at rate of 6% per annum, semi-annually Jan. and July 1. Dividends: In 1912, 6%; 1914, 2%; none in 1915 and 1916.

KENTUCKY & INDIANA TERMINAL RAILROAD

History: Incorporated under Kentucky laws, August 8, 1900, as the Kentucky & Indiana Bridge & R.R. Co. Owns the Kentucky & Indiana Bridge, the Louisville Belt Line, etc., which are used by the Baltimore & Ohio Southwestern, Southern Ry., and the Chicago, Indianapolis & Louisville Ry. These companies use the property under a lease, and pay monthly any deficit from operations.

Management: OFFICERS: H. W. Miller, Pres.; A. P. Humphrey, Vice-Pres.; H. D. Ormsbuy, Treas.; C. R. Arnold, Sec. DIRECTORS: H. R. Kurrie, H. W. Miller, P. L. McManus, Daniel Willard, G. H. Campbell, A. P. Humphrey. Annual meeting, first Tuesday in October. OFFICE, Louisville, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$370,329	$360,294	$384,228	*$105,803	$184,838	$186,807
Taxes accrued	92,583	73,109	114,750	112,446	57,732	54,108
Fixed charges	277,746	287,185	269,478	203,434	127,106	132,699
Balance	.....	.....	.....	*$421,683	.....	.....

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,315,246	$5,311,500	$5,312,766	$5,907,755	$4,909,334	$2,897,447
Working assets	430,269	202,705	231,745	494,485	1,137,969	3,191,475
Deferred debit items.....	922,038	1,110,676	1,161,476	355,634	291,537	271,102
Profit and loss deficit	2,838	2,075	.....	.....	.....	.....
Total	$6,670,391	$6,626,956	$6,659,547	$6,757,874	$6,338,840	$6,360,024
LIABILITIES:						
Capital stock	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000
Funded debt	6,282,781	6,282,781	6,282,781	6,282,781	5,990,785	5,970,350
Working liabilities	228,626	190,260	219,963	324,601	235,589	138,581
Accrued liabilites not due.	48,980	45,776	55,065	44,150	11,519	142,535
Deferred credit items....	35,004	33,139	26,738	31,342	25,947	33,558
Total	$6,670,391	$6,626,956	$6,659,547	$6,757,874	$6,338,840	$6,360,024

Bonded Debt: $6,282,781 Kentucky & Indiana Terminal R.R. first 4½s; dated Jan. 1, 1911; due Jan. 1, 1961; int. January and July, in New York and London. Coupon, £100. Guar. prin. and int., jointly and severally, by the Baltimore & Ohio R.R., the Chicago, Indianapolis & Louisville Ry., and the Southern Ry. Authorized, £2,000,000. First lien on entire property. Interest paid without deduction for normal income tax. Listed on London Stock Exchange.
Net Rating Aa.

Capital Stock: Auth. and outstanding, $75,000; owned in thirds by the three railroads named above, which guarantee the bonds.

KENTUCKY & TENNESSEE RAILWAY

History: Incorporated January 30, 1904, under Kentucky laws, succeeding the Kentucky & Tennessee R.R.

Location: Owns 16.27 miles, from Stearns, Ky., to Exodus, Ky. Sidings, 3.90 miles. Equipment: Locomotives, 5; passenger and freight cars, 28.

Management: OFFICERS: J. S. Stearns, Pres.; W. T. Culver, Vice-Pres.; R. L. Stearns, Sec. and Treas. DIRECTORS: J. S. Stearns, W. T. Culver, J. I. Burns, R. L. Stearns, E. E. Barthell. Annual meeting, in July. OFFICE, Stearns, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$166,202	$151,239	$153,132	$180,358	$143,982	$117,037	$94,052
Maintenance of way	11,618	13,826	13,378	8,826	22,204	20,799	12,699
Maintenance of equipment.....	16,183	17,120	22,481	20,385	18,987	18,862	19,778
All other operating expenses..	44,796	44,789	45,267	52,327	31,887	29,504	24,572
Net operating revenues...	$93,605	$75,504	$72,006	$98,820	$70,904	$47,872	$37,003
Operating ratio	43.7%	50%	53%	45.2%	50.8%	59.1%	60.6%
Taxes accrued	9,087	6,113	1,656	960	532	484	156
Fixed charges	63,528	62,770	62,233	67,605	65,783	70,622	41,847
Balance	$20,990	$6,621	$8,117	$30,255	$4,589	*$23,234	*$3,254

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $20,990; debit balance carried to balance sheet, $241,692; total, $262,682. Contra: Debit balance at beginning of year, $247,458; miscellaneous appropriations of surplus, $2,000; loss on retired road and equipment, $11,737; miscellaneous debits, $1,487; total, $262,682.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$743,113	$758,464	$766,620	$805,016	$710,734	$632,752
Working assets.....	3,533	3,321	3,973	958	25,034	24,807
Profit and loss deficit..	241,692	244,258	250,879	237,276	305,952	310,652
Total	$988,338	$1,006,043	$1,021,472	$1,043,250	$1,041,720	$968,211
LIABILITIES:						
Capital stock.....	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
Funded debt.....	800,000	800,000	800,000	800,000	800,000	800,000
Working liabilities.....	151,338	171,043	186,472	208,250	206,720	137,675
Deferred credit items..	12,000	10,000	10,000	10,000	10,000	5,536
Total	$988,338	$1,006,043	$1,021,472	$1,043,250	$1,041,720	$968,211

Bonded Debt: $800,000 Kentucky & Tennessee first 6s; dated July 1, 1910; due Jan. 1, 1925; int. paid Jan. and July 1, at First Trust & Savings Bank, Chicago. Guar. prin. and int., by Stearns Salt & Lumber Co. of Ludington, Mich., which owns all the bonds. First lien on entire property. Interest paid without deduction for normal income tax. Coupon, $1,000.
Rating, B.

Capital Stock: Auth. and outstanding, $25,000; par, $100. All owned by Stearns Salt & Lumber Co.

KENTUCKY MIDLAND RAILWAY

History: Incorporated under Kentucky laws, on August 11, 1904.

Location: Road is projected from Central City to Madisonville, Ky., 22.5 miles. Completed: Central City, Ky., to Earles, Ky., 9.11 miles. Equipment: Locomotive, 1; freight and miscellaneous cars, 11.

Management: OFFICERS: G. B. Hengen, Pres., Chicago, Ill.; Glenn M. Averill, Vice-Pres. and Treas., Cedar Rapids, Ia.; G. B. Dutton, Sec.; M. M. Wheeler, Gen. Mgr.; F. W. Tente, Aud., Central City, Ky. DIRECTORS: G. B. Hengen, Chicago, Ill.; Glenn M. Averill, G. B. Dutton, Cedar Rapids, Ia.; M. M. Wheeler, F. W. Tente, Central City, Ky. Annual meeting, third Wednesday in June. OFFICE: Central City, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revnues	$10,498	$9,857	$11,512	$11,286	$8,513	$3,047
Maintenance of way.....	4,758	5,849	4,840	6,138	6,566	5,404
Maintenance of equipment.	3,586	2,609	2,426	452	414	550
All other operating exp...	5,455	5,272	6,319	5,901	.....	3,938
Net operating revenue	*$3,301	*$3,873	*$2,073	*$1,205	$4,948	*$6,845
Taxes	469	455	450	450	491	443
Fixed charges	25,021	24,900	24,900	24,900	19,625	14,350
Deficit	$28,791	$29,228	$27,423	$26,555	$23,251	$21,638

* Deficit.

Bonded Debt: $498,000 Kentucky Midland first S. F. 5s. Dated December 1, 1905; due Dec. 1, 1935. Interest J. and D. 1, at Continental & Commercial Trust & Savings Bank, Chicago, trustee. Authorized, $600,000. $102,000 held in treasury. First lien on entire property. Interest payable without deduction for normal income tax.

Capital Stock: Authorized, $10,000; outstanding, $5,891. Par, $1.

KENTWOOD & EASTERN RAILWAY

History: Incorporated under laws of Louisiana, December 5, 1905. Leases the Kentwood & Eastern R.R. for twenty years from July 1, 1906, annual rental being $10,000 and taxes.

Location: Road owned extends from Kentwood to Pineview Spur, La., 17.18 miles. Leased, 29.82 miles. Total operated, 47 miles; sidings, 10.55 miles. Equipment: Locomotives, 9; cars, 328.

Management: OFFICERS: D. F. Brooks, Pres.; H. E. Gipson, Vice-Pres.; Edward Brooks, Sec. and Treas., Minneapolis, Minn.; H. F. Snow, Aud.; Geo. A. Keyes Gen. Mgr., Kentwood, La. DIRECTORS: D. F. Brooks, H. E. Gipson, Edward Brooks, John Birkholz, Minneapolis, Minn.; Geo. A. Keyes, H. F. Snow, A. C. Stewart, Kentwood, La. Annual meeting, second Tuesday in March, at Kentwood, La. OFFICE: Kentwood, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$173,833	$169,543	$231,516	$235,220	$220,447	$230,689
Maintenance of way....	44,834	34,086	45,363	44,253	39,007	46,437
Maintenance of equip..	38,562	27,912	40,492	46,667	37,356	43,263
All other oper. expenses	47,153	52,677	71,896	78,865	60,665	66,505
Net oper. revenues.	$43,284	$54,868	$73,765	$65,435	$83,419	$74,484
Other income	7,226	5,140	931	984	1,368	463
Total net income..	$50,510	$60,008	$74,696	$66,419	$84,787	$74,947
Taxes	7,407	4,994	5,353	6,088	3,274	2,635
Fixed charges	16,798	16,402	16,225	16,868	20,782	25,678
Dividends	10,000	.....	.....	.....	.....	.....
Other deductions	11,102	.....	.....	.....	.....	.....
Surplus	$5,203	$38,612	$53,118	$43,463	$60,731	$46,634

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $5,203; miscellaneous credits, $31; total, $5,234. Contra: Loss on retired road and equipment, $5,110; miscellaneous debits, $124; total, $5,234.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$456,761	$469,618	$401,016	$464,696	$457,915	$464,996
Working assets.....	24,876	20,717	35,843	18,379	20,421	13,106
Deferred debit items...	1,179	349	58,278	47,501	46,226	45,767
Total	$482,816	$490,684	$495,137	$530,576	$524,562	$523,869
LIABILITIES:						
Capital stock.....	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities.....	32,744	52,930	94,132	155,955	184,345	247,991
Accrd. liabilities not due	2,955	2,483	2,614	2,498	1,321	1,067
Deferred credit items..	1,142	398	6,281	270	3,595	240
Appropriated surplus...	345,975	334,873	292,110	271,853	235,301	174,571
Total	$482,816	$490,684	$495,137	$530,576	$524,562	$523,869

Capital Stock: Authorized and outstanding, $100,000; par, $100. Dividend of 10% paid in 1916. No bonds.

KENTWOOD, GREENBURG & SOUTHWESTERN RAILROAD

History: Incorporated under the laws of Louisiana, Jan. 25, 1906, to build a line from Kentwood to Baton Rouge, La., and to the Gulf of Mexico.

Location: Road in operation extends from Kent's Mill to Freiler, La., 14.2 miles; sidings, 2 miles. Gauge, 3 feet. Equipment: Locomotives, 3; cars, 92.

Management: OFFICERS: J. Hauberg, Pres.; J. J. Reimers, Vice-Pres., Davenport, Ia.; F. W. Reimers, Sec. and Treas., Hammond, La. DIRECTORS: J. J. Reimers, J. H. Hauberg, T. B. Davis, Rock Island, Ill.; John Mason, F. W. Reimers, T. L. Snythe, Hammond, La.; Geo. W. Reed, Kentwood, La. Annual meeting, second Monday in February. GENERAL OFFICE, Hammond, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$37,426	$37,359	$34,249	$16,206	$49,398
Operating expenses	34,407	35,564	41,352	46,376	60,613
Net operating revenues	$3,019	$1,795	* $7,103	* $30,170	* $11,215
Other income	.....	3,970	12,823	22,487	13,418
Total net income	$3,019	$5,765	$5,720	* $7,683	$2,203
Taxes	2,976	2,094	1,303	1,487	1,534
Fixed charges	398	.....	862	544	672
Surplus	* $355	$3,671	$3,555	* $9,714	* $2

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $29,175; miscellaneous credits, $172; total, $29,347. Contra: Debit balance transferred from income, $355; credit balance carried to balance sheet, $28,895; miscellaneous debits, $97; total, $29,347.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$132,437	$135,237	$140,237	$138,487	$140,113
Working assets	6,446	19,734	9,265	4,175	4,659
Total	$138,883	$154,971	$149,502	$142,662	$144,772
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	8,505	23,712	24,487	24,686	18,309
Accrued liabilities not due	1,483	1,783	1,469	870	602
Profit and loss	28,895	29,175	23,546	16,106	25,861
Total	$138,883	$154,971	$149,502	$142,662	$144,772

Capital Stock: Authorized, $350,000; outstanding, $100,000; par, $100. No bonded debt.

KEOKUK & HAMILTON BRIDGE COMPANY

History: Incorporated under laws of Ia. and Ill., Aug. 1, 1868, as consolidation of the Hancock County and the Keokuk & Hamilton Mississippi River Bridge Co. Owns bridge and two miles of railroad from Keokuk, Ia., to Hamilton, Ill. Bridge is used by the Toledo, Peoria & Western Ry. and the Wabash R.R. and also by foot passengers and vehicles.

Keokuk & Hamilton Bondholders Company: In order to protect the interests of bondholders this new company was form in Delaware in 1914 and acquired the bonds of the Keokuk & Hamilton Bridge Company. The new company issued $1,000,000 par value of 30-year convertible income debentures bearing interest at not exceeding 2½% per annum in exchange for the bonds of the bridge company. With the acquired bonds as collateral it issued $400,000 30-year 6% secured notes proceeds of which were used to rebuild the bridge. Bondholders were asked to subscribe to these notes to the extent of 40% of their holdings in Bridge Company's bonds.

Management: OFFICERS: Andrew Carnegie, Pres.; Theo. Gilman, Sec. and Treas., New York. DIRECTORS: Jos. J. Asch, A. Carnegie, Theo. Gilman, W. S. Gilman, Theo. F. Hicks, Matthias Nicoll, David Paton, Jas. F. Secor, New York; Hy. E. Smith, Philadelphia. Annual meeting, second Tuesday in June, at Keokuk, Ia. OFFICE, 55 William Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$59,782	$64,444	$72,603	$74,362	$65,496	$55,944
Operating expenses	26,953	17,507	38,665	43,874	18,447	16,509
Net oper. revenues	$38,829	$46,937	$33,938	$30,488	$47,049	$39,435
Operating ratio	45.1%	27.2%	53.3%	59%	28.2%	29.5%
Other income	497	260	.....	23,530	9,994	11,552
Total net income	$39,326	$47,197	$33,938	$54,018	$57,043	$50,987
Taxes	4,909	4,529	5,320	5,570	4,385	3,885
Fixed charges	30,000	30,000	30,000	55,000	60,000	40,000
Surplus	$4,417	$12,332	* $1,382	* $6,552	* $7,342	* $7,102

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$2,000,000	$2,025,107	$2,002,764	$2,000,000	$2,000,000	$2,000,000
Working assets.....	4,153	6,559	12,428	8,333	14,830	22,152
Profit and loss deficit..	1,368,322	1,277,632	1,240,300	.....	1,385,450	1,358,108
Total	$3,372,475	$3,309,298	$3,255,492	$2,008,333	$3,400,280	$3,380,260
LIABILITIES:						
Capital stock.....	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Working liabilities.....	2,372,475	2,309,298	2,255,492	1,000,335	2,400,280	2,380,269
Profit and loss surplus.	.....	.....	.....	7,988	.....	.....
Total	$3,372,475	$3,309,298	$3,255,492	$2,008,333	$3,400,280	$3,380,260

Bonded Debt: $1,000,000 Keokuk & Hamilton Bridge Co. first 8s; dated April 1, 1869; due April 1, 1899. The bonds are still outstanding, interest being in arrears for a number of years past; the overdue coupons are being liquidated as the earnings permit. The last interest paid was the balance of coupon No. 52 (due Apr. 1, 1895), which was paid in Dec., 1912. In 1913, all the unpaid coupons were canceled, and new coupons of $15 each were allotted: these to be paid, as earnings permit. Interest at the 3% rate was paid in 1914, 1915 and 1916. Normal income tax deducted from interest. Rating, B.

Capital Stock: $1,000,000; par, $100. TRANSFER AGENT, Theodore Gilman, Secretary, New York.

KEWEENAW CENTRAL RAILROAD

History: Incorporated under Michigan laws, April 4, 1883, as the Lac La Belle & Calumet R.R. Name changed to present title, April 14, 1905.

Location: Road extends from Calumet to Mandan, 26.40 miles, with branches to Lac La Belle, Ojibway mine and Crestview, Mich., total, 38.73 miles. Trackage rights, 6.90 miles. Equipment: Locomotives, 2; cars, 95, of which only 55 are available for service. In operation during summer months only.

Management: OFFICERS: T. F. Cole, Pres., New York; S. R. Hill, Vice-Pres., Boston, Mass.; F. W. Taylor, Sec. and Treas., Calumet, Mich. DIRECTORS: T. F. Cole, New York; H. L. Baer, C. A. Wright, Hancock, Mich.; Thomas Hoatson, Calumet, Mich.; S. R. Hill, Boston, Mass. Annual meeting, second Tuesday in August, at Calumet, Mich. OFFICE, Calumet Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$15,402	$14,800	$17,014	$28,481	$33,965	$33,692
Maintenance of way....	5,805	6,046	4,676	9,976	7,627	5,202
Maintenance of equip..	8,953	6,398	5,428	8,388	8,456	3,725
All other oper. expenses	10,601	10,217	12,846	25,779	27,904	29,466
Net oper. deficit...	$9,957	$7,861	$5,936	$15,662	$10,022	$4,701
Taxes	1,478	1,498	1,589	1,052	946	1,059
Fixed charges	2,508	3,030	3,409	6,407	8,503	5
Deficit.	$13,943	$12,389	$10,934	$23,121	$19,471	$5,765

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$845,842	$1,342,529	$1,346,760	$856,936	$853,995	$857,227
Working assets.....	8,152	4,029	6,044	511,682	509,463	509,352
Deferred debit items...	896	817	970	975	528	644
Profit and loss deficit...	88,564	74,621	62,232	49,890	26,768	7,306
Total	$943,454	$1,421,996	$1,416,006	$1,149,483	$1,390,754	$1,374,529
LIABILITIES:						
Capital stock.....	$730,000	$730,000	$730,000	$730,000	$730,000	$730,000
Funded debt.....	.....	500,000	500,000	500,000	500,000	500,000
Working liabilities.....	213,406	191,912	185,922	181,661	160,377	144,529
Accrd. liabilities not due	.....	.....	.....	561	377	.....
Deferred credit items...	48	84	84	.....	.....	.....
Profit and loss surplus.	.....	.....	.....	7,261	.....	.....
Total	$943,454	$1,421,996	$1,416,006	$1,149,483	$1,390,754	$1,374,529

Bonded Debt: $500,000 Keweenaw Central R.R. first 5s. Dated June 1, 1908; due June 1, 1938. Interest June and Dec. 1, at Superior Trust Co., Hancock, Mich. Coupons, $500 and $1,000 Authorized issue, $1,000,000. Bonds issued, all held in treasury of company.

Capital Stock: Authorized, $1,000,000; outstanding, $730,000; par, $100. No dividends. All owned by Keweenaw Copper Co.

KINDER & NORTHWESTERN RAILROAD

History: Incorporated under the laws of Louisiana, March 7, 1910, to build a railroad from Kinder, La., in a northwesterly direction.

Location: Road completed to June 30, 1915, Kinder to 4 miles beyond Handley, La., 16 miles; sidings, 1 mile. Equipment: Locomotives, 1; passenger car (motor), 1; flat cars, 23; log cars, 40; cabooses, 2.

Management: OFFICERS: A. J. Peavy, Pres., Shreveport, La.; Alfred Mead, Vice-Pres. and Gen. Mgr.; R. J. Wilson, Treas., Supt. & Pur. Agt.; E. H. Payne, Sec. and Aud., Kinder, La. DIRECTORS: A. J. Peavy, Shreveport, La.; Alfred Mead, E. H. Payne, R. J. Wilson, Kinder, La.; Rudolph Krause, Lake Charles, La. Annual meeting, first Monday in April. GENERAL OFFICE, Kinder, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$46,224	$41,030	$33,019	$48,733	$24,072
Operating expenses	37,786	35,765	31,860	41,407	27,142
Net operating revenues	$8,438	$5,265	$1,159	$7,326	* $3,070
Other income	1,974	2,184	.....	.....	.....
Total net income	$10,412	$7,449	$1,159	$7,326	* $3,070
Fixed charges including taxes	10,488	16,600	11,008	14,811	8,396
Deficit	$76	$9,151	$9,849	$7,485	$11,466

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$94,489	$75,044	$68,392	$73,159	$74,322
Working assets	13,731	21,210	12,620	10,073	2,979
Profit and loss	41,185	41,109	31,957	22,108	14,623
Total	$149,405	$137,363	$112,969	$105,340	$91,924
LIABILITIES:					
Capital stock	$25,000	$25,000	$25,000	$25,000	$25,000
Funded debt	.....	.....	.....	.....	66,000
Working liabilities	119,875	108,463	87,969	80,340	924
Accrued liabilities not due	4,530	3,900	.....	.....	.....
Total	$149,405	$137,363	$112,969	$105,340	$91,924

Capital Stock: Authorized, $100,000; outstanding, $25,000; par, $100. No bonded debt. Secretary of company acts as TRANSFER AGENT AND REGISTRAR.

KISHACOQUILLAS VALLEY RAILROAD

History: Incorporated under the laws of Pennsylvania, June 14, 1892. Road opened June, 1893.

Location: Road extends from Reedsville to Belleville, Pa., 9.2 miles; trackage over Pennsylvania R.R. lines, Reedsville to Kishacoquillas Junc., Pa., 0.3 mile; total operated, 9.5 miles; sidings, 0.5 mile. Equipment: Locomotives, 2; cars, 5.

Management: OFFICERS: W. James Hayes, Pres.; J. M. Campbell, Vice-Pres.; Wm. B. Maclay, Sec.; Clare W. Getter, Treas.; J. P. Getter, Gen. Mgr. and Pur. Agt., Belleville, Pa. DIRECTORS: Frank Gibbony, Burnham, Pa.; J. M. Campbell, W. B. Maclay, Frank Campbell, J, E. Hostetler, J. M. Fleming, J. P. Getter, Belleville, Pa.; F. F. Whittekin, Tionesta, Pa. Annual meeting, second Saturday in June. GENERAL OFFICE, Belleville, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$17,570	$18,460	$17,933	$17,307	$16,685
Operating expenses	15,780	18,521	14,899	12,488	14,597
Net revenues	$1,790	* $61	$3,034	$4,819	$2,088
Charges and taxes	871	.....	.....	946	261
Surplus	$919	* $61	$3,034	$3,873	$1,827

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$129,305	$131,566	$133,519	$131,136	$128,165
Working assets	11,980	8,800	6,910	6,208	5,356
Total	$141,285	$140,366	$140,429	$137,394	$133,521
LIABILITIES:					
Capital stock	$90,750	$90,750	$90,750	$90,750	$90,750
Appropriated surplus	.....	.....	20,520	20,520	17.519
Profit and loss	50,535	49,616	29,159	26,124	22,252
Total	$141,285	$140,366	$140,429	$137,394	$133,521

Capital Stock: Authorized, $100,000; outstanding, $90,750; par, $25. No bonded debt. No dividends paid.

KITTANNING RUN RAILROAD

History: Incorporated under the laws of Pennsylvania, Feb. 9, 1905, to build a railroad from Kittanning Point to Amsbry, Pa., 10 miles.

Location: Road in operation extends from Kittanning Point, to Delaney, Pa., 4.6 miles. Equipment: Locomotive, 1.

Management: OFFICERS: John Lloyd, Pres.; John Lloyd Jr,, Treas.; B. V. Westley, Sec., Altoona, Pa. DIRECTORS: John Lloyd, John Lloyd, Jr., J. M. Skyles, R. C. Wilson ,W. C. Gerst, Altoona, Pa.; F. J. Brophy, Carrollton, Pa.; C. C. Renshaw, Philadelphia, Pa. Annual meeting, fourth Wednesday in January. GENERAL OFFICE, Altoona, Pennsylvania.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$9,392	$10,397	$11,010	$10,986	$8,687
Operating expenses	13,525	12,919	17,156	15,495	15,733
Net operating deficit	$4,133	$2,522	$6,146	$4,509	$7,046
Taxes	212	53	97	92	63
Fixed charges	1,491	1,465	.....	.....	.....
Deficit	$5,836	$4,040	$6,243	$4,601	$7,109

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$11,005	$11,845	$11,845	$11,845	$11,845
Working assets	1,206	1,466	1,882	1,654	1,434
Deferred debit items	89,906	89,750	89,750	89,750	89,750
Profit and loss	53,688	47,852	43,813	37,570	32,969
Total	$155,805	$150,913	$147,290	$140,819	$135,998
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	55,805	50,913	47,290	40,819	35,998
Total	$155,805	$150,913	$147,290	$140,819	$135,998

Capital Stock: Authorized and issued, $100,000, of which $10,250 only is fully paid. Par, $50. No bonded debt and no dividends.

KLONDIKE MINES RAILWAY

Origin: Incorporated under laws of Yukon Territory in 1899 to build a railroad from Dawson City to Stewart River, 84 miles.

Location: In operation road from Dawson City to The Dome, 21.81 miles. Sidings, 2 miles. Equipment: Locomotives, 3; passenger cars, 2; freight cars, 23. Road not operating at present.

Management: OFFICERS: H. B. McGivern, Pres.; John P. Ebbs, Vice-Pres.; Andrew Hayden, Sec., Ottawa, Can.; H. B. Iseman, Aud.; E. A. Murphy, Gen. Mgr. and Pur. Agt., Dawson, Y. T. DIRECTORS: H. B. McGivern, John P. Ebbs, Andrew Hayden, Ottawa; John Lakka, C. G. Kikerich, London. Annual meeting, first Monday in September, at 19 Elgin Street, Ottawa, Can. OFFICE, Dawson, Y. T.

Bonded Debt: $935,040 Klondike Mines Ry. first 6s. Dated July 29, 1905; due Dec. 31, 1924. Interest paid June 30 and Dec. 31, at Bank of British North America, London, Eng.
(2) $156,210 equipment trust obligations; no details given.

Capital Stock: Authorized, $2,500,000; outstanding, $1,375,000; par, $100. All owned by Dawson, Grand Forks & Stewart River Ry. Corp. Dominion bonus, $197,184.

KNOXVILLE, SEVIERVILLE & EASTERN RAILWAY COMPANY

History: Incorporated under the laws of Tennessee, July 15, 1907. Placed in operation, Jan. 10, 1910. On Jan. 30, 1911, W. J. Oliver was appointed receiver. In August, 1912, receiver was discharged, and control of company passed into hands of Revils Construction Co.

Location: Road extends from Vestal to Sevierville, 27.80 miles; siding, 1.10 miles; trackage rights over Southern Railway, 2.20 miles; total operated, 31.10 miles. Equipment: Locomotives, 2; passenger cars, 2; freight cars, 21; caboose, 1; passenger cars, 3.

Management: OFFICERS: S. B. Luttrell, Chm. of Board; W. J. Oliver, Pres.; T. A. Wright, Vice-Pres.; Walter McCoy, Sec. and Treas.; Earnest Wiley, Aud.; L. E. Wooten, Gen. Mgr. & Pur. Agt.; C. A .Murphy, Supt., Knoxville, Tenn. DIRECTORS: W. J. Oliver, T. A. Wright, S. B. Luttrell, John W. Green, Walter McCoy, L. E. Wooten, Frank Maloney, Knoxville, Tenn. Annual meeting, third Tuesday in January. GENERAL OFFICE, Knoxville, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$61,386	$66,296	$63,978	$61,483	$50,772
Operating expenses	35,057	32,228	39,484	35,606	31,901
Net operating revenues	$26,328	$34,068	$24,494	$25,877	$18,701
Other income	.....	.....	544	.....	15,059
Total net income	$26,328	$34,068	$25,038	$25,877	$33,760
Taxes	1,688	3,448	2,710	2,458	3,811
Fixed charges	33,357	32,334	48,261	50,305	47,706
Deficit	$8,717	$1,714	$25,933	$26,886	$32,647

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,213,749	$1,214,850	$1,209,559	$1,208,239	$1,206,655
Working assets	1,750	1,407	9,737	17,102	8,443
Deferred debit items	14,293	13,119	4,296	.....	300
Profit and loss	.....	.....	81,062	55,130	27,601
Total	$1,229,792	$1,229,376	$1,304,654	$1,280,471	$1,242,999
LIABILITIES:					
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	500,000	500,000	700,000	700,000	700,000
Working liabilities	28,893	16,975	104,654	80,471	42,999
Accrued liabilities not due	61	1,957	.....	.....	.....
Deferred credit items	3,602	3,092	.....	.....	.....
Profit and loss	197,236	205,952	.....	.....	.....
Total	$1,229,792	$1,229,376	$1,304,654	$1,280,471	$1,242,999

Bonded Debt: (1) $300,000 Knoxville, Sevierville & Eastern Ry. Co. first 6s. Dated Jan. 1, 1909; due Jan. 1, 1939. Interest paid Jan. and July 1, at Knoxville, Tenn. Coupon, $1,000. Authorized, $500,000. Guaranteed as to interest by Southwestern Surety Insurance Co., Denison, Tex. First lien on entire property of company. Normal income tax deducted from interest.

(2) $200,000 Knoxville, Sevierville & Eastern Ry. Co., second 5s. Dated July 1, 1914; due July 1, 1929. Interest paid Jan. and July 1, at Knoxville, Tenn. Coupon, $500. Authorized, $200,000. Guaranteed as to interest by the Southwestern Surety Insurance Co., Denison, Tex. A lien on entire property subject to first 5s. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $500,000. Par, $100. TRANSFER AGENT, Mechanics Bank & Trust Co., Knoxville, Tenn.

LA CROSSE & SOUTHEASTERN RAILWAY

History: Chartered for forty years, Sept. 14, 1904, under the laws of Wisconsin as a reorganization of La Crosse and Southeastern R.R. Co.

Location: Road extends from La Crosse and Southeastern Junction to Viroqua, Wis., 40.81 miles; trackage, Chicago, Burlington & Quincy R.R. Co.; La Crosse & Southeastern Junction to La Crosse, Wis., 1.8 miles; total operated, June 30, 1916, 42.61 miles. Sidings, etc., owned, 3.18 miles. Equipment: Locomotives, 3; cars, 37.

Management: OFFICERS: J. H. MacMillan, Pres., Minneapolis, Minn.; A. S. Cargill, Vice-Pres., Milwaukee, Wis.; J. B. Taylor, Sec. and Treas., Minneapolis, Minn.; P. Valier, Gen. Mgr. and Pur. Agt.; S. J. Lennon, Aud., La Crosse, Wis. DIRECTORS: J. H. MacMillan, J. B. Taylor, Minneapolis, Minn.; A S. Cargill, Milwaukee, Wis.; F. P. Hixon, P. Valier, La Crosse, Wis. Annual meeting, first Monday in January. GENERAL OFFICE, La Crosse, Wisconsin.

Income Account, year ended June 30, 1916: Gross earnings, $90,187; operating expenses, $61,998; net earnings, $28,189; taxes, $4,026; interest on funded debt, $15,000; other deductions, $3,000; surplus for year, $6,163.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$1,254,388	$1,268,088	$1,268,112
Securities owned	745,000	745,000	745,000
Cash	393	4,196	3,190
Curernt assets	30,436	19,582	11,243
Profit and loss	64,731	74,063	84,216
Total	$2,094,948	$2,110,929	$2,111,761
LIABILITIES:			
Capital stock	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,000,000	1,000,000	1,000,000
Current liabilities	91,198	107,179	108,011
Interest accrued	3,750	3,750	3,750
Total	$2,094,948	$2,110,929	$2,111,761

Bonded Debt: $1,000,000 La Crosse & Southeastern Ry. first 5s. Dated Oct. 1, 1904; due Oct. 1, 1944. Interest paid Apr. and Oct. 1, at La Crosse Wis. Wisconsin Trust Co., Milwaukee, Wis., trustee. Coupon, $1,000. Auth., $1,000,000. Callable at 105 and interest. First lien on entire property. $700,000 held in treasury, June 30, 1916.

Capital Stock: Auth. and issued, $1,000,000, of which $45,000 was held in treasury, June 30, 1916. Par, $100.

LAKE CHAMPLAIN & MORIAH RAILROAD

History: Incorporated Dec. 4, 1867, under New York laws. Road opened in 1869. Operates 7 miles from Fort Henry to Mineville, N. Y., with 18.30 miles of sidings. Tonnage chiefly in iron ore. Equipment: Locomotives, 8; cars: passenger, 2; freight, 301; service, 6.

Management: OFFICERS: Frank S. Witherbee, Pres., Port Henry, N. Y.; Moses Taylor, First Vice-Pres.; L. W. Francis, Second Vice-Pres.; H. N. Brinsmade, Sec., Treas. and Gen. Mgr., New York. DIRECTORS: F. S. Witherbee, Port Henry, N. Y.; J. T. Tower, Tuxedo, N. Y.; H. N. Brinsmade, I. Townsend Burden, Jr., Moses Taylor, L. W. Francis, New York. Annual meeting, second Wednesday in October. GENERAL OFFICE, Port Henry, N. Y. NEW YORK OFFICE, 2 Rector Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$276,120	$118,315	$195,054	$217,039	$195,829	$245,329	$263,164
Net earnings	149,293	27,337	79,130	88,418	71,730	99,586	105,178
Operating ratio	45.93%	76.9%	59.4%	59.3%	63.4%	59.4%	59.9%
Total net income	155,679	34,416	83,593	91,737	75,178	99,586	105,840
Taxes accrued	7,738	7,355	7,765	13,546	7,528	7,253	5,949
Fixed charges	17,369	5,578	11,859	12,449	33,117	12,338	10,534
Balance	131,572	21,483	63,969	65,742	34,533	79,995	89,357
Dividends	6% 24,000	7% 28,000	10% 44,000	11% 44,000	31% 62,000	.....	.....

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $131,150; credit balance transferred from income, $131,572; miscellaneous credits, $2,008; total, $264,730. Contra: Dividend appropriations of surplus, $24,000; credit balance carried to balance sheet, $240,730; total, $264,730.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$411,457	$475,599	$363,244	$367,482	$372,601	$411,789
Working assets	231,946	55,920	175,100	147,500	119,661	119,194
Total	$643,403	$531,519	$538,344	$514,982	$492,262	$530,983
LIABILITIES:						
Capital stock	$400,000	$400,000	$400,000	$400,000	$400,000	$200,000
Funded debt	.....	.....	859	.....	.....	.....
Working liabilities	2,673	369	.....	1,467	489	868
Profit and loss surplus	264,730	131,150	137,485	113,515	91,773	330,115
Total	$643,403	$531,519	$538,344	$514,982	$492,262	$530,983

Capital Stock: Auth. and outstanding, $400,000; par, $100. Dividends in 1912, 31% cash and 100% in stock, the issue being increased from $200,000 to above amount. In 1913, 11%; 10% in 1914; 7% in 1915; 6% in 1916. TRANSFER AGENT, H. N. Brinsmade, 2 Rector Street, New York.

LAKE CHARLES RAILWAY & NAVIGATION COMPANY

History: Incorporated under laws of Louisiana, July 22, 1908, to construct a railroad from Lake Charles to Kinder, La., a distance of about 40 miles. Operated for freight service only.

Location: Road in operation extends from Baggetts to Kinder, La., 9 miles; sidings, 1 mile. Equipment: Locomotives, 1; cars, 20; steamboat, 1.

Management: OFFICERS: W. P. Weber, Pres.; G. M. King, Vice-Pres. and Treas.; D. A. Kelly, Gen. Mgr.; W. E. Lee, Aud. and Pur. Agt., Lake Charles, La. DIRECTORS: G. M. King, W. P. Weber, D. A. Kelly, Lake Charles, La. Annual meeting in June. GENERAL OFFICE, Lake Charles, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$21,684	$13,216	$3,444
Operating expenses	22,328	15,276	8,165
Net operating revenues	*$644	*$2,060	*$4,721
Other income	845	.....	4,839
Total net income	$201	*$2,060	$108
Taxes	1,665	1,603	371
Fixed charges	1,180	279	†5,861
Deficit	$2,644	$3,942	$6,114

* Deficit. † Auxiliary operation expenses.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$78,715	$80,396	$78,215
Working assets	2,905	1,437	291
Profit and loss	14,936	12,292	8,350
Total	$96,556	$94,125	$86,856
LIABILITIES:			
Capital stock	$50,000	$50,000	$50,000
Working liabilities	46,556	44,125	251
Deferred credit items	.....	.....	36,605
Total	$96,556	$94,125	$86,856

Capital Stock: Authorized and outstanding, $50,000. Par, $100. No bonded debt. No dividends paid.

LAKE ERIE & PITTSBURG RAILWAY

History: Incorporated under Ohio laws, April 30, 1903, for the purpose of building a railroad from Lorain to Youngstown, Ohio, a distance of 91 miles, and branch to Cleveland, 29 miles. Road is in operation from Marcy to Brady's Lake, O., 27.76 miles. Sidings, 9.89 miles. The road was built in the joint interest of the New York Central R.R. Company and the Pennsylvania Company, which own the entire capital stock.

Management: OFFICERS: A. H. Smith, Pres.; New York; Geo. L. Peck, Vice-Pres.; T. H. B. McKnight, Treas.; Pittsburgh, Pa.; D. W. Pardee, Sec., New York. DIRECTORS: A. H. Smith, New York; J. J. Turner, Pittsburgh, Pa.; R. E. McCarthy, G. L. Peck, Pittsburgh, Pa.; F. J. Jerome, D. C. Moon, Cleveland, O.; S. B. Robertson, Cleveland, O. Annual meeting, third Monday in April. OFFICE, Cleveland, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross income	$466,277	$479,954	$466,218	$459,573	$294,770
Taxes	73,240	66,253	51,252	45,664	2,913
Interest	175,633	198,701	193,500	193,500	137,062
Rentals, etc.	2,404	215,000	6,466	5,409	2,502
Dividends	215,000	479,954	215,000	215,000	152,292

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$7,838,297	$7,831,639	$7,827,140	$7,744,052
Working assets	73,693	80,968	124,387	65,137
Deferred debit items	293	146	10,388	7,022
Profit and loss deficit	1,834	861,950	860,097	860,000
Total	$7,914,117	$8,774,703	$8,822,012	$8,676,211
LIABILITIES:				
Capital stock	$4,300,000	$4,300,000	$4,300,000	$4,300,000
Funded debt	3,565,000	4,425,000	4,300,000	4,300,000
Working liabilities	17,926	15,661	187,970	42,169
Accrued liabilities not due	31,191	34,042	34,042	34,042
Total	$7,914,117	$8,774,703	$8,822,012	$8,676,211

Note: Funded debt in 1916 as above consists of indebtedness to proprietary companies.

Bonded Debt: $4,300,000 Lake Erie & Pittsburg Ry. first 4½s; dated June 1, 1911; due June 1, 1961. Int. paid June and Dec. 1, at New York. Coupon, $1,000. Registered $1,000 and multiples. Interchangeable. Guaranty Trust Co., New York, trustee. Authorized issue, $15,000,000, of which the first $5,000,000 (including amount outstanding), to bear 4½% interest, and the balance, not exceeding 5%. The bonds outstanding were issued, to cover a portion of the amount expended by the N. Y. Central R.R. and the Pennsylvania Co. for construction. Interest paid without deduction for normal income tax. In 1916 it was proposed to issue $3,540,000 50-year 5% bonds to be guaranteed by the N. Y. Central R.R. and the Pennsylvania Co. Of the new bonds, $3,440,000 will be used to retire the 4½s described above and $100,000 to pay outstanding debts.

Capital Stock: Auth., $6,000,000; outstanding, $4,300,000; par, $100. Owned jointly by the N. Y. Central R.R. and the Pennsylvania Co. Dividends: 1912, 3.54%; 1913, 5%; 1914, 5%; 1915, 5%; 1916, 5%.

LAKE ERIE, FRANKLIN & CLARION RAILROAD

History: Incorporated under Pennsylvania laws, Nov. 10, 1913. Consolidation of the Pennsylvania Northern R.R., Pennsylvania Southern R.R. and Pittsburg, Clarion & Franklin R.R. The latter company was successor, in August 1913, to the Pittsburg, Summerville & Clarion R.R., which was leased to the Pennsylvania Southern R.R. for 25 years from December 31, 1910.

Location: Main line, Clarion to Summerville, Pa., connecting with Pennsylvania R.R., Clarion, Pa., to Sutton, Pa., connecting with New York Central Lines. Line from Strattonville, Pa., to Mill Creek, branch line mouth of Mill Creek, up Mill Creek, 10½ miles; branch line from Elss, Pa., to Harvey, branch line, Gordon to Kirkpatrick Mine; total mileage, including side tracks, 37.89 miles. Trackage, passenger service over New York Central Lines, Sutton, Pa., to Franklin, Pa., 47.90 miles; total mileage, 75.79 miles. Equipment: Locomotives, 7; cars, passenger, 7; freight, 148; steam shovel, 1; derrick car, 1.

Management: OFFICERS: Charles Miller, Pres., Franklin, Pa.; J. T. Odell, Vice-Pres., New York; Theo. L. Wilson, Sec., Clarion, Pa.; H. H. Hughes, Treas.; G. E. Guthrie, Aud.; G. F. Proudfoot, Asst. to Pres. and Pur Agt., Franklin Pa. DIRECTORS: Chas. Miller, J. French Miller, J. S. Carmichael, G. F. Proudfoot, Franklin Pa.; J. T. Odell, S. A. Megeath, New York, T. H. Given, Pittsburgh, Pa. Annual meeting, second Wednesday in January. GENERAL OFFICE, Franklin, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	7 months 1914
Gross revenues	$149,423	$139,820	$79,113
Maintenance of way and structures	15,841	15,033	8,990
Maintenance of equipment	21,799	19,706	11,737
All other operating expenses	55,338	52,625	31,232
Net operating revenues	$56,445	$52,456	$27,154
Other income	10,236	3,157	852
Total net income	$66,681	$55,613	$28,006
Taxes	788	915	953
Fixed charges	56,706	51,078	25,601
Surplus	$9,187	$3,620	$1,452

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $5,387; credit balance transferred from income, $9,187; total, $14,574. Contra: Miscellaneous debits, $25; credit balance carried to balance sheet, $14,549; total, $14,574.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$1,956,031	$1,906,731	$1,780,992
Working assets	30,434	28,905	51,245
Accrued income not due	.....	.....	.....
Deferred debit items	102,098	101,486	102,582
Profit and loss deficit	.....	.....	.....
Total	$2,088,563	$2,037,122	$1,934,819
LIABILITIES:			
Capital stock	$1,000,000	$1,000,000	$1,000,000
Funded debt	958,500	928,000	835,000
Working liabilities	108,500	95,278	84,368
Accrued liabilities not due	6,077	6,314	5,770
Deferred credit items	937	2,143	8,229
Appropriated surplus	.....	.....	.....
Profit and loss surplus	14,549	5,387	1,452
Total	$2,088,563	$2,037,122	$1,934,819

Bonded Debt: $881,000 Lake Erie, Franklin & Clarion R.R. 5s. Dated Dec. 1, 1913; due Dec. 1, 1953. Interest paid June and Dec. 1, at Farmers' Deposit National Bank, Pittsburgh, Pa. Coupon, $1,000. Fidelity Title & Trust Co., Pittsburgh, Pa., trustee. Authorized, $1,000,000. Callable at 105 and interest on Dec. 1, 1918, or any interest date thereafter. Issued to retire $500,000 Pittsburgh, Summerville & Clarion R.R. 1st 5s, and for rehabilitation purposes. First lien on property. Interest paid without deduction for normal income tax. Rating, B.

There are also outstanding $64,000 Equipment Trust 5s, "Series A," due $8,000 annually to May 1, 1924, and $13,500 "Series B," due $3,000 annually to Aug. 1, 1920.

Capital Stock: Authorized and outstanding, $1,000,000; par, $50. No dividends.

LAKESIDE & MARBLEHEAD RAILROAD

History: Incorporated under laws of Ohio, August 17, 1886, line being opened in January, 1887. Line of road, Danbury to Marblehead, Ohio, 6.88 miles. Sidings, 10.65 miles. Equipment owned: Locomotives, 4; cars, 11, of which 8 are freight and company cars. Canal boat, 1.

Management: OFFICERS: C. C. Bolton, Pres.; J. H. Dempsey, Vice-Pres.; A. B. Mack, Sec.; S. L. Mather, Treas., Cleveland, O. DIRECTORS: C. C. Bolton, C. W. Bingham, C. E. Sanders, J. H. Dempsey, S. Z. Norton, S. L. Mather, Cleveland, Ohio; A. B. Mack, Marblehead, Ohio. Annual meeting, last Wednesday in September. GENERAL OFFICE, Cleveland, O.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$168,769	$126,017	$131,008	$172,148	$129,368	$125,653	$154,802
Maintenance of way	25,181	29,556	42,847	21,052			
Maintenance of equipment	16,115	8,165	16,337	20,333	74,330	55,525	63,727
All other operating expenses	55,591	50,927	55,265	61,649			
Net operating revenues	$71,882	$37,369	$16,559	$69,114	$55,038	$70,128	$91,075
Operating ratio	57.4%	70.3%	85.1%	59.8%	57.6%	44%	41.1%
Other income	2,224	1,759	2,144	2,398	703	631	1,342
Total net income	$74,106	$39,128	$18,703	$71,512	$55,741	$70,759	$92,417
Taxes accrued	11,314	10,044	9,460	7,695	8,641	9,008	4,127
Fixed charges	8,332	8,258	4,575	7,555	6,810	4,712	5,295
Surplus	$54,460	$20,826	$4,668	$56,262	$40,290	$57,039	$82,995
Dividends paid	*	.....	48,700	52,500	30,000	.....	.....
Balance	$54,460	$20,826	†$44,032	$3,762	$10,290	$57,039	$82,995

* Dividends paid from profit and loss. † Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $78,721; credit balance transferred from income, $54,460; total, $133,181. Contra: Dividend appropriations of surplus, $46,365; credit balance carried to balance sheet, $86,816; total, $133,181.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$503,848	$500,846	$496,434	$362,254	$373,171	$370,922
Working assets	139,312	43,692	66,795	134,154	137,774	82,381
Deferred debit items	1,327	618	897	1,143	1,405	.....
Total	$644,487	$545,156	$564,126	$497,551	$512,350	$453,303

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$309,100	$309,100	$298,700	$150,000	$150,000	$150,000
Funded debt	68,000	71,000	74,000	77,000	80,000	83,000
Working liabilities	141,588	64,441	130,183	141,070	149,519	90,127
Accr'd liabilities not due	7,398	5,167	3,338	3,026	2,011	1,245
Deferred credit items...	31,585	16,727	10	.....	.....	.....
Profit and loss surplus..	86,816	78,721	57,895	126,445	130,820	128,931
Total	$644,487	$545,156	$564,126	$497,551	$512,350	$453,303

Bonded Debt: $68,000 Lakeside & Marblehead R.R. first 6s. Dated April 1, 1892; due April 1, 1922. Int. Aug. and Oct. 1, at International Trust Co., Boston. Coupon, $1,000. Principal may be registered. Three bonds are selected by lot and paid off at par, on April 1 of each year. Original amount, $150,000. First lien on all property and income. Interest payable without deduction for normal income tax. Net Rating, A.

Capital Stock: Auth., $500,000; outstanding, $298,700; par, $100. Dividends have been paid as follows: Mar. 1, 1911 (from profit and loss account), 370%; 1912, 20%; 1913, 35%; 16.3% in 1914; none in 1915; 15% in 1916.

LAKE SUPERIOR & ISHPEMING RAILWAY

History: Incorporated under Michigan laws, Feb. 17, 1893; charter amended, Sept. 12, 1895.

Location: Presque Isle, to Joplin, Mich., 26.30 miles; branches, 9.15 miles; leased from C. & N. W. Ry., 0.92 mile; total operated, 36.37 miles. Sidings, etc., 51.07 miles. Equipment: Locomotives, 17; cars, passenger, 4; freight and miscellaneous, 1,228.

Management: OFFICERS: Wm. G. Mather, Pres., Clev land, O.; J. B. Laughlin, Vice-Pres., Pittsburgh, Pa.; H. R. Harris, Second Vice-Pres. and Gen. Mgr., Marquette, Mich.; J. H. Hoyt, Sec.; R. C. Mann, Asst. Sec.; W. G. Pollock, Treas., Cleveland, O.; H. A. St. John, Aud., Marquette, Mich. DIRECTORS: W. G. Mather, J. H. Hoyt, W. G. Pollock, Cleveland, O.; J. B. Laughlin, B. F. Jones, Jr., Pittsburgh, Pa.; J. H. Wade, New York; H. R. Harris, Marquette, Mich. Annual meeting, second Tuesday in February. OFFICE, Marquette, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$802,590	$350,733	$524,511	$421,565	$164,792	$170,377
Maintenance of way....	143,970	122,086	113,423	149,807	40,063	53,451
Maint. of equipment....	124,795	85,384	99,517	97,190	88,865	81,664
All other oper. expenses	202,858	117,638	162,231	139,090	77,160	76,383
Net oper. revenues.	$330,967	$25,625	$149,340	$35,478	*$41,296	*$41,121
Other income	14,255	13,865	16,335	57,981	91,744	.....
Total net income...	$345,222	$39,490	$165,675	$93,459	$50,448	*$41,121
Taxes	38,615	33,710	42,189	36,124	27,303	28,384
Fixed charges	77,813	76,941	83,058	82,648	40,253	14,297
Surplus	$228,794	*$71,161	$40,428	*$25,313	*$17,108	*$61,992

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $927,743; credit balance transferred from income, $228,794; profit on road and equipment sold, $746; miscellaneous credits, $4; total, $1,157,287. Contra: Miscellaneous debits, $320; credit balance carried to balance sheet, $1,156,967; total, $1,157,287.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$3,142,890	$2,906,965	$3,037,726	$2,799,468	$2,043,889	$1,574,962
Working assets.....	305,367	200,672	199,896	318,563	208,077	152,992
Deferred debit items...	88,116	48,286	51,613	334,384	1,000,374	1,000,499
Total	$3,536,373	$3,155,923	$3,289,235	$3,452,415	$3,252,340	$2,728,453
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,201,000	1,053,000	1,123,000	1,248,872	1,395,744	462,257
Working liabilities ...	136,852	139,991	168,432	246,208	760,106	1,174,100
Accr'd liabilities not due	41,555	45,189	48,432	48,339	48,134	19,346
Deferred credit items...	.....	*10,000	83,671	.....	.....	.....
Profit and loss surplus..	1,156,967	927,743	865,700	908,996	48,356	67,750
Total	$3,536,373	$3,155,923	$3,289,235	$3,452,415	$3,252,340	$2,728,453

* Reverse item.

Bonded Debt: $951,000 Lake Superior & Ishpeming Ry. 1st Serial 6s. Dated Feb. 1, 1911; due $70,000 each Feb. 1, to 1931. Interest paid Feb. and Aug. 1, at Citizens' Savings & Trust Co., Cleveland, trustee. Coupon, $100, $500 and $1,000. Callable at 101 and interest, in reverse of numerical order. Authorized and issued, $1,400,000, $449,000 retired to June 30, 1916. Sinking fund, 5 cents per ton on all iron, in excess of 1,500,000 tons shipped over the line and docks, during preceding fiscal year. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Ba.

Equipment Trust Notes: Outstanding, $250,000, issued Dec. 28, 1915, for a period of ten years. Secured on 400 ore cars.

Capital Stock: Authorized and outstanding, $1,000,000; par, $100.

LAKE SUPERIOR TERMINAL & TRANSFER RAILWAY

History: Incorporated under laws of Wisconsin, Oct. 17, 1883. Road opened June, 1887. Companies named below bear operating expenses, etc., in proportion to facilities enjoyed by each.

Location: This is a switching property at Superior, Wis., connecting the depots and tracks of the Great Northern Ry., Northern Pacific Ry., Chicago, St. Paul, Minneapolis & Omaha Ry., and Duluth, South Shore & Atlantic R.R. Owns 24.75 miles of track. Equipment: Locomotives, 13; snow plow, 1.

Management: OFFICERS: W. H. Strachan, Pres., Duluth, Minn.; A. W. Trenholm, Vice-Pres.; H. H. Parkhouse, Treas., St. Paul, Minn.; C. P. Brown, Sec., Supt. and Pur. Agt.; S. R. Brown, Aud., Superior, Wis. DIRECTORS: F. S. Elliot, Superior, Wis.; W. W. Walker, W. H. Strachan, Duluth, Minn.; A. W. Trenholm, R. Budd, C. L. Nichols, St. Paul, Minn. Annual meeting, first Saturday in October at Superior, Wis. OFFICES, St. Paul and Duluth, Minn., and Superior, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Total net income	$12,188	$11,759	$9,801	$8,025	$28,350
Taxes	10,086	9,988	8,851	7,081	5,812
Fixed charges	2,102	1,771	950	944	22,538

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$480,563	$482,836	$475,754	$445,524	$425,855
Working assets	32,043	23,008	23,906	26,060	37,479
Deferred debit items	43,520	58,159	40,284	30,453	35,188
Total	$556,126	$564,003	$539,944	$502,037	$498,522
LIABILITIES:					
Capital stock	$509,400	$495,600	$495,600	$471,600	$410,400
Funded debt	.....	.....	.....	.....	49,800
Working liabilities	3,783	16,109	5,852	4,439	11,811
Deferred credit items	42,943	52,294	38,492	25,998	26,511
Total	$556,126	$564,003	$539,944	$502,037	$498,522

Capital Stock: Authorized, $1,200,000; outstanding, $509,400. Par, $100. All owned by companies named above. No bonded debt.

LAKE TAHOE RAILWAY & TRANSPORTATION COMPANY

History: Incorporated under laws of Cal., December 19, 1898, road being opened in 1899. Property is operated six months of each year, in connection with the steamers and hotel on Lake Tahoe. Line of road, Tahoe to Truckee, Cal., 16.58 miles. Equipment: Locomotives, 4; cars, passenger, 12; freight, etc., 37, and 4 steamers operating on the Lake.

Management: OFFICERS: E. T. Bliss, Pres., Tahoe, Cal.; C. T. Bliss, Vice-Pres.; F. S. Oliver, Treas., San Francisco; D. I. Bliss, Jr., Sec. DIRECTORS: E. T. Bliss, Tahoe, Cal.; W. A. Bissell, F. S. Oliver, Los Altos, Cal.; W. S. Bliss, San Francisco; Mary M. Tobey, Palo Alto, Cal.; C. T. Bliss, Tahoe, Cal.; C. W. Nelson, Tahoe, Cal. Annual meeting, third Tuesday in December. GENERAL OFFICE, Rialto Building, San Francisco, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$77,436	$39,712	$43,195	$47,711	$43,569	$40,905	$48,539
Maintenance of way	8,460	8,438	8,472	12,698	9,340		
Maintenance of equipment	8,862	4,556	5,191	5,884	4,620	34,576	34,391
All other operating expenses	42,125	22,404	25,854	26,626	22,220		
Net operating revenues	$17,989	$4,314	$3,678	$2,503	$7,389	$6,331	$14,148
Operating ratio	76.8%	89.2%	91.5%	94.8%	83%	84.5%	70.6%
Other income	19,942	18,273	178,143	42,896	34,393	27,859	39,372
Total net income	$37,931	$22,587	$181,821	$45,208	$41,782	$34,190	$53,520
Taxes accrued	2,338	5,291	2,617	2,824	3,265	1,907	1,820
Fixed charges, etc	34,763	34,513	32,638	32,041	31,803	30,330	38,091
Surplus	$830	*$17,217	$146,566	$10,534	$6,713	$1,953	$13,609

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $150,729; credit balance transferred from income, $830; miscellaneous credits, $4,880; total, $156,439. Contra: Surplus applied to sinking and other reserve funds, $4,880; credit balance carried to balance sheet, $151,559; total, $156,439.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,205,050	$1,186,650	$1,167,813	$2,457,972	$1,180,792	$1,193,287
Working assets	51,787	68,630	108,993	65,139	55,576	50,370
Deferred debit items	6,424	64,783	48,162	47,813	38,784	32,390
Total	$1,263,261	$1,320,063	$1,324,968	$1,300,924	$1,275,152	$1,276,047

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	426,000	441,663	500,000	500,000	500,000	455,000
Working liabilities	105,410	104,747	77,188	62,925	60,540	116,222
Accr'd liabilities not due	6,250	6,250	29,989	6,250	6,212	5,375
Appropriated surplus	74,042	116,674	48,163	45,787	32,972	25,722
Profit and loss surplus	151,559	150,729	169,628	185,962	175,428	173,728
Total	$1,263,261	$1,320,063	$1,324,968	$1,300,924	$1,275,152	$1,276,047

Bonded Debt: $426,000 Lake Tahoe Railway & Transportation first sinking-fund gold 5s. Dated Oct. 1, 1901; due Oct. 1, 1931. Int. Aug. and Oct. 1 at Mercantile Trust Co., San Francisco. Denomination, $1,000. Sinking fund: 1½% per annum of bonds outstanding; also yearly payment of $3,750. Now in fund, $58,336. First lien on the entire railroad, steamers, wharf, and hotel property. Normal income tax deducted from interest.

Rating, Baa.

Capital Stock: Authorized and outstanding, $500,000; par, $100. A dividend of 4% was paid for year 1906-7.

LAKE TERMINAL RAILROAD

History: Incorporated under Ohio laws, Sept. 13, 1895. Performs a switching service for the various railroads entering Lorain and South Lorain, O., and provides terminal facilities for industries located on its tracks. Has freight connections with Baltimore & Ohio R.R.; Lake Shore & Michigan Southern Ry.; N. Y., Chicago & St. Louis R.R.; Wheeling & Lake Erie R.R., and Lorain, Ashland & Southern R.R. Trackage operated, 64.50 miles. Locomotives, 18; freight cars, 298.

Management: OFFICERS: W. B. Schiller, Pres., Pittsburgh, Pa.; Edward Worcester, Vice-Pres., Pittsburgh, Pa.; B. C. Moise, Sec. and Aud.; G. E. Benson, Treas.; J. W. McKee, Asst. Treas.; C. B. Foster, Asst. Sec.: S. M. Lynch, Pur. Agt.; J. F. Townsend, Traffic Mgr., Pittsburgh, Pa.; G. M. Ferguson, Supt., Lorain, O. DIRECTORS: W. B. Schiller, J. F. Townsend, B. C. Moise, Edward Worcester, Pittsburgh, Pa.; Geo. C. Farkell, Charles F. Ell, F. L. Moise, Lorain, O.; W. Masterson, G. M. Ferguson, Lorain, O. OFFICES, Lorain, O., and Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$575,885	$383,715	$562,302	$657,775	$542,326	$514,145
Maintenance of way	100,634	99,299	139,925	147,635	116,746	126,292
Maintenance of equip	132,175	76,263	137,433	127,168	103,312	104,310
All other oper. expenses	287,806	199,515	271,351	286,868	211,551	190,504
Net oper. revenues	$55,270	$8,638	$13,593	$96,104	$110,717	$93,039
Other income	38,584	47,181	61,620	97,328	81,825	65,572
Total net income	$93,854	$55,819	$83,213	$193,432	$192,542	$158,611
Taxes	33,090	35,596	37,313	24,732	39,341	21,185
Fixed charges	45,000	45,000	45,000	45,000	28,500	30,000
Surplus	$15,764	* $24,777	$900	$123,700	$124,701	$107,426
Dividends paid	†	.....	60,000	60,000	200,000	.....
Balance	$15,764	* $24,777	* $59,100	$63,700	* $75,299	$107,426

* Deficit.

† Dividends paid from profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $183,688; credit balance transferred from income, $15,764; miscellaneous credits, $1; total, $199,453. Contra: Dividend appropriations of surplus, $60,000; loss on retired road and equipment, $143; credit balance carried to balance sheet, $139,310; total, $199,453.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,200,928	$3,193,754	$3,215,784	$3,235,557	$3,258,028	$3,242,988
Working assets	182,775	172,712	169,822	249,744	175,236	339,667
Deferred debit items	2,783	2,520	2,094	1,916	2,019	2,009
Total	$3,386,486	$3,368,986	$3,387,700	$3,487,217	$3,435,283	$3,584,664
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	.....	.....	900,000	900,000	900,000	1,000,000
Working liabilities	971,012	921,839	10,272	54,434	62,144	47,469
Accrd. liabilities not due	35,904	23,426	23,418	19,500	23,182	11,331
Deferred credit items	2,692	2,465	2,040	1,840	1,943	1,933
Appropriated surplus	237,568	237,568	237,567	190,740	190,740	190,740
Profit and loss surplus	139,310	183,688	214,403	320,703	257,274	333,191
Total	$3,386,486	$3,368,986	$3,387,700	$3,487,217	$3,435,283	$3,584,664

Capital Stock: Outstanding, $2,000,000; par, $100. All owned by Federal Steel Co. No bonds. 10% dividend was paid in fiscal year 1911-12; 3% each in 1912-13 and 1913-14; none in 1915; 3% in 1916.

LANCASTER & CHESTER RAILWAY

History: Incorporated under South Carolina laws, June 20, 1896, and acquired the property of the Cheraw & Chester Ry. Line of road, Chester to Lancaster, S. C., 28.6 miles; sidings, 3.9 miles. Equipment owned: Locomotives, 3; passenger cars, 2; combination, 1; freight cars, 28.

Management: OFFICERS: Leroy Springs, Pres.; J. T. Stevens, Vice-Pres.; L. C. Lazenby, Sec.; Waddy C. Thomson, Treas. DIRECTORS: Leroy Springs, R. C. Williams, C. D. Jones, John T. Stevens, Waddy C. Thomson, L. C. Lazenby, A. P. McClure, Lancaster, S. C. Annual meeting, first Monday in October. OFFICE, Lancaster, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$104,288	$90,545	$109,644	$107,193	$98,013	$97,816	$89,953
Maintenance of way	18,110	17,772	12,698	23,902	19,735		
Maintenance of equipment	7,170	7,737	14,623	7,329	10,567	68,197	52,243
All other operating expenses	38,822	49,530	122,018	31,682	38,249		
Net operating revenues	$40,186	$15,506	* $39,695	$44,280	$29,462	$29,619	$28,710
Operating ratio	61.5%	82.9%	136.5%	58.7%	69.9%	69.7%	64.5%
Taxes accrued	3,202	2,658	2,489	2,475	2,660	2,473	2,258
Fixed charges, etc	14,525	13,472	18,348	26,248	11,179	25,418	9,468
Surplus	$22,459	* $624	* $60,532	$15,557	$15,623	$1,728	$16,984
Dividends paid	.....	.....	39,197	4,000	4,000	4,000	4,000
Balance	$22,459	* $624	* $99,729	$11,557	$11,623	* $2,272	$12,984

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$639,681	$640,669	$636,566	$216,161	$189,458	$190,694
Working assets	21,275	11,044	15,150	42,234	40,445	27,838
Deferred debit items	2,715	3,781	3,797	3,834	415	325
Profit and loss deficit	45,234	67,693	60,532	.....	.....	.....
Total	$708,905	$723,187	$716,045	$262,229	$230,318	$218,857
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$50,000	$50,000	$50,000
Funded debt	135,000	135,000	135,000	135,000	135,000	135,000
Working liabilities	61,365	76,612	72,650	16,359	13,328	13,591
Accrd. liabilities not due	1,214	1,057	4,413	5,375	4,352	4,250
Appropriated surplus	11,326	10,518	3,982	16,298	14,978	14,978
Profit and loss surplus	.....	.....	.....	39,197	12,660	1,038
Total	$708,905	$723,187	$716,045	$262,229	$230,318	$218,857

Bonded Debt: $135,000 Lancaster & Chester Ry. first gold 5s; dated July 1, 1901; due July 1, 1921. Int. Jan. and July, at Hanover Nat'l Bank, New York. Coupon, $1,000. A first lien on entire property. Net Rating, Ba.

Capital Stock: Authorized and outstanding, $500,000, (increased from $50.000 July 1, 1913); par, $100. Dividends have been paid as follows: 1898, 1899 and 1900, 4% each; 1901, none; 1902, 4%; 1903 to 1913, inc., 8% per annum, payable Jan. and June, at Lancaster, S. C. Dividends of $39,197 paid from surplus in 1914. None in 1915 and 1916.

LANSING MANUFACTURERS RAILROAD

History: Incorporated under the laws of Michigan, July. 25, 1904. Leased for 25 years from July 1, 1908 to Lake Shore & Michigan Southern Ry., and the Michigan Central Railroad companies at a rental of $7,550 per annum.

Location: Road consists of a belt line (standard gauge) around Lansing, Mich., 8.01 miles in length.

Management: OFFICERS: James H. Seager, Pres., Lansing, Mich.; F. L. Smith, Vice-Pres., Detroit, Mich.; S. F. Seager, Sec. and Treas.; O. A. Jenison, Supt., Lansing, Mich. DIRECTORS: James H. Seager, James B. Seager, S. F. Seager, Lansing, Mich.; S. L. Smith, F. L. Smith, Angus Smith, Detroit. Annual meeting, last Wednesday in January. GENERAL OFFICE, Lansing, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Rental income	$7,550	$7,550	$7,500	$7,500	$7,550
Fixed charges	3,800	3,800	3,750	3,750	3,800
Balance	$3,750	$3,750	$3,750	$3,750	$3,750
Dividends	3,750	3,750	3,750	3,750	.....
Balance	.....	.....	.....	.....	$3,750

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$175,000	$175,000	$175,000	$175,000	$175,000
Total	$175,000	$175,000	$175,000	$175,000	$175,000
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	75,000	75,000	75,000	75,000	75,000
Total	$175,000	$175,000	$175,000	$175,000	$175,000

Bonded Debt: $57,000 Lansing Manufacturers R.R. 1st 5s. Dated July 1, 1905; due $19,000 each on July 1, 1920, 1925, and 1930; interest paid July and Jan. 1 at Union Trust Co., Detroit. Coupon, $1,000. Authorized and issued, $75,000, of which $18,000 paid off July 1, 1915. Interest paid by lessor companies under the lease. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Authorized and issued, $100,000. Par, $100. Dividends at rate of 3¾% per annum, paid semi-annually, July and Jan. 1.

LA SALLE & BUREAU COUNTY RAILROAD

History: Incorporated under Illinois laws, August 29, 1890. Road opened, October, 1893.

Location: Road extends from La Salle to Hegeler and La Salle Jct., Ill., 10.42 miles. Is a switching property, and owns 2 locomotives.

Management: OFFICERS: C. B. Lihme, Pres.; Chas. Diesterweg, Sec. and Treas.; J. B. McCaffrey, Supt., La Salle, Ill. DIRECTORS: Mary Hegeler Carus, C. B. Lihme, F. W. Matthiessen, Jr., Geo. P. Blow, C. Diesterweg. Annual meeting in December, at La Salle, Ill. OFFICE, La Salle, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$37,481	$28,329	$26,583	$25,966	$24,032	$21,032
Maintenance of way	15,962	18,435	5,143	2,637	3,978	2,778
Maint. of equipment	5,052		1,728	3,322	2,720	418
All other oper. expenses	11,282	9,894	11,770	10,971	10,793	9,695
Net oper. revenues.	$5,185	$570	$7,142	$9,036	$6,541	$8,141
Other income	345	10,464	411	364	322	413
Total net income	$5,530	$11,034	$8,153	$9,400	$6,863	$8,554
Taxes	1,776	1,586	1,735	1,363	1,013	905
Fixed charges	1,859	560	770	2,669	2,134	401
Surplus	$1,895	$8,318	$5,648	$5,368	$3,716	$7,248

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$110,193	$111,633	$52,693	$53,773	$53,853	$55,433
Working assets	33,012	29,178	31,030	25,286	23,096	20,672
Deferred debit items	.....	532	.....	46	73	125
Total	$143,205	$141,343	$83,723	$79,105	$77,022	$76,230
LIABILITIES:						
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
Working liabilities	996	1,025	447	1,504	1,788	1,712
Accr'd liabilities not due	.....	.....	27	.....	.....	.....
Appropriated surplus	62,140	62,140	.....	.....	.....	.....
Profit and loss surplus.	30,069	28,178	33,249	27,601	25,234	24,518
Total	$143,205	$141,343	$83,723	$79,105	$77,022	$76,230

Capital Stock: Authorized and outstanding, $50,000; par, $100. Dividends at the rate of 6% were paid annually, Dec. 18, for several years, until Dec., 1912, inclusive. None since. In 1908, a special dividend of 90% ($45,000) was paid. No bonds.

LAS VEGAS & TONOPAH RAILROAD

History: Incorporated under laws of Utah, Sept. 22, 1905. Road opened from Las Vegas to Indian, 43 miles, March, 1906; extended to Amargosa, 31 miles, on May 25, 1906; to Roses Well, 26 miles, on July 3, 1906; to Rhyolite, Dec. 16, 1906, and to Goldfield, on Oct. 28, 1907. Total, Las Vegas to Beatty, 118 miles. Makes connection at Las Vegas, Nev., with San Pedro, Los Angeles & Salt Lake R.R., and at Goldfield with the Tonopah & Goldfield R.R. for Tonopah.

Acquisition of Bullfrog Goldfield R.R.: In June, 1914, an agreement was made with the Bullfrog Goldfield R.R., under which the road between Beatty and Goldfield is to be practically reconstructed. The L. V. & T. R.R. guarantees 1st mtge. 6% bonds of the B. G. R.R., and in return received 51% of stock of the B. G. R.R.

Location: Road extends from Las Vegas to Beatty, Nev., 117.61 miles. Trackage, over San Pedro, Los Angeles and Salt Lake, 1.20 miles. Sidings, 6.2 miles. Equipment: Locomotives, 14; passenger cars, 3; freight and miscellaneous, 5.

Management: OFFICERS: J. Ross Clark, Pres. and Pur. Agt.; C. O. Whittemore, Vice-Pres.; W. H. Comstock, Sec. and Treas.; J. Q. Goss, Jr., Aud., Los Angeles; C. E. M. Beall, Supt., Las Vegas, Nev. DIRECTORS: J. Ross Clark, C. O. Whittemore, W. H. Comstock, Wm. A. Clark, Jr., H. C. Lee, Los Angeles; Wm. A. Clark, Butte, Mont.; David Keith, Salt Lake City, Utah. Annual meeting, third Monday in November, at Salt Lake City. GENERAL OFFICE, Los Angeles, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$142,108	$134,959	$194,884	$196,713	$194,550	$148,017
Maintenance of way....	24,800	24,678	48,895	48,959	41,827	38,785
Maint. of equipment...	22,419	22,427	32,644	30,250	35,038	33,512
All other oper. expenses	60,490	60,643	107,900	112,297	107,499	113,435
Net oper. revenues.	$34,399	$27,211	$5,355	$5,207	$10,186	*$37,715
Other income	6,103	7,331	500	500	34,297	20,326
Total net income..	$40,502	$34,542	$5,855	$5,707	$44,483	*$17,389
Taxes	12,664	7,085	19,967	15,720	19,375	23,998
Fixed charges	36,875	36,730	33,858	31,702	29,834	27,626
Deficit	$9,037	$9,273	$47,970	$41,715	$4,726	$69,013

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $57,503; debit balance carried to balance sheet, $424,752; total, $482,255. Contra: Debit balance at beginning of year, $473,216; debit balance transferred from income, $9,037; miscellaneous debits, $2; total, $482,255.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$2,541,096	$2,546,427	$3,069,052	$3,080,564	$3,083,298	$3,105,472
Working assets	203,383	198,173	48,144	40,333	46,287	51,479
Deferred debit items...	8,684	537	3,615	3,726	9,693	7,025
Profit and loss deficit...	424,752	473,216	129,775	73,614	33,770	14,548
Total	$3,177,915	$3,218,353	$3,250,586	$3,198,237	$3,173,048	$3,178,524
LIABILITIES:						
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Working liabilities	1,633,484	1,701,263	1,727,765	1,671,303	1,645,709	1,649,157
Accr'd liabilities not due	20,740	5,333	9,486	8,492	9,566	9,885
Deferred credit items..	23,691	11,757	13,335	18,442	17,773	19,482
Total	$3,177,915	$3,218,353	$3,250,586	$3,198,237	$3,173,048	$3,178,524

Capital Stock: Authorized, $4,000,000; outstanding, $1,500,000; par, $100. No dividends. No bonds. TRANSFER OFFICE, Secretary, Los Angeles, Cal.

BULLFROG GOLDFIELD RAILROAD

(Controlled by Las Vegas & Tonopah R.R.

History: Incorporated under Nevada laws, August 30, 1905. Control passed to Las Vegas & Tonopah R.R., June, 1914. The capital stock of the company has been reduced to $1,640,000. The $1,640,000 consolidated mortgage bonds, due July 1, 1938, have been for some time exchanged at the Fidelity Trust Co., Philadelphia, on the basis of $495 stock for $1,000 bonds. The Las Vegas & Tonopah R.R. received in return for its guaranty of the first mortgage bonds 51% of the Bullfrog Company's stock.

Location: Road extends from Beatty to Goldfield, Nev., 78.95 miles. Branches, 7.64 miles. Sidings, 9 miles. Equipment: Locomotives, 5; passenger cars, 4; freight, 27.

Management: OFFICERS: J. Ross Clark, Pres.; C. O. Whittemore, Vice-Pres. and Gen. Coun.; W. H. Comstock, Sec. and Treas., Los Angeles, Cal. Annual meeting, first Monday in October, at Goldfield, Nev. GENERAL OFFICE, Los Angeles, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$142,516	$126,596	$84,972	$99,034	$100,163	$99,679
Maintenance of way...	27,743	32,722	20,672	24,370	33,803	23,566
Maint. of equipment...	16,506	11,680	15,384	14,335	20,986	39,046
All other oper. expenses	59,559	56,868	55,250	54,072	44,579	69,472
Net oper. revenues.	$38,708	$25,326	*$6,334	$6,248	$795	*$32,405
Other income	1,203	7,413	10,524	10,155	7,176	7,426
Total net income...	$39,911	$32,739	$4,190	$16,403	$7,971	*$24,979
Taxes	7,729	2,930	8,308	7,369	7,960	10,962
Fixed charges	22,562	23,626	113,331	72,412	37,237	101,359
Surplus	$9,620	$6,183	*$117,449	*$63,378	*$37,226	*$137,301

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $9,620; unrefundable overcharges, $6; donations, $198; miscellaneous credits, $11; total, $9,835. Contra: Debit balance at beginning of year, $2,274; credit balance carried to balance sheet, $6,235; surplus appropriated for investment in physical property, $198; loss on retired road and equipment, $703; miscellaneous debits, $425; total, $9,835.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$1,901,903	$1,904,117	$3,827,717	$3,768,579	$3,773,588	$3,773,686
Working assets	31,454	22,901	14,204	60,193	57,272	68,793
Accrued income not due	.....	.....	.....	868	867	867
Deferred debit items...	211	1,338	349	597	1,270	727
Profit and loss deficit...	.....	2,274	413,374	435,818	371,455	378,670
Total	$1,933,568	$1,930,630	$4,255,644	$4,266,055	$4,204,452	$4,222,743
LIABILITIES:						
Capital stock	$1,640,000	$1,640,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	233,000	250,000	1,839,000	1,839,000	1,856,000	1,873,000
Working liabilities	46,472	37,464	387,056	426,729	348,088	346,393
Accrd. liabilities not due	4,564	589	.....	.....	.....	.....
Deferred credit items..	2,299	2,577	29,588	326	364	3,350
Appropriated surplus...	198	.....	.....	.....	.....	.....
Profit and loss surplus.	6,235	.....	.....	.....	.....	.....
Total	$1,933,568	$1,930,630	$4,255,644	$4,266,055	$4,204,452	$4,222,743

Bonded Debt: (1) $165,000 Bullfrog Goldfield R.R. first 6s. Dated Dec. 31, 1906; due Jan. 1, 1922. Interest paid Jan. and July 1, at Fidelity Trust Co., Philadelphia, trustee. Coupon, $1,000. Auth., $1,500,000. Sinking fund of one-fifteenth of outstanding bonds annually began December, 1910; bonds to be called at 102½ and interest. First lien on entire property. Guaranteed by the Las Vegas & Tonopah R.R. Co. Interest paid without deduction for normal income tax. Rating, B.

(2) $68,000 Bullfrog Goldfield R.R. consolidated 6s. Dated July 15, 1914; due July 15, 1924. Interest Jan. and July 1, at Fidelity Trust Co., Philadelphia, trustee. Coupon, $1,000. Second lien on property. Entire issue owned by Las Vegas & Tonopah R.R. Co.

Capital Stock: Authorized, $2,000,000; outstanding, $1,640,000. Par, $100. 51% owned by Las Vegas & Tonopah R.R. Co.

LAUREL RAILROAD

History: Incorporated under the laws of Tennessee and Virginia, March 21, 1905.

Location: Road extends from Damascus, Va., to Mountain City, Tenn., 18 miles. Gauge, 3 feet. Equipment: Locomotives, 6; passenger cars, 2; freight cars, 50.

Management: OFFICERS: A. A. Mock, Pres. and Gen. Mgr., Damascus, Va.; G. W. Clements, Vice-Pres.; Henry Burden, Treas., Cazenovia, N. Y.; F. G. Clements, Damascus, Va. DIRECTORS: A. A. Mock, F. G. Clements, B. W. Mock, S. L. Mock, Damascus, Va.; G. W. Clements, Henry Burden, Cazenovia, N. Y. Annual meeting in May. GENERAL OFFICE, Damascus, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$20,995	$23,213	$40,535	$40,822	$43,825
Operating expenses	22,510	25,498	32,929	32,304	34,562
Net operating revenues	*$1,515	*$2,285	$7,606	$8,518	$9,263
Fixed charges, including taxes.....	1,392	1,736	1,895	1,830	1,964
Balance	$2,907	*$4,021	$5,711	$6,688	$7,299

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1915	1912
Property investment	$116,613	$119,316	$121,897	$123,511	$125,560
Working assets	74,770	75,816	75,979	71,152	62,570
Total	$191,383	$195,132	$197,876	$194,663	$188,130
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	2,025	2,916	2,477	4,976	5,130
Accrued liabilities not due	888	839	.....	.....	.....
Profit and loss	88,470	91,377	95,399	89,687	83,000
Total	$191,383	$195,132	$197,876	$194,663	$188,130

Capital Stock: Authorized and outstanding, $100,000. Par, $100. No bonded debt. Secretary of Company acts at Registrar.

LEAVENWORTH & TOPEKA RAILWAY

History: Incorporated under laws of Kansas, December 29, 1899, successor to the Leavenworth, Topeka & Southwestern Ry.

Location: Leavenworth to Meriden Junc., Kan., 44.72 miles. Trackage over Atchison, Topeka & Santa Fe Ry., Meriden Junc. to Topeka, 11.28 miles; at Leavenworth, 1.21 miles; total operated, 57.21 miles. Sidings owned, 5.11 miles; trackage rights, 0.71 mile. Equipment: Locomotive,1; passenger cars, 2; freight cars, 1.

Management: OFFICERS: C. T. McLellan, Pres., Emporia, Kan.; E. L. Copeland, Sec. and Treas.; E. H. Bunnell, Aud., Topeka, Kan. DIRECTORS: H. P. Dillon, A. O. Wellman, C. W. Kouns, R. W. Blair, W. A. L. Thompson, Topeka, Kan.; H. D. Copeland, Junction City, Kan.; C. T. McLellan, Emporia, Kan. Annual meeting, last Thursday in October. OFFICE, Topeka, Kan.

Comparative Income Account, Years Ended June 30

	†1916	1915	1914	1913	1912	1911
Gross revenues	$40,919	$56,587	$58,222	$60,278	$51,829	$54,818
Maintenance of way	30,573	51,348	49,063	51,232	38,346	37,458
Maintenance of equipment	4,251	3,287	2,034	3,841	2,751	5,463
All other operating exp.	22,359	30,035	28,437	29,114	28,316	31,880
Operating deficit	$16,268	$28,083	$21,312	$23,909	$17,584	$19,983
Other income	357	463	372	1,190	*1,282	1,806
Total net deficit	$15,911	$27,620	$20,940	$22,719	$18,866	$18,177
Taxes	5,155	6,954	6,521	6,407	6,945	5,113
Fixed charges	21,917	26,482	23,826	23,165	18,354	17,790
Final deficit	$42,983	$61,056	$51,287	$52,291	$44,165	$41,080

* Credit. † For nine months to Mar. 31.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	*1916	1915	1914	1913	1912	1911
Property investment	$148,863	$147,391	$148,031	$152,113	$148,503	$148,510
Working assets	1,099	31,201	19,844	36,886	31,000	20,868
Deferred debit items	.....	129	122	87	108	116
Profit and loss deficit	537,878	494,895	433,839	382,553	330,263	286,098
Total	$687,840	$673,616	$601,836	$571,639	$509,874	$455,592
LIABILITIES:						
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	627,286	600,000	250,000	250,000	250,000	250,000
Working liabilities	8,914	20,292	298,399	270,300	206,634	152,926
Accrued liabilites not due	1,640	3,320	.....	.....	3,240	2,666
Deferred credit items	.....	4	3,437	.....	.....	.....
Appropriated surplus	.....	.....	.....	1,339	.....	.....
Total	$687,840	$673,616	$601,836	$571,639	$509,874	$455,592

* As of March 31.

Bonded Debt: $250,000 (entire issue) Leavenworth & Topeka Ry. 1st 4s. Dated Jan. 1, 1900; due Jan. 1, 1930. Interest J. and J. 1, at Topeka, Kan. Coupon of various denominations. Bonds are held equally by Union Pacific R.R. and Atchison, Topeka & Santa Fe. Bankers' Trust Co., New York, trustee. First lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $250,000; outstanding, $50,000. Par, $100. Owned jointly by the Union Pacific R.R. and Atchison, Topeka & Santa Fe Ry.

LEESVILLE EAST & WEST RAILROAD

History: Incorporated under the laws of Louisiana, June 19, 1899; road opened in 1900.

Location: Road extends from Leesville, 15½ miles. Equipment: Locomotives, 3; cars, 42.

Management: OFFICERS: J. N. Gilbert, Pres., Beaumont, Tex.; G. R. Ferguson, 1st Vice-Pres. and Gen. Mgr., Leesville, La.; G. W. Carroll, 2nd Vice-Pres., Beaumont, Tex.; C. L. Wallis, Sec., Los Angeles, Cal.; G. R. Ferguson, Jr., Treas.; H. T. Booker, Aud.; W. K. Ferguson, Supt. and Pur. Agt., Leesville, La. DIRECTORS: J. N. Gilbert, G. W. Carroll, Beaumont, Tex.; G. R. Ferguson, H. T. Booker, G. R. Ferguson, Jr., W. K. Ferguson, Leesville, La.; C. L. Wallis, Los Angeles, Cal. Annual meeting, Tuesday after third Monday in July. GENERAL OFFICE, Leesville, La.

Capital Stock: Authorized, $100,000; outstanding, $33,600. Par, $100. No bonded debt.

LEETONIA RAILWAY

History: Incorporated under Pennsylvania laws, March 7, 1899. Operates 24.55 miles, Tiadaghton to Leetonia, Pa.; Gaines June. to Four Mills Run, Pa. Tonnage chiefly lumber. Controlled through stock ownership by Central Leather Co. Equipment: Locomotives, 2; cars, 63.

Management: OFFICERS: P. M. Newman, Pres.; E. C. Hoyt, Vice-Pres.; F. E. Bradley, Treas.; R. G. Brownell, Sec. DIRECTORS: A. R. Spicer, Geo. W. Childs, R. G. Brownell, A. W. Mallison, C. H. McCauley, Jr., Eugene Horton, P. M. Newman, Walter Horton, E. C. Hoyt, J. M. Rhen. Annual meeting, second Monday in January. MAIN OFFICE, Williamsport, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$59,803	$35,559	$43,430	$30,858	$46,903	$34,594	$23,336
Net income	19,167	3,792	13,553	2,592	11,099	2,798	3,148
Taxes accrued	1,020	870	750	911	500	600	600
Fixed charges	299	110	1,193	2,707	2,819	467	1,431
Surplus	17,847	2,812	11,610	*1,025	7,780	1,731	1,117

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$170,631	$173,710	$176,722	$171,948	$166,114	$166,992
Working assets	47,450	25,980	22,876	15,731	18,197	11,985
Deferred debit items.....	168	274	4,480	5,528	3,090	.....
Total	$218,249	$199,964	$204,078	$193,207	$187,401	$178,977
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Working liabilities	1,910	1,013	9,364	3,392	3,011	2,629
Accrued liabilities not due.	819	808	.....	.....	261	.....
Deferred credit items	147	617	.....	6,712	.....	.....
Appropriated surplus	24,494	24,494	24,494	24,494	24,494	24,494
Profit and loss surplus....	40,879	23,032	20,220	8,609	9,635	1,854
Total	$218,249	$199,964	$204,078	$193,207	$187,401	$178,977

Capital Stock: Authorized and outstanding, $150,000. Par, $100. All owned by Central Leather Co. (which see in "Moody's Analyses of Public Utilities and Industrials"). No bonded debt.

LEWISTON, NEZPERCE & EASTERN RAILROAD

History: Incorporated under laws of Idaho, March 29, 1915, successor to the Nezperce & Idaho R.R., chartered in 1908 to build a railroad from Nezperce to Lewiston, Idaho, 75 miles, of which 13.80 miles from Vollmer to Nezperce, and 10.98 from Lewiston to Tammany are in operation. Connects at Vollmer with Northern Pacific Ry., Oregon-Washington R.R. & Nav. Co., Camas Prairie R.R. Equipment: Locomotives, 2; cars, 4.

Management: OFFICERS: Z. A. Johnson, Pres., Lewiston, Idaho; J. P. Vollmer, Vice-Pres.; D. S. Wallace, Vice-Pres.; I. H. Jorgens, Treas, Nezperce, Idaho; A. H. Alford, Sec.; C. A. Hawkins, Aud., Supt., and Pur. Agt., Lewiston, Idaho. DIRECTORS: Z. A. Johnson, J. P. Vollmer, Lewiston, Idaho; D. S. Wallace, I. H. Jorgens, W. F. Johnson, Nezperce, Idaho; W. C. Brooks, A. H. Alford. Annual meeting, in October. GENERAL OFFICE, Lewiston, Idaho.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$37,752	$36,636	$35,299	$40,762	$43,538	$24,330
Maintenance of way	3,078	2,910	3,245	4,160	5,112	3,949
Maintenance of equipment.	1,520	591	1,070	1,260	841	455
All other operating exp...	13,531	11,249	12,103	15,361	15,793	10,000
Net oper. revenues..	$19,623	$21,886	$18,881	$19,981	$21,792	$9,926
Other income	.....	.....	.....	91	.....	.....
Total net income.....	$19,623	$21,886	$18,881	$20,072	$21,792	$9,926
Taxes	1,646	1,349	287	324	243	54
Fixed charges	7,430	6,600	8,188	8,510	7,519	8,667
Surplus	$10,547	$13,937	$10,406	$11,238	$14,030	$1,205

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $52,056; credit balance transferred from income, $10,547; total, $62,603. Contra: Stock discount extinguished through surplus, $2,500; debt discount extinguished through surplus, $1,200; credit balance carried to balance sheet, $58,903; total, $62,603.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$793,863	$765,477	$714,287	$286,996	$259,069	$257,381
Working assets	5,399	6,807	5,839	6,540	4,056	5,549
Total	$799,262	$772,284	$720,126	$293,536	$263,125	$262,930
LIABILITIES:						
Capital stock	$562,700	$562,200	$533,500	$145,000	$120,000	$120,000
Funded debt	95,200	105,000	115,000	120,000	125,000	125,000
Working liabilities	82,459	53,028	33,453	769	2,709	16,544
Deferred credit items	.....	.....	182	182	182	182
Profit and loss surplus ...	58,903	52,056	37,991	27,585	15,234	1,204
Total	$799,262	$772,284	$720,126	$293,536	$263,125	$262,930

Bonded Debt: $95,200 Nezperce & Idaho R.R. first 6s. Dated Feb. 1, 1910; maturing $10,000 annually on Jan. 1, to Jan. 1, 1924, inclusive, and $15,000 on Jan. 1, 1925. Interest paid Jan. and July 1, at Continental & Commercial Trust & Savings Bank, Chicago, trustee. Coupon, $500 and $1,000. Callable at 105 and interest, on 60 days' notice. Secured on entire property now owned or hereafter acquired. Auth., $500,000; issued, $125,000, of which $20,000 had been retired to June 30, 1915. Unissued bonds issuable only for additions and extensions at 70% of cost, and then only when net earnings amount to at least twice the interest charges, on bonds outstanding and to be issued. Interest paid without deduction for normal income tax. Rating, Ba.

An issue of $5,000,000 Lewiston, Nezperce & Eastern R.R. first and refunding 6s has been authorized, dated April 1, 1915, due April 1, 1940, of which $1,850,000 will be issued to complete lines under construction and for refunding purposes.

Capital Stock: Authorized, $1,000,000. Subscribed and paid in, $562,700.

LEXINGTON UNION STATION COMPANY

History: Incorporated under laws of Kentucky, August 30, 1905, to construct and operate a union passenger station at Lexington, Ky. Operation began August 4, 1907. The entire common stock is owned by the Chesapeake & Ohio Ry., Lexington & Eastern Ry. and Louisville & Nashville R.R., these companies using the facilities of the station, under an agreement whereby they bear the expenses of maintenance and operation on a *pro rata* basis, on the number of passenger cars entering and leaving the station.

Management: OFFICERS AND DIRECTORS: W. A. McDowell, Pres., Lexington, Ky.; Geo. E. Evans, Vice-Pres., Louisville, Ky.; A. Mitchell, Jr., Sec. and Treas., Lexington, Ky. Annual meeting, first Tuesday in September. OFFICE, Lexington, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$18,258	$21,405	$18,121	$18,735	$17,417	$17,210
Taxes	2,738	5,885	2,601	3,215	1,897	1,691
Surplus	$15,520	$15,520	$15,520	$15,520	$15,520	$15,519
Dividends paid	15,520	15,520	15,520	15,520	15,520	15,519

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$399,079	$399,079	$399,079	$399,079	$399,079	$399,079
Working assets	4,920	5,374	11,746	4,189	4,385	4,260
Total	$403,999	$404,453	$410,825	$403,268	$403,464	$403,339
LIABILITIES:						
Capital stock	$403,000	$403,000	$403,000	$403,000	$403,000	$403,000
Working liabilities	.....	31	7,825	.....	150	25
Accrd. liabilities not due	999	1,422	.....	268	314	314
Total	$403,999	$404,453	$410,825	$403,268	$403,464	$403,339

Capital Stock: Authorized, $500,000 cumulative 4% preferred and $15,000 common; outstanding, $388,000 preferred and $15,000 common. Par, $100. Preferred has preferenec as to assets, and holders of preferred are entitled to their dividend and to the redemption of their shares at par, before any dividend is paid on the common stock, or any part of the assets is distributed thereto. No bonded debt. TRANSFER AGENTS, Fidelity & Columbia Trust Co., Louisville, Ky., and Security Trust Co., Lexington, Ky. Rating of preferred, Baa.

LIBERTY-WHITE RAILROAD

History: Incorporated under Mississippi laws, December 22, 1902. Road was opened July 20, 1904.

Receivership: In November, 1914, Chancellor Cutter at Jackson, Miss., granted the stockholders's petition for appointment of a receiver. It was at that time proved that the road had annulled schedules, and was delivering mail by automobile. The road's engines have been condemned by Government inspectors. Receivers have been authorized to lease engines, and continue train service.

Location: Road extends from Liberty to Tylertown, Miss., 48.98 miles; Tylertown terminals, 0.70 mile; South McComb to McComb, Miss., 0.86 mile; total, 50.54 miles; sidings, 6.5 miles. Equipment: Locomotives, 3; passenger cars, 6; freight cars, 66; service cars, 2.

Management: OFFICERS: J. J. White, Rec.; W. M. White, Pres., Gen. Mgr. and Pur. Agt.; J. W. Johnson, Vice-Pres.; J. J. White, Jr., Sec.; H. L. White, Treas.; W. M. Baugh, Aud.; E. T. Sudduth, Supt., McComb, Miss. DIRECTORS: Jas. Blair Alford, J. W. Johnson, H. L. White, J. J. White, Jr., W. M. White, McComb, Miss; J. H. Hinton, New Orleans, La. Annual meeting, in September. OFFICE, McComb, Miss.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$61,853	$50,591	$73,663	$92,075	$92,268	$116,670
Maintenance of way...	14,365	15,277	20,388	23,986	10,030	24,945
Maintenance of equip..	9,100	14,267	16,234	18,183	22,301	23,965
All other oper. expenses	30,009	32,976	50,805	56,366	40,902	41,306
Net oper. revenues	$8,379	*$11,929	*$13,764	*$6,460	$19,035	$26,454
Taxes	819	4,152	3,552	3,273	2,495	2,309
Fixed charges	5,711	7,871	12,900	6,814	3,852	7,208
Surplus	$1,849	*$23,952	*$30,216	*$16,547	$12,688	$16,937

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$626,877	$877,962	$631,228	$628,749	$557,105	$486,875
Working assets	41,053	32,312	283,946	289,115	295,260	278,301
Deferred debit items...	89	76	76	68	250	517
Profit and loss deficit..	129,277	131,126	107,174	75,587	59,240	.....
Total	$797,296	$1,041,476	$1,022,424	$993,519	$825,615	$765,693

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,600
Funded debt	7,550	256,700	250,000	250,000	380,915	381,265
Working liabilities	367,565	374,055	361,406	334,740	121,562	46,977
Accrd. liabilities not due	13,403	1,942	2,239	.....	.....	.....
Appropriated surplus	108,778	108,779	108,779	108,779	108,779	36,471
Profit and loss surplus	.....	.....	.....	.....	49,539	380
Total	$797,296	$1,041,476	$1,022,424	$993,519	$825,615	$765,693

Bonded Debt: $250,000 Liberty-White R.R. first 6s. Dated Jan. 1 1904; due Jan. 1, 1934. Interest paid Jan. and July 1, at Hibernia Banking & Trust Co., New Orleans, trustee. Coupon, $1,000. All held in treasury of company.

Capital Stock: Authorized, $500,000; outstanding, $300,000. Par, $100.

LIGONIER VALLEY RAILROAD

History: Incorporated under Pennsylvania laws, April 15, 1853, as the Latrobe & Ligonier R.R.; supplementary charter was granted April 29, 1871. Name changed as above in November, 1877.

Location: Latrobe to Ligonier, Pa., 10.3 miles; Mill Creek branch, Ligonier to Fort Palmer, Pa., 5.7 miles; sidings, etc., 13 miles; total, 29 miles. Equipment: Locomotives, 7; cars, passenger, 8; combination, 2; freight, etc., 6.

Management: OFFICERS: James R. Mellon, Pres.; A. W. Mellon, Sec.; R. B. Mellon, Treas.; T. A. Mellon, Aud., Pittsburgh, Pa.; W. V. Hyland, Supt. and Pur. Agt., Ligonier, Pa. DIRECTORS: E. P. Mellon, Thos. Mellon, J. R. Mellon, R. B. Mellon, A. W. Mellon, T. A. Mellon, W. L. Mellon, Pittsburgh, Pa. Annual meeting, second Monday in January, at Ligonier, Pa. OFFICE, 514 Smithfield Street, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$294,961	$213,030	$253,631	$237,385	$160,533	$118,373	$155,170
Operating expenses and taxes	126,794	113,317	220,588	120,886	89,032	85,002	80,161
Net earnings	168,167	99,713	33,043	116,499	71,501	33,371	75,010
Other income	5,198	4,750	714	.....	129	215	.....
Fixed charge	42,736	32,213	40,993	25,221	14,457	10,731	12,892
Dividends	60,000	30,000	60,000	*	24,000	24,000	24,000
Surplus	70,629	42,250	†67,236	91,278	33,173	†1,145	38,118

* A stock dividend of $100,000 (25 per cent) was paid from profit and loss; no cash dividend was paid in year ending 1913. † Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$585,162	$559,788	$552,694	$527,265	$517,971	$508,153
Working assets	237,652	192,257	159,933	249,842	173,801	151,154
Profit and loss deficit	.....	51,275	92,606	29,893	.....	.....
Total	$822,814	$803,320	$805,233	$800,000	$691,722	$659,307
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	300,000	300,000	300,000	300,000	.....	.....
Working liabilites	460	320	2,233	.....	75,000	75,000
Accrued liabilities not due.	3,000	3,000	3,000	.....	.....	.....
Profit and loss surplus	19,354	.....	.....	.....	116,772	84,307
Total	$822,814	$803,320	$805,233	$800,000	$691,722	$659,307

Bonded Debt: $300,000 Ligonier Valley R.R. first 6s. Dated May 1, 1913; due May 1, 1943. Int. paid May and Nov. 1, at Union Trust Co., Pittsburgh, Pa., trustee. Coupon, $1,000. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Authorized and outstanding, $500,000. Par, $50. Dividends of 6% per annum are payable in January at office of Mellon National Bank, Pittsburgh, Pa., where stock is transferred. No cash dividend was paid in 1913, but a stock dividend of 25% was made increasing outstanding stock from $400,000 to $500,000. In 1914, paid 12%; 1915, 6%; 1916, 12%.

LIME ROCK RAILROAD

History: Incorporated under laws of Maine, in 1864. The company is controlled by the Rockland-Rockport Lime Co., which owns all but $300 of the capital stock. Line of road operated, 6.36 miles in and around Rockland, Maine. Equipment owned: Locomotives, 4; freight and service cars, 499.

Management: OFFICERS: H. W. Huke, Pres. and Gen. Mgr.; Arthur C. Baldwin, Treas., Boston; H. A. Buffum, Asst. Treas., Rockland, Maine. DIRECTORS: W. T. Cobb, H. A. Buffum, Rockland, Maine; H. W. Huke, Torrington, Conn.; Alfred Winsor, Robert Winsor, Boston; William T. White, Rockland, Maine; J. E. Liggett, Augusta, Maine. Annual meeting, last Tuesday in February. OFFICE, Rockland, Maine.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$79,126	$69,702	$72,019	$89,434	$79,180	$74,979	$83,868
Maintenance of way	9,482	7,520	10,024	12,230	14,361		
Maintenance of equipment	13,601	10,622	12,923	12,174	11,110	44,055	44,434
All other operating expenses	27,729	24,190	26,355	26,986	25,674		
Net operating income	$28,314	$27,370	$22,717	$38,044	$28,035	$30,924	$39,434
Operating ratio	64.2%	63%	68.5%	57.4%	64.6%	58.7%	53%
Other income	3,179	1,000	2,535	2,360	2,705	2,998	1,000
Total net income	$31,493	$28,370	$25,252	$40,404	$30,740	$33,922	$40,434
Taxes accrued	3,008	3,485	3,488	3,699	3,190	2,692	3,184
Fixed charges	17,000	17,000	16,000	16,000	16,000	16,000	17,000
Surplus	$12,605	$7,885	$5,764	$20,705	$11,550	$15,230	$20,250
Dividends paid	*6,540	*7,875	5,625	19,125	11,250	14,625	20,250
Balance	$6,065	$10	$139	$1,580	$300	$605	.....

* Paid from profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $123,998; credit balance transferred from Income, $12,605; total, $136,603. Contra: Dividend appropriations of surplus, $6,540; credit balance carried to balance sheet, $130,063; total, $136,603.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$570,591	$569,616	$562,604	$964,604	$562,604	$562,604
Working assets	9,517	33,547	42,379	36,933	36,324	33,082
Deferred credit items	404,861	405,289	405,567	3,246	404,933	405,063
Total	$984,969	$1,008,452	$1,009,550	$1,004,783	$1,003,861	$1,000,749
LIABILITIES:						
Capital stock	$450,000	$450,000	$450,000	$450,000	$450,000	$450,000
Funded debt	400,000	425,000	425,000	425,000	425,000	425,000
Working liabilities	4,906	9,454	10,562	5,312	5,969	3,159
Profit and loss surplus	130,063	123,998	123,988	124,471	122,892	122,590
Total	$984,969	$1,008,452	$1,009,550	$1,004,783	$1,003,861	$1,000,749

Bonded Debt: $400,000 Lime Rock R.R. cons. ref. gold 4s. Dated July 1, 1899; due July 1, 1929. Int. Jan. and July, at Union Safe Deposit & Trust Co., Portland Me. Coupon, $500 and $1,000. Of the amount shown as outstanding, $25,000 are held in the treasury of the company. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Authorized and outstanding, $450,000; par, $100. Dividends have been paid in recent years as follows: 1898, 1½%; 1899, 4½%; 1900, 1901, and 1902, 4% each; 1903, 8½%; 1904, 5%; 1905, 4%; 1906, 5%; 1907, 2%; 1908, 2½%; 1909, 5%; 1910, 4½%; 1911, 3¼%; 1912, 2½%; 1913, 4¼%; 1914, 1¼%; 1915, 1¾%; 1916, 1 2-5%.

LITCHFIELD & MADISON RAILWAY

History: Incorporated in Illinois, March 1, 1900, acquiring a part of the Chicago, Peoria & St. Louis R.R. Independently operated since 1904, the Chicago, Peoria & St. Louis having disposed of its stock interest in that year. Controlled by The Illinois Co. through ownership of all common and majority of preferred stock.

Location: Operates 59.37 miles, of which 43.97 miles extend from Litchfield to Madison, Ill. Equipment: Locomotives, 5; cars, 1,064.

Management: OFFICERS: Jas. Duncan, Pres.; Chas. E. Kimball, Vice-Pres.; F. M. Campbell, Sec. and Treas. DIRECTORS: Jas. Duncan, C. A. Caldwell, C. E. Kimball, J. J. Reardon, Edwards Whitaker, Bluford Wilson, J. W. Walsh. Annual meeting, second Monday in December. OFFICE, Edwardsville, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$249,401	$214,802	$221,698	$199,001	$227,428	$253,452	$236,718
Maintenance of way	23,202	26,274	25,625	29,039	25,059	29,730	42,216
Maintenance of equipment	76,771	75,165	73,639	72,070	63,073	89,876	85,875
All other operating expenses	51,056	48,772	51,329	52,810	55,184	56,598	57,659
Net operating revenues	$98,372	$64,591	$71,105	$45,082	$84,112	$77,248	$50,968
Operating ratio	60.6%	69.9%	67.9%	77.3%	63%	69.5%	78.5%
Other income	23,593	20,047	21,315	17,063	6,273	8,202	9,322
Total net income	$121,965	$84,638	$92,420	$62,145	$90,385	$85,450	$60,290
Taxes accrued	14,648	13,111	15,342	12,694	10,157	12,704	15,520
Fixed charges	52,087	54,735	57,171	65,394	56,381	53,866	57,310
Surplus	$55,230	$16,792	$19,907	* $15,943	$23,847	$18,880	* $12,540

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $36,546; credit balance transferred from income, $55,230; profit on road and equipment sold, $6,737; delayed income credits, $116; total, $98,629. Contra: Dividend appropriations of surplus, $70,000; loss on retired road and equipment, $166; delayed income debits, $86; miscellaneous debits, $7,054; credit balance carried to balance sheet, $21,323. Total, $98,629.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$1,970,420	$1,994,666	$2,023,747	$2,053,338	$2,026,864	$2,058,265
Working assets.....	113,820	140,158	139,484	151,659	201,552	193,313
Deferred debit items..	15,934	10,983	37,963	50,424	24,295	30,112
Profit and loss deficit..	.....	.....	.....	187	.....	10,919
Total	$2,100,174	$2,145,807	$2,201,194	$2,255,608	$2,252,711	$2,292,609
LIABILITIES:						
Capital stock.....	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt.....	1,018,959	1,061,097	1,129,286	1,197,475	1,189,350	1,243,450
Working liabilities.....	36,773	27,980	26,371	35,495	33,306	33,423
Accrd. liabilities not due	17,119	20,184	23,320	22,638	14,333	15,736
Profit and loss surplus.	21,323	36,546	22,217	.....	15,722	.....
Total	$2,100,174	$2,145,807	$2,201,194	$2,255,608	$2,252,711	$2,292,609

Bonded Debt: $1,000,000 Litchfield & Madison Ry. first 5s; dated Nov. 1, 1904; due Nov. 1, 1934; interest May 1 and Nov. 1, at Central Trust Co., New York. Callable at 105 on any interest day. First lien on 43.97 miles from Litchfield to Madison, Ill. Coupon, $1,000. Rating, Ba.

$18,959 of equipment note outstanding, June 30, 1916.

Capital Stock: Auth. and outstanding, $500,000 4% non-cum. preferred and $500,000 common; par, $100. Dividends of 10% paid on common and 4% on preferred on June 30, 1916.

LITTLE KANAWHA RAILROAD

History: Incorporated under laws of West Virginia, May 1, 1896. Controlled jointly by the Baltimore & Ohio R.R., Pittsburg & Lake Erie R.R. and Pennsylvania Company. The B. & O. R.R. operates the road, as agent for the owners.

Location: Road extends from Parkersburg to Owensport, W. Va., 29.42 miles; sidings, etc., 1.89 miles. Equipment: Locomotives (leased), 2; passenger car, 1; combination car, 1; freight cars, 3.

Management: OFFICERS: J. M. Schoonmaker, Pres.; J. J. Turner, Vice-Pres.; J. T. Blair, Sec. and Treas.; A. I. Marshall, Aud., Pittsburgh, Pa.; S. D. Brady, Chief Eng., Fairmont, W. Va.; Reese Blizzard, Gen. Counsel, Parkersburg, W. Va. DIRECTORS: J. M. Schoonmaker, J. J. Turner, J. T. Blair, E. B. Taylor, J. G. Robinson, W. F. Brunner, E. H. Kennedy. Annual meeting, second Tuesday in July, at Parkersburg, W. Va. OFFICE, 541 Oliver Bldg., Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$32,141	$31,562	$35,392	$28,291	$33,485	$31,739
Maintenance of way...	19,872	17,147	16,085	17,452	21,041	17,250
Maintenance of equip..	915	664	1,386	1,316	2,564	1,280
All other oper. expenses	16,446	17,996	29,756	27,426	27,337	23,487
Net oper. revenues.	* $5,092	* $4,245	* $11,835	* $17,903	* $17,457	* $10,278
Other income	.....	145	.....	2	400	480
Total net income..	* $5,092	* $4,100	* $11,835	* $17,905	* $17,057	* $9,798
Taxes	2,998	2,058	2,062	2,038	2,093	2,214
Fixed charges	6,858	8,892	7,310	5,614	5,904	5,062
Surplus	* $14,948	* $15,050	* $21,207	* $25,557	* $25,054	* $17,074

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$940,489	$938,261	$522,240	$521,373	$521,372	$523,359
Working assets.....	.....	150	8,820	8,820	8,670	8,670
Profit and loss deficit..	163,678	149,775	117,401	96,193	70,641	44,804
Total	$1,104,167	$1,088,186	$648,461	$626,386	$600,683	$576,833
LIABILITIES:						
Capital stock.....	$509,500	$509,500	$509,500	$509,500	$509,500	$509,500
Working liabilities.....	594,667	578,686	138,094	116,886	91,183	67,333
Deferred credit items..	.....	.....	867	.....	.....	.....
Total	$1,104,167	$1,088,186	$648,461	$626,386	$600,683	$576,833

Capital Stock: Auth., $150,000 preferred and $2,850,000 common; outstanding, $150,000 preferred and $359,500 common; par, $100. $478.100 is owned by the companies controlling the property, and held in trust by the Union Trust Co., Pittsburg, Pa. No bonded debt.

LITTLE RIVER RAILROAD

History: Incorporated under the laws of Tennessee, Nov. 21, 1901. Road opened in 1903.

Location: Road extends from Walland to Forks, Tenn., 11 miles. Equipment: Locomotives, 2; passenger cars, 4; miscellaneous, 4.

Management: OFFICERS: W. B. Townsend, Pres. and Gen. Mgr., Townsend, Tenn.; F. H. McCormick, Vice-Pres., Williamsport, Pa.; John W. Wrigley, Sec. and Treas., Clearfield, Pa.; D. H. Tipton, Aud.; J. P. Murphy, Supt.; R. A. Huffstetter, Pur. Agt., Townsend, Tenn. DIRECTORS: A. W. Lee, S. S. Davis, John W. Wrigley, Clearfield, Pa.; W. B. Townsend, Townsend, Tenn.; F. H. McCormick, Williamsport, Pa. Annual meeting, first Monday in February, at Knoxville, Tenn. GENERAL OFFICE, Townsend, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$34,906	$31,962	$39,496	$41,816	$40,190
Operating expenses	24,839	29,115	36,794	36,400	34,400
Net operating revenues	$10,067	$2,847	$2,702	$5,416	$5,790
Taxes	702	726	709	692	611
Fixed charges	3,121	3,316	3,870	3,898	3,597
Balance	$6,244	* $1,195	* $1,877	$826	$1,582

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$162,506	$164,328	$165,333	$164,852	$164,303
Working assets	2,197	2,859	3,125	1,715	2,975
Deferred debit items	58	88	25	39	389
Total	$164,761	$167,275	$168,483	$166,606	$167,667
LIABILITIES:					
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000
Working liabilities	2,610	11,368	11,382	7,628	9,515
Profit and loss	12,151	5,907	7,101	8,978	8,152
Total	$164,761	$167,275	$168,483	$166,606	$167,667

Capital Stock: Authorized and outstanding, $150,000; par, $100. All owned by Little River Lumber Co. No bonded debt.

LITTLE ROCK, MAUMELLE & WESTERN RAILROAD

History: Incorporated under the laws of Arkansas, Jan., 1907, to build a railroad from Little Rock to Cold Springs, Ark., 25 miles.

Location: Road in operation extends from Becker to Cold Springs, Ark., 25 miles. Equipment: Locomotives, 2; freight cars, 90.

Management: OFFICERS: A. J. Neimeyer, Pres., Pasadena, Cal.; E. B. Kingsworthy, Vice-Pres.; A. C. Becker, Sec. and Treas.; F. Neimeyer, Gen. Mgr., W. W. Fuess, Aud., Little Rock, Ark. DIRECTORS: A. J. Neimeyer, Pasadena, Cal.; E. B. Kingsworthy, A. C. Becker, H. L. Remmel, W. W. Feuss, Little Rock, Ark. Annual meeting, second Tuesday in June. GENERAL OFFICE, Little Rock, Ark.

Comparative Income Account, Years Ended June 30

	1915	1914	1913	1912	1911
Gross earnings	$47,591	$54,844	$51,831	$48,121	$51,956
Operating expenses	34,850	33,014	29,868	34,707	30,173
Net earnings	$12,741	$21,830	$21,963	$13,414	$21,783
Fixed charges	19,980	20,021	19,980	21,636	21,637
Surplus	* $7,239	$1,809	$1,983	* $8,222	$146

* Deficit.

Bonded Debt: $200,000 Little Rock, Maumelle & Western R.R. first 6s; dated March 12, 1908; due March 12, 1918. Int. paid Mar. and Sept. 12, at Mercantile Trust Co., Little Rock, Trustee. Coupon, $100. Authorized, $500,000. First lien on entire road. Interest paid without deduction for normal income tax.

Capital Stock: Auth., $250,000; outstanding, $160,000; par, $100. Dividend of $12% was paid in 1908; none reported since.

LITTLE ROCK, SHERIDAN & SALINE RIVER RAILWAY

History: Incorporated under the laws of Arkansas, Feb. 12, 1892.

Location: Road extends from Farrell to Craig's Mill, Ark., 17 miles; spurs, 5 miles; total, 22 miles; sidings, 1 mile. Gauge, 3 feet. Equipment: locomotives, 4; passenger cars, 2; log cars, 35; tool car, 1; stock car, 1; tie car, 1.

Management: OFFICERS: S. H. Fullerton, Pres., E. St. Louis, Ill.; R. E. Farrell, Vice-Pres. and Treas.; L. B. Farrell, Sec.; E. Booth, Aud. and Pur. Agt., Hensley, Ark. DIRECTORS: S. H. Fullerton, St. Louis, Mo.; R. E. Farrell, L. B. Farrell, E. Booth, L. E. Farrell, Little Rock, Ark. Annual meeting, fourth Tuesday in October. GENERAL OFFICE, Little Rock, Ark.

Bonded Debt: $75,000 Little Rock, Sheridan & Saline River Ry. first 5s. Dated Nov. 2, 1908; due Nov. 2, 1918. Interest paid May and Nov. 2. First lien on property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $125,000; outstanding, $75,000. Par, $100.

LIVE OAK, PERRY & GULF RAILROAD

History: Incorporated under laws of Florida, in October, 1903, as Live Oak & Perry R.R.; title changed to above October, 1905.

Location: Road extends from Live Oak to Econfina, Fla., 62.85 miles; Mayo Junc. to Alton, Fla., 14.41 miles; Murat Junc. to Murat, Fla., 3.74 miles; Springdale Junc. to Springdale, Fla., 0.78 mile; Longbridge Junc. to Longbridge, Fla., 2.10 miles; total, 83.88 miles; sidings, 6.87 miles. Equipment: Locomotives, 7; passenger cars, 14; flat cars, 148.

Management: OFFICERS: H. H. Tift, Chairman of Board, Tifton, Ga.; W. L. Roach, Pres.; J. H. Powell, Vice-Pres. and Treas.; R. P. Hopkins, Sec. and Asst. Treas.; W. T. Hargrett, Gen. Mgr. and Pur. Agt.; C. C. Smith, Aud., Live Oak, Fla. DIRECTORS: J. H. Powell, Jacksonville, Fla.; H. H. Tift, Tifton, Ga.; W. L. Roach, Muscatine, Iowa; A. J. Lethen, Chicago, Ill.; R. P. Hopkins, Live Oak, Fla.; H. W. Taylor, Live Oak, Fla. Annual meeting, April 1. OFFICE, Live Oak, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$235,274	$179,093	$151,611	$114,620	$97,743	$102,724
Maintenance of way	36.291	35,575	45,239	30,418	25,904	26,208
Maintenance of equip.	26,204	23,081	22,991	26,152	25,739	23,842
All other oper. expenses	53,716	50,561	46,586	38,920	42,779	36,846
Net oper. revenues	$119,063	$69,876	$36,795	$19,130	$3,321	$15,828
Other income	2,510	3,872	699	1,449	1,980	481
Total net income	$121,573	$73,748	$37,494	$20,579	$5,301	$16,309
Taxes	13.985	8,700	8,400	7,356	7,317	7,200
Fixed charges	52,636	48,007	44,300	40,950	37,874	34,867
Surplus	$54,952	$17,041	* $15,206	* $27,727	* $39,890	* $25,758

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $54,952; debit balance carried to balance sheet, $113.222; total, $168,174. Contra: Debit balance at beginning of year, $166,788; miscellaneous debit, $1,386; total, $168,174.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,305,506	$1,313,622	$1,320.580	$1,225,119	$1,219,953	$1,199,546
Working assets	33,135	33.365	20,681	27,168	12,801	12,998
Deferred debit items	390	3.530	4,681	2,074	1,641	944
Profit and loss deficit	113,222	166,788	184,116	167,492	131,379	69,885
Total	$1,452,253	$1,517,305	$1,530,058	$1,421,853	$1,365,774	$1,283,373
LIABILITIES:						
Capital stock	$600.000	$600.000	$600.000	$600.000	$600.000	$600.000
Funded debt	827,503	838.812	850,980	752,900	727,200	422,138
Working liabilities	7,376	67,083	62.410	56.159	30,244	246,195
Accrd. liabilities not due	15,312	11,680	16,668	9,256	7,555	14,463
Deferred credit items	2,062	* 270	.....	3,538	775	577
Total	$1,452,253	$1,517,305	$1,530,058	$1,421,853	$1,365,774	$1,283,373

* Reverse item.

Bonded Debt: $789,000 Live Oak, Perry & Gulf R.R. first 5s; dated 1913; due April 1, 1942. Int. paid Apr. and Oct. 1, at Safe Deposit & Trust Co., Baltimore, Md., Trustee. Coupon, $1,000. Authorized, $900,000. The bonds outstanding were issued to retire bonds dated Oct. 2, 1905, and for improvements. First lien on entire property. Interest paid without deduction for normal income tax. Rating, B.

Equipment Obligations: On June 30, 1916, there were outstanding $38.503 equipment-trust obligations.

Capital Stock: Auth., $2,000,000; outstanding, $600,000; par, $100. No dividends paid.

LORAIN & SOUTHERN RAILROAD

History: Incorporated under the laws of Ohio, April 25, 1903, to construct a road from Lorain to Wellington, Ohio. 25 miles.

Location: In operation L. S. & M. S. Junc. to Amherst, O., 0.86 mile; branches at Amherst, 5.12 miles; total, 5.98 miles. Equipment: Locomotive, 1; cars, 31.

Management: OFFICERS: W. A. C. Smith, Pres. and Pur. Agt.; G. B. Siddall, Vice-Pres.; F. D. Kellogg, Sec. and Treas.; F. H. Busching, Aud., Cleveland, O.; H. E. Adams, Supt., Amherst, O. DIRECTORS: J. S. McNamara, F. H. Busching, W. A. C. Smith, G. B. Siddall, F. D. Kellogg, E. T. Ripley, Cleveland, O.; R. W. Walsh, Chicago, Ill. Annual meeting, fourth Wednesday in January. GENERAL OFFICE, Citizens Building, Cleveland, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$13.270	$15.283	$7,983	$7,491	$7,848
Operating expenses	25,095	15,975	18,168	12,753	14,648
Net operating deficit	$11,825	$692	$10,185	$5,262	$6,800
Taxes	1.044	999	738	661	376
Fixed charges	3,260	2,744	2,259	757	1,392
Deficit	$16,129	$4,435	$13,182	$6,680	$8,568

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $72,768. Contra: Debit balance at beginning of year, $52,675; debit balance transferred from income, $16,129; miscellaneous debits, $3,964; total, $72,768.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$88,555	$93,490	$92,763	$91,154	$92,245
Working assets	8,341	5,902	8,676	4,722	2,238
Deferred debit items	.....	1	9	86	.....
Profit and loss	72,768	52,675	48,246	35,063	27,920
Total	$169,664	$152,068	$149,694	$131,025	$122,403
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	68,951	51,351	49,216	30,582	22,403
Accrued liabilities not due	713	717	478	443	.....
Total	$169,664	$152,068	$149,694	$131,025	$122,403

Capital Stock: Authorized and outstanding, $100,000; par, $100. Majority owned by Ohio Quarries Co. No bonded debt. Dividend of 10% was paid in 1909. None since.

LORAIN & WEST VIRGINIA RAILROAD

History: Incorporated under Ohio laws, in January, 1906. W. M. Duncan, receiver of the Wheeling & Lake Erie R.R. Co., operates the road.

Location: Lake Junc. to South Lorain, O., 25.79 miles; Quarry Junc. to Stone Quarries, 9.19 miles; total, 34.98 miles; sidings, 14.52 miles. Owns 1 locomotive. No other equipment.

Management: OFFICERS: B. A. Worthington, Pres., Indianapolis; B. C. Tucker, First Vice-Pres.; W. M. Baldwin, Sec.; J. R. Nutt, Treas.; C. H. Holmes, Aud.; W. W. Griswold, Pur. Agt., Cleveland, O. DIRECTORS: B. C. Tucker, J. R. Nutt, H. D. Messick, G. P. Koelliker, W. J. O'Neill, Cleveland, O.; H. W. Seaman, Chicago, Ill.; B. A. Worthington, Indianapolis. Annual meeting, in March. OFFICE, Cleveland, O.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$326,526	$245,689	$327,437	$245,018	$230,524	$167,280
Maintenance of way	23,376	19,564	34,060	23,989	23,840	12,557
Maintenance of equip.	7,489	6,016	8,274	7,212	12,590	9,001
All other oper. expenses	54,071	45,390	66,520	47,796	51,523	41,359
Net oper. revenues	$241,590	$174,719	$225,583	$166,021	$142,571	$104,363
Other income	317	167	128	300	622	425
Total net income	$241,907	$174,886	$225,711	$166,321	$143,193	$104,788
Taxes	11,100	11,257	7,474	6,050	6,050	5,783
Fixed charges	142,630	167,916	156,360	97,403	149,240	132,874
Surplus	$88,177	*$4,287	$61,877	$62,868	*$12,097	*$33,869

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $312,956; credit balance transferred from income, $88,177; total, $401,133. Contra: Dividend appropriations of surplus, $32,000; miscellaneous debits, $152; credit balance carried to balance sheet, $368,981; total, $401,133.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,313,807	$4,285,157	$4,283,722	$4,283,494	$4,121,040	$4,076,146
Working assets	391,665	180,272	316,453	335,727	1,896,566	2,004,418
Accrued income not due	.....	.....	.....	.....	72,000	72,000
Deferred debit items	13,482	7,946	14,176	16,324	17,429	24,528
Total	$4,718,954	$4,473,375	$4,614,351	$4,635,545	$6,107,035	$6,177,092
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Working liabilities	344,494	154,639	264,552	325,896	1,747,984	1,885,142
Accr'd liabilities not due	5,360	4,334	3,743	4,008	290,202	213,040
Deferred credit items	119	1,446	11,058	519	2,156	119
Profit and loss surplus	368,981	312,956	334,998	305,122	66,693	78,791
Total	$4,718,954	$4,473,375	$4,614,351	$4,635,545	$6,107,035	$6,177,092

Bonded Debt: $2,000,000 Lorain & West Virginia R.R. first 5s; dated Jan. 1, 1913; due Jan. 1, 1963. Int. paid Jan. and July 1, at Citizens' Savings & Trust Co., Cleveland, Trustee. Coupon, $1,000. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Auth. and outstanding, $2,000,000; par, $100. Stock transferred and registered at company's office. Dividends: In 1914, 1.6%; 1915, 1.6%; 1916, 1.6%.

LOS ANGELES & SAN DIEGO BEACH RAILWAY

History: Incorporated under the laws of California, April, 1894, as the San Diego, Pacific Beach & La Jolla Ry. Name changed to above in April, 1906. Operated by electricity for passenger service.

Location: Road extends from San Diego to La Jolla, Cal., 17.61 miles; sidings, etc., 3.93 miles. Equipment: Locomotives, 4; cars, 48; electric cars, 3.

Management: OFFICERS: E. S. Babcock, Pres.; W. J. Gough, Vice-Pres., Supt. and Pur. Agt.; W. R. Lyon, Aud., San Diego, Cal. DIRECTORS: The foregoing and L. M. Drown, T. M. Leavy, San Diego, Cal. Annual meeting, first Monday in April. OFFICE, San Diego, Cal.

Bonded Debt: In March, 1915, the California Railroad Commission approved trust deed submitted by the company, to the Southern Trust & Savings Bank, San Diego, Cal., to secure $375,000 bonds, previously authorized. Proceeds to be used to electrify the line, and for improvements to property, etc. Up to Jan. 1, 1916, none of the bonds had been issued.

Capital Stock: Authorized, $2,000,000; outstanding, $711,000. Par, $100.

LOUISIANA & NORTH WEST RAILROAD

History: Incorporated under laws of Louisiana, Jan. 1, 1895, succeeding to the Louisiana North & South R.R. The road from McNeil to Magnolia is leased from the St. Louis Southwestern Ry. Co., for 20 years from Aug. 1, 1898, at a rental of $3,960 per annum.

Receivership: On Aug. 22, 1913, President Geo. W. Hunter was appointed receiver by Judge Foster, in the United States District Court, in New Orleans, on application of the Baldwin Locomotive Works.

Location: Road extends from Magnolia, Ark., to Natchitoches, La., 115.0 miles, owned. Leased from St. Louis Southwestern Ry., McNeil to Magnolia, Ark., 6.4 miles. Total operated, 121.4 miles; sidings, 10.82 miles. Equipment: Locomotives, 9; cars: passenger, 9 owned, 2 leased; freight, 57 owned; steam shovel, 1; pile driver, 1; ditching machine, 1; service cars, 16.

Management: OFFICERS: Geo. W. Hunter, Rec., Pres. & Treas., St. Louis; John A. Richardson, Sec. and Atty.; R. M. McCarty, Aud.; S. S. Senne, Mgr., Homer, La. Annual meeting, first Monday in December. GENERAL OFFICE, Homer, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$273,137	$245,039	$308,461	$331,128	$284,460	$292,823
Maintenance of way	77,573	86,397	128,170	89,179	78,453	59,044
Mainten. of equipment	49,127	40,100	64,223	45,259	44,679	45,310
All other oper. expenses	106,972	112,988	146,997	133,502	122,626	130,632
Net oper. revenues	$39,465	$5,554	*$30,929	$63,188	$38,702	$57,837
Other income	.....	.....	.....	1,075	2,050	1,850
Total net income	$39,465	$5,554	*$30,929	$64,263	$40,752	$59,687
Taxes	17,527	22,701	19,166	12,600	12,997	14,470
Fixed charges	153,194	151,076	165,707	168,972	161,898	154,467
Deficit	$131,256	$168,223	$215,802	$117,309	$134,143	$109,250

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $280; debit balance carried to balance sheet, $1,536,719. Total, $1,536,999. Contra: Debit balance at beginning of year, $1,405,743; debit balance transferred from income, $131,256; total, $1,536,999.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,374,578	$4,381,951	$4,396,136	$4,390,523	$4,353,749	$4,315,913
Working assets	62,978	34,050	54,606	41,266	32,988	27,856
Deferred debit items	20,708	17,581	17,760	19,827	17,513	34,695
Profit and loss deficit	1,536,719	1,404,945	1,233,605	985,433	859,734	709,445
Total	$5,994,983	$5,838,527	$5,702,107	$5,437,049	$5,263,984	$5,087,909
LIABILITIES:						
Capital stock	$2,300,000	$2,300,000	$2,300,000	$2,300,000	$2,300,000	$2,300,000
Funded debt	2,255,537	2,282,769	2,282,769	2,215,428	2,201,702	2,180,000
Working liabilities	1,274,799	1,100,448	966,188	770,998	628,300	502,889
Accr'd liabilities not due	160,523	151,792	152,620	143,323	117,782	97,924
Deferred credit items	4,124	3,518	530	7,300	16,200	7,096
Total	$5,994,983	$5,838,527	$5,702,107	$5,437,049	$5,263,984	$5,087,909

Bonded Debt: (1) $100,000 Louisiana & North West R.R. Prior Lien 5s; dated Jan. 1, 1895; due Jan. 1, 1945. Int. paid Jan. and July 1, at Boody, McLellan & Co., New York. Coupon, $1,000. Peoples Trust Co., Brooklyn, N. Y., Trustee. First lien on 35 miles of road, Homer to Bienville, La. Interest payable without deduction for normal income tax.

(2) $2,150,000 Louisiana & North West R.R. first 5s; dated April 1, 1905; due April 1, 1935. Int. paid April and Oct. 1, at Treasurer's office, St. Louis. Coupon, $1,000. Mississippi Valley Trust Co., St. Louis, Trustee. Authorized, $10,000,000, of which $150,000 is reserved to retire prior lien bonds and the balance for improvements, equipments, etc. A lien on the entire property owned, subject to No. 1. Interest payable without deduction for normal income tax. In default.

(3) $5,537 Equipment notes outstanding, June 30, 1916; dated May 5, 1914; due in 3 years in monthly payments. Secured on 2 passenger coaches.

Capital Stock: Auth., $10,000,000; outstanding, $2,300,000; par, $100. Secretary of company acts as TRANSFER AGENT AND REGISTRAR. No dividends.

LOUISIANA & PACIFIC RAILWAY

History: Incorporated under laws of Louisiana, June 6, 1904, and operated as a part of the Shreveport, Alexander & Southwestern Ry. system. The line from De Ridder to Fulton, La., was sold during the fiscal year ended June 30, 1908, to the Lake Charles & Northern R.R. Co. At the same time, an agreement was also made for joint use of tracks between De Ridder and Bridge Junc., La. In 1909, the line from Bridge Junc. to Lake Charles, La., was built, and 2.50 miles of track, from mile-post 38 to Banks, La., were abandoned.

Location: Line in operation: De Ridder to Bridge Junc., La. (Lake Charles & North R.R. operated jointly with that company under agreement), 42.3 miles; De Ridder Junc. to Bundick, 8.7 miles; Bundick, La., to Cecil, La., 10.0 miles; Longville to Vandercook, 5.50 miles; Fayette to Camp Curtis, 9.4 miles; Bridge Junc. to Lake Charles, 1 mile. Total operated, 76.9 miles; sidings, 9.74 miles. Equipment: Locomotives, 6 owned, 2 leased; freight cars, 196 owned, 145 leased; service cars, 2.

Management: OFFICERS: R. A. Long, Pres.; F. J. Bannister, Vice-Pres.; R. S. Davis, Second Vice-Pres. and Gen. Mgr.; J. D. Tennant, Third Vice-Pres.; R. T. Dempsey, Sec. and Treas.; P. C. Rickey, Comptroller, Kansas City, Mo.; D. McLean, Aud.; L. H. Cecil, Supt., De Ridder, La. DIRECTORS: R. A. Long, R. S. Davis, J. D. Tennant, F. J. Bannister, R. T. Dempsey, Kansas City, Mo; S. T. Woodring, Lake Charles, La. Annual meeting, April 1. OFFICES, Kansas City, Mo., and De Ridder, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$281,855	$260,494	$261,302	$238,904	$228,353	$228,319
Maintenance of way...	25,608	21,669	33,253	42,232	26,088	21,863
Maint. of equipment...	38,580	35,820	53,475	52,910	45,852	50,966
All other oper. expenses	105,373	108,953	137,053	112,540	101,471	106,064
Net oper. revenues.	$112,294	$94,052	$37,521	$31,222	$54,942	$49,426
Other income	8,899	9,347	4,013	371	2	49
Total net income...	$121,193	$103,399	$41,534	$31,593	$54,944	$49,475
Taxes	7,746	5,396	4,441	4,031	3,157	2,534
Fixed charges	51,785	52,770	63,288	42,006	48,415	59,123
Surplus	$61,662	$45,233	*$26,195	*$14,444	$3,372	*$12,182

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $45,021; credit balance transferred from income, $61,662; miscellaneous credits, $28; total, $106,711. Contra: Loss on retired road and equipment, $43,695; delayed income debits, $20,444; credit balance carried to balance sheet, $42,572; total, $106,711.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$370,335	$353,875	$446,458	$469,335	$433,540	$443,932
Working assets	218,246	138,855	830,525	521,127	265,935	203,796
Deferred debit items...	16,290	127,003	2,087	2,350	28,358	20,586
Profit and loss deficit...	.....	.....	31,852	5,866	.....	.....
Total	$604,871	$619,733	$1,310,922	$998,678	$727,833	$668,314
LIABILITIES:						
Capital stock	$51,000	$51,000	$51,000	$51,000	$51,000	$51,000
Funded debt	390,300	396,100	600,000	600,000	600,000	600,000
Working liabilities	19,803	16,553	27,569	345,603	15,732	10,692
Accr'd liabilities not due	2,720	2,705	2,096	2,075	678	857
Deferred credit items..	98,476	108,354	630,257	.....	.....	.....
Profit and loss surplus.	42,572	45,021	.....	.....	10,241	5,765
Total	$604,871	$619,733	$1,310,922	$998,678	$727,833	$668,314

Bonded Debt: $390,300 Louisiana & Pacific Ry. 1st 6s. Dated Jan. 1, 1910; due Jan. 1, 1920. Interest paid Jan. and July 1, at Commerce Trust Co., Kansas City, Mo. Coupon, $100, $500, and $1,000. No sinking fund. $209,700 in treasury. First lien on entire property. Rating, Ba.

Capital Stock: Authorized, $200,000; outstanding, $51,000; par, $300. A stock dividend of 70% was paid in 1910; increasing the outstanding stock to foregoing amount.

LOUISVILLE & JEFFERSONVILLE BRIDGE COMPANY

History: Incorporated in Indiana and Kentucky, Aug. 3, 1887.

Location: Owns a bridge (½ mile) over Ohio River, Louisville, Ky., to Jeffersonville, Ind. (with approaches), in all 4.12 miles, operated by C., C., C. & St. L. and used by Chesapeake & Ohio Railway and C., C., C. & St. Louis Ry., which roads own all the outstanding stock. Company also owns 40 acres in Louisville and 50 in Jeffersonville, Louisville, Ky., and Jeffersonville, Ind., main track, 4.12 miles; second track, 0.29 mile; yard track, 15.87 miles; trackage, Illinois Central, 0.13 mile; total operated, 20.41 miles. Owns 5 locomotives and 2 service cars.

Management: OFFICERS: Alex. P. Humphrey, Pres.; M. L. Akers, Vice-Pres. and Sec.; R. N. Harry, Treas. DIRECTORS: F. M. Whitaker, Geo. W. Stevens, C. J. Brister, Alex. P. Humphrey, H. A. Worcester. Annual meeting, first Monday in March. OFFICE, Louisville, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$251,184	$236,079	$226,210	$450,516	$237,977	$242,483
Operating expenses	217,240	.....	.....	.....	.....	.....
Other income	202,872	.....	.....	.....	.....	.....
Taxes accrued	53,260	53,519	57,647	50,200	49,805	54,615
Fixed charges, etc.	183,556	182,560	168,563	400,316	188,172	187,868

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,804,665	$5,797,953	$5,765,201	$5,784,224	$5,735,275	$5,483,314
Working assets	126,570	127,210	158,612	140,417	190,886	437,284
Deferred debit items	3,981	2,133	1,187	386	.....	.....
Total	$5,935,216	$5,927,296	$5,925,000	$5,925,027	$5,926,161	$5,925,598
LIABILITIES:						
Capital stock	$1,425,000	$1,425,000	$1,425,000	$1,425,000	$1,425,000	$1,425.000
Funded debt	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Working liabilities	10,216	163	.....	27	1,161	598
Deferred credit items	.....	2,133	.....	.....	.....	.....
Total	$5,935,216	$5,927,296	$5,925,000	$5,925,027	$5,926,161	$5,925,598

Bonded Debt: $4,500,000 Louisville & Jeffersonville Bridge Company first 4s; dated Jan. 1, 1895; due Jan. 1, 1945; interest March and September at Grand Central Terminal, New York. Coupon, $1,000. First lien on all property and guaranteed, principal and interest, by Chesapeake & Ohio, and Cleveland, Cincinnati, Chicago & St. Louis Railways. Interest paid without deduction for normal income tax. Listed on New York Stock Exchange. Net Rating, Aa.

Capital Stock: Outstanding, $1,425.000, of which $950,000 is owned by C., C., C. & St. Louis Railway, and $475,000 by Chesapeake & Ohio Ry. Par, $100.

LOUISVILLE, NEW ALBANY & CORYDON RAILROAD

History: Incorporated under Indiana laws, April 28, 1888, a reorganization of the Louisville, New Albany & Corydon Ry., sold under foreclosure, Feb., 1888.

Location: Road extends from Corydon to Corydon Junc., Ind., 7.7 miles; Corydon to Kings Cave, Ind., 3.3 miles; total, 11 miles; sidings, 2 miles. Equipment: Locomotives, 2; combination cars, 2; freight cars are supplied by the Southern Railway.

Management: OFFICERS: C. B. Blakey, Pres., Louisville, Ky.; W. I. Kohn, Vice-Pres. and Sec.; Huston Quinn, Treas. and Gen. Mgr., Louisville, Ky.; C. H. Buchanan, Supt. and Aud., Corydon, Ind. DIRECTORS: Geo. W. Applegate, C. H. Buchanan, Corydon, Ind.; W. T. Campbell, St. Louis, Mo.; W. I. Kohn, S. E. Sloss, Huston Quinn, Louisville, Ky.; C. B. Blakey, Louisville, Ky. Annual meeting, first Monday in March. OFFICE, Corydon, Ind.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$26,052	$25,718	$27,581	$27,576	$26,990	$27,449
Maintenance of way	2,457	2,975	3,611	7,790	4,795	3,636
Maint. of equipment	703	2,070	214	451	1,043	119
All other oper. expenses	10,995	10,237	11,013	10,372	11,059	9,861
Net oper. revenues	$11,897	$10,436	$12,743	$8,963	$10,093	$13,833
Other income	2,281	.....	.....	1,400	.....	.....
Total net income	$14,178	$10,436	$12,743	$10,363	$10,093	$13,833
Taxes	1,784	1,873	1,970	1,716	1,539	1,597
Fixed charges	6,000	6,000	6,000	6,000	6,000	5,507
Surplus	$6,394	$2,563	$4,773	$2,647	$2,554	$6,729
Dividends paid	.....	2,175	2,175	2,175	4,350	4,350
Other deductions	.....	.....	3,592	.....	.....	.....
Balance	$6,394	$388	*$994	$472	*$1,796	$2,379

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $6,394; debit balance carried to balance sheet, $299; total, $6,693. Contra: Debit balance at beginning of year, $1,906; delayed income debits, $4,787; total, $6,693.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$248,467	$246,817	$251,817	$243,225	$243,225	$243,225
Working assets	10,368	14,523	10,831	12,759	15,794	17,571
Profit and loss deficit	299	1,906	2,294	.....	.....	.....
Total	$259,134	$263,246	$264,942	$255,984	$259,019	$260.796

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$145,000	$150,000	$150,000	$150,000	$150,000	$150,000
Funded debt	100,000	100,000	100,000	100,000	100,000	100,000
Working liabilities	3,587	2,699	4,395	4,930	3,836	3,817
Appropriated surplus ..	10,547	10,547	10,547	.....	5,183	6,955
Profit and loss surplus.	.....	.....	.....	1,054	.....	24
Total	$259,134	$263,246	$264,942	$255,984	$259,019	$260,796

Bonded Debt: $100,000 Louisville, New Albany & Corydon R.R. 1st 6s. Dated May 1, 1888; due May 1, 1918. Int. paid May and Nov. 1, at Louisville Trust Co., Louisville, Ky. Coupon, $1,000. R. W. Watts, Corydon, Ind., Trustee. Authorized, $110,000. A first lien upon road and equipment. Normal income tax deducted from interest. Rating, B.

Capital Stock: Authorized, $150,000; outstanding, $145,000; par, $100. Dividends paid: 1½% in 1910; 3% each in 1911 and 1912; 1½% each in 1913, 1914 and 1915; none in 1916.

LOWVILLE & BEAVER RIVER RAILROAD

History: Incorporated under New York laws, Aug. 15, 1903. Road opened, Jan. 15, 1906.

Location: Line extends from Lowville to Croghan, N. Y., 10.44 miles. Equipment: Locomotive, 3; cars, 9.

Management: OFFICERS: J. S. Bowen, Pres., Lowville, N. Y.; H. I. Le Fevre, Vice-Pres., Beaver Falls, N. Y.; F. S. Easton, Treas.; G. A. Blackmon, Sec., Gen. Mgr., Lowville, N. Y. DIRECTORS: J. S. Bowen, E J. Boshart, Frederick McCullock. Eugene Arthur, G. A. Blackmon, F. S. Easton, Lowville, N. Y.; H. I. Le Fevre, F. E. Jones, Beaver Falls, N. Y.; Michael Nortz, Croghan, N. Y.; Samuel G. Virkler, Castorland, N. Y. Annual meeting, second Wednesday in September. GENERAL OFFICE, Lowville, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$49,968	$45,624	$53,772	$54,295	$43,712	$37,851
Maintenance of way...	8,893	9,359	9,891	8,573	7,433	5,769
Maint. of equipment...	6,761	4,724	3,945	3,909	3,451	4,207
All other oper. expenses	20,581	20,673	19,562	19,600	16,934	15,429
Net oper. revenues.	$12,733	$10,868	$20,374	$22,213	$15,894	$12,546
Other income	292	201	46	88	181	38
Total net income...	$13,025	$11,069	$20,420	$22,301	$16,075	$12,584
Taxes .	2,270	2,108	2,612	1,935	1,656	1,903
Fixed charges	4,839	4,173	5,473	5,884	4,142	3,800
Surplus	$5,916	$4,788	$12,335	$14,482	$10,277	$6,881
Dividends paid	1,782	1,771	1,742	2,593	856	1,576
Other deductions	12,632	2,346	1,239	2,886	10,964	12,172
Balance	*$8,498	$671	$9,354	$9,003	*$1,543	*$6,867

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$257,333	$246,339	$253,964	$251,725	$245,560	$229,860
Working assets	14,031	9,115	17,442	17,909	9,854	8,530
Deferred debit items...	9,163	13,294	9,228	2,742	735	5,224
Total	$280,527	$268,748	$280,634	$272,376	$256,149	$243,614
LIABILITIES:						
Capital stock	$176,153	$176,153	$175,753	$175,253	$175,153	$174,753
Working liabilities	32,854	26,189	34,013	38,014	40,509	37,795
Deferred credit items..	2,535	1,556	41,228	.....	12	12
Appropriated surplus ..	47,172	34,539	.....	6,746	29,195	18,231
Profit and loss surplus.	21,813	30,311	29,640	52,363	11,280	12,823
Total	$280,527	$268,748	$280,634	$272,376	$256,149	$243,614

Capital Stock: Authorized, $50,000 5% cumulative preferred and $150,000 common. Outstanding, $35,633 preferred and $140,520 common. Par, $100. Dividends paid on preferred: 5% each in 1910 and 1911; 2½% in 1912; 7½% in 1913; 5% each in 1914, 1915 and 1916. TRANSFER AGENT: F. S. Easton, Treas., Lowville, N. Y. No bonded debt.

McCLOUD RIVER RAILROAD

History: Incorporated under laws of Calif., 1897, to construct a railroad from Upton to Alturas, Cal., 125 miles. Line of road now in operation, Sisson to Engineer Station, with logging branches, making total of 89.77 miles; sidings, 16.78 miles. Equipment owned: Locomotives, 14; cars, 465.

Management: OFFICERS: J. H. Queal, Pres. and Gen. Mgr.; D. M. Swobe, Vice-Pres.; F. D. Madison, Sec., San Francisco; McCloud National Bank, Treas., McCloud, Cal. DIRECTORS: J. H. Queal, F. D. Madison, D. M. Swobe, San Francisco; J. H. Heininger, Oakland; F. F. Spencer, McCloud, Cal. Annual meeting, third Tuesday in January. GENERAL OFFICE, Flood Building, San Francisco, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$319,746	$295,229	$341,593	$386,083	$371,025	$456,697	$494,283
Maintenance of way	54,456	57,591	56,886	53,063	53,677		
Maintenance of equipment	71,527	63,211	73,749	72,769	66,280	283,880	308,368
All other operating expenses	117,576	116,987	121,460	120,721	112,079		
Net operating revenues	$76,187	$57,440	$89,498	$139,530	$138,989	$172,817	$185,915
Operating ratio	76.2%	80.5%	76%	63.9%	62.6%	62.1%	62.4%
Taxes accrued	16,674	17,739	19,195	16,579	21,267	4,354	3,875
Fixed charges	66,844	68,881	61,442	60,908	60,567	64,143	66,562
Surplus	†$191	*$22,346	$8,861	$62,043	$60,768	$104,320	$115,458

* Includes $6,834 non-operating in come in 1915 and $7,140 in 1916. † Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $281,874; donations, $250; total, $282,124. Contra: Debit balance transferred from income, $191; surplus appropriated for investment in physical property, $250; credit balance carried to balance sheet, $281,683; total, $282,124.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,799,314	$2,766,049	$2,756,981	$2,736,636	$2,708,529	$2,705,087
Working assets	116,175	125,427	125,675	140,431	120,008	161,197
Deferred debit items	1,254	95	365	3,985	810	27
Total	$2,916,743	$2,891,571	$2,883,021	$2,881,052	$2,829,347	$2,866,310
LIABILITIES:						
Capital stock	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000
Funded debt	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Working liabilities	70,387	43,043	16,263	30,194	52,265	34,760
Accr'd liabilities not due	15,000	15,000	15,000	15,000	.....	.....
Deferred credit items	9,941	12,172	8,164	646	4,763	.....
Appropriated surplus	139,732	139,482	139,482	139,483	139,482	139,482
Profit and loss surplus	281,683	281,874	304,112	295,729	232,837	292,068
Total	$2,916,743	$2,891,571	$2,883,021	$2,881,052	$2,829,347	$2,866,310

Bonded Debt: $1,200,000 McCloud River R.R. first gold 5s. Dated April 1, 1907; due April 1, 1937. Int., April and Oct. 1, at Mercantile Trust Co., San Francisco. Coupon, $1,000. First lien on entire railroad property. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Authorized and outstanding, $1,200,000; par, $100. A dividend of 4% was paid in 1899, and one of 4½% in 1900; 1912, 10% was paid. None since.

McKEESPORT CONNECTING RAILROAD

History: Incorporated under Pennsylvania laws, March 20, 1889. Performs switching service for various railroads entering McKeesport, and furnishes terminal facilities to industries located on its tracks. Has freight connections with the Baltimore & Ohio R.R., Pennsylvania R.R. and Pittsburgh & Lake Erie R.R. Miles of track operated, 20.33, of which 12.64 miles are owned, and 7.69 miles operated under trackage rights. Equipment: Locomotives, 13; freight cars, 186.

Management: OFFICERS: W. B. Schiller, Pres.; Edward Worcester, Vice-Pres.; B. C. Moise, Sec. and Aud.; G. E. Benson, Treas.; S. M. Lynch, Pur. Agt.; J. F. Townsend, Traffic Mgr., Pittsburgh, Pa.; Wm. A. Cornelius, Gen. Mgr.; J. A. Beattie, Supt., McKeesport, Pa. DIRECTORS: Taylor Allderdice, B. C. Moise, W. B. Schiller, J. F. Townsend, Edward Worcester, Thomas Ewing, Pittsburgh, Pa.; W. A. Cornelius, McKeesport, Pa. Annual meeting, in January. OFFICES, Pittsburgh and McKeesport, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$421,485	$182,135	$251.006	$273.207	$194,305	$202,676
Maintenance of way	34,467	40.047	43,106	48.986	33,431	40,296
Maint. of equipment	52,177	40,813	57,768	55,977	40,747	40,855
All other oper. expenses	164,937	131,137	151,244	152,280	123,871	140,469
Net oper. revenues	$169,904	*$29,862	*$1,112	$15.964	*$3.744	*$18,944
Other income	11,415	9,581	7,534	26,567	24,522	24,237
Total net income	$181,319	*$20,281	$6,422	$42,531	$20,778	$5,293
Taxes	7,633	6,419	5,939	6,755	7,378	5,635
Fixed charges	2,357	221	.....	.....	.....	.....
Surplus	$171,329	*$26,921	$483	$35,776	$13,400	*$342
Dividends paid	.....	.....	.....	.....	100,000	100,000

* Deficit.

Profit and Loss Account; year ended June 30, 1916: Credit balance at beginning of year, $74,014; credit balance transferred from income, $171,329; total, $245,343. Contra: Loss on retired road and equipment, $331; credit balance carried to balance sheet, $245,012; total, $245,343.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$929,124	$941,017	$949,203	$957,392	$960,372	$965.795
Working assets	336,066	148,895	167,005	166,713	123,872	203,238
Deferred debit items...	2,514	1,845	1,456	1,131	820	700
Total	$1,267,704	$1,091,757	$1,117,664	$1,125,236	$1,085,064	$1,169,733
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000.000
Working liabilities	11,329	7,523	7,015	14,676	10,132	9,460
Accrd. liabilities not due	9,178	8,425	8,309	9,091	9,502	8,382
Deferred credit items...	2,185	1,795	1,406	1,019	756	616
Profit and loss surplus.	245,012	74,014	100,934	100,450	64,674	151,275
Total	$1,267,704	$1,091,757	$1,117,664	$1,125,236	$1,085,064	$1,169,733

Capital Stock: Authorized and outstanding, $1,000,000; par, $100. Increased from $40,000 in 1909. No bonded debt. Entire stock owned by National Tube Co.

MACON & BIRMINGHAM RAILROAD

History: Incorporated under laws of Georgia, May 27, 1896, successor to the Macon & Birmingham R.R. Road projected from Macon, Ga., to Birmingham, Ala.

Receivership: On Feb. 1, 1908, S. F. Parrott, Vice-Pres., was appointed Receiver of the company upon the application of the Old Colony Trust Co., of Boston, Trustee of the 1st mortgage 5% bonds. In Sept., 1910, J. P. Munson was appointed Receiver, to succeed Mr. Parrott.

Location: Road completed extends from Sofkee to La Grange, Ga., 96.87 miles; total operated, 96.87 miles. Sidings, 7.40 miles. Equipment: Locomotives, 3; passenger cars, 5; freight and others cars, 57.

Management: OFFICERS: J. B. Munson, Receiver, Macon, Ga.; B. C. Parsons, Sec., Boston, Mass.; W. P. Hopper, Treas.; W. F. Buchannon, Aud.; E. E. Hanson, Pur. Agt., Macon, Ga. Annual meeting, second Monday in September. OFFICE, Macon, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$148,451	$128,605	$156,297	$155,889	$165,172	$155,118
Maintenance of way...	47,342	50,568	35,555	39,118	31,068	37,395
Maint. of equipment...	13,747	24,268	20,534	25,238	17,683	20.273
All other oper. expenses	71,616	88,851	77,963	81,403	77,877	79,820
Net oper. revenues.	$15,746	*$35,082	$22,245	$10,130	$38,544	$17,630
Other income	979	685	497	739	570	731
Total net income...	$16,725	*$34,397	$22,742	$10,869	$39,114	$18,361
Taxes	7,041	6,782	8,152	8,083	7,544	7,079
Fixed charges	49,392	51,484	50,775	51,686	49,901	47,664
Deficit	$39,708	$92,663	$36,185	$48,900	$18,331	$36,383

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Donations, $150; miscellaneous credits, $44; debit balance carried to balance sheet, $949,022; total, $949,216. Contra: Debit balance at beginning of year, $907,101; debit balance transferred from income, $39,708; loss on retired road and equipment, $2,393; miscellaneous debits, $13; total, $949,216.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$1,014,812	$1,047,842	$1,009,678	$1,023,777	$1,012,993	$1,007,552
Working assets	27,022	25,826	22,162	18,800	22,465	18,623
Deferred debit items...	69,059	72,144	13,353	13,377	12,557	12,805
Profit and loss deficit...	949,022	907,101	795,303	730,336	681,235	657,758
Total	$2,059,915	$2,052,913	$1,830,496	$1,786,290	$1,729,250	$1,696,738
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	500,000	558,480	512,000	512,000	511,000	512,000
Working liabilities	793,307	726,276	777,000	745,283	712,873	680,492
Accrd. liabilities not due	3,718	3,691	29,003	28,888	3,517	3,672
Deferred credit items..	244,510	246,156	4,185	119	1,860	574
Appropriated surplus ..	18,310	18,310	18,308	.....	.....	.....
Total	$2,059,915	$2,052,913	$1,830,496	$1,786,290	$1,729,250	$1,696,738

Bonded Debt: $500,000 Macon & Birmingham Ry. 1st 5s. Dated July 1, 1896; due July 1, 1946. Interest Jan. and July at Old Colony Trust Co., Boston, Trustee. Coupon, $1,000. First lien on entire property. Interest paid without deduction for normal income tax.

Receiver's Certificates: On June 30, 1916, there were outstanding $50,000 receiver's certificates, issued May 11, 1915, and pledged as security for an equivalent amount of outstanding negotiable notes.

Capital Stock: Outstanding, $500,000; par, $100. REGISTRAR, B. C. Parsons, Sec., Boston, Mass. No dividends.

MACON TERMINAL COMPANY

History: Incorporated under the laws of Georgia, July 9, 1914, to construct a union passenger station and terminal in the City of Macon, Ga. The land owned by the company consists of practically 13 acres centrally located, and the building will provide offices on the upper floors for the Southern Railway Company and the Central of Georgia Railway Co. The entire capital stock of the company is jointly owned by the Southern Railway Co., the Central of Georgia Railway Co. and the Georgia, Southern & Florida Railway Co., and these three companies have entered into a fifty year agreement, expiring July 1, 1965, to use the company's tracks and to pay their *pro rata* share of the operating expenses.

Management: OFFICERS: W. A. Winburn, Pres., Savannah, Ga.; H. B. Spencer, Vice-Pres., Washington, D. C.; E. B. McCuen, Sec., Savannah, Ga.; W. P. Hopper, Treas.; W. D. Beymer, Aud., Savannah, Ga. DIRECTORS: W. A. Winburn, C. K. Lawrence, Savannah, Ga.; H. B. Spencer, Washington, D. C.; H. W. Miller, Atlanta, Ga.; J. B. Munson, W. F. Buchannon, Macon, Ga. Annual meeting, fourth Wednesday in February. GENERAL OFFICE, Savannah, Ga.

Comparative Condensed Balance Sheet, as of September 30, 1916

ASSETS:	1916	LIABILITIES:	1916
Cost of property	$1,232,808	Common stock	$99,900
Cash on hand	353,581	Bonded debt	1,600,000
Other assets	94,905	Current liabilities	56,713
Deferred credit items	70.445	Deferred credit items	137
Total	$1,751,750	Total	$1,751,750

Bonded Debt: $1,600,000 Macon Terminal Company first 5s. Dated July 1, 1915; due July 1, 1965. Interest paid Jan. and July 1, in New York. Coupon, $1,000. Registered, $1,000 and multiples. Interchangeable. Authorized, $3,000.000. Balance issuable only after completion of terminal building and facilities for any excess in cost thereof, exclusive of real estate, over the sum of $1,000,000, and for additions, betterments, etc. First lien on entire property of company. Guaranteed principal and interest by endorsement jointly and severally by the three companies owning the capital stock. Normal income tax deducted from interest. Rating, A.

Capital Stock: Authorized and issued, $100,000; outstanding, $99,900. Par, $100. With the exception of directors qualifying shares, all owned by the Southern Ry., Central of Georgia Ry. and the Georgia, Southern & Florida Ry. Secretary of company acts as TRANSFER AGENT.

MAMMOTH CAVE RAILROAD

History: Incorporated under the laws of Kentucky, in 1884.

Location: Road extends from Glasgow Junc. to Mammoth Cave, Ky., 8.70 miles. Equipment: Locomotives, 2; cars, 4.

Management: OFFICERS: L. P. Lacey, Pres., Sec. and Pass. Agt.; G. H. Patterson, Vice-Pres.; J. B. Whitney, Gen. Mgr., Franklin, Ky. DIRECTORS: G. H. Patterson, J. B. Finn, Geo. H. Lacey, N. H. Bryan, L. P. Lacey, J. M. Crocker, G. C. Harris, Franklin, Ky. Annual meeting, in January. GENERAL OFFICE, Franklin, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$10.927	$11,413	$13,744
Operating expenses	10,661	10,477	12,147
Net operating revenues	$266	$936	$1,597
Taxes	202	.....	.....
Fixed charges	1,500	.....	1,500
Balance	*$1,436	$936	$97

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $23.816. Contra: Debit balance at beginning of year, $22,380; debit balance transferred from income, $1,436; total, $23,816.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1914	LIABILITIES:	1916	1914
Property investment	$22,684	$22,684	Capital stock	$16.000	$16,000
Working assets	64	584	Funded debt	30,000	30,000
Profit and loss	20,943	22,732	Accrd. liabilities not due	625	.....
Totals	$43,691	$46,000	Total	$46,625	$46,000

Bonded Debt: $22.000 Mammoth Cave R.R. first 5s. Dated Feb. 1, 1911; due Feb. 1, 1936. Interest paid Feb. and Aug. 1. Authorized, $30,000. Issued to provide payment of floating debt. First lien on entire line.

Capital Stock: Authorized and outstanding, $16,000. Par, $100.

MANCHESTER & ONEIDA RAILWAY

History: Incorporated under laws of Iowa, April 10, 1900. Road opened August 1, 1901.

Location: Road extends from Manchester to Oneida, Iowa, 8.04 miles. Sidings, 0.75 mile. 2 locomotives; 1 car.

Management: OFFICERS: Jos. Hutchinson, Pres.; E. H. Hoyt, Vice-Pres.; L. Matthews, Sec.; A. R. LeRoy, Treas.; Chas. J. Seeds, Aud., Manchester, Iowa. DIRECTORS: A. S. Blair, E. M. Carr, Hubert Carr, W. H. Hutchinson, Wm. Hockaday, Jos. Hutchinson, A. D. Long, L. Matthews, A. A. Morse, A. R. LeRoy, C. J. Seeds, G. W. Dunham, E. H. Hoyt, R. W. Tirrill, J. S. Jones, Manchester, Iowa. Annual meeting, first Tuesday in April. OFFICE, Manchester, Iowa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$24,608	$24,094	$23,783	$23,762	$25,569	$25,218
Maintenance of way	5,238	3,780	3,139	3,999	3,764	3,466
Maintenance of equip	1,378	2,129	1,345	2,706	1,402	1,069
All other oper. expenses	12,356	12,314	12,562	13,639	12,474	11,392
Net oper. revenues	$5,636	$5,871	$6,737	$3,418	$7,929	$9,291
Other income	788	770	653	406	356	356
Total net income	$6,424	$6,641	$7,390	$3,824	$8,285	$9,647
Taxes	1,032	1,052	1,052	897	861	858
Fixed charges	4,338	4,584	3,505	3,579	3,504	3,493
Surplus	$1,054	$1,005	$2,833	*$652	$3,920	$5,296

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$133,323	$133,286	$131,377	$131,307	$130,106	$130,707
Working assets	22,982	24,352	25,470	20,954	20,720	14,956
Total	$156,305	$157,638	$156,847	$152,261	$150,826	$145,663
LIABILITIES:						
Capital stock	$62,733	$62,780	$62,780	$62,710	$62,710	$62,710
Funded debt	65,000	65,000	65,000	65,000	65,000	65,000
Working liabilities	7,350	8,642	6,479	5,417	5,503	4,259
Appropriated surplus	2,847	2,848	3,238	2,638	838	838
Profit and loss surplus	18,375	18,368	19,350	16,496	16,775	12,856
Total	$156,305	$157,638	$156,847	$152,261	$150,826	$145,663

Bonded Debt: $65,000 Manchester & Oneida Ry. first 5s. Dated March 1, 1901; due March 1, 1921. Interest annually, March 1, at Manchester, Ia. Coupon, $500. Authorized, $128,000. Not to exceed $16,000 per mile. Callable on 30 days' notice. First lien on entire property. Normal income tax deducted from interest. Rating, B.

Capital Stock: Authorized, $75,000; outstanding, $62,733. Par, $100. No dividends.

MANISTEE & NORTHEASTERN RAILROAD

History: Incorporated under Michigan laws, January 7, 1887. On July 1, 1892, the main line of the road was completed.

Location: Manistee to Traverse City, Mich., 70.76 miles; branches, 41.04 miles; leased, 1.26 miles; trackage, 6 miles; total, 189.82 miles; sidings, 53.18 miles.

Equipment: Locomotives, 15; passenger cars, 15; combination, 5; baggage, 2; freight cars, 713; service, 2.

Management: OFFICERS: Edward Buckley, Pres.; P. R. L. Carl, Vice-Pres., Treas. and Gen. Mgr.; F. A. Mitchell, 2d Vice-Pres. and Sec.; C. F. Kuehl, Asst. Sec., Asst. Treas. and Aud.; E. H. O'Neill, Gen. Supt., Manistee, Mich. DIRECTORS: Edward Buckley, P. R. L. Carl, F. A. Mitchell, W. H. Nuttall, J. H. Rademaker, C. F. Kuehl, C. F. Ruggles, Manistee, Mich. Annual meeting, second Tuesday in June. OFFICE, Manistee, Mich.

Comparative Income Account, Years Ended December 31, 1910 to 1912; June 30, 1913 to 1916

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$502,318	$482,015	$560,090	$574,824	$584,699	$582,867	$486,553
Operating expenses and taxes	410,742	422,394	460,583	455,387	455,006	446,380	429,583
Net earnings	*96,304	*73,927	99,507	‡127,372	126,694	136,487	56,970
Fixed charges	71,899	72,210	71,164	90,458	87,898	96,227	83,433
Surplus	24,405	1,717	†49,932	36,914	41,795	40,260	§26,463

* Includes non-operating income. † Includes $21,589 other income. ‡ Includes $7,935 other income. § Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $194,335; credit balance transferred from income, $24,405; profit on road and equipment sold, $263; total, $219,003. Contra: Loss on retired road and equipment, $2,040; credit balance carried to balance sheet, $216,963; total, $219,003.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,090,087	$2,109,372	$2,093,663	$2,073,493	$2,071,368	$2,074,858
Working assets	134,494	116,701	116,807	117,746	101,005	96,754
Deferred credit items	1,474,234	1,474,234	1,474,234	1,474,234	1,474,234	1,474,234
Total	$3,698,815	$3,700,307	$3,684,704	$3,665,473	$3,646,607	$3,645,846
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	1,251,000	1,291,000	1,331,000	1,368,000	1,409,000	1,452,000
Working liabilities	216,543	200,663	146,884	141,438	118,049	122,596
Appropriated surplus	14,309	14,309	14,309	14,309	14,309	14,308
Profit and loss surplus	216,963	194,335	192,511	141,726	105,249	56,942
Total	$3,698,815	$3,700,307	$3,684,704	$3,665,473	$3,646,607	$3,645,846

Bonded Debt: $1,251,000 Manistee & Northeastern R.R. first 5s. Dated Jan. 1, 1909; due $40,000 annually Jan. 1 to 1936, inclusive, and $15,000 on Jan. 1, 1937. Interest paid Jan. and July 1, at Michigan Trust Co., Grand Rapids, Mich., Trustee, and at Metropolitan Trust Co., New York City. Coupon, $1,000. Authorized, $1,500,000, of which $1,471,000 have been issued, $220,000 thereof having been retired on June 30, 1915. Sinking fund, one-half of surplus, after retiring $40,000 annually. Callable at 102½ and interest on 60 days' notice. First lien on entire property. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Authorized and issued, $2,000,000. Par, $100. Secretary acts as REGISTRAR AND TRANSFER AGENT.

MANITOU & PIKE'S PEAK RAILWAY

History: Incorporated under laws of Colorado, November 17, 1888. Road opened in June, 1891.

Location: Road extends from Manitou to summit of Pike's Peak, Colo., 8.9 miles; sidings, 0.3 mile. The road is operated from April to November of each year, mainly for tourists. Equipment: Locomotives, 6; cars, 8.

Management: OFFICERS: C. W. Sells, Pres. and Mgr.; H. J. Holt, Vice-Pres. and Aud., Manitou, Colo.; Z. G. Simmons, Treas.; A. H. Lance, Sec., Kenosha, Wis. DIRECTORS: H. S. Cable, Rock Island, Ill.; E. T. Jeffrey, New York; Z. G. Simmons, A. H. Lance, Kenosha, Wis.; C. W. Sells, Manitou, Colo. Annual meeting, third Saturday in October. OFFICE, Manitou, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$165,797	$86,595	$100,901	$93,255	$102,728	$106,138
Maintenance of way	14,767	19,023	15,746	10,045	15,372	11,183
Maintenance of equip.	19,294	15,682	10,777	12,901	28,534	10,456
All other oper. expenses	50,409	31,880	36,217	37,336	37,289	38,796
Net oper. revenues	$81,327	$20,010	$38,161	$32,973	$21,533	$45,703
Other income	1,663	1,638	2,348	5,283	5,253	4,855
Total net income	$82,990	$21,648	$40,509	$38,256	$26,786	$50,558
Taxes	3,842	3,741	3,258	4,884	4,271	4,982
Fixed charges	25,000	25,054	25,005	25,000	25,711	25,000
Dividends	50,000	.....	.....	.....	.....	.....
Surplus	$4,148	*$7,147	$12,246	$8,372	*$3,196	$20,576

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,097,642	$1,099,592	$1,086,542	$1,086,542	$1,086,542	$1,101,542
Working assets	21,921	20,852	37,889	25,174	216,691	208,229
Accrued income not due	900	.....	450	450	450	450
Total	$1,120,463	$1,120,444	$1,124,881	$1,112,166	$1,313,683	$1,310,221
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	500,000	500,000	500,000	500,000	500,000	500,000
Working liabilities	8,674	12,552	10,129	9,322	21,730	11,683
Accrd. liabilities not due	9,654	9,905	10,644	12,860	10,395	13,698
Profit and loss surplus.	102,135	97,987	104,108	89,984	281,558	284,840
Total	$1,120,463	$1,120,444	$1,124,881	$1,112,166	$1,313,683	$1,310,221

Bonded Debt: $500.000 Manitou & Pike's Peak Ry. first refunding 5s. Dated Oct. 1, 1908; due Oct. 1, 1928. Interest paid Aug. and Oct. 1, at First Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000. Auth., $500,000. Issued to retire a like amount of bonds which matured Oct. 1, 1909. A first lien on all property. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Authorized and outstanding, $500,000. Par, $100. In 1913, a dividend of 40% was paid. None in 1914 and 1915; 10% paid in 1916. TRANSFER OFFICE, Manitou, Col.

MANSFIELD RAILWAY & TRANSPORTATION COMPANY

History: Incorporated under the laws of Louisiana, February 16, 1881.

Location: Road extends from Mansfield to Hunter, La., 14 miles; Mansfield to Texas & Pacific Junc., La., 1.85 miles; total, 15.85 miles; sidings, 0.87 mile. Equipment: Locomotive, 1; passenger cars, 2; box car, 1.

Management: OFFICERS: E. A. Frost, Pres.; F. T. Whited, Vice-Pres., Shreveport, La.; R. G. Dowell, Sec. and Treas.; R. T. Moore, Gen. Mgr., Mansfield, La.; S. H. Dowell, Aud., Shreveport, La.; R. T. Moore, Supt. and Pur. Agt., Mansfield, La. DIRECTORS: E. A. Frost, F. T. Whited, Shreveport, La.; C. E. Jenkins, R. T. Moore, C. W. Elam, Mansfield, La. Annual meeting, first Monday in April. GENERAL OFFICE, Mansfield, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$35,869	$40,351	$60,635	$43,818	$32,721
Operating expenses	30,888	31,752	38,476	23,305	24,268
Net operating revenues	$4,981	$8,599	$22,159	$20,513	$8,453
Other income	3,070	8,912	.....	.....	.....
Total net income	$8,051	$17,511	$22,159	$20,513	$8,453
Taxes	2,204	1,916	1,763	548	446
Fixed charges	14,193	13,678	13,008	13,851	13,896
Balance	*$8,346	$1,917	$7,388	$6,114	*$5,889

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $21,610. Contra: Debit balance at beginning of year, $13,264; debit balance transferred from income, $8,346; total, $21,610.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$300,729	$298,373	$297,545	$283,653	$294,106
Working assets	6,848	55,891	55,896	35,926	12,441
Deferred debit items	.....	236	.....	.....	.....
Profit and loss	21,610	13,264	15,181	22,569	28,684
Total	$329,187	$367,764	$368,622	$342,148	$335,231
LIABILITIES:					
Capital stock	$77,300	$77,300	$77,300	$77,300	$77,300
Funded debt	.....	.....	176,000	176,000	76,000
Working liabilities	251,856	290,433	99,345	98,848	181,931
Deferred credit items	31	31	15,979	.....	.....
Total	$329,187	$367,764	$368,622	$342,148	$335,231

Notes: $176,000 6% notes, payable to Frost-Johnson Lumber Company, given in payment for 14 miles of road. Interest semi-annually. Notes secured on line from Mansfield to Hunter, La., 14 miles.

Capital Stock: Authorized and outstanding, $77,300. Increased from $14,500 in 1909 by stock dividend of $62,800. Par, $50. All owned by Frost-Johnson Lumber Co.

MANUFACTURERS JUNCTION RAILWAY

History: Incorporated under the laws of Illinois, January 28, 1903, for fifty years. Road opened April 1, 1906.

Location: Road extends from West Fifteenth Street and Forty-sixth Avenue, to West Thirty-fifth Street and Forty-sixth Avenue, Cicero, Ill., 1.76 miles; trackage rights over B. & O. Chicago Terminal R.R., 6.7 miles; over Illinois Central, 3.1 miles, and over Chicago Junction Ry., 5.6 miles; total, 15.4 miles; sidings, 4.2 miles. Equipment: Locomotives, 3; freight cars, 37.

Management: OFFICERS: W. P. Sidley, Pres., Chicago; A. L. Salt, Vice-President, New York; R. E. McEwen, Sec. and Treas.; H. D. Tisdale, Aud., Chicago; J. C. McDonnell, Gen. Mgr.; F. W. Bancker, Pur. Agt.; W. C. Ransom, Supt., Cicero, Ill. DIRECTORS: J. C. McDonnell, W. P. Sidley, R. E. McEwen, H. F. Albright, Chicago, Ill.; A. L. Salt, H. A. Halligan, New York. Annual meeting, first Thursday in February at Chicago. GENERAL OFFICE, 212 West Washington Street, Chicago, Ill. OPERATING OFFICE, Cicero, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$94,192	$68,695	$95,686	$104,960	$110,506
Operating expenses	63,074	59,464	76,811	78,384	84,618
Net operating revenues	$31,118	$9,231	$18,875	$26,576	$25,888
Other income	6,307	3,580	13,675	15,511	11,068
Total net income	$37,425	$12,811	$32,550	$42,087	$36,956
Taxes	14,400	14,838	13,860	9,036	9,088
Fixed charges	1,474	1,517	1,380	934	774
Balance	$21,551	*$3,544	$17,310	$32,117	$27,094

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $31,437; credit balance transferred from income, $21,551; total, $52,988. Contra: Credit balance carried to balance sheet, $48,210; miscellaneous debits, $300; delayed income debit, $4,469; loss on retired road and equipment, $9; total, $52,988.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$536,586	$546,301	$565,153	$586,723	$603,594
Working assets	102,835	75,685	55,077	120,750	50,908
Deferred debit items	368	693	161	462	15,860
Total	$639,789	$622,679	$620,391	$707,935	$670,362

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$500,000	$500,000	$500,000	$600,000	$600,000
Working liabilities	3,463	1,991	2,276	9,252	1,782
Accrued liabilities not due	4,180	1,442	4,800	2,877	2,309
Deferred credit items	1,156	5,029	975	776	3,358
Appropriated surplus	82,880	82,880	77,358	77,358	.....
Profit and loss	48,210	31,437	34,982	17,672	62,913
Total	$639,789	$622,679	$620,391	$707,935	$670,362

Capital Stock: Authorized and outstanding, $500,000. Reduced in 1914 from $600,000. Par, $100. No bonded debt. No dividends paid. Secretary of company acts as TRANSFER AGENT AND REGISTRAR.

MANUFACTURERS RAILWAY

History: Incorporated under the laws of Missouri, in April, 1887. Owns and operates about 6.09 miles of track at St. Louis, connecting with all roads which terminate there and at East St. Louis, Ill.

Location: As described above. No equipment.

Management: OFFICERS: Edward B. Taylor, Chairman of Board; Edward B. Taylor, Pres. and Gen. Mgr.; G. L. Peck, 1st Vice-Pres.; S. H. Church, Sec.; T. H. B. McKnight, Treas.; J. W. Orr, Aud.; A. E. Wright, Pur Agt.; Paul Jones, Supt., St. Louis, Mo. DIRECTORS: Thomas H. Tracy, Toledo, O.; Edwin B. Taylor, G. L. Peck, Pittsburgh, Pa.; J. M. Steenburg, I. W. Geer, Toledo, O. Annual meeting, in April. GENERAL OFFICE, 2925 South Broadway, St. Louis, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$49,480	$51,032	$69,658	$64,383	$51,248
Operating expenses	69,318	72,010	68,232	62,485	63,670
Net operating revenues	*$19,838	*$20,978	$1,426	$1,898	*$12,422
Other income	5,183	3,734	4,991	3,951	3,312
Total net income	*$14,655	*$17,244	$6,417	$5,849	*$9,110
Taxes	23,917	14,437	14,173	13,616	18,180
Fixed charges	784	732	803	727	688
Balance	*$39,356	*$32,413	*$8,559	*$8,494	*$27,978

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $7; debit balance carried to balance sheet, $177,976; total, $177,983. Contra: Debit balance at beginning of year, $138,627; debit balance transferred from income, $39,356; total, $177,983.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,179,516	$1,178,222	$1,176,973	$1,176,971	$1,176,971
Working assets	26,933	34,554	21,020	21,492	21,132
Deferred debit items	588	123	.....	.....	.....
Profit and loss	177,976	138,627	97,604	89,045	80,551
Total	$1,385,013	$1,351,526	$1,295,597	$1,287,508	$1,278,654
LIABILITIES:					
Capital stock	$10,000	$10,000	$10,000	$10,000	$10,000
Funded debt	1,106,010	1,106,010	1,106,010	1,106,010	1,106,010
Working liabilities	259,671	225,459	176,268	168,658	160,390
Accrued liabilities not due	722	789	648	816	1,100
Deferred credit items	.....	658	2,671	2,024	1,154
Appropriated surplus	8,610	8,610	.....	.....	.....
Total	$1,385,013	$1,351,526	$1,295,597	$1,287,508	$1,278,654

Note: Funded debt as shown above is indebtedness to Pennsylvania Co.

Capital Stock: Authorized and outstanding, $10,000. Par, $100. No dividends paid.

MARCELLUS & OTISCO LAKE RAILWAY

History: Incorporated under New York laws, May 25, 1905, for the purpose of completing and operating the railroad formerly owned by Marcellus Electric R.R. Co.

Location: Road extends from Otisco Lake to Martisco, N. Y., 9.05 miles; sidings, 2.19 miles. Equipment: Locomotives, 3; cars: passenger, 2; freight, 2.

Management: OFFICERS: Frederick McOwen, Pres.; S. S. Marvin, Vice-Pres.; F. B. Snyder, Sec., Treas. and Gen. Mgr., Philadelphia; John Stewart, Supt. and Pur. Agt., Marcellus, N. Y. DIRECTORS: S. S. Marvin, E. C. Irvin, Frederick McOwen, Wm. A. Law, F. W. Ayer, J. W. Van Dyke, J. A. Thomson, F. B. Snyder, Philadelphia; R. B. Wigham, New York. Annual meeting, second Tuesday in October. OFFICE, Marcellus, N. Y.

Comparative Income Account; Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$51,979	$32,589	$30,407	$29,212
Maintenance of way and structures	12,320	6,358	7,122	6,446
Maintenance of equipment	2,568	1,676	1,935	1,920
All other operating expenses	17,316	14,031	14,289	14,001
Net operating revenues	$19,775	$10,524	$7,061	$6,845
Taxes	1,001	1,054	984	1,324
Fixed charges	20,693	15,130	13,979	12,276
Deficit	$1,919	$5,560	$7,902	$6,755

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $5,967; miscellaneous credits, $9,998; total, $15,965. Contra: Debit balance transferred from income, $1,919; credit balance carried to balance sheet, $14,046; total, $15,965.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$422,299	$422,299	$416,769	$416,852
Working assets	30,695	10,694	4,676	5,897
Accrued income not due	.....	27	.....	.....
Deferred debit items	736	1,286	85	518
Profit and loss deficit	.....	.....	.....	1,711
Total	$453,730	$434,306	$421,530	$424,988
LIABILITIES:				
Capital stock	$200,000	$200,000	$200,000	$200,000
Funded debt	200,000	200,000	200,000	200,000
Working liabilities	38,851	26,435	12,861	24,037
Accrued liabilities not due	833	833	.....	832
Deferred credit items	.....	1,071	7,041	119
Profit and loss surplus	14,046	5,967	1,628	.....
Total	$453,730	$434,306	$421,530	$424,988

Bonded Debt: $200,000 Marcellus & Otisco Lake Ry. first 5s. Dated June 2, 1905; due June 2, 1935. Interest paid June and Dec. 1, at Fidelity Trust Co., Philadelphia, Trustee. Coupon, $1,000. Authorized, $300,000. Callable at any time. Normal income tax deducted from interest.

Capital Stock: Authorized and issued, $200,000; par, $100.

MARIANNA & BLOUNTSTOWN RAILROAD

History: Incorporated under laws of Florida, June 8, 1909.

Location: Road extends from Marianna to Old Blountstown, Fla., 28.56 miles; leased, Blountstown Mfg. Co., 15 miles; total operated, 43.56 miles. Sidings, 0.99 mile. Equipment: Locomotives, 2; passenger cars, 2; freight cars, 8.

Management: OFFICERS: Rufus Pennington, Pres., Blountstown, Fla.; C. R. Evans, Vice-Pres., Treas. & Gen. Mgr.; L. N. Smith, Act. Sec., Aud. and Pur. Agt., Marianna, Fla. DIRECTORS: The foregoing and J. W. Jones, Blountstown, Fla.; Paul Carter, Marianna, Fla. Annual meeting, in June. GENERAL OFFICE, Marianna, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$35,608	$41,044	$44,472	$48,692	$44,607
Operating expenses	21,992	28,697	34,305	32,599	31,308
Net operating revenues	$13,616	$12,347	$10,167	$16,093	$13,299
Other income	.....	1,532	1,165	354	.....
Total net income	$13,616	$13,879	$11,332	$16,447	$13,299
Taxes	2,780	2,780	2,167	2,167	2,093
Fixed charges	25,263	24,592	27,644	23,713	23,666
Deficit	$14,427	$13,493	$18,479	$9,433	$12,460

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$170,249	$162,455	$163,335	$164,174	$166,339
Working assets	10,177	3,472	1,827	10,419	14,279
Deferred debit items	130,833	136,067	141,395	146,599	151,800
Profit and loss	62,992	48,565	35,072	16,594	7,161
Total	$374,251	$350,559	$341,629	$337,786	$339,579

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$120,000	$120.000	$120,000	$120,000	$120,000
Funded debt	200,000	200,000	200,000	200,000	200,000
Working liabilities	52,379	27,586	18,205	16,307	17,946
Accrued liabilities not due	1,872	2,973	3,424	1,479	1,627
Deferred credit items	.....	.....	.....	.....	6
Total	$374,251	$350,559	$341,629	$337,786	$339,579

Bonded Debt: $200,000 Marianna & Blounstown Railroad 1st 6s; dated Sept. 1, 1910; due Jan. 1, 1941. Interest paid Jan. and July 1 at Central Bank & Trust Corp., Atlanta, Ga. Coupon, $1,000. Authorized issue, $200,000. No sinking fund. First lien on property.

Capital Stock: Authorized and outstanding, $120,000; par, $100.

MARIETTA, COLUMBUS & CLEVELAND RAILROAD

History: Incorporated under Ohio laws, Oct. 31, 1900, succeeding the Toledo & Ohio Central Extension R.R. Receiver appointed July 10, 1914, but lines have since been sold and operations of company were discontinued in October, 1916.

Location: Road extends from Moore's Junc. to Palos, O., 41.09 miles; branch, 4.49 miles; total owned, 45.58 miles. Trackage over B. & O., S. W. Ry., Marietta to Moore's Junc., 3.5 miles; total operated, 49.08 miles. Sidings, 6.74 miles. Equipment: Locomotives, 4; cars, passenger, 7; freight, 98. Company also owns 1 gasoline motor-car.

Management: OFFICERS: D. B. Torpy, Rec., Marietta, O.; H. H. Isham, Pres.; H. A. Clare, Vice-Pres.; C. B. McCann, Treas., Marietta, O.; Chas. B. McCann, Aud.; J. C. Riddell, Sec. and Gen. Mgr.; F. G. Smith, Gen. Frt. and Pass. Agt., Marietta, O. DIRECTORS: W. W. Mills, D. P. Torpy, H. G. Chamberlain, Marietta, O.; H. H. Isham, H. A. Clare, Marietta, O. OFFICE, Marietta, O. Last annual meeting, May 11, 1909.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$99,899	$105,519	$105,043	$109,271	$84,720	$75,308
Maintenance of way	33,637	27,880	32,712	32,219	39,880	43,845
Maintenance of equip	10,414	11,483	12,161	10,835	12,119	18,070
All other oper. expenses	38,568	41,191	47,055	41,692	37,539	41,518
Net oper. revenues	$17,280	$24,965	$13,115	$24,525	*$4,818	*$28,125
Other income	225	233	225	228	193	348
Total net income	$17,503	$25,198	$13,340	$24,753	*$4,625	*$27,777
Taxes	6,374	5,747	7.248	5,985	5,791	4,132
Fixed charges	27,252	34,996	30,856	34,096	20,670	17,066
Deficit	$16,123	$15,545	$24,764	$15,328	$31,086	$48,975

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $188; debit balance carried to balance sheet, $237,916; total, $238,104. Contra: Debit balance at beginning of year, $221,977; debit balance transferred from income, $16,123; miscellaneous debits, $4; total, $238,104.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$514,838	$517,583	$518,147	$514,178	$514,806	$507,308
Working assets	32,370	27,027	20,889	34,872	32.203	37,340
Profit and loss deficit	237,916	221,977	205,220	166,578	147,522	114,335
Total	$785,124	$766,587	$744,256	$715,628	$694,631	$659,003
LIABILITIES:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250.000
Funded debt	260.000	255.000	250,000	250,000	250,000	250.000
Working liabilities	268,583	257,520	239,340	208,053	189,461	156,267
Accr'd liabilities not due	6,541	4,067	4,916	7,575	5,170	2,726
Total	$785,124	$766,587	$744,256	$715,628	$694,631	$659,003

Bonded Debt: $250,000 Marietta, Columbus & Cleveland R.R. 1st 5s. Dated November 1, 1900; due Nov. 1, 1940. Interest paid Nov. and May 1, at Columbia Trust Co., New York, Trustee. Coupon, $1,000. First lien on entire property. No interest has been paid.

Capital Stock: Authorized and outstanding, $250,000; par, $100.

MARINETTE, TOMAHAWK & WESTERN RAILROAD

History: Incorporated under laws of Wisconsin, Oct. 31, 1912, and acquired by purchase the lines, formerly owned by the Marinette, Tomahawk & Western Ry.

Location: Lines extend from Bradley to Harrison. Wis., 18.80 miles; Antigo Junc., Wis., to South Line of Township 34, 6.47 miles; Jersey City to Spirit Falls, Wis., 13.00 miles; Some Junc. to Wisconsin River Dam, 3.50 miles; Jersey City to Spirit Falls, Wis., 13.00 miles; Spirit Falls to end of line, 2 miles; total 43.77 miles. Sidings, 7.25 miles. The lines from Tomahawk to Harrison, and from Antigo Junc. to South Line of Township 34, are leased to and operated by Tomahawk & Eastern Ry. Co. Equipment: Locomotives, 3; cars, 52.

Management: OFFICERS: R. B. Tweedy, Pres. and Treas., Tomahawk, Wis.; Spencer Ilsley, Vice-Pres., Milwaukee, Wis.; F. P. Werner, Sec.; C. H. Grundy, Supt.; E. C. McNaughton, Aud., Tomahawk, Wis. DIRECTORS: R. B. Tweedy, E. C. McNaughton, M. E. Pishe, F. P. Werner, Tomahawk, Wis.; Spencer Ilsley, Milwaukee, Wis. Annual meeting, second Wednesday in September. GENERAL OFFICE, Tomahawk, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$34,394	$46,085	$49,396	$30,626	$40,569
Operating expenses	34,112	39,826	45,543	21,936	30,384
Net operating revenues	$282	$6,259	$3,853	$8,690	$10,185
Other income	7,400	2,389	4,979	1,561	4,872
Total net income	$7,682	$8,648	$8,832	$10,251	$15,057
Taxes	1,795	2,319	2,332	935	1,591
Fixed charges	.....	.....	13	.....	.....
Balance	$5,887	$6,329	$6,487	$9,316	$13,466
Dividends	.....	12,500	.....	5,000	.....
Surplus	$5,887	*$6,171	$6,487	$4,316	$13,466

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$248,846	$250,005	$250,526	$249,671	$531,947
Working assets	30,442	18,927	24,249	18,574	26,871
Total	$279,288	$268,932	$274,775	$268,245	$558,818
LIABILITIES:					
Capital stock	$250,000	$250,000	$250,000	$250,000	$161,500
Working liabilities	12,416	9,053	10,565	12,452	353,499
Deferred credit items	6,354	5,248	3,407	1,476	.....
Profit and loss	10,518	4,631	10,803	4,317	43,819
Total	$279,288	$268,932	$274,775	$268,245	$558,818

Capital Stock: Authorized, $1,000,000; outstanding, $250,000; par, $100. No bonded debt. Dividend of 2% in year ended June 30, 1913, and 5% in 1915.

MARION & RYE VALLEY RAILWAY

History: Incorporated under laws of Virginia, May 10, 1900, a reorganization of the Marion & Rye Valley R.R.

Location: Road extends from Marion to Sugar Grove, Va., 18.1 miles; sidings, 1.00 miles. Equipment: Locomotives, 4; cars, 84.

Management: OFFICERS: J. C. Campbell, Pres. and Gen. Mgr., Marion, Va.; C. W. Amsler, Vice-Pres., Clarion, Pa.; L. A. Amsler, Sec.; B. I. Charlton, Aud.; L. A. Amsler, Treas. and Pur. Agt., Marion, Va. DIRECTORS: B. F. Buchanan, J. C. Campbell, L. A. Amsler, B. I. Charlton, Marion, Va.; C. W. Amsler, Clarion, Pa.; C. H. Miller, Fairwood, Va. Annual meeting, third Saturday in July. OFFICE, Marion, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$83,708	$72,571	$79,608	$80,601	$67,592	$67,109
Maintenance of way	11,929	10,026	12,121	15,166	11,125	20,126
Maintenance of equip	13,205	12,528	17,053	14,221	10,783	8,663
All other oper. expenses	27,713	22,933	22,639	20,903	15,109	15,922
Net oper. revenues	$30,861	$27,084	$27,795	$30,311	$30,575	$22,398
Other income	2,400	2,400	30	30	.....	.....
Total net income	$33,261	$29,484	$27,825	$30,341	$30,575	$22,398
Taxes	3,407	3,641	3,492	2,998	2,950	2,925
Fixed charges	18,954	15,782	15,434	15,245	15,502	14,603
Surplus	$10,900	$10,061	$8,899	$12,098	$12,123	$4,870

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $57,861; credit balance transferred from income, $10,900; miscellaneous credits, $800; total, $69,561. Contra: Dividend appropriations of surplus, $6,000; loss on retired road and equipment, $4,959; miscellaneous debits, $429; credit balance carried to balance sheet, $58,173; total, $69,561.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$308,683	$320,409	$361,580	$358,748	$331,730	$333,817
Working assets	35,105	23,174	16,159	16,163	11,562	7,985
Total	$343,788	$343,583	$377,709	$374,911	$343,292	$341,802
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	174,500	175,000	175,000	175,000	175,500	183,500
Deferred credit items	11,125	10,722	19,267	31,998	37,570	41,803
Appropriated surplus	.....	.....	35,642	28,545	.....	.....
Profit and loss surplus	58,173	57,861	47,800	39,368	28,222	16,499
Total	$343,788	$343,583	$377,709	$374,911	$343,292	$341,802

Bonded Debt: $174,500 Marion & Rye Valley Ry 1st 6s. Dated July 1, 1902; due July 1, 1922. Interest Jan. and July 1 at Bank of Marion, Marion, Va. $500 held in treasury. Coupon, $500. A first lien on entire property. Normal income tax deducted from interest. Rating, B.

Capital Stock: Authorized and outstanding, $100,000; par, $100. Dividends of 6% each in 1915 and 1916.

MARSHALL & EAST TEXAS RAILWAY

History: Incorporated under Texas laws, August 17, 1908, succeeding to the Texas Southern Ry., sold under foreclosure, August 4, 1908. Extensions projected from Winnsboro to Paris, Tex., 55 miles; South Elysian Fields to Newton, 110 miles; Hemphill to Pickering, 40 miles.

Location: Road extends from East Winnsboro to Elysian Fields, Tex., 90.51 miles; branches, 0.81 mile; trackage rights, 1.62 miles; total, 92.94 miles. Sidings, 9.01 miles. Equipment: Locomotives, 8; cars, 37.

Receivership: Judge Gordon Russell in the U. S. District Court at Tyler on Jan. 25, 1917, appointed Bryan Snyder receiver on application by the St. Louis Trust Co., trustee, under mortgage securing $1,180,000 1st mtge. bonds, due Jan. 1.

Management: OFFICERS: A. T. Perkins, Pres., St. Louis; Osce Goodwin, Vice-Pres., Dallas, Tex.; Bryan Snyder, Vice-Pres. and Gen. Mgr.; E. Key, Treas.; R. E. De Neefe, Aud., Marshall, Tex.; M. B. Templeton, Gen. Counsel, Dallas, Tex. DIRECTORS: A. T. Perkins, J. F. Shepley, N. A. McMillan, St. Louis, Mo.; Osce Goodwin, Dallas, Tex.; E. Key, B. Snyder, Marshall, Tex.; J. W. Ogburn, Ogburn, Tex.; J. W. Wall, Gilmer Tex.; C. H. Norris, Winnsboro, Tex. Annual meeting, first Tuesday in September. OFFICE, Marshall, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$188,357	$160,772	$183,384	$221,170	$198,434	$206,952
Maintenance of way	41,619	45,249	60,823	54,152	63,443	52,520
Maintenance of equip	45,539	29,062	34,761	36,992	29,538	29,846
All other oper. expenses	118,693	107,736	119,817	114,985	96,586	94,966
Net oper. revenues	*$17,494	*$21,275	*$32,017	$15,041	$8,867	$29,620
Other income	.....	.....	.....	.....	16,572	.....
Total net income	*$17,494	*$21,275	*$32,017	$15,041	$25,439	$29,620
Taxes	8,189	7,693	7,712	7,816	6,175	4,925
Fixed charges	96,650	88,493	101,782	91,366	76,185	75,506
Deficit	$122,333	$117,461	$141,511	$84,141	$156,921	$50,811

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,369,816	$1,374,765	$1,368,986	$1,368,422	$1,369,197	$1,371,758
Working assets	41,481	48,932	39,662	39,593	33,294	40,164
Deferred debit items	932	1,635	558	755	1,126	.....
Profit and loss deficit	636,168	513,754	396,640	256,643	166,914	96,572
Total	$2,048,397	$1,939,086	$1,805,846	$1,655,413	$1,570,531	$1,508,494
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	1,182,375	1,185,375	1,182,750	1,189,174	1,154,000	.....
Working liabilities	660,521	547,919	417,421	271,122	213,418	406,721
Accr'd liabilities not due	4,804	3,826	3,263	2,989	1,462	1,773
Deferred credit items	697	1,966	2,412	2,128	1,651	.....
Total	$2,048,397	$1,939,086	$1,805,846	$1,655,413	$1,570,531	$1,508,494

Bonded Debt: $1,180,000 Marshall & East Texas Ry. 1st 5s. $1,154,000 are dated Jan. 1, 1911, and mature Jan. 1, 1931; and $26,000 are dated July 1, 1912, and mature July 1, 1932. Interest paid Jan. and July 1, at St. Louis Union Trust Co., Trustee. Coupon, $1,000. Prin. may be registered. Authorized, $5,000,000. Callable at 102 on Jan. 1, 1913, and thereafter upon 30 days' notice. First lien on entire property. Interest payable without deduction for normal income tax.

Capital Stock: Authorized, $250,000; outstanding, $200,000; par, $100. TRANSFER AGENT, Bryan Snyder, Marshall, Tex.

MASSENA TERMINAL RAILROAD

History: Incorporated under laws of New York April 20, 1900, and road completed same year.

Location: Road extends from Massena Springs, N. Y., to power house of St. Lawrence River Power Co., 1.97 miles; sidings, etc., .087 mile. The New York Central R.R. uses line on a charge basis for every car switched. Locomotives, 2; freight cars, 11.

Management: OFFICERS: A. V. Davis, Pres.; G. R. Gibbons, Sec.; A. M. Nutt, Treas.; Edgar Heffley, Gen. Aud., Pittsburgh, Pa. DIRECTORS: A. V. Davis, Geo. H. Clapp, D. L. Gillespie, A. W. Mellon, R. B. Mellon, R. E. Withers, Pittsburgh, Pa.; Alvah K. Lawrie, Williamstown, Mass.; A. M. Nutt, Niagara Falls, N. Y.; H. K. Spalding, New York. Annual meeting, Monday following third Thursday in February. OFFICE, 2402 Oliver Building, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$22,348	$3,240
Operating expenses	15,022	9,396
Net operating revenues	$7,326	*$6,156
Other income	300	11
Total net income	$7,626	*$6,145
Taxes	677	486
Fixed charges	726	.....
Surplus	$6,223	*$6,631

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915
Property investment	$426,364	$421,587
Working assets	4,802	3,356
Profit and loss	44,269	50,492
Total	$475,435	$475,435
LIABILITIES:		
Capital stock	$250,000	$250,000
Working liabilities	225,435	225,435
Total	$475,435	$475,435

Capital Stock: Authorized and outstanding ,$250,000; par, $100. No bonded debt and no dividends paid.

MAXTON, ALMA & SOUTHBOUND RAILROAD

History: Incorporated under the laws of North Carolina on Feb. 21, 1911, and acquired by purchase railway holdings of the Alma Lumber Co., extending from Alma to Rowland, N. C., 15 miles.

Location: Road extends from Alma to Rowland, N. C., 15.15 miles; sidings, 2.25 miles. Equipment: Locomotives, 2; passenger cars, 2; freight cars, 5.

Management: OFFICERS: A. J. McKinnon, Pres., Maxton, N. C.; R. M. Williams, Aud.; A. J. Steed, Treas. and Pur. Agt.; C. J. Cottingham, Sec. and Gen. Mgr., Alma, N. C. DIRECTORS: A. J. McKinnon, Sallie L. McKinnon, R. M. Williams, Maxton, N. C.; J. W. Ward, A. L. Bullock, Rowland, N. C.; John F. McNair, Laurinburg, N. C.; C. J. Cottingham, A. J. Steed, Alma, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$24,370	$24,866	$24,659	$14,648
Operating expenses	17,820	18,634	17,581	10,107
Net operating revenues	$6,550	$6,322	$7,078	$4,541
Other income	39	5	540	26
Total net income	$6,589	$6,237	$7,618	$4,567
Taxes	516	340	138	141
Fixed charges	4,368	4,190	4,356	810
Surplus	$1,705	$1,707	$3,124	$3,616

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$140,463	$141,128	$142,099	$127,866
Working assets	3,300	6,326	2,676	4,959
Deferred debit items	3,453	2,708	.....	.....
Total	$147,216	$150,162	$144,775	$132,825
LIABILITIES:				
Capital stock	$75,000	$75,100	$78,100	$65,100
Funded debt	.....	.....	3,435	5,930
Working liabilities	62,063	66,714	56,500	33,000
Deferred credit items	.....	.....	.....	252
Appropriated surplus	.....	.....	.....	24,927
Profit and loss	10,153	8,448	6,740	3,616
Total	$147,216	$150,162	$144,775	$132,825

Capital Stock: Authorized, $125,000; outstanding, $75,000; par, $100. No dividends.

MEMPHIS UNION STATION COMPANY

History: Incorporated in Tennessee Sept., 1909, to build passenger terminals for traffic of L. & N. Railroad, Nashville, Chattanooga & St. Louis Railway, Southern Railway, St. Louis, Iron Mountain and Southern, and St. Louis Southwestern.

Location: Owns union passenger station and terminals at Memphis, Tenn.

Management: OFFICERS: F. N. Fisher, Pres.; W. S. Martin, Vice-Pres.; J. C. Ridley, Sec.; C. T. Pennebaker, Aud.; Commercial Trust & Savings Bank, Treas., Memphis, Tenn. DIRECTORS: F. N. Fisher, W. S. Martin, H. B. Spencer, J. H. Peyton, C. W. Nelson. Annual meeting, second Wednesday in October. OFFICE, Memphis, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Rental income	$149,508	$150,850	$140,888	$105,000	$31,515
Taxes accrued	24,508	25,850	22,555	20,805	5,265
Fixed charges	125,000	125,000	118,333	84,195	26,250

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$2,342,686	$2,265,711	$2,258,884	$4,760,465	$4,534,031
Working assets	148,779	227,251	232,112	65,657	102,124
Deferred debit items	110,347	152,498	155,672	109,561	129,141
Profit and loss deficit	45,811	.....	.....	.....	.....
Total	$2,647,623	$2,645,460	$2,646,668	$4,935,683	$4,765,296
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	2,500,000	2,500,000	2,500,000	4,755,625	4,600,000
Working liabilities	16,748	14,825	15,416	53,121	38,037
Accrued liabilities not due	30,784	30,498	31,222	26,937	27,259
Deferred credit items	91	137	30	.....	.....
Total	$2,647,623	$2,645,460	$2,646,668	$4,935,683	$4,765,296

Bonded Debt: (1) $2,500,000 Memphis Union Station Co. first 5s; dated Nov. 1, 1913; due Nov. 1, 1959. Int. paid May and November, at Bankers' Trust Co., New York. Coupons and reg., $1.000; interchangeable. First and only mortgage on entire property of company, now owned or hereafter acquired. Guaranteed, jointly and severally, both prin. and int. by endorsement, by Louisville & Nashville R.R., Nashville, Chattanooga & St. Louis Ry., Southern Ry., St. Louis, Iron Mountain & Southern Ry., and St. Louis Southwestern Ry. Interest payable without deduction for normal income tax. Market, New York and Pittsburgh. Net Rating, Aaa.

Investment Position of Bonds: The strong guarantee of the first mortgage, by the five railroad systems using the property, puts these bonds on a high investment plane.

Capital Stock: Auth. and outstanding, $100,000; par, $100. All owned by the railroads which guarantee the bond issue.

MERIDIAN TERMINAL COMPANY

History: Incorporated under Mississippi laws, August, 1904, for the purpose of supplying station and terminal facilities at Meridian, Miss. The station is used by the Alabama & Vicksburg Ry., Alabama Great Southern R.R., Mobile & Ohio R.R., New Orleans & Northeastern R.R. and Southern Railway companies, which companies own the entire stock, and jointly guarantee interest on outstanding bonds.

Management: OFFICERS: R. V. Taylor, Pres., Mobile, Ala.; G. C. Powell, Vice-Pres., Cincinnati, O.; G. A. Cooke, Sec. and Treas., Mobile, Ala.; C. B. Hayes, Aud., Mobile, Ala. DIRECTORS: A. V. Taylor, Mobile, Ala.; L. A. Jones, New Orleans, La.; L. Sevier, A. A. Woods, New Orleans, La.; J. H. Stanfield, Birmingham, Ala. Annual meeting, fourth Wednesday in October. GENERAL OFFICE, Mobile, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$17,125	$18,543	$18,728	$19,247	$17,206	$17,062
Taxes	3,042	4,476	4,938	5,482	3,641	3.497
Fixed charges	10,083	10,067	10,030	10,005	10,005	10,005
Surplus	$4,000	$4,000	$3,760	$3,760	$3,560	$3,560
Dividends	4,000	4,000	3,760	3,760	3,560	3,560

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$346,146	$345,847	$339,283	$338,982	$338,750	$334,348
Working assets	7,411	8,022	9,447	12,475	10,891	8,256
Deferred debit items	1,667	3,223	3,807	4,119	4,360	4,643
Total	$355,224	$357,092	$352,537	$355,576	$354,001	$347,247
LIABILITIES:						
Capital stock	$100,000	$100,000	$94,000	$94,000	$94,000	$89,000
Funded debt	250,000	250,000	250,000	250,000	250,000	250,000
Working liabilities	1,757	3,112	2,567	5,614	4,755	3,080
Accr'd liabilities not due	3,467	3,980	5,970	5,948	5,246	5,167
Deferred credit items	.....	.....	.....	14	.....	.....
Total	$355,224	$357,092	$352,537	$355,576	$354,001	$347,247

Bonded Debt: $250,000 Meridian Terminal Co. 1st 4s. Dated May 1, 1905; due May 1, 1955; interest May and Nov. 1, at Guaranty Trust Co., New York, Trustee. Coupon and reg., $1,000. First lien on entire property of the company, and guaranteed as to interest by endorsement severally and jointly by the five companies mentioned above. Interest paid without deduction for normal income tax. Rating, Aa.

Capital Stock: Authorized and outstanding, $100,000; par, $100. Equally owned by five companies named above.

MICHIGAN EAST AND WEST RAILWAY

History: Incorporated under Michigan laws, Jan. 20, 1914. As of Jan. 1, 1914, took over the property of the Manistee & Grand Rapids R.R., which on Sept. 10, 1913, was bid in at Receivers' Sale for $250,000, by David G. Joyce, James S. Joyce, and Frank P. Leffingwell, of Chicago, acting for the stockholders.

Location: Road extends from Manistee to Marion, Mich., with branches, 72 miles. Sidings and spurs, 25.19 miles. An extension from Marion to Gladwin, Mich., 36 miles, is projected. Equipment: Locomotives, 4; cars, passenger, 4; freight, 25; service, 2.

Management: OFFICERS: J. S. Joyce, Pres., Chicago; C. H. Morey, Vice-Pres., Manistee, Mich.; Jacob Kleinhaus, Sec.; F. P. Leffingwell, Treas., Chicago, Ill.; Geo. A. Johnson, Aud., Manistee, Mich.; G. W. Anderson, Supt., Filer City, Mich. DIRECTORS: F. P. Leffingwell, David G. Joyce, James S. Joyce, Chicago; C. H. Morey, Manistee, Mich.; Jacob Kleinhaus, Grand Rapids, Mich. Annual meeting, first Wednesday in May. OFFICE, Manistee, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$83,120	$78,125	$47,967
Maintenance of way	23,561	29,041	16,853
Maintenance of equipment	13,150	13,418	6,629
All other operating expenses	52,505	48,686	25,154
Net operating revenues	*$6,096	*$13,020	*$669
Total net income	*5,861	*12,975	*669
Taxes	3,810	3,131	2,648
Fixed charges	11,077	9,941	5,845
Deficit	$20,748	$26,047	$9,162

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $62,266. Contra: Debit balance at beginning of year, $39,643; debit balance transferred from income, $20,748; miscellaneous debits, $1,875; total, $62,266.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$303,652	$286,115	$294,412
Working assets	32,242	24,011	17,300
Deferred debit items	1,108	2,731	237
Profit and loss deficit	62,266	39,643	10,814
Total	$399,268	$352,500	$322,763
LIABILITIES:			
Capital stock	$200,000	$200,000	$200,000
Working liabilities	107,695	61,028	32,822
Accrued liabilities not due	1,633	1,531	.....
Deferred credit items	89,940	89,941	89,940
Total	$399,268	$352,500	$322,763

Capital Stock: Authorized, $1,000,000; outstanding, $200,000; par, $100. No dividends. No bonds.

MIDDLETOWN & UNIONVILLE RAILROAD

History: Incorporated under New York laws, Nov. 13, 1913, as successor to Middletown, Unionville & Water Gap R.R., which was controlled by New York, Susquehanna & Western R.R. Line of road: Middletown to State line, New York, 14.30 miles; total operated, 14.30 miles. Sidings, 3.30 miles. Equipment: Locomotive, 2; cars, 14. Has agreement with N. Y., O. & W. R.R. for use of terminals in Middletown.

Management: OFFICERS: Newman Erb, Chairman; C. I. Henry, Pres.; J. A. Smith, Vice-Pres. and Gen. Mgr.; Frank H. Finn, Sec.; G. T. Townsend, Treas. Annual meeting, third Monday in November. OFFICE, Middletown, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1911
Gross revenues	$85,815	$80,702	$41,530	$19,239	$10,968
Maintenance of way	12,810	8,755	5,756	.....	.....
Maintenance of equipment	6,967	8,397	2,712	.....	.....
All other operating expenses	34,415	32,481	19,337	.....	.....
Net operating revenues	$31,623	$31,069	$13,725	$19,239	.....
Operating ratio	63.5%	61.5%	66.9%	.....	.....
Other income	633	705	1,330	.....	.....
Total net income	$32,256	$31,774	$15,055	$19,239	$10,968
Taxes accrued	3,063	3,243	1,470	.....	.....
Fixed charges	24,949	15,665	11,191	2,500	7,500
Surplus	$4,244	$12,866	$2,394	$16,739	$3,468

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $28,562; credit balance transferred from income, $4,244; miscellaneous credits, $138; total, $32,944. Contra: Surplus appropriated for investment in physical property, $6,000; miscellaneous debits, $2,480; credit balance carried to balance sheet, $24,464; total, $32,944.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$602,647	$604,330	$596,431	$350,476	$350,476	$350,476
Working assets	43,740	35,404	25,669	373	373	373
Deferred debit items...	4,230	2,574	159	.....	.....	.....
Profit and loss deficit...	.....	.....	.....	354,497	373,228	389,967
Total	$650,617	$642,308	$622,259	$705,346	$724,077	$740,816
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$149,850	$149,850	$149,850
Funded debt	440,000	450,000	450,000	555,496	.....	150,000
Working liabilities	6,412	5,522	7,533	.....	574,227	440,966
Accr'd liabilities not due	7,879	3,514	.....	.....	.....	.....
Deferred credit items..	15,862	4,710	3,931	.....	.....	.....
Appropriated surplus ..	6,000	.....	.....	.....	.....	.....
Profit and loss surplus.	24,464	28,562	10,795	.....	.....	.....
Total	$650,617	$642,308	$622,259	$705,346	$724,077	$740,816

Bonded Debt: (1) $190,000 Middletown & Unionville R.R. first 6s; dated Nov. 14, 1913; due Nov. 1, 1933; int. paid at Empire Trust Co., New York. Auth., $500,000, of which those unissued are reserved for improvements. First lien on entire road. Normal income tax deducted from interest. Net Rating, Ba.

(2) $250,000 Middletown & Unionville R.R. second adjustment incomes; dated Nov. 1, 1913; due Nov. 1, 1933. Int. paid, if earned, up to 6% at Bankers Trust Co., New York. Callable at par and interest. Paid 1% in 1915 and 2% in 1916.

Capital Stock: Auth. and issued, $150,000; par, $100. Held in 5-year voting trust, the trustees having power to sell the same.

MIDLAND PENNSYLVANIA RAILROAD

History: Incorporated under the laws of Pennsylvania Feb. 17, 1910, to construct a line from Millersburg to Ashland, Pa., 44 miles. The road has not been completed and nothing has been done toward completion for several years.

Management: OFFICERS: Dimner Beeber, 1st Vice-Pres., Philadelphia, Pa.; Jos. F. Romberger, 2nd Vice-Pres., Berrysburg, Pa.; S. F. Houston, Treas., Philadelphia, Pa.; John H. Williams, Sec., Pottsville, Pa.; John B. Lear, Asst. Sec., Philadelphia, Pa. DIRECTORS: S. F. Houston, Dimner Beeber, J. Levering Jones, Wm. J. Latta, Chas. M. Biddle, Geo. B. Wells, Philadelphia, Pa.; Jos. F. Romberger, Berrysburg, Pa. OFFICE, Real Estate Trust Building, Philadelphia, Pa.

Bonded Debt: $812,000 Midland Pennsylvania R.R., 50-year, Sinking Fund 5s. Dated July 1, 1910; due July 1, 1960. Interest paid Jan. and July 1 at Commonwealth Title Insurance & Trust Co., Philadelphia, Trustee. Coupon, $100 and $1,000. Callable through sinking fund annually if purchasable at or below 115. First lien on entire property and all future improvements. Interest in default since July 1, 1912.

Capital Stock: Authorized, $2,000,000; outstanding, $812,000; par, $50. Registrar: Real Estate Trust Co., Philadelphia, Pa.

MINERAL POINT & NORTHERN RAILWAY

History: Incorporated under Wisconsin laws, Oct. 17, 1899. Built, 1904. Commenced operation, Nov., 1904.

Location: Line of road extends from Highland to Highland Junc., Wis., 26.4 miles; trackage over the C., M. & St. P. Ry. from Highland Junc. to Mineral Point, Wis., 4.2 miles; total, 30.6 miles. Sidings, 3.16 miles. Equipment: Locomotives, 3; passanger cars, 2; freight and miscellaneous cars, 21.

Management: OFFICERS: T. D. Jones, Pres., Chicago; A. D. Terrell, Vice-Pres., Chicago; R. M. Neumann, Sec. and Treas., Chicago; W. D. Brown, Gen. Mgr., Mineral Point, Wis. DIRECTORS: Thomas D. Jones, A. D. Terrell, R. M. Neumann, Chicago; A. P. Cobb, J. E. Hayes, Jr., New York, N. Y. Annual meeting, third Tuesday in October. OFFICE, Mineral Point, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$120,859	$93,057	$90,806	$95,347	$88,694	$100,762
Maintenance of way....	31,916	21,477	33,291	10,946	11,725	13,507
Maintenance of equip..	12,480	12,722	9,417	10,136	11,864	14,235
All other oper. expenses	40,893	44,887	32,087	29,079	44,825	47,202
Net oper. revenues.	$35,570	$13,971	$16,011	$45,186	$20,190	$25,818
Taxes	3,424	3,665	4,513	3,633	3,326	3,466
Fixed charges	38,858	35,647	31,157	30,503	27,946	27,745
Surplus	(def.) $6,712	(def.) $25,341	(def.) $19,659	$11,050	(def.) $11,082	(def.) $5,393

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ..	$980,199	$1,000,133	$978,006	$976,074	$958,011	$960,964
Working assets	48,762	38,785	48,411	50,217	31,337	34,899
Deferred debit items...	.....	.....	730	730	1,408	517
Profit and loss deficit..	167,423	160,711	133,939	111,795	123,057	111,975
Total	$1,196,384	$1,199,629	$1,161,086	$1,138,816	$1,113,813	$1,108,355

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$532,600	$550,000	$550,000	$550,000	$550,000	$550,000
Funded debt	450,000	450,000	450,000	450,000	450,000	450,000
Working liabilities	208,486	178,060	155,625	133,366	109,514	104,605
Accrued liab. not due	.....	.....	3,750	3,750	3,750	3,750
Deferred credit items	5,298	21,569	1,711	1,700	549	.....
Total	$1,196,384	$1,199,629	$1,161,086	$1,138,816	$1,113,813	$1,108,355

Bonded Debt: $450.000 Mineral Point & Northern Ry. 1st 5s. Dated May 1, 1905; due May 1, 1925. Interest paid May and Nov. 1, at 1111 Marquette Bldg., Chicago, Ill. Coupon, $1,000. Callable at 105, on three months' written notice. First lien on 26.4 miles of road, Highland to Highland Junction, Wis. Authorized, $450,000. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $550,000; outstanding, $532,600; par, $100. No dividends. REGISTRAR AND TRANSFER AGENT: R. M. Neumann, Sec., 1111 Marquette Bldg., Chicago, Ill.

MINNEAPOLIS & RAINY RIVER RAILWAY

History: Incorporated under the laws of Minnesota, July 20, 1904; purchased the property of the Itasca R.R. in August, 1904.

Location: Road extends from Mississippi River to Craig, Minn., 43.30 miles; Jessie Junc. to Stanley, Minn., 19.77 miles; leased from Itasca Lumber Co., 10.85 miles; total, 73.92 miles. Sidings, 15.59 miles. Equipment: Locomotives, 7; cars, 269.

Management: OFFICERS: J. S. Joyce, Pres., Chicago; F. C. Gerhard, Vice-Pres.; Fred A. Bill, Sec., Treas., Aud. and Pur. Agt., Minneapolis, Minn.; C. H. Morey, Gen. Mgr.; W. C. Lacroix, Supt., Deer River, Minn. DIRECTORS: F. C. Gerhard, Minneapolis, Minn.; Thos. Hume, Muskegon, Mich.; J. S. Joyce, F. P. Leffingwell, Chicago; C. H. Morey, Deer River, Minn. Annual meeting, first Tuesday in October. GENERAL OFFICE, Minneapolis, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$119,756	$126,874	$141,142	$108,418	$186,904
Operating expenses	148,431	134,205	106,030	102,301	82,166
Net operating revenues	*$28,675	*$7,301	$35,112	$6,117	$104,738
Other income	.....	.....	7,527	6,078	10,113
Total net income	*$28,675	*$7,301	$42,639	$12,195	$114,851
Taxes	5,945	7,029	7,294	6,867	8,518
Fixed charges	855	.....	2,287	2,599	.....
Balance	*$35,475	*$14,330	$33,058	$2,729	$106,333

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $107,631. Contra: Debit balance at beginning of year, $68,592; debit balance transferred from income, $38,475; miscellaneous debits, $3,564; total, $107,631.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,432,618	$1,454,920	$1,466,032	$1,493,580	$1,523,689
Working assets	189,832	191,923	208,119	140,307	104,615
Deferred debit items	.....	11,883	.....	297	735
Profit and loss	107,631	68,592	46,631	79,688	87,160
Total	$1,730,081	$1,727,318	$1,720,782	$1,713,872	$1,716,199
LIABILITIES:					
Capital stock	$1,700,000	$1,700,000	$1,700,000	$1,700,000	$1,700,000
Working liabilities	7,015	10,432	9,298	7,201	6,833
Accrued liabilities not due	4,398	3,564	5,566	4,505	7,256
Deferred credit items	18,668	13,322	5,918	2,166	2,110
Total	$1,730,081	$1,727,318	$1,720,782	$1,713,872	$1,716,199

Capital Stock: Authorized and outstanding, $1,700,000; par, $100. No bonded debt, and no dividends paid.

MINNEAPOLIS EASTERN RAILWAY

History: Incorporated under Minnesota laws, June 18, 1878. Operates a switching road at Minneapolis, Minn., 3.64 miles. Owns 2 locomotives.

Management: OFFICERS: F. A. Chamberlain, Pres., Minneapolis; A. J. Earling, Vice-Pres., Chicago; J. H. Foster, Sec. and Treas.; P. Houle, Supt., Minneapolis; C. Jensch, Aud., St. Paul, Minn. DIRECTORS: Jas. T. Clark, A. W. Trenholm, St. Paul, Minn.; J. B. Sheean, St. Paul, Minn.; C. A. Leggo, Hudson, Wis.; F. A. Chamberlain, W. H. Norris, J. H. Foster, Minneapolis, Minn.; E. D. Sewall, A. J. Earling, Chicago. Annual meeting, first Tuesday preceding third Wednesday in September. OFFICE: Minneapolis, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$78,063	$63,534	$72,677	$67,675	$63,188	$64,415
Maintenance of way	6,107	5,510	5,349	3,392	3,333	5,789
Maintenance of equip.	4,070	5,055	4,637	4,971	5,348	3,167
All other oper. expenses	28,094	23,256	25,842	23,966	21,758	24,622
Net oper. revenues.	$39,792	$29,713	$36,849	$35,346	$32,749	$30,837
Other income	83	693	210	.....	.....	.....
Total net income.	$39,875	$30,406	$37,059	$35,346	$32,749	$30,837
Taxes	4,139	3,518	3,926	3,222	3,677	2,726
Fixed charges	13,224	13,360	9,396	6,984	6,968	6,989
Sur. over charges.	$22,512	$13,528	$23,737	$25,140	$22,104	$21,122
Dividends paid	8,750	8,750	8,750	8,750	.....	.....
Balance	$13,762	$4,778	$14,987	$16,390	$22,104	$21,122

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$408,163	$404,975	$372,595	$269,326	$270,293	$271,261
Working assets	54,734	37,450	53,345	38,034	20,767	11,058
Deferred debit items	10	200	.....	.....	.....	.....
Profit and loss deficit.	.....	.....	.....	.....	.....	13,157
Total	$462,907	$442,625	$425,940	$307,360	$291,060	$295,476
LIABILITIES:						
Capital stock	$125,000	$125,000	$125,000	$125,000	$125,000	$125,000
Funded debt	250,000	250,000	250,000	150,000	150,000	150,000
Working liabilities	9,085	8,549	8,983	5,530	5,863	20,280
Accrd. liabilities not due	9,679	3,695	1,633	1,493	1,250	196
Profit and loss surplus.	69,143	55,381	40,324	25,337	8,947	.....
Total	$462,907	$442,625	$425,940	$307,360	$291,060	$295,476

Bonded Debt: (1) $150,000 Minneapolis Eastern Ry. 1st 4½s. Dated Jan. 1, 1909; due Jan., 1939. Interest paid Jan. and July 1, in Minneapolis. Coupon, $1,000. Northwestern Trust Co., St. Paul, Trustee. Authorized, $150,000. First lien on all lines on the west side of the Mississippi River in Minneapolis. Normal income tax deducted from interest. Rating, Baa.

(2) $100,000 Minneapolis Eastern Ry. 2d 6s. Dated Jan. 1, 1914; due Jan. 1, 1939. Interest paid Jan. and July 1, in Minneapolis. Coupon, $1,000. Minnesota Loan & Trust Co., Minneapolis, Trustee. Authorized, $100,000. Follows No. 1. Normal income tax deducted from interest. Rating, Ba.

Capital Stock: Authorized, $1,000,000; outstanding, $125,000; par, $100. Owned in equal shares by the Chicago, Milwaukee & St. Paul Ry. and the Chicago, St. Paul, Minneapolis & Omaha Ry. companies. Dividends of 7% paid from 1912 to date.

MINNEAPOLIS, RED LAKE & MANITOBA RAILWAY

History: Incorporated under Minnesota laws, June 15, 1904. Road opened November 1, 1905.

Location: Road extends from Bemidji to Redby, Minn., 33.5 miles; sidings, 9.65 miles. Equipment: Locomotives, 2; cars, 89.

Management: OFFICERS: C. A. Smith, Pres., Oakland, Cal.; C. M. Amsden, Vice-Pres.; A. Ueland, Sec., Minneapolis, Minn.; A. L. Molander, Treas. and Gen. Mgr., Bemidji, Minn. DIRECTORS: C. A. Smith, Oakland, Cal.; C. M. Amsden, C. J. Johnson, A. Ueland, John Lind, Chas. S. Pillsbury, C. C. Wyman, Minneapolis. Annual meeting, first Tuesday in May. OFFICE, Bemidji, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$61,330	$63,191	$52.333	$59,909	$68,669	$52,260
Maintenance of way	13,344	19,886	23,400	19,388	14,853	12,802
Maintenance of equip.	12,585	9,382	9,227	10,170	7,605	6,649
All other oper. expenses	21,872	19,614	22,765	20,346	24,224	18,227
Net oper. revenues.	$13,529	$14,309	*$3,059	$10,005	$21,987	$14,582
Other income	185	1,552	.....	23	654	453
Total net income.	$13,714	$15,861	*$3,059	$10,028	$22,641	$15,035
Taxes	3,050	3,231	2,627	2,732	2,853	2,095
Fixed charges	35,582	35,596	36,567	36,630	37,021	36,966
Deficit	$24,918	$22,966	$42,253	$29,340	$17,233	$24,026

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $168,189; debit balance carried to balance sheet, $225,930; total, $394,119. Contra: Debit balance at beginning of year, $369,201; debit balance transferred from income, $24,918; total, $394,119.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$592,257	$586,196	$586,125	$583,242	$545,571	$530,520
Working assets	26,709	27,071	14,977	20,121	24,166	21,199
Deferred debit items...	475	175	192	10,980	24	1,642
Profit and loss deficit..	225,930	369,201	346,235	303,984	302,918	284,363
Total	$845,371	$982,643	$947,529	$910,327	$872,679	$837,724
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	700,000	700,000	700,000	700,000	700,000	700,000
Working liabllities....	36,932	175,768	142,334	108,855	71,418	36,540
Accrd. liabilities not due	1,300	1,490	.....	.....	1,261	1,184
Deferred credit items..	7,139	5,385	5,195	1,472	.....	.....
Total	$845,371	$982,643	$947,529	$910,327	$872,679	$837,724

Bonded Debt: $700,000 Minneapolis, Red Lake & Manitoba Ry. first 5s. Dated Nov. 1, 1905; due Nov. 1, 1925. Int. paid Jan. and July 1, at First Trust & Savings Bank, Chicago. Coupon, $1,000. First Trust & Savings Bank and James B. Forgan, Chicago, Trustees. Secured on entire property. Interest payable without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $100,000; par, $100. REGISTRAR AND TRANSFER AGENT, A. Ueland.

MINNESOTA, DAKOTA & WESTERN RAILWAY

History: Incorporated under Minnesota laws, October 31, 1902, as the International Freight & Terminal Co., name later changed as above. It is proposed to construct 200 miles of line, extending from International Falls to various points in Minnesota. In operation, International Falls to Loman, Minn., 17.87 miles. Operated for freight service only. Also owns and operates 4.5 miles between International Falls and Falls Junc., Minn., International Bridge between Fort Francis, Ont., and International Falls., Minn., and terminals at International Falls. Trackage, 17.17 miles; sidings, 7.62 miles; total, 42.66 miles. Equipment: Locomotives, 7; freight cars, 339; service cars, 13. Of the foregoing equipment, 300 flat cars are held under equipment trusts.

Management: OFFICERS: E. W. Backus, Pres.; W. F. Brooks, Sec. and Treas., Minneapolis, Minn.; Thos. McLaren, Aud.; F. L. Birdsall, Supt.; C. L. Crandall, Asst. Traffic Mgr., International Falls, Minn.; Washington Gray, Pur. Agt., Minneapolis, Minn. DIRECTORS: E. W. Backus, W. F. Brooks, R. L. Horr, Minneapolis, Minn.; S. W. Backus, International Falls, Minn. Annual meeting, first Monday in October. GENERAL OFFICE, International Falls, Minneapolis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$109,681	$128,444	$56.583	$72.144	$85.347
Maintenance of way and structures....	22,494	12,871	13,650	17,694	14,342
Maintenance of equipment.....	26,360	17,395	23,908	23,851	16,034
All other operating expenses.....	46,125	27,117	28,611	36,902	27,532
Net operating revenues.....	$14,702	$71,061	*$9,586	*$6,303	$27.439
Other income	20,910	19,910	27,442	25,438	3,365
Total net income.....	$35,612	$90,971	$17.856	$19,135	$30.804
Taxes	6,416	7,513	3,540	3,526	3,278
Fixed charges	67,563	57,885	56,467	64,452	31,854
Surplus	*$38,367	$25,573	*$42,151	*$48,843	*$4,328

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $513; debit balance carried to balance sheet, $108,467; total, $108.980. Contra: Debit balance at beginning of year, $70.485; debit balance transferred from income, $38,367; miscellaneous debits, $128; total, $108,980.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,684,932	$1,626,070	$1,572.128	$1,517,352	$1,487.071
Working assets	297.227	219,732	170.645	135,310	135.824
Deferred debit items.....	4,871	6,886	11,256	5,186	23,248
Profit and loss deficit.....	108,467	70,485	95,321	53,171	4,328
Total	$2,095,497	$1,923,173	$1,849,350	$1,711,019	$1,650,471
LIABILITIES:					
Capital stock	$500.000	$500.000	$500.000	$500.000	$500.000
Funded debt	986.263	1,010.843	1,051.406	1,025.255	1,031,359
Working liabilities	587,243	349.302	296,728	182.701	115.175
Accrued liabilities not due.....	3.413	4.244	.....	2,075	3,232
Deferred credit items.....	18,578	58,784	1,216	988	705
Total	$2,095,497	$1,923,173	$1,849,350	$1,711,019	$1,650,471

Bonded Debt: $950,000 Minnesota, Dakota & Western first s. f. 5s. Dated Jan. 2, 1912; due Jan. 2, 1932. Interest paid Jan. and July 1, at First National Bank, New York, and First National Bank, Chicago. Coupon and registered, $1,000. First Trust & Savings Bank, Chicago, Trustee. Callable at 105 and interest, beginning Jan. 1, 1917. First lien on entire property. Authorized, $10,000,000.

Equipment Trusts: Outstanding June 30, 1916, $36,263.

Capital Stock: Authorized, $1,000,000; outstanding, $500,000. Par, $100. No dividends.

MINNESOTA TRANSFER RAILWAY

History: Incorporated in Minnesota, March 10, 1883, to supply freight transfer facilities at St. Paul and Minneapolis.

Location: Owns New Brighton Stock Yards at St. Paul, and Minnesota Belt Line Ry. & Transfer Co., and owns 103.07 miles of terminal tracks in St. Paul and Minneapolis. Equipment: 18 locomotives and 1 box car.

Management: OFFICERS: J. H. Foster, Pres.; A. W. Trenholm, Vice-Pres.; H. A. Kennedy, Vice-Pres.; F. S. Leavitt, Sec.; E. H. Bailey, Treas. DIRECTORS: A. W. Trenholm, J. M. Gruber, Geo. T. Slade, J. H. Foster, G. R. Huntington, E. P. Bracken, J. A. Gordon, C. W. Jones, C. W. Huntington. Annual meeting, second Wednesday in June. OFFICE, St. Paul, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	.....	.....	$16.868	$17.184	$22,149	$24,488
Operating expenses	.....	.....	16,086	15,368	25,845	19,891
Net oper. revenues.	.....	.....	$782	$1,815	*$3,695	$4,590
Other income	$107,014	$94,090	94,705	94,082	92,447	86,079
Total net income..	$107,014	$94,090	$95,487	$95,897	$88,752	$90,669
Taxes accrued	1,272	1,200	2,719	3,107	4,009	2,984
Fixed charges, etc.	101,007	96,527	92,603	91,575	89,879	87,359
Balance	$4,735	* $3,637	$165	$1,215	* $5,136	$326

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $4,735; donations, $10,188; total, $14,923. Contra: Debit balance at beginning of year, $4,735; surplus appropriated for investment in physical property, $10,188; total, $14,923.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,145,178	$2,106,703	$2,117,387	$2,080,568	$2,025,555	$2,020,921
Working assets	154,494	41,636	37.016	56,717	49,124	41,821
Deferred debit items	37,987	44,172	37,983	3,120	1,305	6,290
Profit and loss deficit	.....	4,735	1,098	39,246	40,462	35,327
Total	$2,337,659	$2,197,246	$2,193,484	$2,179,651	$2,116,446	$2,104,359
LIABILITIES:						
Capital stock	$63,000	$63,000	$63.000	$70,000	$70,000	$70,000
Funded debt	2,105,696	2,063,064	2,063.064	2,020,104	1,984,663	1,974,311
Working liabilities	111.252	13,500	13,501	24,986	21,479	22,290
Accrd. liabilities not due	39.004	38,532	38,754	38,477	37,719	37,635
Appropriated surplus	10,952	.....	.....	25,587	.....	.....
Deferred credit items	7,755	19,150	15,165	497	2,585	123
Total	$2,337,659	$2,197,246	$2,193,484	$2,179,651	$2,116,446	$2,104,359

Bonded Debt: $2.105.000 Minnesota Transfer Ry. first 5s; dated Aug. 1, 1916; due Aug. 1, 1946. Int. Feb. and Aug., at First National Bank, St. Paul, Minn., and New York. Coupon, $1,000; fully registerable. Callable at 102½ after Aug. 1, 1921. Sinking fund of 1% per annum. Auth., $3,500.000. First lien on entire property of company. Not formally guaranteed. Normal income tax deducted from interest. Net Rating, Ba.

Capital Stock: Outstanding, $63,000; owned jointly by the several systems using the property: Chicago, Milwaukee & St. Paul; Chicago. St. Paul, Minneapolis & Omaha; Northern Pacific; Rock Island; Minneapolis, St. Paul & Sault Ste. Marie; Minneapolis & St. Louis; Great Northern; Chicago, Burlington & Quincy and Chicago Great Western.

MISSISSIPPI, ARKANSAS & WESTERN RAILWAY

History: Incorporated under laws of Arkansas, Jan. 18, 1902.

Location: Road extends from Blissville to Vinson, Ark., 14 miles. Operated as a private logging road. Equipment: Locomotives, 4; freight cars, 75.

Management: OFFICERS AND DIRECTORS: A. P. Bliss, Pres.; W. G. Van Auken, Vice-Pres.; A. B. Bliss, Treas., Saginaw, Mich.; F. L. Gregory, Sec. and Supt., Blissville, Ark. Annual meeting in March. GENERAL OFFICE, Blissville, Ark.

Bonded Debt: $220.000 Mississippi, Arkansas & Western Ry. 1st 5s. Dated Jan. 22, 1902; due Jan. 22, 1922. Interest paid Jan. and July 1, at Continental & Commercial Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000. Callable at par and interest. First lien on property, etc.

Capital Stock: Authorized and outstanding, $220,000; par, $100.

MISSISSIPPI EASTERN RAILWAY

History: Incorporated under laws of Mississippi, July 6, 1903. Opened as a logging road by Mississippi Lumber Co. in February, 1900.

Location: Road extends from Quitman to Threadville, Miss., 16.5 miles. Sidings, 2.61 miles. Connects with Mobile & Ohio R.R. at Quitman, Miss. Equipment: Locomotives, 5; cars, 59.

Management: OFFICERS: Perley Lowe, Pres.; C. P. Miller, Vice-Pres.; Wm. Templeton, Sec.; C. F. Thompson, Treas. and Gen. Mgr., Chicago; P. J. Sterne, Aud.; G. H. Fordham, Supt.; F. R. Crandall, Pur. Agt., Quitman, Miss. DIRECTORS: Perley Lowe, C. P. Miller, W. Templeton, C. F. Thompson, G. H. Deeves, Chicago; S. H. Terral, Quitman, Miss.; C. L. Gray, Meridian, Miss. Annual meeting, third Monday in January. OFFICE, 1458 McCormick Building, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$62,804	$71,125	$84,604	$80,859	$81,301	$81,129
Maintenance of way...	10,829	13,372	16,373	19,582	19,497	18,717
Maint. of equipment...	12,467	10,300	11,102	14,019	12,181	13,271
All other oper. expenses	18,015	20,432	23,310	21,885	20,436	32,235
Net oper. revenues.	$21,493	$27,021	$33,819	$25,372	$29,187	$16,906
Other income	1,655	381	267	5	.....	.....
Total net income...	$23,148	$27,402	$34,086	$25,377	$29,187	$16,906
Taxes	1,295	2,244	2,134	2,083	1,620	1,881
Fixed charges	2,952	3,012	5,236	8,516	4,759	9,718
Surplus	$18,901	$22,146	$26,716	$14,778	$22,808	$5,307

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $118,771; credit balance transferred from income, $18,901; total, $137,762. Contra: Loss on retired road and equipment, $2,286; credit balance carried to balance sheet, $135,386; total, $137,762.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$183,977	$173,475	$270,839	$268,288	$261,466	$252,099
Working assets	37,892	39,852	3,825	6,080	8,886	7,515
Total	$221,869	$213,327	$274,664	$374,368	$270,352	$259,614
LIABILITIES:						
Capital stock	$75,700	$75,700	$75,700	$75,700	$75,000	$75,700
Working liabilities	10,783	18,856	44,358	71,778	81,541	93,611
Profit and loss surplus.	135,386	118,771	154,606	127,890	113,111	90,303
Total	$221,869	$213,327	$274,664	$374,668	$270,352	$259,614

Capital Stock: Authorized, $100,000; outstanding, $75,700; par, $100. No dividends paid and no bonded debt.

MISSOURI & ILLINOIS BRIDGE & BELT RAILROAD

History: Incorporated in Missouri, August, 1904. Successor to St. Clair, Madison & St. Louis Belt R.R.

Location: Owns a 2,100-foot bridge over the Mississippi River at Alton, Ill., with about 5.38 miles of total track. One locomotive and two passenger cars.

Management: OFFICERS: Henry Miller, Pres.; T. B. Hamilton, Vice-Pres.; W. F. Bender, Sec. and Treas. DIRECTORS: E. F. Kearney, C. E. Schaff, W. J. Jackson, J. G. Drew, Alex. Robertson, T. B. Hamilton, W. C. Hurst, J. M. Davis, H. A. Worcester, J. Fitzgerald, T. H. Beacom. Annual meeting, second Monday in April. OFFICE, St. Louis, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910	1909
Gross earnings	$54,622	$42,492	$55,161	$49,908	$48,780	$59,187	$51,716	$40,320
Net earnings	34,007	23,043	32,311	29,422	26,995	40,333	32,247	25,089
Operating ratio...	37.7%	45.8%	41.5%	41%	44.7%	31.9%	37.6%	37.8%
Total net income.....	110,082	98,809	108,767	133,640	142,756	186,835	137,413	115,199
Taxes accrued	8,215	7,761	7,794	8,503	7,873	9,221	6,688	6,878
Fixed charges, etc....	63,406	62,962	100,973	63,556	62,513	176,720	133,706	53,650
Dividends	.....	42,900	.....	82,500	55,000			
Balance	$38,461	*$14,814	.....	*$20,919	$17,370	$894	*$2,982	$55,670

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $33,297; credit balance transferred from income, $38,461; miscellaneous credits, $4,900; total, $76,658. Contra: Credit balance carried to balance sheet, $76,658.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$1,679,327	$1,686,403	$1,698,711	$1,697,710	$1,697,497	$1,607,856
Working assets	65,743	69,974	149,244	199,059	222,302	203,485
Deferred debit items...	30,360	30,500	830,000	800,000	800,000	800,000
Total	$1,775,430	$1,786,877	$2,677,955	$2,696,769	$2,719,799	$2,701,341
LIABILITIES:						
Capital stock	$143,000	$143,000	$187,000	$187,000	$187,000	$187,000
Funded debt.....	1,504,000	1,518,500	2,390,000	2,390,000	2,390,000	2,390,000
Working liabilities	33,708	76,395	34,714	34,746	37,567	36,609
Accr'd liabilities not due	3,750	3,750	3,750	3,750	3,750	3,750
Deferred credit items..	40	50	43	.....	.....	.....
Appropriated surplus ..	13,774	11,885	15,229	9,139	8,438	8,309
Profit and loss surplus.	76,658	33,297	47,219	72,134	93,044	75,673
Total	$1,775,430	$1,786,877	$2,677,955	$2,696,769	$2,719,799	$2,701,341

Bonded Debt: (1) $746,000 Missouri & Ill. Bridge & Belt R.R. cons. 4s; dated July 1, 1904; due Jan. 1, 1951; interest Jan. and July, at St. Louis Union Trust Co. Auth., $2,500,000. Of those issued, $800,000 are reserved for No. 2, and $44,000 have been reacquired and cancelled. Interest paid without deduction for normal income tax. Net Rating, Ba.

(2) $758,500 St. Clair, Madison & St. Louis Belt R.R. first 4s; dated Jan. 1, 1901; due Jan. 1, 1951; interest Jan. and July, at St. Louis Union Trust Co. Of total issue of $800,000, $41,500 are in treasury. Coupon, $1,000. First lien from Alton, Ill., to West Alton, Mo., and on bridge over Mississippi River. Interest paid without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth., $2,500,000; outstanding, $187,000, of which $44,000 is owned by company. Par, $100. Balance owned by the following railroad companies: Cleveland, Cincinnati, Chicago & St. Louis, Louisville & Nashville, Missouri Pacific, Rock Island, Missouri, Kansas & Texas, Chicago & Eastern Illinois, Vandalia, Iron Mountain, Wabash, Baltimore & Ohio, and Chicago, Peoria & St. Louis.

MISSOURI & NORTH ARKANSAS RAILROAD

History: Incorporated under Arkansas laws, Aug. 4, 1906, successor to the St. Louis & North Arkansas R.R., in accordance with a reorganization plan. Company owns one-fourth interest in the Joplin Union Depot Co.

Receivership: Federal Judge Trieber appointed W. S. Holt, George L. Sands and Jesse McDonald, on April 1, 1912, as receivers of the property, on the application of the St. Louis Union Trust Co., the trustee of the first mortgage bonds. John Scullin, on March 4, 1914, was appointed receiver to succeed Geo. L. Sands, resigned. On July 1, 1916, Festus J. Wade was appointed receiver to succeed John Scullin; W. S. Holt and Jesse McDonald resigned.

Location: Road extends from Joplin, Mo., to Helena, Ark., 365.24 miles, of which 9.2 miles, Seligman to Wayne, Mo., and 19.4 miles, Joplin to Neosho, Mo., are operated under trackage agreements. Sidings, etc., 48.83 miles. Equipment: Locomotives, 26; passenger cars, 24; freight cars, 733; gas-electric motor cars, 2; service cars, 70.

Management: OFFICERS: John Scullin, Jesse McDonald and W. S. Holt, Receivers; D. R. Francis (Chairman); John Scullin, Pres., St. Louis, Mo.; Geo. L. Sands, Vice-Pres.; W. S. Roberts, Sec. and Aud.; N. A. McMillan, Treas.; C. A. Phelan, Gen. Mgr.; Chas. Manley, Supt., Harrison, Ark.; Charles Gilbert, Pur. Agt., St. Louis, Mo. DIRECTORS: D. R. Francis, John Scullin, A. T. Perkins, St. Louis, Mo.; Geo. L. Sands, Eureka Springs, Ark.; W. F. Gordon, E. M. Wise, Harrison, Ark.; J. W. Freeman, Berryville, Ark.; W. L. Hemingway, Little Rock, Ark.; Powell Clayton, Washington, D. C. Annual meeting, second Monday in November. OFFICE, Harrison, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$1,199,987	$1,181,241	$1,293,618	$1,236,145	$956,455	$884,729
Maintenance of way	322,778	334,277	337,444	413,294	343,157	243,078
Maintenance of equip	251,792	280,933	252,606	196,471	151,397	151,411
All other oper. expenses	540,520	717,835	635,704	590,364	451,261	412,310
Net oper. revenues	$84,897	*$151,804	$68,464	$36,016	$10,640	$77,930
Other income	23,663	80,794	14,254	7,285	6,327	4,339
Total net income	$108,560	*$71,010	$82,718	$43,301	$16,967	$82,269
Taxes	72,722	69,815	72,338	62,407	60,068	52,755
Fixed charges	192,368	211,792	143,987	140,964	246,668	61,201
Deficit	$156,530	$352,617	$133,607	$160,070	$289,769	$31,687

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Unrefundable overcharges, $111; donations, $17,228; miscellaneous credits, $2,561; debit balance carried to balance sheet, $1,106,040; total, $1,125,940. Contra: Debit balance at beginning of year, $950,445; debit balance transferred from income, $156,530; surplus appropriated for investment in physical property, $17,228; loss on retired road and equipment, $615; miscellaneous debits, $1,122; total, $1,106,040.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$17,666,723	$17,666,790	$17,671,420	$17,305,260	$16,802,914	$16,777,511
Working assets	357,767	484,748	343,456	459,219	1,055,570	104,695
Deferred debit items	61,057	82,850	41,791	43,175	41,941	27,845
Profit and loss deficit	1,106,040	950,445	600,783	468,531	309,546	20,652
Total	$19,191,587	$19,184,833	$18,657,450	$18,276,185	$18,209,971	$16,930,703
LIABILITIES:						
Capital stock	$8,340,000	$8,340,000	$8,340,000	$8,340,000	$8,340,000	$8,340,000
Funded debt	10,463,905	10,495,812	9,936,969	9,618,000	9,590,000	8,390,894
Working liabilities	323,073	284,730	350,425	288,893	242,588	41,049
Accr'd liabilities not due	26,508	23,371	17,686	13,590	19,989	.....
Deferred credit items	20,873	40,920	12,370	15,702	17,394	158,760
Appropriated surplus	17,228	.....	.....	.....	.....	.....
Total	$19,191,587	$19,184,833	$18,657,450	$18,276,185	$18,209,971	$16,930,703

Bonded Debt: (1) $8,340,000 Missouri & North Arkansas R.R. 1st 4s; dated July 1, 1906; due July 1, 1956. Interest paid Jan. and July 1, at St. Louis Union Trust Co., St. Louis, Trustee. Coupon, $1,000. Authorized, $11,500,000. First lien on all property, rights and franchises, subject to the receivers' certificates described below. The entire outstanding issue of stock and bonds are pledged to secure an issue of $6,000,000 Allegheny Improvement Co. 5-year notes due, and unpaid Oct. 1, 1911. Interest payable April and Oct. 1, at St. Louis Union Trust Co., Trustee.

There are also outstanding Beneficial Certificates to the amount of $3,031,500, which represent the equity in the Missouri & North Arkansas R.R., over and above the $6,000,000 notes.

(2) $61,155 Missouri & North Arkansas R.R. Equipment Trust notes. Dated Jan. 21, 1913; payable in 23 monthly installments. Secured on 175 box cars. The title to the cars remains with the American Car & Foundry Company until entire issue is paid off.

(3) $2,062,750 Missouri & North Arkansas R.R. 6% Receivers' Certificates. Dated May 1, 1915; due May 1, 1918. Interest paid May and Nov. 1, at Mercantile Trust Co., St. Louis, Mo., Trustee. Coupon, $1,000. Authorized, $2,500,000. Unissued certificates reserved against future expenditures for improvements. An absolute first lien upon the entire property of the company. The court's order to the receivers provides that any certificates issued in addition to amount authorized shall be secured by a lien subordinate to these certificates. Normal income tax deducted from interest.

Capital Stock: Authorized at rate of $25,000 per mile; outstanding, $8,340,000; par, $100.

MISSOURI, OKLAHOMA & GULF RAILWAY

Origin: Incorporated under Oklahoma laws, Oct. 24, 1904, to construct a railroad from Pittsburgh, Kans., to Denison and Sherman, Tex.

Location: Wagoner, Okla., to Red River, Okla., 205.3 miles; Dewar to Deep Fork, Okla., 9.00 miles; Lowerre to Arkansas Junc., Okla., 2.4 miles; Bromide Junc. to Bromide, Okla., 4 miles; operated under contract, Missouri, Oklahoma & Gulf R.R., Wagoner, Okla., to Baxter Springs, Kans., 98 miles; sidings owned, 35 miles; operated under contract, 15 miles; trackage, 15.4 miles; total operated, 334 miles. Controls by stock ownership, the Missouri, Oklahoma & Gulf Ry. of Texas, which owns 9 miles from Carpenters' Bluff to Denison, Tex., and operates 10 miles under trackage rights.

Equipment: Locomotives, 48; passenger cars, 20; baggage, etc., 5; freight and company cars, 1,410; service cars, 28.

Management: OFFICERS: H. C. Ferris, Muskogee, Okla., and Alexander New, Kansas City, Mo., Receivers; Wm. Kenefick, Pres., Kansas City, Mo.; W. P. Dewar, Vice-Pres. and Treas.; E. R. Jones, Sec. DIRECTORS: William Kenefick, Kansas City, Mo.; W. P. Dewar, D. N. Fink, Muskogee, Okla.; J. S. Keefe, Chicago; Henry Brunner, Paris, France; Arthur Day, New York. Annual meeting, first Tuesday in November. OFFICE, Muskogee, Okla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$1,416,301	$1,173,599	$1,171,787	$1,084,946	$895,774	$758,151	$400,606
Operating expenses and taxes	1,505,027	1,350,711	1,257,465	1,073,469	896,236	763,956	400,267
Net earnings	†*55,489	†*157,826	†*68,680	*46,823	‡462	‡4,805	339
Fixed charges, etc.	671,567	565,073	476,186	480,966	538,873	351,463	253,631
Deficit	727,056	722,899	544,866	434,143	539,335	356,268	253,291

* Includes other income. † Deficit. ‡ Loss.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $2,217; debit balance carried to balance sheet, $4,095,422; total, $4,097,639. Contra: Debit balance at beginning of year, $3,369,837; debit balance transferred from income, $727,056; loss on retired road and equipment, $746; total, $4,097,639.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$7,584,982	$7,474,577	$7,103,356	$7,113,828	$7,251,694	$7,623,994
Working assets	551,744	629,659	407,239	222,651	236,717	196,037
Deferred debit items	9,265,585	9,080,164	9,230,323	9,004,895	8,678,719	6,896,987
Profit and loss deficit	4,095,422	3,369,837	2,635,907	2,088,362	1,687,369	1,117,021
Total	$21,497,733	$20,554,237	$19,379,825	$18,429,736	$17,854,499	$15,834,039
LIABILITIES:						
Capital stock	$8,474,000	$8,474,000	$8,474,000	$8,474,000	$8,261,000	$6,857,000
Funded debt	10,563,531	10,300,346	9,266,191	9,124,542	8,958,115	6,857,000
Working liabilities	2,197,213	1,588,796	1,457,106	554,602	527,154	1,993,239
Accr'd liabilities not due	150,115	132,204	108,900	268,709	99,510	126,800
Deferred credit items	*112,794	58,891	73,628	7,883	8,720	.....
Total	$21,497,733	$20,554,237	$19,379,825	$18,429,736	$17,854,499	$15,834,039

* Includes $3,748 Governmental Grants.

Bonded Debt: (1) $7,007,000 Missouri, Oklahoma & Gulf Ry. first 5s; dated Nov. 1, 1904; due Nov. 1, 1944. Int. paid May and Nov. 1, at St. Louis Union Trust Co., Trustee. Nov. 1, 1913, interest is in default. Coupon, $100, $500 and $1,000. Callable at 107 and int. upon six months' notice. Authorized issue, $10,000,000. First lien on entire property of the company. The bonds are listed on Paris Bourse. The interest on all bonds outstanding is unconditionally guaranteed, during construction and for two years after the completion of the entire system, by the Wm. Kenefick Construction Co., of Kansas City, Mo.

(2) $1,467,000 second 5s; dated May 15, 1912; $1,254,000 due June 1, 1925; $213,000 due May 15, 1932. $300,000 held in treasury and pledged as collateral. Int. paid May and Nov. 1, at St. Louis Union Trust Co., St. Louis, Mo.

(3) $589,531 6% Equipment Notes; due at various dates. First lien on equipment.

(4) $1,500,000 6% Receiver's Certificates, authorized Feb. 19, 1915, of which $1,000,000 were issued during the year; dated Feb. 20, 1915; due Feb. 20, 1917. Interest payable Feb. and Aug. 20 at Fidelity Trust Co., Kansas City, Mo. Interest on above issues payable without deduction for normal income tax.

Note: There is also an authorized issue of $1,000,000 Missouri, Oklahoma & Gulf Ry. of Texas first 5s; dated 1911; due 1941.

Capital Stock: Auth., $10,000,000; outstanding, $8,474,000; par, $100. Stock all held by voting trustees, who are Wm. Kenefick, Henry Brunner, J. S. Keefe, Alexander New and Arthur Day.

MISSOURI SOUTHERN RAILROAD

History: Incorporated under laws of Missouri, Feb. 23, 1884, as the Mill Spring, Current River & Barnsville R.R. Name changed as above on Feb. 26, 1886.

Location: Road extends from Leeper to Bunker, Mo., 56.11 miles; industrial tracks, 9.79 miles; total, 65.90 miles. Sidings, 5.51 miles. Equipment: Locomotives, 4; passenger cars, 3; freight and miscellaneous cars, 12.

Management: OFFICERS: F. D. Stout, Pres.; Henry L. Stout, Vice-Pres.; J. R. Lindsay, Sec. and Treas., Chicago; Jules A. Fremon, Aud.; J. T. Fredericks, Gen. Mgr.; H. A. Radtke, Supt. and Pur. Agt., Leeper, Mo. DIRECTORS: F. D. Stout, H. L. Stout, J. R. Lindsay, Chicago; J. T. Fredericks, H. A. Radtke, Leeper, Mo.; J. A. Fremon, J. B. Daniel, Piedmont, Mo. Annual meeting, second Tuesday in March at Leeper, Mo. GENERAL OFFICE, Leeper, Mo. CHICAGO OFFICE, 503 McCormack Bldg.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$158,066	$162,941	$174,068	$184,730	$157,520	$171,177
Maintenance of way	52,045	48,880	55,068	32,966	20,828	20,668
Mainten. of equipment	17,330	17,412	16,393	8,335	7,046	14,209
All other oper. expenses	52,961	57,316	53,419	47,831	45,508	52,809
Net oper. revenues	$35,730	$39,333	$49,188	$95,598	$84,138	$83,491
Other income	6,954	6,908	168	153	.....	.....
Total net income	$42,684	$46,241	$49,356	$95,751	$84,138	$83,491
Taxes	4,402	3,799	3,226	3,419	2,600	1,642
Fixed charges	25,889	30,160	22,345	21,520	19,800	17,496
Surplus	$12,393	$12,282	$23,785	$70,812	$61,738	$64,353

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $257,473; credit balance transferred from income, $12,393; delayed income credits, $1,633; miscellaneous credits, $1,183; total, $272,682. Contra: Delayed income debits, $10,306; miscellaneous debits, $1,505; credit balance carried to balance sheet, $260,871; total, $272,682.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$773,632	$787,992	$799,993	$796,984	$794,751	$808,740
Working assets	160,891	165,631	126,202	96,236	94,987	97,085
Deferred debit items	408	406	379	116	119	1,689
Total	$934,931	$954,029	$926,574	$893,336	$889,857	$907,514
LIABILITIES:						
Capital stock	$414,700	$414,700	$414,700	$414,700	$414,700	$414,700
Working liabilities	254,786	250,450	249,546	249,193	312,570	373,257
Accr'd liabilities not due	4.574	31.406	17.129	7.983	7.025	8.548
Profit and loss surplus	260,871	257,473	245,199	221,460	155,562	111,009
Total	$934,931	$954,029	$926,574	$893,336	$889,857	$907,514

Capital Stock: Authorized, $1,250,000. Increased from $550,000 in December, 1913. Outstanding, $414,700; par, $100. No dividends paid and no bonded debt.

MONONGAHELA CONNECTING RAILROAD

History: Incorporated under Pennsylvania laws, March 31, 1885. Road opened in June, 1887.

Location: Operates a terminal and switching road in the City of Pittsburgh, Pa., 5.99 miles; total track operated, 36.05 miles. Equipment: Locomotives, 38; freight cars, 727.

Management: OFFICERS: B. F. Jones, Jr., Pres.; W. L. Jones, 1st Vice-Pres.; A. B. Shepherd, 2d Vice-Pres.; W. C. Moreland, Sec. and Treas.; John L. Moore, Asst. Sec. and Asst. Treas., Aud. and Pur. Agt.: Frank McCune, Gen. Mgr., Pittsburgh. DIRECTORS: B. F. Jones, Jr., Wm. Larimer Jones, H. S. Kiehl, W. C. Moreland, W. W. Willock, A. B. Shepherd, Pittsburgh. Annual meeting, fourth Monday in January. OFFICE, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$1,264,402	$738.142	$964,736	$1,111,457	$916,542	$850,201	$1,036,631
Operating expenses	1,044,611	625,987	785,898	845,980	694,948	684,874	766,023
Net earnings	$219,794	$112,155	$178,838	$265.477	$221.594	$165.327	$270.608
Total income	250.774	136,436	199,353	284,856	230,813	172,278	276,320
Fixed charges, etc.	228,274	116,512	109,738	100.649	64,663	58.615	74,628
Dividends	22,500	19,924	67,500	22,500	67,500	75,000	93,750
Surplus	.....	.....	$22,115	$161,707	$98,650	$38,663	$107,942

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,369,438; miscellaneous credits, $483; total, $1,369,921. Contra: Surplus appropriated for investment in physical property, $98,573; credit balance carried to balance sheet, $1,271,848; total, $1,369,921.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,551,980	$2,427,228	$2,439,425	$2,458.628	$2,377.939	$2,399,328
Working assets	428.802	407.210	777,560	817,492	695,001	555,592
Deferred debit items	420,998	418,910	3,844	2,876	2,955	2,392
Total	$3,401,780	$3,253,348	$3,220,829	$3,278,997	$3,075,895	$2,957,312

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$750,000	$750,000	$750,000	$750,000	$750,000	$750,000
Funded debt	685,000	685,000	685,000	685,000	685,000	685,000
Working liabilities	187,650	90,636	36,691	129,337	95,458	83,052
Acer'd liabilities not due	34,190	34,456	38,296	33,172	26,272	19,402
Deferred credit items..	.....	483	13,168	12,008	11,392	10,736
Appropriated surplus ..	473,592	323,335	303,160	297,082	186,853	176,953
Profit and loss surplus.	1,271,348	1,369,438	1,394,514	1,372,398	1,320,920	1,232,169
Total	$3,401,780	$3,253,348	$3,220,829	$3,278,997	$3,075,895	$2,957,312

Bonded Debt: $685,000 Monongahela Connecting R.R. first 5s; dated Feb. 12, 1901; due Feb. 12, 1921. Int. paid Feb. and Aug. 12, at company's office, Pittsburgh. Coupon, $1,000. Safe Deposit & Trust Co., Pittsburgh, Trustee. Auth. issue, $750,000. First lien on entire railroad and equipment. Rating, Baa.

Capital Stock: Auth. and outstanding, $750,000; par, $100. A dividend of 5% was paid for year 1907; 12½% in 1910 and 10% in 1911; 9% in 1912 and 3% in 1913; 9% in 1914; 6% in 1915; 3% in 1916.

MONSON RAILROAD

History: Incorporated under Maine laws, Oct. 9, 1882. Road opened in 1883.

Location: Road extends from Monson Junc. to Monson, Me., with branch, 8.16 miles. Equipment: Locomotives, 2; cars, 23.

Management: OFFICERS: Chas. J. Weir, Pres. and Treas., Lowell, Mass.; F. H. Crane, Clerk; H. E. Morrill, Supt., Monson, Me.; Geo. F. Barnard, Gen. Mgr., Boston. DIRECTORS: C. J. Weir, Lowell, Mass.; J. F. Sprague, H. E. Morrill, F. H. Crane, I. P. Wing, Monson, Me.; Geo. F. Barnard, Harry W. Waite, Boston. Annual meeting, third Wednesday in June at Monson, Me. OFFICE, 103 Central Street, Lowell, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$15,062	$12,313	$14,241	$14,999	$14,760	$13,045
Maintenance of way...	2,639	3,004	3,021	3,022	3,601	3,455
Maintenance of equip..	1,582	4,219	1,147	1,598	965	904
All other oper. expenses	6,574	6,075	7,799	6,784	7,378	6,598
Net oper. revenues.	$4,267	*$985	$2,274	$3,595	$2,816	$2,088
Other income	.....	44	.....	.....	22	.....
Total net income..	$4,267	*$941	$2,274	$3,595	$2,838	$2,088
Taxes	200	102	200	97	168	46
Fixed charges	4,206	4,200	4,207	4,207	4,200	4,200
Deficit	$139	$5,243	$2,133	$709	$1,530	$2,158

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$75,852	$76,469	$79,727	$83,217	$79,727	$79,727
Working assets	3,443	15,559	13,344	12,777	11,276	8,606
Profit and loss deficit...	177,203	177,064	171,821	166,198	165,489	163,959
Total	$256,498	$269,092	$264,892	$262,192	$256,492	$252,292
LIABILITIES:						
Capital stock	$70,000	$70,000	$70,000	$70,000	$70,000	$70,000
Working liabilities	186,498	199,092	194,892	192,192	186,492	182,292
Total	$256,498	$269,092	$264,892	$262,192	$256,492	$252,292

Bonded Debt: $70,000 Monson R.R. 1st 6s. Dated 1884; due April 1, 1904. Interest paid April and Oct. 1, at Appleton National Bank, Lowell, Mass. Coupon, $1,000. John F. Kimball, Wilton, N. H., Trustee. First lien on entire property. Majority owned by Monson Maine Slate Co.

Capital Stock: Authorized and outstanding, $70,000; par, $100. A majority owned by the Monson Maine Slate Co.

MONTANA, WYOMING & SOUTHERN RAILROAD

History: Incorporated under New Jersey laws, July 31, 1909, succeeding the Yellowstone Park Railroad Co.

Location: Road extends from Bridger to Washoe, Mont., 25 miles; branches, 3.5 miles; sidings, 4 miles. Connection is made with Northern Pacific System at Bridger. An extension is contemplated down Clark's Fork Valley to Box Canyon and westerly to Cook City, where copper, lead and other mines are located.

Equipment: Locomotives, 4; passenger cars, 2; freight, 109; service, 4.

Management: OFFICERS: F. S. Gannon, Pres.; W. H. Langley, Vice-Pres.; C. W. Fernald, Treas.; F. S. Gannon, Jr., Sec., New York; M. W. Maguire, Gen. Mgr.; A. R. Clements, Aud., Belfry, Mont. DIRECTORS: F. S. Gannon, W. H. Langley, W. H. Seibert, Chester Dale, C. N. Hall, W. C. Langley, C. W. Fernald, New York; H. S. Rich, Marietta, Pa. Annual meeting, in September. OFFICE, Belfry, Mont., and 2 Rector Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	10 mos. 1910
Gross earnings	$230,869	$171,700	$179,386	$179,742	$175,030	$128,689	$95,140
Operating expenses and taxes	118,818	104,855	106,557	110,248	100,372	84,098	61,022
Net earnings	$112,051	$66,845	$72,829	$69,494	$74,658	$44,591	$34,118
Other income	152	197	192	310	.....	254	34
Fixed charges, etc.	50,425	48,991	51,141	54,534	53,449	51,881	44,392
Surplus	$61,778	$18,051	$21,880	$15,270	$21,209	*$7,036	*$10,240

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $85,756; credit balance transferred from income, $61,778; delayed income credits, $200; total, $147,734. Contra: Delayed income debits, $1,415; credit balance carried to balance sheet, $146,319; total, $147,734.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,010,127	$2,010,397	$2,016,960	$2,014,467	$1,984,224	$1,951,966
Working assets	65,066	44,657	24,425	36,446	53,306	20,394
Deferred credit items	9,543	13,002	14,412	692	354	25,537
Profit and loss deficit	.....	.....	.....	.....	.....	16,228
Total	$2,084,736	$2,068,056	$2,055,797	$2,051,605	$2,001,884	$2,012,125
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	896,269	932,070	947,960	969,560	950,000	950,000
Working liabilities	30,436	22,763	15,632	10,664	6,445	16,825
Accr'd liabilities not due	2,785	17,987	16,889	17,092	17,192	17,125
Deferred credit items	8,927	9,480	7,677	8,030	7,333	28,175
Profit and loss surplus	146,319	85,756	67,639	46,259	20,914	.....
Total	$2,084,736	$2,068,056	$2,055,797	$2,051,605	$2,001,884	$2,012,125

Bonded Debt: (1) $872,289 Montana, Wyoming & Southern R.R. first 5s; dated Sept. 1, 1909; due Nov. 1, 1939. Int. paid May and Nov. 1, at Empire Trust Co., New York, Trustee. Coupon, $1,000. Issue limited to amount outstanding and is an absolute first mortgage on the road, equipment, terminals, etc. Under proper restrictions additional bonds may be issued at the rate of not exceeding $25,000 per mile, including proper equipment, and then only when company is earning one and one-half times interest charges on all bonds outstanding and those proposed to be issued. It is further provided that in case the property is acquired by any other company, these bonds shall be unconditionally guaranteed, principal and interest, by such other company. Callable at 110. Sinking fund beginning 1912 will retire a large part of the issue before maturity. Interest paid without deduction for normal income tax. Rating, Ba.

(2) $10,000 Montana, Wyoming & Southern R.R. Equipment 5s; Series A. Dated Nov. 1, 1909; due serially $10,000 each year from Sept. 1, 1913, to Sept. 1, 1916. Int. paid Mar. and Sept. 1, at Empire Trust Co., New York, Trustee. Secured on 57 box cars.

There were also outstanding June 30, 1916, $13,980 Equipment Notes, dated May 1, 1913; due in 5 years in 10 payments. Secured on 15 box cars and 25 coal cars.

Capital Stock: Auth., $5,500,000; outstanding, $1,000,000; par, $100.

MONTOUR RAILROAD

History: Incorporated under laws of Pennsylvania, in January, 1913, a consolidation of a company of the same name, the North Star & Mifflin R.R., and Pittsburg & Moon Run R.R.

Location: Groveton to Moon Run, Pa., 6.46 miles; Montour Junc. to Long View, Pa., 60.777 miles; trackage rights, 2.93 miles; branches, 0.656 mile; total operated, 70.823 miles. Equipment: Locomotives, 11; cars: passenger, 8; baggage, 1; freight, 2,966; service, 4.

Management: OFFICERS: M. H. Taylor, Pres.; W. K. Field, H. P. McCue, and F. M. Wallace, Vice-Prests.; F. J. LeMoyne, Sec.; Wm. Miller, Treas.; F. H. Stark, Gen. Supt.; J. B. L. Hornberger, Compt.; J. F. Malone, Aud.; F. E. Now, Pur. Agt., Pittsburgh; O. J. Zimmerman, Supt., Coraopolis, Pa. GENERAL OFFICE, H. W. Oliver Building, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	Six months 1913	1912	1911
Gross revenues	$660,077	$356,610	$301,597	$144,092	$161,205	$150,625
Maintenance of way	100,872	59,491	30,624	13,262	42,200	42,213
Maintenance of equip	432,285	431,996	496,077	115,551	12,387	11,374
All other oper. expenses	178,265	101,099	83,079	37,940	40,861	38,706
Net oper. revenues	*$51,345	*$235,976	*$308,183	*$22,661	$65,757	$58,332
Other income	462,231	475,393	523,585	150,584	.....	4
Total net income	$394,386	$239,417	$215,402	$127,923	$65,757	$58,336
Taxes	16,500	7,488	16,087	5,140	3,050	2,700
Fixed charges	259,146	170,629	104,103	34,603	16,132	17,495
Surplus	$135,240	$61,300	$95,212	$88,180	$46,575	$38,141

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $154,109; credit balance transferred from income, $135,240; dividend appropriations of surplus, $90,000; miscellaneous debits, $1,375; credit balance carried to balance sheet, $197,974.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$5,367,022	$5,405,247	$5,011,811	$3,127,963	$260,398	$267,004
Working assets	651,803	391,922	1,060,102	2,948,232	219,536	103,453
Accrued income not due	.....	.....	1,150	.....	.....	.....
Deferred debit items...	593,400	597,129	597,852	599,150	.....	.....
Total	$6,612,225	$6,394,298	$6,670,915	$6,675,345	$389,934	$370,457
LIABILITIES:						
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$100,000	$100,000
Funded debt	4,663,361	4,518,361	4,698,319	4,873,597	.....	.....
Working liabilities	149,580	112,741	283,574	205,196	61,442	87,945
Accrd. liabilities not due	77,898	90,565	99,284	8,722	1,020	1,667
Deferred credit items..	23,412	18,522	.....	.....	.....	.....
Profit and loss surplus	197,974	154,109	89,198	87,830	227,472	180,845
Total	$6,612,225	$6,394,298	$6,670,915	$6,675,345	$389,934	$370,457

Bonded Debt: $2,585,000 Montour R.R. first 5s. Dated Feb. 1, 1913; due Feb. 1, 1963. Interest paid Feb. and Aug. 1, at Union Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Callable as a whole, on and after Feb. 1, 1924; or 102½ for sinking fund of $55,000 annually. Authorized, $4,000,000. First lien on entire property. Interest payable without deduction for normal income tax. Net Rating, Ba.

There are also outstanding equipment-trust obligations, totaling $2,078,361, as follows:

$961,000 Equipment Trust 5s. Dated April 1, 1913; due April 1, 1938. Secured of 1,559 freight cars. Original issue, $961,000.

$200,000 Series A Equipment Trust gold bonds. Dated Jan. 1, 1916; due Jan. 1, 1926. Secured on 800 freight cars under construction.

$917,361 5% Car Notes. Dated April 1, 1913; due April 1, 1923. Secured on 1,398 freight cars.

Capital Stock: Authorized and outstanding, $1,500,000. All owned by Pittsburgh Coal Company.

MOREHEAD & NORTH FORK RAILROAD

History: Incorporated under the laws of New Jersey, September 27, 1905.

Location: Road extends from Morehead to Redwine, Ky., 24.97 miles; sidings, 1.50 miles. Equipment: Locomotives, 6; cars, 44.

Management: OFFICERS: A. W. Lee, Pres., Clearfield, Pa.; S. T. McCormack, Vice-Pres., Williamsport, Pa.; J. W. Wrigley, Sec. and Treas., Clearfield, Pa.; Geo. H. Gearhart, Gen. Mgr.; W. B. Townsend, Jr., Supt. and Pur. Agt., Clearfield, Ky. DIRECTORS: J. W. Wrigley, A. W. Lee, Clearfield, Pa.; Seth T. McCormack, Williamsport, Pa.; W. B. Townsend, Townsend, Tenn.; Lewis Starr, Camden, N. J. Annual meeting, fourth Tuesday in January. OFFICE, Clearfield, Ky.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$79,922	$82,287	$93,633	$85,885	$83,512	$85,125
Maintenance of way...	20,182	18,285	15,000	20,617	25,634	15,372
Maintenance of equip..	17,567	16,147	16,605	15,941	11,395	10,915
All other oper. expenses	31,130	31,838	36,036	35,761	32,521	32,412
Net oper. revenues	$11,043	$16,017	$25,992	$13,566	$13,962	$26,066
Other income	.....	.....	.....	5	33	50
Total net income..	$11,043	$16,017	$25,992	$13,571	$13,955	$26,116
Taxes	1,240	1,170	1,151	1,151	1,145	1,109
Fixed charges	19,591	19,689	19,731	19,827	19,556	19,807
Surplus	*$9,788	*$4,842	$5,110	*$7,407	*$6,706	$5,200

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$600,572	$610,994	$637,526	$635,792	$626,019	$621,057
Working assets	35,793	28,751	22,809	8,950	7,634	16,039
Deferred debit items...	.....	45	147	138	183	157
Profit and loss deficit..	32,815	23,027	18,185	23,795	16,388	9,683
Total	$669,180	$662,817	$678,667	$668,675	$650,224	$646,936
LIABILITIES:						
Capital stock	$260,600	$260,600	$260,600	$260,600	$260,600	$260,600
Funded debt	373,000	373,000	373,000	373,000	373,000	373,000
Working liabilities	35,580	29,217	27,465	26,365	16,624	13,336
Deferred credit items..	.....	.....	17,602	12,710	.....	.....
Total	$669,180	$662,817	$678,667	$668,675	$650,224	$646,936

Bonded Debt: $373,000 Morehead & North Fork R.R. first 5s. Dated Feb. 1, 1908; due Feb. 1, 1958. Interest paid Feb. and Aug. 1, at Clearfield Trust Co., Clearfield, Pa., Trustee. Coupon, $1,000. Authorized, $500,000. Interest payable without deduction for normal income tax.

Capital Stock: Authorized, $500,000; outstanding, $260,600. Par, $100. No dividends.

MORGANTOWN & KINGWOOD RAILROAD

History: Incorporated in West Virginia, January 14, 1899.

Location: Line of road, Morgantown to M. & K. Junction, W. Va., with branch, 48.71 miles, and 9.5 miles of sidings. Equipment: Locomotives, 13; passenger, freight and service cars, 437.

Management: OFFICERS: Davis Elkins, Pres.; Richard Elkins, Vice-Pres., Sec. and Treas. DIRECTORS: Davis Elkins, Richard Elkins, J. H. McDermott, F. W. Bretz, Blaine Elkins, W. G. Wilson. OFFICE, Morgantown, W. Va. Annual meeting, in November.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$359,895	$325,862	$353,696	$350,528	$329,098	$345,606	$322,211
All operating expenses	286,885	283,432	300,813	284,665	247,991	257,222	234,139
Net operating revenues	$73,010	$42,430	$52,883	$65,865	$81,107	$88,384	$88,062
Operating ratio	79.7%	87%	86.9%	81.2%	75.4%	74.4%	72.7%
Other income	5,350	8,020	8,234	2,165	10,611	3,125	1,467
Total net income	$78,360	$50,450	$61,117	$68,030	$91,718	$91,509	$89,529
Taxes accrued	12,050	10,726	9,335	6,355	6,215	8,472	7,879
Fixed charges	58,148	56,935	92,232	87,952	87,242	79,244	41,149
Surplus	$8,162	*$17,211	*$40,450	*$26,277	*$1,738	$3,794	$40,501

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $97,574; credit balance transferred from income, $8,162; total, $105,736. Contra: Miscellaneous debits, $87; credit balance carried to balance sheet, $105,649; total, $105,736.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,584,069	$2,617,299	$2,566,434	$2,561,455	$2,538,432	$2,496,684
Working assets	106,548	141,034	140,787	153,062	174,752	173,527
Deferred debit items	635,780	631,971	1,325,592	1,323,526	1,312,805	1,309,140
Profit and loss deficit	.....	.....	1,858	.....	.....	.....
Total	$3,326,397	$3,390,304	$4,034,671	$4,038,943	$4,025,989	$3,979,315
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	813,500	881,000	1,594,500	1,625,500	1,648,500	1,675,500
Working liabilities	378,904	368,935	414,607	244,847	221,052	157,759
Accrd. liabilities not due	5,330	26,676	1,238	104,837	70,812	20,087
Deferred credit items	23,014	16,119	24,326	11,696	3,300	41,941
Profit and loss surplus	105,649	97,574	.....	55,163	82,325	84,064
Total	$3,326,397	$3,390,304	$4,034,671	$4,038,943	$4,025,989	$3,979,315

Bonded Debt: (1) $40,500 Morgantown & Kingwood R.R. first 5s. Dated Jan. 1, 1902; due Jan. 1, 1922. Interest Jan. and July, at Bank of Monongahela Valley, Morgantown, W. Va. Coupon, $500. First lien on entire property. Interest paid without deduction for normal income tax. Net Rating, A.

(2) $773,000 Morgantown & Kingwood R.R. first 5s. Dated Jan. 1, 1905; due Jan. 1, 1935. Int. Jan. and July, at Davis Trust Co., Elkins, W. Va. Follow No. 1 on all property. Of total, $40,500 are reserved for No. 1. Interest paid without deduction for normal income tax. Net Rating, B.

Capital Stock: Authorized and isued, $2,000,000. Par, $100. No dividends.

MORRISTOWN & ERIE RAILROAD

History: Incorporated under laws of New Jersey, August 28, 1903, consolidation of Whippany River R.R. and Whippany & Passaic River R.R.

Location: Road extends from Morristown to Essex Fells, N. J., 10.65 miles; branch to Malapardis, N. J., 2.08 miles; branch to Mill, 0.23 mile; total, 12.96 miles. Sidings, 1.45 miles. Equipment: Locomotives, 4; passenger car, 1; freight, 29.

Management: OFFICERS: R. W. McEwan, Pres., Gen. Mgr., Supt. and Pur. Agt.; J. L. McEwan, Vice-Pres., Whippany, N. J.; J. S. Bell, Vice-Pres., Newark, N. J.; Frank McEwan, Sec.; Mauritius Jensen, Aud. and Asst. Sec.; R. B. McEwan, Treas., Whippany, N. J. DIRECTORS: The foregoing and Arthur McEwan, Whippany, N. J.; Fred McEwan, Madison, N. J.; Charles M. Decker, Madison, N. J.; William Wallace, New York; R. D. Foote, Morristown, N. J.; W. H. Baldwin, Boonton, N. J.; George Spottiswoode, Orange, N. J. Annual meeting, last Thursday in September. OFFICE, Whippany, N. J.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$125,029	$106,490	$97,639	$98,715	$92,103	$80,794
Maintenance of way	10,442	10,400	16,251	10,207	9,340	8,024
Maintenance of equip.	8,760	7,227	6,934	4,962	6,506	2,257
All other oper. expenses	51,287	47,428	50,791	47,672	38,717	36,223
Net oper. revenues	$54,540	$41,435	$23,663	$35,874	$37,540	$34,290
Other income	360	291	1,666	9,075	2,097	1,849
Total net income	$54,900	$41,726	$25,329	$44,949	$39,637	$36,139
Taxes	6,616	6,550	7,222	.....	9,038	.....
Fixed charges	23,901	18,668	20,078	23,021	15,890	20,433
Other deductions	37,727	.....	.....	.....	.....	.....
Surplus	*$13,344	$16,508	*$1,971	$21,928	$14,709	$15,706

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $10,293; profit on road and equipment sold, $1,336; debit balance carried to balance sheet, $17,714; total, $29,343. Contra: Debit balance transferred from income, $13,344; dividend appropriation of surplus, $16,000; total, $29,343.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$823,882	$790,492	$788,516	$839,765	$819,771	$799,380
Working assets	38,793	29,997	19,863	30,196	26,305	26,077
Deferred debit items	1,836	41,460	81,264	.....	.....	.....
Profit and loss deficit	17,714	.....	.....	.....	.....	.....
Total	$882,225	$861,949	$889,643	$869,961	$846,076	$825,457
LIABILITIES:						
Capital stock	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
Funded debt	277,462	300,000	300,000	300,000	300,000	305,000
Working liabilities	40,242	24,601	21,831	13,750	11,197	22,160
Accrd. liabilities not due	7,664	7,925	8,550	3,312	10,031	4,075
Deferred credit items	.....	.....	.....	.....	.....	455
Appropriated surplus	156,857	119,130	46,397	38,034	31,912	28,369
Profit and loss surplus	.....	10,293	112,865	114,865	92,936	65,398
Total	$882,225	$861,949	$889,643	$869,961	$846,076	$825,457

Bonded Debt: $260,000 Morristown & Erie R.R. first 5s. Dated Sept. 1, 1903; due Sept. 1, 1923. Interest paid May and Sept. 1, at Brooklyn Trust Co., New York, Trustee. Coupon, $1,000. Authorized and issued, $300,000, of which $40,000 held in sinking fund. Callable at any time. First lien on entire property. Income tax is not deducted from interest. Rating, Ba.

$17,462 Equipment Trust notes. One note, $5,375, dated Nov. 18, 1915, due in 4 years and 2 mos. in monthly payments. Secured on 1 locomotive. One note, $12,087, dated Nov. 26, 1915, due in 4 years and 2 mos., due in monthly payments. Secured on 60 box cars. Rating, Baa.

Capital Stock: Authorized and outstanding, $400,000. Par, $100. Dividend of 4% paid from surplus in 1916.

MOSCOW, CAMDEN & SAN AUGUSTINE RAILWAY

History: Incorporated under laws of Texas, June 30, 1898, to build a line from Moscow to San Augustine, Texas, 60 miles; road opened in 1898.

Location: Road completed extends from Moscow to Camden, Texas, 7 miles. Sidings, 1.4 miles. Equipment: Locomotive, 1; cars, 18.

Management: OFFICERS: W. T. Carter, Pres.; E. A. Carter, Vice-Pres., Gen. Mgr., Treas. and Pur. Agt.; A. L. Carter, Sec.; G. B. Campbell, Aud. and Supt., Camden, Tex. DIRECTORS: W. T. Carter, E. A. Carter, A. L. Carter, Camden, Tex.; S. Bergman, D. L. Jones, Moscow, Tex.; C. L. Carter, J. J. Carroll, Houston, Tex.; J. Thomas, San Marcos, Tex.; J. A. Handley, Jr., Hortense, Tex.; L. D. Garrison, Corpus Christi, Tex. Annual meeting, fourth Thursday in August. GENERAL OFFICE, Camden, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$18,869	$16,759	$17,846	$21,938	$11,572
Operating expenses	15,525	15,962	15,050	14,102	13,521
Net operating revenues	$3,344	$797	$2,796	$7,836	*$1,949
Other income	911	1,648	.....	.....	560
Total net income	$4,255	$2,445	$2,796	$7,836	*$1,389
Taxes	521	522	580	442	346
Fixed charges	2,644	2,432	1,410	3,039	35
Balance	$1,090	*$509	$806	$4,355	*$1,770

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$50,840	$54,076	$57,432	$62,494	$63,464
Working assets	6,384	2,245	2,212	3,390	4,009
Total	$57,224	$56,321	$59,644	$65,884	$67,473
LIABILITIES:					
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Working liabilities	.....	187	3,000	10,047	15,990
Profit and loss	7,224	6,134	6,644	5,837	1,483
Total	$57,224	$56,321	$59,644	$65,884	$67,473

Capital Stock: Authorized, $250,000; outstanding, $50,000. Par, $100. No bonded debt. Dividends at rate of 6% per annum were paid in 1906 and 1907. None since.

MOSHASSUCK VALLEY RAILROAD

History: Incorporated under the laws of Rhode Island, June 11, 1874. Road completed in January, 1877.

Location: Road extends from Saylesville to Woodlawn Junc., R. I., 2 miles; sidings, etc., 2.90 miles. Equipment: Locomotives, 2; cars, 26; steam motor car, 1.

Management: OFFICERS: Frank A. Sayles, Pres.; Chas. O. Read, Sec. and Treas.; D. C. Patton, Supt., Saylesville, R. I. DIRECTORS: J. R. McColl, Chas. O. Read, Frank A. Sayles, K. F. Wood, Saylesville, R. I.; Maurice K. Washburn, East Greenwich, R. I. Annual meeting, second Monday in November. GENERAL OFFICE, Saylesville, Rhode Island.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$64,003	$47,624	$48,746	$54,116	$44,854
Operating expenses	53,634	36,421	38,077	40,797	35,489
Net operating revenues	$10,369	$11,203	$10,699	$13,319	$9,365
Other income	1,290	388	60	193	106
Total net income	$11,659	$11,591	$10,729	$13,512	$9,471
Taxes	1,008	1,100	1,095	1,160	1,047
Fixed charges	16,250	10,432	10,931	12,746	7,314
Balance	*$5,599	$59	*$1,297	*$394	$1,111

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $56,636; credit balance carried to balance sheet, $742; debit balance transferred from income, $5,599; miscellaneous debits, $50,295; total, $56,636.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$262,003	$121,107	$125,503	$125,180	$125,170
Working assets	35,784	73,485	75,725	99,103	70,924
Deferred debit items	1,286	.....	.....	.....	.....
Total	$299,073	$194,592	$201,228	$224,283	$196,094
LIABILITIES:					
Capital stock	$250,000	$50,000	$50,000	$50,000	$50,000
Working liabilities	38,331	77,956	94,650	116,407	87,823
Deferred credit items	10,000	10,000	.....	.....	.....
Profit and loss	742	56,636	56,578	57,876	58,271
Total	$299,073	$194,592	$201,228	$224,283	$196,094

Capital Stock: Authorized, $500,000; outstanding, $250,000. Par, $100. No bonded debt. No dividends paid.

MOUNT HOOD RAILROAD

History: Incorporated under laws of Utah, February 23, 1905. Put into operation, May, 1906.

Location: Road extends from Hood River to Parkdale, Ore., 22.20 miles; yard track, 2.26 miles. Equipment: Locomotives, 3; cars, 19.

Management: OFFICERS: L. R. Eccles, Pres.; Chas. T. Early, Vice-Pres. and Gen. Mgr.; A. Wilson, Asst. Supt., Hood River, Ore.; R. B. Early, Sec. and Treas., Portland, Ore. DIRECTORS: L. R. Eccles, Ogden, Utah.; Chas. T. Early, Hood River, Ore.; D. C. Eccles, Ogden, Utah; John E. Inglis, Ore. Annual meeting, first Tuesday in February. OFFICE, Ogden, Utah.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$69,660	$79,075	$75,164	$82,562	$68,466	$87,414
Maintenance of way	18,249	15,395	15,602	13,360	11,584	11,367
Maintenance of equip.	8,218	3,696	8,038	5,493	3,215	3,602
All other oper. expenses	23,894	22,133	19,662	23,181	16,756	20,306
Net oper. revenues	$19,299	$37,851	$31,862	$40,528	$36,911	$52,139
Other income	.....	.....	180	.....	.....	.....
Total net income	$19,299	$37,851	$32,042	$40,528	$36,911	$52,139

Comparative Income Account (*Continued*)

	1916	1915	1914	1913	1912	1911
Taxes	$4,137	$4,087	$4,547	$4,695	$5,438	$2,327
Fixed charges	37,027	36,562	30,075	49,108	48,888	42,081
Surplus	*$21,865	*$2,798	*$2,580	*$13,275	*$17,415	$7,731

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$441,947	$380,461	$382,545	$378,844	$382,291	$378,295
Working assets	24,315	75,367	67,537	74,488	66,269	69,814
Deferred debit items	198,841	216,344	235,156	253,968	272,781	291,594
Profit and loss deficit	152,963	100,683	83,233	44,359	31,117	13,701
Total	$818,066	$772,855	$768,471	$751,659	$752,458	$753,404
LIABILITIES:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Funded debt	500,000	500,000	500,000	500,000	500,000	500,000
Working liabilities	5,035	2,971	988	1,659	2,458	3,404
Appropriated surplus	34,852	19,884	17,483	.....	.....	.....
Deferred credit items	*28,179	.....	.....	.....	.....	.....
Total	$818,066	$772,855	$768,471	$751,659	$752,458	$753,404

* Deferred credit items.

Bonded Debt: $500,000 Mount Hood R.R. first 6s. Dated Jan. 1, 1907, and Jan. 1, 1911; due Jan. 1, 1927. Interest paid Jan. and July 1, at Ogden (Utah) Savings Bank. Secured on entire line.

Capital Stock: Authorized and outstanding, $250,000. Par, $100. No dividends.

MOUNT HOPE MINERAL RAILROAD

History: Incorporated under the laws of New Jersey, March 16, 1866; charter renewed, March 15, 1891.

Location: Road extends from Wharton to Mount Hope, N. J., 3.63 miles; sidings, 1.74 miles. Equipment: Locomotives, 2; passenger car, 1.

Management: OFFICERS: C. H. Zehnder, Pres., New York; Leonard Peckitt, Vice-Pres. and Gen. Mgr.; J. S. Stillman, Sec. and Treas., Catasauqua, Pa. DIRECTORS: Leonard Peckitt, J. S. Stillman, J. W. Fuller, Jr., Catasauqua, Pa.; Arthur A. Fowler, W. H. Hulick, C. H. Zehnder, New York; R. H. Sweetser, Easton, Pa. Annual meeting, last Tuesday in April, in New York. GENERAL OFFICE, Catasauqua, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$55,962	$26,362	$27,631	$24,785	$25,547
Operating expenses	22,116	20,848	19,142	18,580	16,438
Net operating revenues	$33,846	$5,514	$8,489	$6,205	$9,109
Other income	236	47	23	70	227
Total net income	$34,082	$5,561	$8,512	$6,275	$9,336
Taxes	2,091	1,638	1,783	1,674	3,804
Fixed charges	317	333	59	.....	.....
Balance	$31,674	$3,590	$6,670	$4,601	$5,532
Dviidends	.....	.....	.....	5,600	12,800
Surplus	$31,674	$3,590	$6,670	*$999	*$7,268

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $14,559; credit balance transferred from Income, $31,674; profit on road and equipment sold, $711; total, $46,944. Contra: Dividend appropriations of surplus, $12,800; credit balance carried to balance sheet, $34,144; total, $46,944.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$169,319	$172,309	$160,881	$160,399	$160,020
Working assets	31,694	14,620	13,760	11,139	13,777
Preferred debit items	362	635	.....	3,945	.....
Total	$201,375	$187,564	$174,641	$175,483	$173,797
LIABILITIES:					
Capital stock	$160,000	$160,000	$160,000	$160,000	$160,000
Funded debt	5,393	.....	.....	.....	.....
Working liabilities	936	12,210	1,008	5,290	2,604
Accrued liabilities not due	902	795	925	.....	.....
Profit and loss	34,144	14,559	12,708	10,193	11,193
Total	$201,375	$187,564	$174,641	$175,483	$173,797

Capital Stock: Authorized, $200,000; outstanding, $160,000; par, $100. No bonded debt. Dividends have been paid in recent years as follows: 1904, 16%; 1905, 5%; 1906, 8%; 1907 and 1908, 6%; 1909 to 1911, inclusive, 8%; 1912, 3½%; 1913, none; 1914, 3%; 1915, none, 1916, 8%.

MOUNT JEWETT, KINZUA & RITERVILLE RAILROAD

History: Incorporated under the laws of Pennsylvania, April 27, 1889. First portion of road opened in 1889. Leases the Kushequa R.R., the Mead Run R.R., the Smethport R.R., the Kane R.R., and the Keating & Smethport R.R.

Location: Road owned: Mount Jewett to Kushequa with branches, 3.95 miles. Roads leased: Meads Run Junc. to B. & O. crossing, 0.32 mile; Smethport to East Smethport, 0.21 mile; Kushequa to McKeans Junc., Pa., with branches, 9.62 miles; Mt. Jewett to Evan, Pa., 2.82 miles; McKeans to Smethport, Pa., 8.41 miles.

Management: OFFICERS: Elisha K. Kane, Pres.; C. C. Burch, Sec.; Z. E. Kane, Treas.; C. M. Stedwell, Aud.; H. W. Martin, Supt. and Pur. Agt., Kushequa, Pa. DIRECTORS: G. C. Burch, E. K. Kane, Z. E. Kane, C. M. Stedwell, M. A. Critchlow, H. W. Martin, Kushequa, Pa.; T. L. Kane, Kane, Pa. Annual meeting, second Monday in January. GENERAL OFFICE, Kushequa, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$50,518	$43,143	$50,559	$55,329	$47,253
Operating expenses	42,119	42,883	47,416	44,295	56,436
Net operating revenues	$8,399	$260	$3,143	$11,034	* $9,183
Other income	.....	.....	934	.....	.....
Total net income	$8,399	$260	$4,077	$11,034	* $9,183
Fixed charges, inc. taxes	12,332	9,780	12,150	14,289	12,000
Deficit	$3,933	$9,520	$8,073	$3,255	$21,183

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $237,414; debit balance transferred from income, $3,933; loss on retired road and equipment, $2,211; delayed income debits, $3,050; miscellaneous debits, $207; total, $246,815. Contra: Debit balance carried to balance sheet, $246,815; total, $246,815.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$85,567	$89,641	$89,006	$91,078	$94,397
Working assets	36,864	35,239	34,724	48,652	41,865
Profit and loss	246,815	237,414	223,700	210,321	207,066
Total	$369,246	$362,294	$347,430	$350,051	$343,328
LIABILITIES:					
Capital stock	$80,000	$80,000	$80,000	$80,000	$80,000
Working liabilities	285,376	280,762	267,430	270,051	261,731
Accrued liabilities not due	1,803	1,532	.....	.....	1,597
Deferred credit items	2,067	.....	.....	.....	.....
Total	$369,246	$362,294	$347,430	$350,051	$343,328

Capital Stock: Authorized and outstanding, $80,000. Par, $50. No dividends paid.

MOUNT PENN GRAVITY RAILROAD

History: Incorporated under laws of Pennsylvania, April 26, 1889. Road completed in March, 1890.

Location: Road extends from Mineral Spring Park Station to summit and around Mount Penn, Pa., 8 miles. Operated by electricity. Locomotive, 1; cars, 14.

Management: OFFICERS: James Rick, Pres. and Gen. Mgr.; E. C. Nolan, Vice-Pres.; Frank S. Livingood, Sec. and Treas., Reading, Pa. DIRECTORS: John Barbey, Frank S. Livingood, Wm. R. McIlvain, Thos. P. Merritt, J. H. Moyer, G. A. Rick, Jas. Rick, Arthur Rick, Edwin A. Quier, Edw. C. Nolan, James Rick, Jr., Reading, Pa. Annual meeting, second Monday in January. OFFICE, Reading, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$14,950	$14,457	$19,654	$18,226	$19,309	$21,212
Maintenance of way	1,423	3,384	1,900	1,927	2,545	3,873
Maintenance of equip.	579	698	1,597	874	986	3,191
All other oper. expenses	7,403	6,870	8,193	7,432	8,184	5,830
Net oper. revenues	$5,545	$3,505	$7,964	$7,993	$7,594	$8,318
Other income	654	423	.....	398	.....	.....
Total net income	$6,199	$3,928	$7,964	$8,391	$7,594	$8,318
Taxes	760	748	.....	.....	751	1.295
Fixed charges	4,537	5,141	5,140	5,000	4,627	4,562
Surplus	$902	* $1,961	$2,824	$3,391	$2,216	$2,461
Dividends declared	.....	.....	2,000	2,000	2,000	3,000
Other deductions	.....	.....	.....	1,114	.....	.....
Balance	$902	* $1,961	$824	$277	$216	* $539

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$160,370	$160,370	$160,370	$157,672	$160,370	$157,672
Working assets.....	.....	.....	742	700	769	52
Profit and loss deficit..	39,948	40,849	38,888	42,753	38,861	42,276
Total	$200,318	$201,219	$200,000	$201,125	$200,000	$200,000
LIABILITIES:						
Capital stock.....	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt.....	100,000	100,000	100,000	100,000	100,000	100,000
Working liabilities.....	318	1,219	.....	.....	.....	.....
Accrd. liabilities not due	.....	.....	.....	1,125	.....	.....
Total	$200,318	$201,219	$200,000	$201,125	$200,000	$200,000

Bonded Debt: (1) $60,000 Mount Penn Gravity R.R. first extended 4½s. Dated 1891; due April 1, 1901, extended to April 1, 1912, and further extended to April 1, 1922. Interest April and Oct. 1, at Reading Trust Co., Reading, Pa., Trustee. Coupon, $100, $500, and $1,000. First lien on entire road. Interest payable without deduction for normal income tax. Rating, B.

(2) $40,000 Mount Penn Gravity R.R. second extended 4½s. Dated 1892; due April 11, 1902; extended to April 1, 1912, and further extended to April 1, 1922. Interest paid April and Oct. 1, at Reading (Pa.) Trust Co., Trustee. Coupon, $100, $500 and $1,000. A second lien on the entire line. Interest payable without deduction for normal income tax. Rating, B.

Capital Stock: Authorized and outstanding, $100,000; par, $50. Dividends have been paid as follows: 1909 to 1911, 3% per annum; 1912, 1913 and 1914, 2% each; 1915 and 1916, none.

MOUNT TAMALPAIS & MUIR WOODS RAILWAY

History: Incorporated under the laws of California, Feb. 21, 1913 to take over the Mill Valley & Tamalpais Scenic Ry., and to construct an extension from a point on the main line near West Point Station to Bolinas on the Pacific Ocean.

Location: Mill Valley to summit of Mount Tamalpais, Cal., 8.5 miles; Mesa to Muir Woods, 4 miles; total, 12.34 miles. Equipment: Locomotives, 4; 2 gasoline motor cars; cars, 29.

Management: OFFICERS: W. C. Savage, Pres.; John E. Cushing, Vice-Pres.; First Nat'l Bank, San Francisco, Treas.; R. H. Ingram, Gen. Mgr. DIRECTORS: W. C. Savage, J. E. Cushing, R. L. White, T. T. Kent, J. D. Jamison, W. B. Saville, W. D. Fennimore. Annual meeting, third Thursday in July. GENERAL OFFICE, 209 Pacific Bldg., San Francisco, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross earnings	$149,413	$87,062
Operating expenses	78,252	51,211
Taxes	6,440	4,400
Net earnings from operation.....	$64,722	$31,450
Other income	17,043	4,514
Total income	$81,765	$40,987
Interest on bonds.....	5,381	6,533
Other interest	657	3,053
Other deductions	22,905	1,332
Dividends	14,310	10,919
Surplus	$38,511	$30,067

Condensed Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Property investment	$432,576	Common stock	$318,000
Other investment	58,167	Bonded debt outstanding.....	47,500
Materials and supplies.....	10,723	Current liabilities	21,445
Cash on hand.....	2,015	Deferred credit items.....	4,710
Bills receivable	7,321	Appropriated surplus	52,500
Deferred debit items.....	4,152	Profit and loss.....	70,798
Total	$514,954	Total	$514,954

Bonded Debt: $47,500 Mill Valley & Mt. Tamalpais Scenic Ry. first 5s. Dated April 20, 1899; due April 20, 1929. Interest paid April and Oct. 20 at Union Trust Co., San Francisco. Coupon, $500. Authorized and issued, $100,000, of which $52,500 had been retired by sinking fund. First lien on road and equipment. Normal income tax deducted from interest. Rating, A.

Capital Stock: Authorized, $500,000; outstanding, $318,000; par, $100. Current dividends, 4½%. Stock transferred at company's office.

MUNISING, MARQUETTE & SOUTHEASTERN RAILWAY

History: Incorporated under Michigan laws, June 30, 1911, consolidation of Munising Ry. and the Marquette & Southeastern Ry.

Location: Road extends from Munising to Big Bay, Mich., 78.61 miles; Princeton to Lawson, Mich., 17.59 miles; Whitman June. to Hoist, Mich., 5.06 miles; Stillman to Cusina, Mich., 23.19 miles; Chapman to Petrel, Mich., 5.33 miles; Hartho to Ethel, Mich., 2.69 miles; Myren branch, 5.37 miles; total, 137.84 miles. Equipment: Locomotives, 13; cars, passenger, 14; freight, 610; service, 11. Total, 635.

Management: OFFICERS: W. G. Mather, Pres., Cleveland, O.; H. R. Harris, Vice-Pres. and Gen. Mgr., Marquette, Mich.; R. C. Manec, Sec. and Treas., Cleveland, O.; H. A. St. John, Aud., Marquette, Mich. DIRECTORS: W. G. Mather, J. H. Hoyt, R. C. Mann, Cleveland, O.; M. M. Duncan, Ishpeming, Mich.; H. R. Harris, Marquette, Mich. Annual meeting, third Tuesday in February. GENERAL OFFICE, Marquette, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$595,180	$457,037	$524,219	$544,874	$491,038
Maintenance of way	150,751	145,873	147,572	121,623	82,181
Maintenance of equipment	82,841	76,881	80,902	79,965	55,634
All other operating expenses	176,376	156,441	164,717	165,101	147,391
Net operating revenues	$185,212	$77,842	$131,028	$178,184	$205,832
Other income	5,762	3,087	3,725	337	.....
Total net income	$190,974	$80,929	$134,753	$178,521	$205,832
Taxes	36,562	31,247	31,876	30,288	28,954
Fixed charges	158,198	154,397	155,484	155,949	159,600
Surplus	* $3,786	* $104,715	* $52,607	* $7,716	$17,278

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $2,354; debit balance carried to balance sheet, $334,830; total, $337,184. Contra: Debit balance at beginning of year, $332,904; debit balance transferred from income, $3,786; miscellaneous debits, $494; total, $337,184.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$2,208,059	$2,305,833	$3,589,265	$2,681,887	$2,329,976
Working assets	202,260	187,804	178,935	137,722	120,628
Deferred debit items	1,622,847	1,623,880	1,401,987	1,402,034	1,402,008
Profit and loss deficit	334,830	334,568	229,853	171,839	161,628
Total	$4,367,996	$4,452,085	$4,400,040	$4,393,482	$4,409,526
LIABILITIES:					
Capital stock	$1,870,000	$1,870,000	$1,870,000	$1,870,000	$1,870,000
Funded debt	1,175,000	1,190,000	1,205,000	1,213,066	1,167,254
Working liabilities	1,303,207	1,370,276	1,304,043	1,290,674	1,353,181
Accrued liabilities not due	19,538	21,443	20,997	19,742	19,091
Deferred credit items	251	366	.....	.....	.....
Total	$4,367,996	$4,452,085	$4,400,040	$4,393,482	$4,409,526

Bonded Debt: (1) $1,000,000 Marquette & Southeastern Ry. first 5s. Dated June 1, 1903; due June 1, 1933. Int. paid June and Dec. 1, at Citizens' Savings & Trust Co., Cleveland, O., Trustee. Coupon, $1,000. Secured on 50.60 miles of former Marquette & Southeastern Ry. from Big Bay to Lawson, Mich., and from Whitman Junc. to Hoist, Mich, and all equipment. Interest paid without deduction for normal income tax. Rating, B.

(2) $160,000 Munising Ry. first 4s. Dated Oct. 1, 1900; due Oct. 1, 1925. Interest paid April and Oct. 1, at Citizens' Savings & Trust Co., Cleveland, O., Trustee. Coupon, $1,000. Secured on property of former Munising Railway, including 44.69 miles of line from Munising to Little Lake, Mich., and from Stillman to Cavite, Mich.; also secured on 3 locomotives, 1 coach, 1 combination car, 1 box car, 1 caboose car, and 96 flat cars. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Authorized and outstanding, $1,870,000; par, $100. A majority owned by Cleveland Cliffs Iron Co.

MUSCATINE NORTH & SOUTH RAILWAY

History: Incorporated under Iowa laws, Feb. 8, 1905, successor to the Muscatine North & South Railroad sold under foreclosure, Dec. 15, 1904. Road completed in 1912.

Receivership: Judge McPherson, in the United States District Court appointed on Sept. 16, 1914, Chas. N. Voss and E. H. Ryan, both of Davenport, Ia., as receivers. M. Dailey appointed receiver, Nov. 27, 1914.

Foreclosure: The German Trust Co. of Davenport, Ia., on Nov. 25, 1914, filed a suit at Burlington, Ia., to foreclose the first mortgage of 1910, under which $800,000 bonds are outstanding. The bonds are deposited under the $425,000 3-year 6% syndicate notes. which matured Oct. 1, 1914.

Location: Road extends from Muscatine to Rock Island Junc., Ia., 47.77 miles; trackage over lines of Minn. & St. L. R.R., 5.51 miles; Chi., R. I. & Pac. Ry., 2.2 miles; total, 7.71 miles; total operated, 55.48 miles. Sidings, 7 miles. Equipment: Locomotives. 6; cars, passenger, 2; combination, 2; freight, 8.

Management: OFFICERS: M. Dailey, Receiver and Gen. Mgr.; B. C. Hightower, Sec. and Aud.; T. W. Krein, Traffic Mgr., Muscatine, Ia. DIRECTORS: E. H. Ryan, C. G. Hipwell, C. N. Voss, Davenport, Ia.; J. E. Dolman, St. Joseph, Mo.; John Zeidler, St. Louis. Annual meeting, second Tuesday in January. OFFICE, Muscatine, Ia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$167,704	$134.556	$126,113	$123,497	$86,483	$72,184
Maintenance of way	26,176	17.285		19,470	22,336	12,726
Maintenance of equip.	8.709	6,388	122,540	15,247	9,662	7,691
All other oper. expenses	72,099	70,802		103,410	69,344	50,056
Net oper. revenues	$60.720	$40,081	$3,573	*$14,630	*$14,859	$1,441
Taxes	4.635	4.993	.....	4,664	3,124	2,842
Fixed charges	21,949	20,046	22,947	.....	2,926	.....
Surplus	$34,136	$15,042	*$19,374	*$19,294	*$20,909	*$1,401

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $34,136; donations, $300; debit balance carried to balance sheet, $28,387; total, $62,823. Contra: Debit balance at beginning of year, $61,678; miscellaneous debits, $1,145; total, $62,823.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$1,261,677	$1,262,612	$1,273,947	$1,266,038	$1,266,038	$1,250,000
Working assets	94,628	245,272	218,957	227,882	227,882	230,705
Deferred debit items...	18	24	.....	.....	.....	.....
Profit and loss deficit...	28,387	61,678	59,600	20,910	20,909	16,103
Total	$1,384,350	$1,569,586	$1,552,504	$1,514,830	$1,514,829	$1,496,808
LIABILITIES:						
Capital stock	$450,000	$450,000	$450,000	$450,000	$450,000	$450,000
Funded debt	800,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Working liabilities	116,837	117,970	102,504	64,830	64,829	46,808
Deferred credit items..	17,513	1,616	.....	.....	.....	.....
Total	$1,384,350	$1,569,586	$1,552,504	$1,514,830	$1,514,829	$1,496,808

Bonded Debt: (1) $1,000,000 Muscatine North & South Ry. 1st 5s. Dated Jan. 1, 1910; due Jan. 1, 1935. Interest paid Jan. and July 1, at German Trust Co., Davenport, Ia., Trustee. Of these bonds, $800,000 are deposited as part security for the collateral trust notes, and the balance, if issued, must be deposited under the notes also. In treasury, $200,000. Rating, B.

(2) $425,000 Muscatine North & South Ry. 6% Collateral Trust Notes. Dated Oct. 1, 1911; matured Oct. 1, 1914. Interest paid April and Oct. at Continental & Commercial Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000. Secured by deposit of $800,000 1st mtge. 5s, and all the $450,000 capital stock (except directors' qualifying shares) of the Muscatine North & South R.R. Co. If the unissued $200,000 1st mtge. 5s are at any time issued, they must be deposited as collateral under this mortgage. Of these notes, $273,000 were set aside, to complete road from Kingston to Burlington, and to purchase terminal facilities in Burlington. Rating, Ba.

Suit: The Continental & Commercial Trust & Savings Bank, as trustee of the above notes, has brought suit in Superior Court against the managers and members, charging default in payment of interest and asking an accounting of all property covered by the trust deed, and possession of securities deposited under it.

Capital Stock: Authorized and outstanding, $450,000; par, $100. All deposited as security for the collateral-trust 6% notes described above.

MUTUAL TERMINAL COMPANY OF BUFFALO

Origin: Incorporated under the laws of New York, Feb. 28, 1903, as the Mutual Elevator Co. Name changed as above, Sept. 15, 1904. The property of the company, which is centrally located in Buffalo, consists of 5.22 acres of land with a frontage of 1,468 feet on the City Ship Canal. Company also owns wharves, freight house and grain elevator. The company owns the entire stock of the Island R.R. Co., which owns terminal tracks and right of way adjacent to the property of the Mutual Terminal Co. Also owns entire stock of the Mutual Transit Co. The charter of the company is perpetual.

Management: OFFICERS: Chas. M. Heald, Pres., Buffalo, N. Y.; C. S. Goldsborough, Vice-Pres., New York; F. H. Silvernail, Sec. and Treas., New York. DIRECTORS: P. J. Flynn, John Carstensen, C. S. Goldsborough, J. A. Middleton, New York; Chas. M. Heald, Buffalo, N. Y. Annual meeting, third Wednesday in February at Buffalo, N. Y. OFFICE, Chamber of Commerce, Buffalo, N. Y.

Bonded Debt: $1,276,000 Mutual Terminal Co. 1st mortgage 4s. Dated July 1, 1904; due July 1, 1924. Interest paid Jan. and July 1. Coupon, $1,000. Callable at 102½ and interest on six weeks' notice. Sinking fund calls for an annual payment of $200,000 on July 1st each year. Secured by first mortgage on all property directly owned by the company, and by first lien on the properties of the Mutual Transit Co. and the Island R.R. Co. through the deposit of the entire issue of stocks and bonds of those companies. Authorized, $5,000,000, of which originally issued, $4,556,000, the remainder being reserved for additions and improvements. Of amount issued, $3,280,000 have been retired through operation of sinking fund. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $60,000; par, $100. The stock is jointly owned by the New York Central & Hudson River R.R., Delaware, Lackawanna & Western R.R., Lehigh Valley R.R. and the Erie R.R. companies.

THE NACOGDOCHES & SOUTHEASTERN RAILROAD

History: Incorporated under the laws of Texas, Dec. 28, 1904, for the purpose of building a road from Nacogdoches southeast, about 34 miles.

Location: Road in operation from Nacogdoches to La Corda, 14 miles; sidings, 2.41 miles. Operated under contract, 7.8 miles. Equipment: Locomotives, 2; cars, 63.

Management: OFFICERS: E. A. Frost, Pres.; F. T. Whited, Vice-Pres., Shreveport, La.; S. W. Blount, Vice-Pres.; W. P. Smith, Sec. and Treas.; W. P. Smith, Aud., Supt., Pur. Agt. and Traf. Mgr.; H. W. Whited, Gen. Mgr., Nacogdoches, Tex. DIRECTORS: E. A. Frost, F. T. Whited, Shreveport, La.; C. D. Johnson, St. Louis, Mo.; S. W. Blount, T. E. Trigg, H. W. Whited, G. A. Kelly, Lufkin, Tex.; Geo. H. Meisenheimer, W. P. Smith, Nacogdoches, Tex. Annual meeting, first Thursday in December. GENERAL OFFICE, Nacogdoches, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$59,447	$26,617	$23,320	$19,285	$23,096
Operating expenses	35,725	33,752	40,297	33,734	40,271
Net revenues	$23,722	*$7,135	*$16,977	*$14,449	*$17,175
Taxes	1,350	1,350	1,350	1,200	1,080
Fixed charges	2,871	1,596	1,297	1,299	1,471
Balance	$19,501	*$10,081	*$19,624	*$16,948	*$19,726

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$230,959	$232,507	$234,629	$232,740	$234,665
Working assets	7,544	26,030	27,169	28,612	27,371
Deferred debit items	631	.....	1,153	.....	.....
Profit and loss	56,333	75,834	65,753	46,128	29 180
Total	$295,467	$334,371	$328,704	$307,480	$291,216
LIABILITIES:					
Capital stock	$245,400	$245,000	$250,400	$250,000	$250,000
Working liabilities	43,945	88,937	78,511	57,287	41,216
Deferred credit items	6,122	234	193	193	.....
Total	$295,467	$334,371	$328,704	$307,480	$291,216

Capital Stock: Authorized, $250,000; outstanding, $245,400; par, $50. Majority of stock is owned by individual stockholders of Frost-Johnson Lumber Co. No bonded debt.

NANTUCKET RAILROAD

History: Incorporated under laws of Massachusetts, April 21, 1910, successor to Nantucket Central R.R., which was sold under foreclosure March 18, 1910. Connects with the steamboat service of the New Bedford, Martha's Vineyard & Nantucket Steamboat Co. to and from the Island.

Location: Road extends from Nantucket to Siasconset, Mass., 9.12 miles; sidings, 0.15 mile. Gauge, 3 feet. Equipment: Locomotive, 1; passenger and combination cars, 2.

Management: OFFICERS: R. S. Nichols, Pres.; R. L. DeGroff, Sec. and Treas., New York; W. I. Sandsbury, Supt., Nantucket, Mass. DIRECTORS: The foregoing and W. S. Woodhull, New York; R. T. Fitz Randolph, Nantucket, Mass. Annual meeting, third Monday in April. GENERAL OFFICE, 32 Nassau Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross earnings	$10,096	$9,826	$11,187	$9,548	$9,846
Operating expenses	10,835	9,696	8,082	7,724	7,439
Net earnings	* $739	$130	$3,104	$1,834	$2,407
Fixed charges	.....	.....	2,954	367	2,018
Surplus	* $739	$130	$150	$1,467	$389

* Deficit.

Capital Stock: Authorized and outstanding, $100,000; par, $100. No bonded debt. No dividends paid.

NEAME, CARSON & SOUTHERN RAILROAD COMPANY

History: Effective Sept. 28, 1914, the property of the Missouri & Louisiana R.R. Co. (now the Bevier & Southern R.R.) in Louisiana was transferred to this company. Up to Aug. 31, 1916, the road had not been chartered and was operating under a permit from the State of Louisiana. It will be incorporated at some later date. Connects with the Kansas City Southern Ry., with the Santa Fe System, and with Lake Charles & Northern R.R.

Location: Road extends from Neame to Sherwood, La., 17.00 miles; Pujo to C. C. Junction, 11.48 miles; Morrison to Galloway, 5.50 miles; trackage Lake Charles and Northern R.R. Co. (C. C. Junc. to Longville, La.), 12.20 miles; total, 46.18 miles. Equipment: Locomotives, 5; freight cars, 2.

Management: OFFICERS: Chas. S. Keith, Pres.; J. A. Sargent, Vice-Pres. and Gen. Mgr.; E. E. Riley, Sec. and Treas.; J. C. Sherwood, Gen. Aud., Kansas City, Mo. GENERAL OFFICE, Kansas City, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$75,325	$85,624
Operating expenses	67,551	56,264
Net operating revenues	$7,774	$29,360
Fixed charges, inc. taxes	8,561	5,639
Balance	*$787	$23,721

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$36,813	$38,463	Working liabilities	$21,940	$19,640
Working assets	8,225	4,833	Accrued liabilities not due.	164	.....
Accrued income not due	.....	65	Profit and loss	22,934	23,721
Total	$45,038	$43,361	Total	$45,038	$43,361

NEBRASKA, KANSAS & SOUTHERN RAILWAY

History: Incorporated under Kansas laws, Feb. 4, 1907.

Location: Road projected extends from Stockton to Garden City, Kans., 162 miles; Stockton Kans., to Hastings, Neb., 120 miles; Garden City, Kans., to Amarillo, Tex., 225 miles; total, 507 miles. Completed to Oct. 1, 1914, 15.5 miles. Sidings, 1 mile.

Management: OFFICERS: J. C. Hopper, Pres., Ness City, Kans.; J. Q. Adams, First Vice-Pres., Stockton, Kans.; T. T. Kelly, Second Vice-Pres., Paola, Kans.; F. T. Burnham, Sec. and Gen. Mgr., Kansas City, Mo.; E. J. Williams, Treas., Stockton, Kans. DIRECTORS: J. C. Hopper, A. S. Foulks, Ness City, Kans.; E. J. Williams, J. Q. Adams, Stockton, Kans.; E. H. Lupton, Topeka, Kans.; D. J. Hanna, Salina, Kans.; J. V. Killion, Eminence, Kans.; Geo. W. Finnup, Garden City, Kans.; W. A. Morgan, Burrton, Kans.; F. T. Burnham, Kansas City, Mo.; T. T. Kelly, Paola, Kans. Annual meeting, first Monday in February. OFFICE, Stockton, Kans.

Bonded Debt: $200,000 Nebraska, Kansas & Southern Ry. 1st 6s. Dated July 1, 1908; due July 1, 1958. Interest paid Jan. and July 1, at company's office, New York. Coupon, $500 and $1,000. Authorized, $4,500,000. Callable on and after July 1, 1915, at 105. A first lien on entire property. Normal income tax deducted from interest.

Capital Stock: Authorized, $4,500,000. Outstanding, $300,000; par, $100.

NELSON & ALBEMARLE RAILWAY COMPANY

History: Incorporated under laws of Virginia, Sept. 14, 1903, and on June 19, 1905, absorbed the Schuyler Ry.

Location: Road extends from Guthrie to Schuyler, Va., 6.46 miles; Alberene to Esmont, Va., 0.32 mile; Schuyler Dam to Rockfish, Va., 3.61 miles. Operated under contract Alberene to Esmont, Va., 5.53 miles. Trackage rights, 0.86 mile; total, 16.78 miles. Sidings, 0.69 mile. Equipment: Locomotives, 3; cars, passenger, 2; freight, 12; caboose, 2.

Management: OFFICERS: D. J. Carroll, Pres., New York; H. L. Lane, Vice-Pres. and Gen. Mgr.; S. H. Purcell, Treas. and Supt., Schuyler, Va.; W. W. Hepburn, Sec., New York City. DIRECTORS: The foregoing and Richard Flynn, New York; M. J. Copps, Schuyler, Va.; A. A. Moneypenny, New York City. Annual meeting, in September. GENERAL OFFICE, Schuyler, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$56,220	$51,248	$49,313	$54,488	$52,449	$48,642
Maintenance of way	6,195	8,664	8,544	6,152	8,865	9,714
Maintenance of equip.	3,141	2,429	1,512	2,350	1,932	2,762
All other oper. expenses	15,185	16,407	15,629	16,000	17,289	15,971
Net oper. revenues.	$31,699	$23,748	$23,628	$29,986	$24,363	$20,195
Other income	2,552	1,896	1,533	930	350	.....
Total net income.	$34,251	$25,644	$25,161	$30,916	$24,713	$20,195
Taxes	1,974	1,743	1,810	1,758	1,676	1,565
Fixed charges	11,504	12,409	12,222	12,399	12,337	12,747
Other deductions	19,956	.....	.....	.....	.....	.....
Surplus	$817	$11,492	$11,129	$16,759	$10,700	$5,883

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$433,931	$368,869	$387,193	$386,984	$383,100	$383,515
Working assets	11,032	10,772	44,238	28,070	15,326	3,841
Deferred debit items	.....	39,555	.....	.....	.....	.....
Total	$444,963	$419,196	$431,431	$415,054	$398,426	$387,356
LIABILITIES:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Funded debt	135,000	135,000	135,000	135,000	135,000	135,000
Working liabilities	399	420	1,608	343	343	1,631
Deferred credit items	8,471	.....	.....	.....	1,660	.....
Appropriated surplus	48,000	31,500	42,583	27,485	10,000	.....
Profit and loss surplus.	3,093	2,276	2,240	2,226	1,423	725
Total	$444,963	$419,196	$431,431	$415,054	$398,426	$387,356

Bonded Debt: $135,000 Nelson & Albemarle Ry. 1st 6s. Dated 1904; due 1918. Interest Jan. and July. Authorized, $150,000. Secured on entire road owned, 10,80 miles. Normal income tax deducted from interest.

Rating, Ba.

Capital Stock: Authorized and outstanding, $250,000; par, $100. No dividends have been paid.

NEVADA CENTRAL RAILROAD

History: Incorporated under laws of Nevada, Nov. 1, 1888, as a reorganization of the Nevada Central Railway. Line of road, Battle Mountain to Austin, Nev., 93½ miles. Sidings, 2 miles. The company is controlled by the Nevada Company, which owns a majority of the capital stock. Equipment owned: Locomotives, 3; cars, 51.

Management: OFFICERS: J. G. Phelps Stokes, Pres.; Timothy Davenport, Vice-Pres.; James W. McCulloch, Gen. Mgr. and Asst. Treas., New York; J. M. Hiskey, Sec., Treas. and Aud., Austin, Nev. DIRECTORS: J. G. Phelps Stokes, T. Davenport, J. W. McCulloch, I. N. Phelps Stokes, J. M. Hiskey, H. Phelps Stokes, D. J. Shea. Annual meeting, second Tuesday in October. MAIN OFFICE, Austin, Nev. NEW YORK OFFICE, 100 William Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$45,711	$43,275	$48,787	$54,973	$59,785	$84,614	$60,096
Maintenance of way	9,092	6,833	9,811	13,841	13,218		
Maintenance of equipment	6,833	8,509	7,255	9,210	10,752	47,805	83,938
All other operating expenses	18,507	17,518	21,659	24,368	23,224		
Net operating revenues	$11,279	$10,415	$10,062	$7,554	$12,591	$36,809	*$23,842
Operating ratio	75.3%	75.9%	79.4%	86.3%	79.3%	56.5%	139.7%
Other income	105	41	1,820	415	.....	139	.....
Total net income	$11,384	$10,456	$11,882	$7,969	$12,591	$36,948	*$23,842
Taxes accrued	1,686	1,467	4,633	3,698	4,017	4,290	4,373
Fixed charges	7,500	26,250	.....	.....	453	13,460	.....
Surplus	$2,198	*$17,261	$7,249	$4,277	$8,121	$19,198	*$28,215

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,496,133	$1,491,227	$1,500,000	$1,500,000	$1,495,382	$1,497,380
Working assets	22,458	20,450	36,478	33,593	27,719	17,372
Deferred debit items	191	5,350	2,835	.....	273	1,785
Total	$1,518,782	$1,517,027	$1,539,313	$1,533,593	$1,523,374	$1,516,537
LIABILITIES:						
Capital stock	$750,000	$750,000	$750,000	$750,000	$750,000	$750,000
Funded debt	750,000	750,000	750,000	750,000	750,000	750,000
Working liabilities	1,437	2,170	1,184	2,626	1,734	1,817
Accr'd liabilities not due	950	660	.....	.....	.....	.....
Deferred credit items	.....	.....	5,452	5,538	1,482	1,684
Profit and loss surplus	16,395	14,197	32,677	25,429	21,158	13,036
Total	$1,518,782	$1,517,027	$1,539,313	$1,533,593	$1,523,374	$1,516,537

Bonded Debt: $750,000 Nevada Central R.R. first sinking fund non-cumulative gold 5% income bonds. Dated July 2, 1888; due July 1, 1938. Int. Jan. and July 1, only when earned. Registered, $1,000. Int. at the rate of 4% was paid in July, 1906, from earnings for 1905-6; 2½% in Jan., 1908, from earnings for 1906-7; 1¾% on Feb. 18, 1909, from surplus earnings for 1907-8, and 1¾% in July. 1911, from earnings for 1910-11; 3½% in Aug., 1914, from earnings of 1913-14; 3½% in 1915; 1% in 1916. First lien on entire property. Rating, Ca.

Capital Stock: Authorized and outstanding, $750,000; par, $100. The Nevada Company owns a majority of the stock.

NEVADA COUNTY NARROW-GAUGE RAILROAD

History: Incorporated under laws of California, April 4, 1874, road being opened in May, 1876. Line of road, Colfax to Nevada City, Cal., 20½ miles; branches, 1.4 miles; sidings, 4.56 miles. Equipment owned: Locomotives, 4; cars, passenger, 3; combination, 3; baggage, etc., 5; freight, 69; service, 1. Interests identified with Oakland, Antioch & Eastern Ry. acquired control of this property in May, 1913.

Management: OFFICERS: Sam. L. Naphtaly, Pres.; John I. Walter, Vice-Pres.; H. A. Mitchell, Sec., Treas. and Gen. Mgr. DIRECTORS: John Glasson, Grass Valley, Cal.; Sam. L. Naphtaly, H. A. Mitchell, Walter Arnstein, J. I. Walter, Jesse H. Steinhart, San Francisco, Cal. Annual meeting, first Wednesday in April. OFFICE, 582 Market Street, San Francisco, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$144,194	$130,667	$166,773	$129,366	$122,071	$127,410	$128,481
Maintenance of way	14,316	27,862	23,960	24,034	24,655		
Maintenance of equipment	16,545	17,800	28,229	14,192	16,888	90,005	72,236
All other operating expenses	59,015	56,940	64,072	59,910	50,224		
Net operating revenues	$54,318	$28,065	$50,512	$31,230	$30,304	$37,405	$56,245
Operating ratio	62.3%	78.5%	69.8%	75.9%	75.2%	70.6%	56.2%
Other income	817	295	75	104	137	233	.....
Total net income	$55,135	$28,360	$50,587	$31,334	$30,442	$37,638	$56,245
Taxes accrued	7,348	8,940	4,780	18,406	5,760	5,160	5,322
Fixed charges	15,936	13,822	12,174		12,285	12,915	2,003
Surplus	$31,851	$5,598	$33,633	$12,928	$12,397	$19,563	$48,920
Dividends paid	20,016	5,004	40,322	12,510	20,016	6,255	6,255
Balance	$11,835	$594	*$6,689	$418	*$7,618	$13,308	$42,665

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $66,288; credit balance transferred from income, $11,835; miscellaneous credits, $42; total, $78,165. Contra: Debt discount extinguished through surplus, $790; miscellaneous appropriations of surplus, $12,000; credit balance carried to balance sheet, $65,375; total, $78,165.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$775,961	$777,942	$763,811	$739,531	$695,907	$697,323
Working assets	23,974	36,735	28,262	15,147	13,683	24,002
Deferred debit items...	25,496	30,975	44,045	47,427	57,411	68,114
Total	$825,431	$845,652	$836,118	$802,105	$767,001	$789,439
LIABILITIES:						
Capital stock	$250,850	$250,850	$250,850	$250,850	$250,850	$250,850
Funded debt	176,000	191,000	202,000	162,000	171,000	180,000
Working liabilities	24,320	59,302	55,771	61,954	26,004	38,293
Accr'd liabilities not due	*42	194	767	1,169	.....	.....
Deferred debit items...	44,546	25,634	20,516	13,428	6,860	.....
Appropriated surplus ..	264,382	252,384	231,384	231,384	231,384	52,280
Profit and loss surplus.	65,375	66,288	74,830	81,320	80,903	268,016
Total	$825,431	$845,652	$836,118	$802,105	$767,001	$789,439

* Reverse item.

Bonded Debt: (1) $126,000 Nevada County Narrow-Gauge R.R. first gold 7s. Dated Jan. 2, 1896; due in annual instalments, increasing from $4,000 in 1902 to $20,000 in 1924. Int. Jan. and July 2, at Wells Fargo Nevada National Bank, San Francisco. Coupon, $1,000. First lien on line from Colfax to Nevada City, Cal., with branch, 21.9 miles. Normal income tax deducted from interest. Rating, A.

(2) $50,000 Nevada County Narrow-Gauge R.R. 5s; dated April 1, 1913; due April 1, 1943; int. paid April and Oct. 1, at Union Trust Co., San Francisco. Coupon, $1,000. Callable at 105. Authorized, $500,000. Follows No. 1 on entire property. Sinking fund provides for annual payments of $3,500 from 1920 to 1929; increasing to $7,500 in 1930 and to $16,000 in 1940. Interest paid without deduction for normal income tax. *Rating*, Baa.

Capital Stock: Authorized, $400,000; outstanding, $250,200; par, $100. Dividends have been paid as follows: 1882, 3%; 1883, 6%; 5% each in Dec., 1903, Nov., 1904, and Sept., 1905; July, 1906, 10%; Dec., 1909, 2½%; Oct., 1910, 2½%; Sept., 1911, 5%; May and June, 1912, 1½% each; Aug., 1912, 2%; Sept., 1912, 3%; Aug., 1913, 2%; Sept., 1913, 3%; 16% in 1914; 2% in 1915; 8% in 1916.

NEVADA NORTHERN RAILWAY

History: Incorporated in Maine, May 29, 1905. Controlled by Nevada Consolidated Copper Co.

Location: Line of road, Cobre to Ely, Nev., 140.38 miles, with branches of 24.36 miles; sidings, 23.44 miles.

Management: OFFICERS: S. W. Eccles, Pres.; D. C. Jackling, Vice-Pres.; C. K. Lipman, Treas.; W. E. Bennett, Vice-Pres. and Sec. DIRECTORS: S. W. Eccles, W. E. Bennett, W. H. Smith, C. M. MacNeill, D. C. Jackling, Chas. Hayden, Murray Guggenheim, E. L. Newhouse, Simon Guggenheim. OFFICE, 120 Broadway, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,885,753	$1,204,274	$1,761,197	$1,644,589	$1,509,862	$1,468,006	$1,511,309
Maintenance of way.....	218,950	200,481	220,955	186,440	165,856	162,640	87,224
Maintenance of equipment.....	165,556	158,209	236,025	195,259	179,652	167,673	145,954
All other operating expenses...	407,410	333,245	468,728	415,835	365.154	359,315	348,089
Net operating revenues...	$1,093,837	$512,339	$835,489	$847,055	$799,200	$778,378	$930,042
Operating ratio	42%	57.5%	52.5%	48.5%	47.1%	47%	38.5%
Other income	32,678	8,546	7,794	10,422	12,436	7,645	5,666
Total net income.....	$1,126,515	$520,885	$843,283	$857,477	$811,636	$786,023	$935,708
Taxes accrued	80,605	60,265	81,242	77,350 }	148,844	{ 58,908	36,970
Fixed charges	59,251	36,281	73,708	150,233 }		{ 129,056	233,076
Surplus	$986,659	$424,339	$688,333	$707,244	$662,792	$598,059	$665,662
Dividends paid	850,000	405,000	625,000	625,000	600,000	600,000	650,000
Balance	$136,659	$19,339	$63,333	$82,244	$62,792	*$1,941	$15,662

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $536,695; credit balance transferred from income, $136,659; profit on road and equipment sold, $6,004; miscellaneous credits, $50; total, $679,409. Contra: Credit balance carried to balance sheet, $671,711; loss on retired road and equipment, $7,698; total, $679,409.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$2,516,783	$2,505,433	$2,594,345	$3,141,337	$2,758,065	$2,866,159
Working assets	3,332,239	499,046	1,145,291	483,418	733,200	311,440
Deferred debit items...	23,655	.....	.....	.....	.....	211,452
Total	$5,872,677	$3,004,479	$3,739,636	$3,624,755	$3,491,265	$3,389,051
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	175,000	275,000	1,000,000	1,000,000	1,000,000	1,000,000
Working liabilities	2,960,884	144,439	192,280	190,869	141,590	111,621
Deferred credit items..	28,012	18,345	.....	.....	.....	.....
Accr'd liabilities not due	37,070	30,000	30,000	36,306	34,339	24,886
Profits and loss surplus	671,711	536,695	517,356	397,580	315,336	252,544
Total	$5,872,677	$3,004,479	$3,739,636	$3,624,755	$3,491,265	$3,389,051

Bonded Debt: $175,000 Nevada Northern Ry. first s. f. 5s; dated July 1, 1905; due July 1, 1925; int. Jan. and July, at Boston Safe Deposit & Trust Co., Boston. Sinking fund, $50,000 per annum. Callable at any time at 105 and interest. First lien on property. Interest paid without deduction for normal income tax. Net Rating, Aa.

Capital Stock: Outstanding, $2,000,000; all owned by Nevada Consolidated Copper Co. Dividends: 1908, 10%; 1909, 20%; 1910, 32½%; 1911 and 1912, 30% each; 1913, 31¼%; 31¼% in 1914; 20¼% in 1915; 42½% in 1916.

NEWBURGH & SOUTH SHORE RAILWAY

History: Incorporated under the laws of Ohio, June 12, 1899. Operates 61 miles of tracks and transfers freight cars between the different railway lines, industries and warehouses in and around Cleveland, O.

Location: Tracks extend from the forwarding and receiving dock on the Cuyahoga River in Cleveland to the manufacturing district of Newburgh, Ohio, connecting with all railways entering those cities.

Equipment: Locomotives, 22; passenger cars, 5; freight cars, 1,038.

Management: OFFICERS: W. H. Palmer, Pres.; A. S. Chisholm, Vice-Pres., Cleveland; A. F. Allen, Sec., Chicago; S. H. Berwald, Treas.; C. A. Vogt, Aud.; J. N. Fleming, Pur. Agt., Cleveland; C. A. Gallagher, Gen. Supt., Cleveland, Ohio. DIRECTORS: E. H. Gary, New York; J. S. Keefe, Chicago; H. A. Barren, A. S. Chisholm, R. W. Ney, Wm. P. Palmer, C. A. Gallagher, Cleveland. GENERAL OFFICE, Cleveland, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$888,142	$552,347	$597,494	$715,425	$579,862
Operating expenses	601,305	435,247	526,648	569,284	436,913
Net operating revenues	$286,837	$117,100	$70,846	$146,141	$142,949
Other income	2,847	21,707	21,877	29,328	25,106
Total net income	$289,684	$138,807	$92,723	$175,469	$168,055
Fixed charges, inc. taxes	76,733	55,131	60,698	48,848	48,129
Surplus	$212,951	$83,676	$32,025	$126,621	$119,926

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $440,257; credit balance transferred from income, $212,951; total, $653,208. Contra: Dividend appropriations of surplus, $90,000; miscellaneous debits, $129; credit balance carried to balance sheet, $563,079; total, $653,208.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$2,637,187	$2,609,019	$2,559,116	$2,376,293	$2,382,378
Working assets	242,875	184,773	172,119	205,011	170,424
Deferred debit items	6,540	6,095	5,736	5,257	5,064
Total	$2,886,602	$2,799,887	$2,736,971	$2,586,561	$2,557,867
LIABILITIES:					
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Working liabilities	620,998	667,272	654,521	531,952	535,253
Accrued liabilities not due	.....	.....	33,999	35,530	28,318
Deferred credit items	16,114	5,946	6,073	8,778	14,319
Appropriated surplus	186,411	186,412	186,411	11,411	11,411
Profit and loss	563,079	440,257	355,967	498,890	468,566
Total	$2,886,602	$2,799,887	$2,736,971	$2,586,561	$2,557,867

Capital Stock: Authorized and outstanding, $1,500,000. Par, $100. All owned by American Steel & Wire Co., a subsidiary of the U. S. Steel Corporation. No bonded debt. A dividend of 6% was paid in 1913 and in 1916.

NEW IBERIA & NORTHERN RAILROAD

History: Incorporated under the laws of Louisiana, April 2, 1907, to construct line from Port Barre to Berwick, La. The road was built for the St. Louis and San Francisco R.R. Co. under contract, and the St. L. & S. F. R.R. issued its notes in payment therefor. The owners of the railroad took the property back May 1, 1914, and it is now entirely independent. Company owns terminal properties on both sides of New Iberia.

Location: Road extends from Port Barre to New Iberia, La., 61.37 miles. Company operates 39.46 miles of its subsidiary, the Iberia, St. Mary & Eastern R.R., from New Iberia to Shadyside; total operated, 100.83 miles.

Equipment: Owned, locomotives, 7; passenger motor cars, 2; freight cars, 233; service cars, 5.

Management: OFFICERS: A. T. Perkins, Pres., St. Louis; R. J. Lockwood, Vice-Pres. and Pur. Agt., New Iberia; W. E. Guy, Vice-Pres., St. Louis; V. J. Smith, Sec., New Iberia; F. V. Dubrouillet, Treas., St. Louis; C. G. Nelson, Aud., New Iberia. DIRECTORS: A. T. Perkins, St. Louis, Mo.; P. M. Johnston, St. Elmo, Ill.; Jules Dreyfus, R. J. Lockwood, Fritz Dietlein, E. H. Buffinton, New Iberia; Henry N. Pharr, Olivier, La. Annual meeting, first Monday in May. GENERAL OFFICE, New Iberia.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$106,523	$93,897
Operating expenses	111,093	119,526
Net operating deficit	$4,570	$25,629
Other income	3,108	3,705
Total net deficit	$1,462	$21,924
Fixed charges, inc. taxes	146,266	101,120
Balance, deficit	$147,728	$123,044

Comparative Condensed Balance Sheet, as of June 30

ASSSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment....	$1,671,266	$1,651,883	Capital stock	$1,000,000	$1,000,000
Working assets	182,836	134,338	Funded debt	2,000,000	2,000,000
Accrued income not due.	1,062,581	1,098,626	Working liabilities	314,509	144,853
Profit and loss	416,594	268,461	Accrd. liabilities not due	7,559	5,419
			Deferred credit items...	11,209	3,036
Total	$3,333,277	$3,153,508	Total	$3,333,277	$3,153,308

Bonded Debt: $2,000,000 New Iberia & Northern R.R. first 5s. Dated July 1, 1913; due July 1, 1943. Interest paid Jan. and July 1, at St. Louis Union Trust Co., St. Louis. Coupon, $1,000. Authorized, $10,000,000. Callable at 105 and interest upon 90 days' notice. First lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $2,000,000; outstanding, $1,000,000. Par, $100. No dividends paid.

NEW JERSEY, INDIANA & ILLINOIS RAILWAY

History: Incorporated under Indiana laws, October 27, 1902. Road opened, August 1, 1905.

Location: Road extends from South Bend to Pine, Ind., 12 miles. Sidings, 1.58 miles. Equipment: Locomotives, 2; cars, 4.

Management: OFFICERS: Clayton Mayo, Pres. and Gen. Mgr.; R. C. Scholz, Vice-Pres.; T. A. Hynes, Treas. and Gen. Frt. Agt.; H. C. Weppler, Sec. and Aud., New York; W. A. Ballard, Supt., South Bend, Ind. DIRECTORS: Clayton Mayo, R. C. Scholz, T. A. Hynes, H. C. Weppler, New York; W. L. Kizer, W. A. Ballard, South Bend, Ind.; R. M. King, Brooklyn, N. Y. Annual meeting, first Monday in October. OFFICE, 149 Broadway, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$59,984	$48,556	$85,096	$62,867	$49,976	$48,301
Maintenance of way...	9,954	9,197	10,608	7,407	5,747	4,651
Maintenance of equip..	3,073	2,719	4,914	6,528	3,768	1,848
All other oper. expenses	27,821	24,668	25,163	17,855	18,208	17,739
Net oper. revenues.	$19,046	$11,972	$44,411	$31,077	$22,253	$24,063
Other income	385	294	554	561	278	312
Total net income..	$19,431	$12,266	$44,965	$31,638	$22,531	$24,375
Taxes	3,462	2,680	2,820	2,527	2,326	2,278
Fixed charges	18,679	17,543	19,265	15,884	14,713	14,204
Surplus	*$2,710	*$7,957	$22,880	$13,227	$5,490	$7,893
Dividends declared	.....	.....	6,000	.....	.....	.....
Other deductions	.....	.....	11,543	148	.....	.....
Balance	*$2,710	*$7,957	$5,337	$13,079	$5,490	$7,893

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $8,469. Contra: Debit balance transferred from income, $2,710; surplus appropriated for investment in physical property, $1,259; loss on retired road and equipment, $221; credit balance carried to balance sheet, $4,279; total, $8,469.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$352,751	$353,408	$362,676	$352,696	$343,638	$342,512
Working assets	19,285	16,144	46,074	44,314	20,434	18,640
Deferred debit items...	12,698	14,284	293	293	293	243
Profit and loss deficit..	.....	.....	.....	.....	.....	4,641
Total	$384,734	$383,836	$409,043	$397,303	$364,365	$366,036
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	250,000	250,000	250,000	250,000	250,000	250,000
Working liabilities	14,417	10,743	28,078	23,625	13,516	16,036
Accrd. liabilities not due	3,050	2,630	.....	.....	.....	.....
Deferred credit items..	.....	266	11,692	9,750	.....	.....
Appropriated surplus..	12,988	11,728	.....	.....	.....	.....
Profit and loss surplus.	4,279	8,469	19,273	13,928	849	.....
Total	$384,734	$383,836	$409,043	$397,303	$364,365	$366,036

Bonded Debt: $250,000 New Jersey, Indiana & Illinois Ry. first 5s. Dated July 1, 1904; due July 1, 1934. Interest paid Jan. and July 1, at Mechanics Trust Co., Bayonne, N. J., Trustee. Coupon, $1,000. A first lien on entire property. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Authorized and outstanding, $100,000. Par, $100. TRANSFER AGENT AND REGISTRAR, Mechanics Trust Co., Bayonne, N. J.

NEW MEXICO CENTRAL RAILROAD

History: Organized December 7, 1900, as the Santa Fe, Albuquerque & Pacific Ry. Co. Re-organized in 1902 as the Santa Fe Central Ry. Present name adopted in 1908 when the company consolidated with the Albuquerque & Eastern Ry. Receiver appointed January 10, 1910.

Location: Road extends from Torrance to Santa Fe, N. M., 115.70 miles; sidings, 4.36 miles. Equipment: Locomotives, 3; cars, 46.

Management: OFFICERS: Ralph C. Ely, Rec., Santa Fe, N. M.; H. Nesbit, Pres., Pittsburgh, Pa.; W. T. Hopewell, Vice-Pres., Albuquerque, N. M.; F. J. Torrance, Sec., Pittsburgh, Pa.; E. E. Friday, Gen. Supt.; W. W. Becker, Aud. GENERAL OFFICE, Santa Fe, N. M.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$64,907	$69,545	$92,741	$110,808	$101,127
Operating expenses	78,081	76,506	99,328	89,503	84,837
Net operating revenues	*$13,174	*$6,961	*$6,587	$21,305	$16,290
Other income	.....	.....	.....	144	143
Total net income	*$13,174	*$6,961	*$6,587	$21,449	$16,433
Fixed charges, inc. taxes	10,377	18,907	23,527	18,109	14,081
Balance	*$23,551	*$25,868	*$30,114	$3,340	$2,352

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $111,113; debit balance transferred from income, $23,551; surplus appropriated for investment in physical property, $137; loss on retired road and equipment. $10,618; total, $145,419. Contra: Delayed income credits, $640; miscellaneous credits, $4,694; donations, $136; debit balance carried to balance sheet, $139,949; total, $145,419.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$5,657,889	$4,983,510	$4,989,312	$5,000,023	$5,005,011
Working assets	19,672	63,442	48,639	69,629	46,279
Deferred debit items	2,712,902	157,121	157,194	157,057	157,022
Profit and loss	139,949	111,113	82,582	61,111	64,566
Total	$8,530,412	$5,315,188	$5,277,727	$5,287,820	$5,272,878
LIABILITIES:					
Capital stock	$5,000,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Funded debt	3,250,000	2,550,000	2,530,000	2,530,000	2,530,000
Working liabilities	24,432	216,313	238,821	250,607	236,552
Accrued liabilities not due	46,322	48,875	8,906	6,762	6,128
Deferred credit items	209,522	.....	.....	451	198
Appropriated surplus	136	.....	.....	.....	.....
Total	$8,530,412	$5,315,188	$5,277,727	$5,287,820	$5,272,878

Bonded Debt: (1) $2,000,000 Santa Fe Central 1st 5s. Dated Dec. 1, 1901; due Dec. 1, 1941. Int. paid June and Dec. 1, at Pittsburgh Trust Co., Pittsburgh, Pa. Coupon, $1,000; principal may be registered. Authorized, $2,500,000. First lien on entire property.

(2) Auth. and outstanding, $1,200.000 Albequerque Eastern R.R. first 5s; dated Sept. 1, 1904; due Sept. 1, 1944. Int. payable Mar. and Sept. 1. No interest has ever been paid.

(3) Outstanding, $50,000 receivers' certificates. No further details available.

Capital Stock: Authorized and outstanding, $5,000,000. Par, $100.

NEW MEXICO MIDLAND RAILWAY

History: Incorporated under laws of New Mexico, June 11, 1904.

Location: Road extends from San Antonio to Carthage, N. M., 10 miles; sidings, 1.17 miles. Equipment: Locomotive, 1; cars, 4.

Management: OFFICERS: Powell Stackhouse, Jr., Pres., Gen. Mgr., San Antonio, N. Mex.; C. B. Eddy, Vice-Pres.; B. S. Harmon, Vice-Pres., New York; E. C. Brechtel, Sec., Treas. and Aud.; H. M. Blon, Supt., San Antonio, N. Mex. DIRECTORS: Powell Stackhouse, Jr., E. C. Brechtel, San Antonio, N. Mex.; C. B. Eddy, B. S. Harmon, New York; C. D. Simpson, Scranton, Pa. Annual meeting, third Wednesday in August. GENERAL OFFICE, San Antonio, N. Mex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$37,777	$31,366	$32,110	$30,072	$26,888
Operating expenses	31,675	22,528	25,489	26,603	23,281
Net operating revenues	$6,102	$8,838	$6,621	$3,469	$3,607
Fixed charges, inc. taxes	1,721	8,713	2,143	1,623	544
Balance	$4,381	$6,837	$4,478	$1,846	$3,063

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$133,137	$141,167	$142,867	$150,000	$150,000
Working assets	25,754	11,791	18,605	15,704	9,860
Deferred debit items	124	160	201	167	.....
Total	$159,015	$153,074	$161,673	$165,871	$159,860
LIABILITIES:					
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000
Working liabilities	3,931	2,317	3,384	6,627	2,462
Accrued liabilities not due	553	600	.....	.....	.....
Profit and loss	4,531	157	8,289	9,244	7,398
Total	$159,015	$153,074	$161,673	$165,871	$159,860

Capital Stock: Authorized and outstanding, $150,000. Par, $100. No bonded debt. Secretary of company acts as TRANSFER AGENT AND REGISTRAR. A dividend of 66 2/3% was paid from surplus during fiscal year 1909-1910; and during fiscal year 1914-1915.

NEW ORLEANS, NATALBANY & NATCHEZ RAILWAY

History: Incorporated under the laws of Louisiana, January 4, 1902.

Location: Road extends from Natalbany to Grangeville, La., 29.01 miles; sidings, 10.06 miles. Equipment: Locomotives, 5; cars, 167.

Management: OFFICERS: F. C. Denkmann, Pres.; T. B. Davis, Vice-Pres., Rock Island, Ill.; R. Stainback, Sec. and Auditor; T. L. Smythe, Gen. Mgr.; Guy Hamilton, Supt., Natalbany, La.; C. H. Miller, Traf. Mgr., Hammond, La. DIRECTORS: F. C. Denkmann, E. P. Denkmann, T. B. Davis, W. H. Marshall, J. H. Hauberg, Rock Island, Ill.; T. Brady, Jr., Brookhaven, Miss.; H. J. Richardson, St. Paul, Minn. Annual meeting, in January. GENERAL OFFICE, Hammond, La.

Comparative Income Account, Years Ended June 30

ASSETS:	1916	1915	1914	1913	1912
Gross revenues	$78,023	$98,502	$86,971	$48,748	$122,646
Operating expenses	86,472	92,799	111,610	97,363	130,014
Net operating revenues	*$8,449	$5,703	*$24,639	*$48,615	*$7,369
Other income	2,430	9,369	19,076	31,451	21,849
Total net income	*$6,019	$15,072	*$5,563	*$17,164	$14,480
Fixed charges, inc. taxes	12,826	8,443	8,825	6,814	10,056
Balance	*$18,845	$6,629	*$14,388	*$23,978	$4,424

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $134,935; miscellaneous credits, $2,646; total, $137,581. Contra: Debit balance transferred from income, $18,846; miscellaneous debits, $115; credit balance carried to balance sheet, $118,620; total, $137,581.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$363,314	$374,500	$386,735	$376,047	$384,280
Working assets	37,969	58,515	58,119	49,460	96,453
Total	$401,283	$433,015	$444,854	$425,507	$480,733
LIABILITIES:					
Capital stock	$155,000	$155,000	$155,000	$155,000	$155,000
Working liabilities	125,263	140,980	172,932	140,379	166,307
Accrued liabilities not due	2,400	2,100	.....	.....	.....
Profit and loss	118,620	134,935	116,922	130,128	159,426
Total	$401,283	$433,015	$444,854	$425,507	$480,733

Capital Stock: Authorized, $300,000; outstanding, $155,000. Par, $100. No bonded debt.

NEW ORLEANS TERMINAL COMPANY

History: Incorporated December 31, 1902, in Louisiana, as the New Orleans & San Francisco R.R. Name changed June 30, 1903.

Location: Owns a belt line in New Orleans, and extensive terminal properties in New Orleans and Port Chalmette, with 26.08 miles of main track and 48.26 miles of yards and sidings, which were leased to the St. Louis & San Francisco R.R. and the Southern Ry. to July 1, 2002, for a rental sufficient to pay all expenses and interest on the bonds. In 1913, the St. Louis & San Francisco defaulted on its rental payment and its interest in the stock was forfeited to the Southern Ry. Under this contract the New Orleans Terminal Co. handles the business in and about New Orleans of the Southern Ry. Co., the Mobile & Ohio and the Queen & Crescent Lines. The New Orleans Great Northern and the Louisiana Railway & Navigation Co. use the passenger facilities under terminable contracts, and the Illinois Central Railroad, the Yazoo & Mississippi Valley Railroad, the Morgan's Louisiana & Texas Railroad and Steamship Co. and the Louisville & Nashville Railroad have joint trackage privileges between Shrewsbury and the American Sugar Refinery. Controlled by Southern Ry. through ownership of capital stock. Owns 15 locomotives and 11 cars.

Management: OFFICERS: Larz A. Jones, Pres.; T. F. Steele, Vice-Pres.; R. J. Palle, Treas.; W. S. Bender, Sec. DIRECTORS: L. A. Jones, T. F. Steele, J. H. Fulton, John J. Gannon, New Orleans, La.; T. C. Powell, Cincinnati, O.; R. V. Taylor, Mobile, Ala. Annual meeting, second Monday in February. OFFICE, New Orleans, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$692,013	$695,928	$649,890	$625,537	$659,037	$621,369
Taxes accrued	87,595	112,622	73,225	65,239	62,854	63,595
Fixed charges	610,182	588,892	576,665	560,298	596,183	557,774
Balance	*$5,764	*$5,586	.....	.....	.....	.....

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $29,290. Contra: Debit balance at beginning of year, $11,555; debit balance transferred from income, $5,764; loss on retired road and equipment, $11,971; total, $29,290.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1013	1912	1911
Property investment	$15,305,137	$15,281,115	$15,205,768	$14,962,292	$14,835,480	$14,818,166
Working assets	317,676	384,539	1,612,277	1,770,213	1,829,042	1,819,605
Deferred debit items	1,902,369	1,620,128	1,036,625	709,295	719,404	769,965
Profit and loss deficit	29,290	11,555	6,000	.....	.....	.....
Total	$17,554,472	$17,297,337	$17,860,670	$17,441,800	$17,383,926	$17,407,736
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	14,000,000	14,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Working liabilities	384,028	403,895	398,526	404,540	343,500	362,653
Accrd. liabilities not due	29,590	25,114	25,829	24,996	22,132	22,351
Deferred credit items	1,140,854	868,328	436,315	12,264	18,294	22,732
Total	$17,554,472	$17,297,337	$17,860,670	$17,441,800	$17,383,926	$17,407,736

Bond Record: $14,000,000 New Orleans Terminal Co. first mortgage gold 4s. Dated July 1, 1903; due July 1, 1953. Interest paid Jan. and July 1, at Guaranty Trust Co., New York. Coupon, $1,000. Registerable as to principal. Registered, $1,000 and $10,000. Interchangeable. Guar. jointly and severally as to prin. and int. by the St. Louis & San Francisco R.R. Co., and the Southern Ry. Co. by endorsement. First lien on the entire property of the company as follows: About 5,500 acres of land with frontage of about 2½ miles on the Mississippi River, located about 6 miles below New Orleans, and including the Port Chalmette freight terminals and a grain elevator with capacity for handling 500,000 bushels of grain; 49 consecutive blocks in the centre of New Orleans, on which are a large modern passenger station and numerous freight houses. The company owns the right-of-way over this property. 100 acres for additional outside freight yards. A belt line railroad of about 26 miles in length, with a total trackage of about 78 miles, extending from Port Chalmette terminals on the south to the terminal properties in the centre of the city and connecting with all railroads entering New Orleans. About 10 acres of land in the city for additional passenger terminals when required. Under the lease the Terminal Company handles the business of the St. Louis & San Francisco R.R. and the Southern Ry. Co. (including the Mobile & Ohio and the Queen & Crescent Lines). Listed on London Stock Exchange. Interest paid without deduction for normal income tax. Rating, Ba.

Suit: In July, 1913, the St. Louis & San Francisco defaulted on the payment of one-half of the semi-annual interest on these bonds, and the Southern Railway thereupon declared the St. Louis & San Francisco Ry.'s half-interest as forfeited. Suit was then brought by the receivers of the latter property, but was lost.

Capital Stock: Authorized and outstanding, $2,000,000. Par, $100. Southern Ry. owns $1,997,000.

NEW PARK & FAWN GROVE RAILROAD

History: Incorporated under the laws of Pennsylvania, May 11, 1905. Road opened July 5, 1906.

Location: Road extends from Fawn Grove to Stewartstown, Pa., 9 miles; sidings, 1 mile. Equipment: Locomotive, 1; cars, 2.

Management: OFFICERS: R. W. Anderson, Pres.; J. C. Wiley, Vice-Pres. and Gen. Mgr.; A. M. Strawbridge, Treas.; J. A. Gailey, Sec. and Aud.; B. F. Morris, Gen. Supt., New Park, Pa. DIRECTORS: J. C. Wiley, R. W. Anderson, Maurice Davis, H. S. Merryman, S. G. Lowe, H. C. MacElwain, J. A. Gailey, N. A. Manifold, R. H. McDonald, A. M. Strawbridge, A. W. Webb, J. W. Norris, D.. R. Anderson, M. E. Smith, J. B. Jenkins, B. F. Morris. Annual meeting, in January. GENERAL OFFICE, New Park, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$19,708	$18,818	$15,665	$16,676	$13,693
Operating expenses	14,083	15,213	13,050	10,738	9,302
Net operating revenues	$5,625	$3,605	$2,615	$5,938	$4,391
Other income	32	67	86	.....	131
Total net income	$5,657	$3,672	$2,701	$5,938	$4,522
Fixed charges, inc. taxes	4,193	4,421	3,701	3,872	3,266
Balance	$1,464	*$749	*$1,000	$2,066	$1,256

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$101,622	$102,245	$94,430	$93,572	$91,501
Working assets	7,335	6,995	8,476	9,383	7,558
Deferred debit items	214	512	2,111	1,711	1,404
Total	$109,171	$109,752	$105,017	$104,666	$100,463
LIABILITIES:					
Capital stock	$49,050	$49,050	$49,050	$49,050	$49,050
Funded debt	37,400	37,899	39,900	39,900	40,000
Working liabilities	14,056	15,597	8,039	6,688	3,919
Accrued liabilties not due	421	426	449	449	981
Profit and loss	8,244	6,780	7,579	8,579	6,513
Total	$109,171	$109,752	$105,017	$104,666	$100,463

Bonded Debt: $37,400 New Park & Fawn Grove R.R. first 4½s. Dated Oct. 1, 1908; due Oct. 1, 1933. Interest paid Aprii and Oct. 1, at Guardian Trust Co., York, Pa. Coupon, $100 and $500. Authorized and issued, $40,000, of which $2,600 retired. Sinking fund 1% of outstanding bonds beeame effeetive Oct. 1, 1911, to redeem bonds at 102 and interest. First lien on entire property owned. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $90,000; outstanding, $49,050. Par, $50.

NEWPORT & SHERMAN'S VALLEY RAILROAD

History: Incorporated under laws of Pennsyivania, Juiy 30, 1890. Road opened, December 31, 1892.

Location: Road extends from Newport to New Germantown, Pa., 30.93 miies. Equipment: Locomotives, 3; cars, 67.

Management: OFFICERS; David Gring, Pres. and Gen. Mgr.; C. K. Miller, Sec., Treas. and Pur. Agt.; O. S. Miiier, Aud.; H. C. Gring, Supt., Newport, Pa. DIRECTORS: J. S. Eby, H. C. Gring, G. H. Frank, W. D. Gring, C. K. Miller, Newport, Pa. Annual meeting, second Tuesday In January. OFFICE, Newport, Pa.

Comparative Income Aeeount, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$42,848	$38,842	$46,718	$47,637
Maintenance of way and structures	7,234	8,790	8,104	8,334
Maintenance of equipment	6,531	4,877	3,110	3,509
Aii other operating expenses	15,465	14,672	17,753	18,770
Net operating revenues	$13,618	$10,503	$17,751	$17,024
Other income	542	379	2,256	1,896
Total net income	$14,160	$10,882	$20,007	$18,920
Taxes	1,264	875	730	672
Fixed charges	13,046	11,412	11,016	10,985
Surpius	*$150	*$1,405	$8,261	$7,263

* Deficit.

Profit and Loss Aecount, year ended June 30, 1916: Mlseellaneous eredits, $121; eredit baiance carried to balance sheet, $96,045; total, $96,166. Contra: Debit balance at beginning of year, $89,766; debit balance transferred from income. $151; surplus appropriated for Investment in physieal property, $2,903; miseellaneous debits, $3,346; total, $96,166.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$311,654	$312,320	$392,705	$390,416
Working assets	40,720	43,295	42,542	37,810
Deferred debit items	134	126	.....	.....
Profit and loss deficit	96,045	89,766	.....	.....
Total	$448,553	$445,507	$435,247	$428,226
LIABILITIES:				
Capital stock	$165,100	$165,218	$131,468	$131,468
Funded debt	75,000	74,950	199,950	199,950
Working liabilities	156,755	156,868	30,893	32,087
Accrued llabilities not due	3,912	3,513	.....	47
Deferred eredit items	.....	74	.....	.....
Appropriated surplus	47,786	44,884	.....	.....
Profit and loss surplus	.....	.....	72,936	64,674
Total	$448,553	$445,507	$435,247	$428,226

Bonded Debt: (1) $1,600 Newport & Sherman's Valley R.R. second 4s. Issued 1896; due April 1, 1921. Interest paid April and Oct. 1, at treasurer's office, Newport, Pa. Registered, $50, $100, $200 and $500. TRUSTEES: John Fieisher and J. B. Eby, Newport, Pa. Authorized, $70,000. Interest paid without deduction for normal income tax. Rating, Aa.

(2) $73,400 Newport & Sherman's Valley R.R. refunding 5s. Dated, 1908; due 1938. Interest paid Jan. and July 1, at Reai Estate Trust Co., Philadelphia, Trustee. Coupon, $100 and $500. Authorized, $250,000. Interest paid without deduetion for normal income tax. Rating, Ba.

Capital Stock: Authorized, $180,000; outstanding, $165,100. Par, $50. REGISTRAR, C. K. Milier, Sec., Newport, Pennsylvania.

THE NEW YORK CONNECTING RAILROAD COMPANY

Origin: Incorporated under New York laws, April 1, 1892. Is constructing a 9-mile line connecting the New York & Harlem R.R. in Bronx Borough with the Penna. Tunnel & Terminal R.R. in Long Island City, including a bridge over the East River, New York, at Hell Gate. Line to be operated by electricity. Construction is being jointly financed by Penna. R.R. and New York, New Haven & Hartford R.R.

Management: OFFICERS: Samuel Rea, Pres., Philadelphia, Pa.; Howard Elliott, Vice-Pres., Boston, Mass.; Frank E. Haff, Sec. and Treas., New York, N. Y. DIRECTORS: W. W. Atterbury, E. G. Buckland, B. Campbell, A. J. County, Geo. D. Dixon, Howard Elliott, W. H. Myers, Samuel Rea, J. M. Tomlinson, A. R. Whaley. Annual meeting, third Tuesday in April. GENERAL OFFICE, Penna. Station, New York.

Bonded Debt: $24,000,000 New York Connecting R.R. first 4½s. Series A; dated Aug. 1, 1913; due Aug. 1, 1953. Interest paid Feb. and Aug. 1, at American Exchange National Bank, New York. Coupon, $1,000; reg., $1,000, $5,000 and multiples; C. and R. interchangeable. Callable at 105 on 90 days' notice after Aug. 1, 1918. Guar. prin. and int. jointly and severally by Penna. R.R. Co. and New York, New Haven & Hartford R.R. Co. Auth., $30,000,000. First lien on entire property now under construction. Listed on New York Stock Exchange. Normal income tax deducted from interest. Net Rating, Aaa.

Capital Stock: Authorized and outstanding, $3,000,000. Par, $100. Owned equally by Penna. R.R. and N. Y., N. H. & H. R.R.

NEW YORK & PENNSYLVANIA RAILWAY

History: Incorporated under New York laws, May 11, 1904. Consolidation of the New York & Pennsylvania R.R., the Sharon & Ceres R.R., and the Sharon & Ceres Terminal R.R.

Location: Road extends from Canisteo to Ceres, New York, 56.13 miles. Sidings, 7.89 miles. Equipment: Locomotives, 5; cars: passenger, 6; freight cars, 30..

Management: OFFICERS: Theodore Cobb, Pres. and Gen. Mgr.; Wm. Cobb, Vice-Pres., Spring Mills, N. Y.; Churchill Cobb, Asst. to Pres. and Gen. Mgr.; Fordyce A. Cobb, Sec.; Howard Cobb, Treas.; G. M. Beasor, Aud., Gen. Frt. and Pass. Agt., Canisteo, N. Y. DIRECTORS: Arling Cobb, Theodore Cobb, Wm. Cobb, W. M. Cobb, Spring Mills, N. Y.; Fordyce A. Cobb, Howard Cobb, Ithaca, N. Y.; Harry M. Cook, Hornell, N. Y.; Churchill Cobb, Greenwood, N. Y. Annual meeting, first Tuesday in May. OFFICE, Canisteo, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$97,175	$97,702	$102,371	$101,452	$98,164	$101,603
Maintenance of way...	28,060	35,666	34,149	33,887	25,525	29,997
Maintenance of equip..	11,656	12,320	10,620	9,457	10,586	10,272
All other oper. expenses	47,368	48,272	43,542	42,714	45,610	43,830
Net oper. revenues	$9,807	$1,444	$14,060	$15,394	$16,443	$17,504
Taxes	3,493	3,021	2,906	3,056	3,164	3,249
Fixed charges	30,644	30,759	29,141	26,411	26,349	25,897
Deficit	$24,330	$32,336	$17,987	$14,073	$13,066	$11,642

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$1,070,000	$1,070,000	$1,070,000	$1,070,000	$1,070,000	$1,070,000
Working assets.....	29,634	6,271	9,802	7,386	6,930	13,359
Profit and loss deficit..	137,908	113,579	81,243	58,117	44,043	24,100
Total	$1,237,542	$1,189,850	$1,161,045	$1,135,503	$1,120,973	$1,106,459
LIABILITIES:						
Capital stock.....	$570,000	$570,000	$570,000	$570,000	$570,000	$570,000
Working liabilities.....	667,542	619,850	591,045	565,503	550,973	536,459
Total	$1,237,542	$1,189,850	$1,161,045	$1,135,503	$1,120,973	$1,106,549

Capital Stock: Authorized and outstanding, $570,000; par, $100. Dividends have been paid as follows: 2% in 1905; 1½% in 1906; 2% in 1907; none since. No bonded debt, but there is outstanding a $500,000 4% plain note renewed annually and held by Fordyce and Howard Cobb, dated July 1, 1915, due July 1, 1916. Interest paid Jan. and July 1, at Canisteo, N. Y.

NITTANY VALLEY RAILROAD

History: Incorporated under the laws of Pennsylvania, March 15, 1887. Road completed following year.

Location: Road extends from Junction with Bellefonte, Nittany & Lemont R.R., to Ore Banks, Pa., 6 miles; tracks to rolling mill and blast furnace, 0.75 mile; total, 7.75 miles. Locomotives, 2; cars, 10.

Management: OFFICERS: O. J. McNitt, Pres.; Wm. E. Arnold, Sec. and Treas., Philadelphia, Pa.; M. I. Gardner, Gen. Supt., Bellefonte, Pa. DIRECTORS: O. J. McNitt, J. M. N. Shimer, E. E. Marshall, Wm. E. Arnold, Philadelphia, Pa. Annual meeting, second Tuesday in January. GENERAL OFFICE, 672 Bullitt Bldg., Philadelphia, Pa.

Bonded Debt: $75,000 Nittany Valley R.R. first 6s. Dated April 1, 1887; due April 1, 1917. Interest paid Apr. and Oct. 1 at company's office. Coupon, $1,000. No interest has been paid on these bonds for several years.

Capital Stock: Authorized and outstanding, $75,000; par, $50. No dividends paid.

NORFOLK & PORTSMOUTH BELT LINE RAILROAD

History: Incorporated in Virginia, March, 1896, as Southeastern & Atlantic R.R. Name changed January, 1898. Absorbed Elizabeth River R.R. in 1910. The company is jointly controlled by the Norfolk & Western Ry., Chesapeake & Ohio Ry., New York, Phila. & Norfolk Ry., Norfolk Southern, Seaboard Air Line, Atlantic Coast Line, Southern Railway and Virginian Railway.

Location: Owns 12.14 miles of road from Port Norfolk to Berkley, Va., and Southern Branch to Elizabeth River. Total operated, 14.06 miles. Owns 11 locomotives and 3 cars.

Management: OFFICERS: Wm. A. Patton, Pres.; L. E. Johnson, Vice-Pres.; O. J. DeRousse, Sec.; John T. Reid, Treas. DIRECTORS: E. H. Coapman, Geo. W. Stevens, L. E. Johnson, Thos. H. Wilcox, Wm. A. Patton, J. H. Young, W. J. Harahan, J. R. Kenly and Raymond DuPuy. Annual meeting, first Wednesday in April. OFFICE, 26 South 15th Street, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$278,149	$206,192	$231,587	$236,550	$209,119	$203,272	$183,049
Maintenance of way	34,534	31,672	35,499	34,680	32,152	27,908	17,419
Maintenance of equipment	26,736	24,337	26,080	23,205	18,992	22,274	15,491
All other operating expenses	138,938	102,679	108,844	106,450	86,163	97,413	75,104
Net operating revenues	$77,941	$47,504	$61,164	$72,215	$71,812	$55,678	$75,035
Operating ratio	72%	77%	73.6%	69.5%	65.6%	72.6%	59%
Other income	6,143	5,505	17,161	26,893	19,928	17,210	12,910
Total net income	$84,084	$53,009	$78,325	$99,108	$91,740	$72,888	$87,945
Taxes accrued	9,398	6,555	6,717	5,981	6,090	5,985	3,780
Fixed charges, etc	55,135	* 29,550	41,431	41,453	27,394	28,838	13,675
Surplus	$19,551	$16,904	$30,177	$51,674	$58,256	$38,065	$70,490

* Includes $3,456 dividends and $9,896 other deductions.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $396,657; credit balance transferred from income, $19,551; miscellaneous credits, $137; total, $416,345. Contra: Miscellaneous debits, $4; credit balance carried to balance sheet, $416,341; total, $416,345.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$923,662	$892,356	$892,923	$778,892	$722,743	$702,985
Working assets	125,216	115,531	103,012	130,494	130,253	90,838
Deferred debit items	9,084	14,285	10,210	43,853	31,375	16,578
Total	$1,057,962	$1,022,172	$1,006,145	$953,239	$884,371	$910,401
LIABILITIES:						
Capital stock	$63,309	$63,309	$50,400	$50,400	$50,400	$50,400
Funded debt	423,000	429,500	434,500	439,500	445,000	450,000
Working liabilities	51,085	48,887	48,970	39,827	34,266	20,832
Accrd. liabilities not due	9,896	6,993	7,043	7,093	7,148	7,178
Deferred credit items	* 6,813	† 14,422	.....	.....	.....	.....
Appropriated surplus	101,144	91,248	86,152	64,611	30,787	23,753
Profit and loss surplus	416,341	396,657	379,080	351,808	316,769	258,238
Total	$1,057,962	$1,022,172	$1,006,145	$953,239	$884,371	$910,401

* Credit. † Reverse item.

Bonded Debt: (1) $250,000 Norfolk & Portsmouth Belt Line R.R. first 5s; dated Feb. 1, 1898; due Feb. 1, 1938; interest Feb. and Aug. at Fidelity Trust Co., Philadelphia. First lien on 7.5 miles from Port Norfolk to Berkley, etc. Auth., $400,000. Interest paid without deduction for normal income tax. Net Rating, A.

(2) $173,000 Elizabeth River R.R. first 4s; dated Oct. 1, 1905; due Oct. 1, 1935; interest Apr. and Oct. at Girard Trust Co., Philadelphia. First lien on all property of Elizabeth River R.R. Guaranteed, principal and interest, by Norfolk & Portsmouth Belt Line R.R. Sinking fund, beginning July 1, 1911, of at least $5,000 per annum must retire these bonds at 105 and interest, if they cannot be purchased for less in open market. Interest paid without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth., $500,000; outstanding, $57,600; par, $100. All owned by Atlantic Coast Line, Norfolk & Western, Norfolk Southern, New York, Philadelphia & Norfolk (Penna. system), Seaboard Air Line, Southern Ry., Chesapeake & Ohio Ry. and Virginian Ry. A dividend of 6% was paid in 1913, 1914, 1915 and 1916.

NORFOLK TERMINAL RAILWAY

History: Incorporated under Virginia laws, Feb. 4, 1910, for the purpose of constructing a road from Main Street, near Lake Ave., Norfolk, Va., to a point near Lovett, Ave., Norfolk, and to equip and operate a passenger terminal for joint use of Norfolk & Western Ry. Co., the Virginian Ry. Co. and the Norfolk Southern R.R. Co., which companies have agreed to pay all operating expenses, charges and interest and principal of bonds. The terminal station was completed June 1, 1912. Owns 2.42 miles of track about Norfolk, Va.

Management: OFFICERS: Raymond DuPuy, Pres., Norfolk, Va.; Joseph H. Young, Vice-Pres.; Francis W. Russell, Sec.; F. W. Russer, Aud.; M. Manly, Treas., Norfolk, Va. DIRECTORS: A. C. Needles, N. D. Maher, Roanoke, Va.; Raymond Du Puy, James Berlingett, J. C. Helms, Jr., Norfolk, Va.; W. C. Everett, E. M. Graham, J. D. Stock, J. H. Young, Norfolk, Va. Annual meeting, first Tuesday in February. GENERAL OFFICE, Norfolk, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Rental income	$52,476	$52,492	$52,356	$52,175	$4,562
Taxes accrued	6,717	6,753	6,611	6,434	750
Fixed charges	41,964	41,944	41,950	41,946	3,495
Surplus	$3,795	$3,795	$3,795	$3,795	$317

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$978,501	$976,735	$962,129	$974,976	$939,787
Working assets	27,707	27,273	39,076	23,373	66,132
Accrued income not due	.....	.....	.....	90	.....
Deferred debit items	87,246	89,192	91,138	93,084	97,138
Total	$1,093,454	$1,093,200	$1,092,343	$1,091,523	$1,103,057
LIABILITIES:					
Capital stock	$75,900	$75,900	$75,900	$75,900	$75,900
Funded debt	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Working liabilities	3,952	7,478	6,645	3,723	19,423
Accrued liabilities not due	13,602	9,822	9,798	9,896	7,417
Profit and loss surplus	.....	.....	.....	2,004	317
Total	$1,093,454	$1,093,200	$1,092,343	$1,091,523	$1,103,057

Bonded Debt: $1,000,000 Norfolk Terminal Ry. first 50-year 4s; dated May 20, 1911; due May 1, 1961. Int. paid May and Nov. 1 at Guaranty Trust Co., New York, trustee. Coupon, $1,000. Callable at 105 and int. after Nov. 1, 1925. Guaranteed prin. and int. by the Norfolk & Western Ry. Co., and the Virginian Ry. Co. by endorsement on each bond. The Norfolk Southern R.R. Co. has joined in the guarantee under a separate agreement. Authorized, $2,000,000. First lien on the Union Passenger Station office building and terminals at Norfolk, including 5.96 acres of land. Interest paid without deduction for normal income tax. Rating, Aa.

Capital Stock: Auth. and outstanding, $75,900; par, $100. Owned jointly (except directors' shares) by the three roads mentioned above.

NORTHAMPTON & BATH RAILROAD COMPANY

History: Incorporated under laws of Pennsylvania, July 7, 1902. Road completed in 1904.

Location: Northampton to Bath, Pa., 7.1 miles; sidings, etc., 4.48 miles. Equipment: Locomotives, 4; passenger cars, 2; freight cars, 3; service cars, 3.

Management: OFFICERS: H. W. Maxwell, Pres.; A. DeNavarro, Vice-Pres.; J. L. Medler, Sec. and Asst. Treas.; W. E. Miner, Treas.; E. T. Magowan, Aud., New York; A. G. Croll, Supt., Northampton, Pa.; W. H. Dutcher, Pur. Agt., New York. DIRECTORS: H. W. Maxwell, Alfonso De Navarro, New York; Walter Graves, Jr., Irvington-on-Hudson, N. Y.; J. R. Maxwell, Jr., Philadelphia, Pa.; Walter M. Kuntz, Louis H. Repass, A. G. Croll, Allentown, Pa. Annual meeting, in January. GENERAL OFFICE, 30 Broad Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$127,828	$133,353	$165,973	$208,658	$193,157
Operating expenses	117,001	146,029	182,371	201,500	168,530
Net operating revenues	$10,827	* $12,676	* $16,398	$7,158	$24,627
Other income	808	6,164	3,425	4,105	4,229
Total net income	$11,635	* $6,512	* $12,973	$11,263	$28,856
Fixed charges, inc. taxes	12,171	19,718	14,085	21,480	15,801
Balance	* $536	* $26,230	* $27,058	* $10,217	$13,055

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $53,921; miscellaneous credits, $329; total, $54,250. Contra: Debit balance transferred from income, $536; miscellaneous debits, $939; credit balance carried to balance sheet, $52,775; total, $54,250.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$438,922	$451,787	$453,456	$455,584	$458,977
Working assets	277,389	110,225	136,882	398,596	477,317
Deferred debit items	778	1,057	511	842	1,079
Total	$717,089	$563,069	$590,849	$855,022	$937,373
LIABILITIES:					
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	67	67	.....	.....	.....
Working liabilities	164,972	7,027	8,740	245,907	318,237
Accrued liabilities not due	1,825	1,869	1,775	1,661	1,533
Deferred credit items	* $2,550	185	182	244	176
Profit and loss	52,775	53,921	80,152	107,210	117,427
Total	$717,089	$563,069	$590,849	$855,022	$937,373

*Credit.

Capital Stock: Authorized and outstanding, $500,000. Par, $100. No bonded debt and no dividends paid.

NORTHAMPTON & HERTFORD RAILWAY

History: Incorporated under the laws of North Carolina, Feb. 18, 1909, to build a railroad from Pleasant Hill to Chowan River, N. C.

Location: Road completed extends from Gumberry to Jackson, N. C., 8 miles. Equipment: Locomotives, 2; passenger cars, 1.

Management: OFFICERS: Thos. P. Hammer, Pres., Philadelphia, Pa.; H. S. Lewis, Vice-Pres., Suffolk, Va.; R. J. Walker, Treas., Norfolk, Va.; W. H. S. Burgwyn, Sec., Woodland, N. C.; W. W. Robertson, Gen. Mgr., Norfolk, Va.; J. L. Pennewell, Supt., Gumberry, N. C. DIRECTORS: Thos. P. Hammer, Philadelphia, Pa.; H. S. Lewis, Suffolk, Va.; W. H. S. Burgwyn, Woodland, N. C.; W. L. Long, Roanoke Rapids, N. C. Annual meeting, third Thursday in October. GENERAL OFFICE, Gumberry, N. C. PRESIDENT'S OFFICE, Franklin Bank Building, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$13,135	$14,443	$18,256
Operating expenses	9,296	11,072	14,131
Net operating revenues	$3,839	$3,371	$4,125
Other income	2	.....	18
Total net income	$3,841	$3,371	$4,143
Fixed charges, inc. taxes	3,681	2,589	3,204
Balance	$160	$782	$939

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $7,242; credit balance transferred from income, $160; total, $7,401. Contra: miscellaneous debits, $1,940; credit balance carried to balance sheet, $5,461; total, $7,401.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$93,658	$96,869	$52,488
Working assets	2,807	998	58,973
Accrued income not due	10,029	.....	.....
Deferred debit items	.....	154	154
Total	$106,494	$98,021	$111,615
LIABILITIES:			
Capital stock	$45,000	$45,000	$45,000
Funded debt	53,691	35,000	35,000
Working liabilities	2,316	10,780	10,196
Deferred credit items	26	.....	.....
Profit and loss	5,461	7,241	21,419
Total	$106,494	$98,021	$111,615

Bonded Debt: $51,000 Northampton & Hertford Railway first 5s. Dated Nov. 1, 1915; due Nov. 1, 1925. Interest paid annually at Weldon Bank & Trust Co., Weldon, N. C. Coupon, $50, $100 and $500. Authorized, $55,000. Callable at par and interest. Sinking fund is provided consisting of surplus earnings over interest charges. First lien on entire property of company. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Authorized, $45,000; outstanding, $42,508; par, $50. Treasurer of company acts as TRANSFER AGENT. No dividends.

NORTHERN PACIFIC TERMINAL COMPANY OF OREGON

History: Incorporated in Oregon, August 28, 1882, to develop railroad terminal facilities.

Location: Owns terminals on Willamette River, Ore. (at Portland, East Portland, and Albina), the Union Passenger Station, Portland, and 24.70 miles of track; trackage rights, 5.195 miles. Leased until Jan. 1, 1933, to Northern Pacific Ry., Oregon R.R. & Navigation and Oregon and California R.R. (Southern Pacific system), for an amount sufficient to pay taxes, int. on bonds, and provide sinking fund. Owns 9 locomotives.

Management: OFFICERS: J. P. O'Brien, Pres.; G. T. Reid, Vice-Pres.; R. E. Moody, Sec.; E. L. Brown, Treas. DIRECTORS: J. P. O'Brien, D. W. Campbell, E. C. Blanchard, A. C. Spencer, R. E. Moody, J. Kruttschnitt, J. D. Farrell, J. M. Hannaford, Geo. T. Reid. Annual meeting, first Tuesday in July. OFFICE, Portland, Ore. NEW YORK OFFICE, 34 Nassau Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$295,656	* $348,339	$310,450	$286,812	$307,520	$314,436
Taxes accrued	105,450	89,437	117,927	88,659	104,202	105,419
Fixed charges	190,206	258,902	192,523	198,153	203,318	209,017

* Includes "operating revenue.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $289; debit balance carried to balance sheet, $79,417; total, $79,706. Contra: Debit balance at beginning of year, $69,261; miscellaneous debits, $10,445; total, $79,706.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$4,364,543	$4,297,150	$4,256,078	$7,247,870	$4,262,283	$4,318,923
Working assets.....	*3,129,790	*3,212,496	310,988	298,653	277,306	241,800
Deferred debit items...	181,155	157,863	3,058,261	133,351	3,059,307	3,059,119
Profit and loss deficit..	79,417	69,261	61,005	.....	64,932	56,171
Total	$7,754,905	$7,736,770	$7,686,342	$7,679,874	$7,664,028	$7,676,013
LIABILITIES:						
Capital stock.....	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt.....	4,507,686	4,494,270	4,481,535	4,477,475	4,468,950	4,459,968
Working liabilities.....	201,298	210,354	167,795	167,102	162,091	187,486
Accrd. liabilities not due	34,727	32,146	37,012	28,823	32,966	28,559
Deferred credit items..	11,194	.....	.....	5,474	21	.....
Total	$7,754,905	$7,736,770	$7,686,342	$7,679,874	$7,664,028	$7,676,013

* Includes $3,000,000 of company's securities.

Note: Funded debt in 1916 includes $1,539,686 advances by proprietary companies.

Bonded Debt: $2,915,000 Northern Pacific Terminal Company of Oregon first 6s; dated Jan. 1, 1883; due Jan. 1, 1933; int. January and July, at Winslow, Lanier & Co., New York. First lien on all property. Issued, $4,323,000, of which $1,399,000 have been retired by sinking fund drawings at 110 and interest. Listed on Boston Stock Exchange. Interest paid without deduction for normal income tax. Rating, Aa.

Capital Stock: Outstanding, $3,000,000, of which Northern Pacific owns 40%, Oregon Ry. & Navigation 40%, and Oregon & California 20%. The stock is held by trustee until all bonds are paid off.

NORTH LOUISIANA & GULF RAILROAD

History: Incorporated under laws of Louisiana, Jan. 22, 1906.

Location: Road extends from Hodge to Bienville, La., 25.7 miles. Equipment: Locomotives, 2; passenger cars, 2; service cars, 2.

Management: OFFICERS: O. E. Hodge, Pres. and Sec.; J. S. Hunt, Vice-Pres. and Gen. Mgr.; B. F. Thompson, Treas.; W. K. Ross, Aud., Hodge, La. DIRECTORS: B. F. Thompson, Alexandria, La.; O. E. Hodge, J. S. Hunt, J. E. Crane, A. B. Moore, C. A. Bowman, A. B. Banks, Hodge, La. Annual meeting, third Tuesday in January. GENERAL OFFICE, Hodge, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$28,024	$27,925	$37,643	$52,861	$38,493
Operating expenses	31,345	37,526	46,708	63,655	42,720
Net operating deficit.....	$3,321	$9,601	$9,065	$10,794	$4,227
Fixed charges, inc. taxes.....	8,324	6,890	6,009	4,903	3,011
Deficit	$11,645	$16,491	$15,074	$15,697	$7,238

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $63,537; debit balance transferred from income, $11,645; loss on retired road and equipment, $700; delayed income debits, $8,382; total, $84,264. Contra: Delayed income credits, $6,267; unrefundable overcharges, $50; debit balance carried to balance sheet, $77,947; total, $84,264.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$282,819	$284,772	$291,697	$293,379	$299,250
Working assets	2,712	3,046	1,891	2,262	3,854
Accrued income not due.....	.....	.....	.....	16	.....
Profit and loss.....	77,947	63,537	47,046	33,372	17,676
Total	$363,478	$351,355	$340,634	$329,029	$325,780
LIABILITIES:					
Capital stock	$200,000	$200.000	$200.000	$200,000	$200,000
Working liabilities	162,264	150,387	139,570	129,029	125,378
Accrued liabilities not due.....	1,214	968	1,064	.....	402
Total	$363,478	$351,355	$340,634	$329,029	$325,780

Capital Stock: Authorized, $1,500,000; outstanding, $200,000; par, $100. No bonded debt; no dividends. Secretary of company acts as TRANSFER AGENT AND REGISTRAR.

NORTH SHORE RAILROAD

History: Incorporated under the laws of Pennsylvania, March 20, 1908. Absorbed the Ohio River Junc. R.R.

Location: Road extends from Conway to Wallace City, Pa., 4 miles. Equipment: Locomotive, 1. Extension projected from Wallace City to Mars, 11 miles.

Management: OFFICERS: W. A. Park, Pres. and Gen. Mgr., Rochester, Pa.; S. Morgan, Vice-Pres., Freedom, Pa.; J. H. Park, Sec. and Supt., Beaver, Pa.; John Warren, Treas. and Aud., Beaver Falls, Pa.; T. C. Park, Compt.; G. I. Park, Pur. Agt., Rochester, Pa. DIRECTORS: J. H. Park, S. Morgan, Freedom, Pa.; John Warren, Beaver Falls, Pa.; P. A. Smith, New Brighton, Pa.; W. A. Park, M. J. Park, Rochester, Pa. Annual meeting, in January. GENERAL OFFICE, Rochester, Pa.

Capital Stock: Authorized and outstanding, $450,000; par, $50. No bonded debt. No dividends paid.

NORTHWESTERN COAL RAILWAY

History: Incorporated under laws of Wisconsin, Dec. 9, 1892.

Location: Road extends from Allouez Bay to Allouez Junc., Wis., 8 miles.

Management: OFFICERS: W. K. Field, Pres., Pittsburgh, Pa.; W. W. Broughton, First Vice-Pres., Minneapolis, Minn.; F. Y. Wallace, Second Vice-Pres., Pittsburgh; Geo. B. Hudnall, Third Vice-Pres., Superior, Wis.; J. P. Eaton, Treas.; A. K. H. Roehl, Sec. and Aud., Minneapolis, Minn. DIRECTORS: M. H. Taylor, W. K. Field, Pittsburgh, Pa.; A. K. H. Roehl, W. W. Broughton, Minneapolis, Minn.; Geo. B. Hudnall, Superior, Wis. Annual meeting, second Monday in March. OFFICE, Superior, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$54	$52	$225	$273	$29,125	$30,000
Maintenance of way	1,633	479	726	464	4,469	4,343
Maintenance of equip.	.....	.....	.....	627	2,192	3,493
All other oper. expenses	65	205	71	72	14,021	15,309
Net oper. revenues	* $1,644	* $632	* $572	* $890	$8,443	$6,855
Other income	.....	.....	.....	.....	23,584	.....
Total net income	* $1,644	* $632	* $572	* $890	$32,027	$6,855
Taxes	1,675	1,689	1,535	1,254	1,293	1,532
Fixed charges	.....	.....	1,271	1,600	39,700	40,820
Deficit	$3,319	$2,321	$3,378	$3,744	$8,966	$35,497

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property Investment	$98,701	$231,408	$231,865	$682,621	$242,618	$1,561,803
Working assets	1,507	1,784	3,648	26,791	82,066	56,440
Deferred debit items	.....	.....	.....	113,313	834,170	.....
Profit and loss deficit	.....	766,808	764,487	310,835	757,365	299,180
Total	$100,208	$1,000,000	$1,000,000	$1,133,560	$1,916,219	$1,917,423
LIABILITIES:						
Capital stock	$100,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	.....	.....	.....	81,000	794,000	794,000
Working liabilities	.....	.....	.....	52,560	115,602	115,683
Accrd. liabilities not due	208	.....	.....	.....	6,617	7,740
Total	$100,208	$1,000,000	$1,000,000	$1,133,560	$1,916,219	$1,917,423

Capital Stock: Authorized and outstanding, $100,000 (reduced from $1,000,000 in 1916); par, $100. All owned by the Pittsburg Coal Company. No bonded debt.

NORWOOD & ST. LAWRENCE RAILROAD

History: Incorporated under New York laws, March 30, 1901.

Location: Road extends from Norwood to Waddington, N. Y., 18.02 miles; sidings, 1.50 miles; total, 19.52 miles. Equipment: Locomotives, 3; combination cars, 3; freight cars, 22; service cars, 3.

Management: OFFICERS: John Weekes, Pres. and Gen. Mgr.; L. W. Burdick, Vice-Pres., Gouverneur, N. Y.; F. L. Smith, Treas.; J. A. Remington, Sec., Watertown, N. Y.; C. C. Barnes, Aud. and Supt., Norfolk, N. Y. DIRECTORS: N. R. Coswell, R. J. Buck, C. M. Rexford, John Weekes, D. C. Middleton, G. W. Knowlton, L. V. S. Camp, J. A. Remington, Watertown, N. Y. Annual meeting, third Monday in January. OFFICE, 36 Smith Building, Watertown, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$92,640	$75,039	$83,976	$95,225	$105,885	$112,095
Maintenance of way	6,670	7,851	8,508	9,572	11,998	9,275
Maintenance of equip.	8,727	11,000	11,789	12,122	11,696	10,307
All other oper. expenses	30,125	33,147	33,591	33,816	41,614	47,752
Net oper. revenues	$47,118	$23,041	$30,088	$39,715	$40,577	$44,761
Taxes	2,970	2,669	2,914	2,666	2,400	1,950
Fixed charges	22,509	19,673	23,541	22,774	19,549	19,771
Surplus	$21,639	$699	$3,633	$14,275	$18,628	$23,040
Dividends paid	.....	.....	2,083	.....	.....	.....
Balance	$21,639	$699	$1,550	$14,275	$18,628	$23,040

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $193,289; credit balance transferred from Income, $21,639; total, $214,928. Contra: Delayed income debits, $23,130; credit balance carried to balance sheet, $191,798; total, $214,928.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$676,567	$833,481	$589,972	$603,032	$615,235	$600,869
Working assets.....	47,179	105,742	121,025	73,982	48,808	14,799
Deferred debit items...	21,000	199,256	449	1,183	1,162	1,081
Total	$744,746	$1,138,479	$711,446	$678,197	$665,205	$616,749
LIABILITIES:						
Capital stock.....	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Funded debt.....	196,000	499,000	101,000	101,220	100,000	100,000
Working liabilities.....	105,698	194,522	167,498	118,743	119,599	76,355
Accrd. liabilities not due	1,250	1,667	1,607	1,250	120,849	1,250
Deferred credit items..	.....	.....	1,250	.....	.....	.....
Appropriated surplus...	.....	.....	.....	18,442	.....	.....
Profit and loss surplus.	191,798	193,290	190,091	188,542	194,357	189,144
Total	$744,746	$1,138,479	$711,446	$678,197	$665,205	$616,749

Bonded Debt: $101,000 Norwood & St. Lawrence R.R. first 5s. Dated Apr. 1, 1902; due Apr. 1, 1932. Interest paid April and Oct. 1, at Watertown (N. Y.) National Bank. Coupon, $500 and $1,000. Equitable Trust Co., New York, trustee. Callable at 110 and interest. Authorized issue, $300,000. Secured on line from Norwood to Raymondville, N. Y., 7.50 miles. Interest payable without deduction for normal income tax. Rating, Baa.

Capital Stock: Authorized and outstanding, $250,000; par, $100. Paid dividend of 5% in fiscal years 1911-1912; 1912-1913, 0,831%; 3% in 1913-1914; none in 1915 and 1916.

OAHU RAILWAY & LAND COMPANY

History: Incorporated under the laws of Hawaii, Feb, 4, 1889, under a fifty-year franchise. Line of road operated: Honolulu to Kahuku, 70.44 miles, with branches making a total of 114.05 miles. Sidings, 26.56 miles. Narrow gauge. Equipment owned: Locomotives, 25; passenger cars, 48; freight and company cars, 670.

Management: OFFICERS: B. F. Dillingham, Pres.; H. M. von Holt, Vice-Pres.; A. W. Van Valkenburg, Sec. and Aud.; W. F. Dillingham, Treas., Honolulu, T. H. DIRECTORS: B. F. Dillingham, H. G. Dillingham, H. M. von Holt, W. F. Dillingham, A. W. Van Valkenburg, P. Muhlendorf, F. C. Atherton, W. W. Chamberlain, H. W. P. Bottomley, James L. Cockburn, Honolulu, T. H. Annual meeting, in September. GENERAL OFFICE, Honolulu, T. H.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$1,292,148	$1,228,748	$1,192,885	$1,162,692	$1,031,756	$854,387
Maintenance of way.....	124,944	118,446	114,693	118,721	106,333	
Maintenance of equipment	92,208	110,442	96,689	82,723	82,268	400,623
All other operating exps..	363,470	320,977	37,046	270,521	282,060	
Net operating revs...	$711,526	$678,883	$644,457	$690,727	$561,095	$444,764
Operating ratio ...	44.9%	44.7%	46%	40.6%	45.6%	48%
Other income	256,625	200,294	122,907	1,111	245,992	6,369
Total net income.....	$968,151	$879,177	$767,364	$691,838	$807,087	$451,133
Taxes accrued	115,069	99,833	87,324	229,624	65,894	59,665
Fixed charges, etc.....	* 380,263	* 213,713	115,103		154,898	112,313
Surplus	$472,814	$565,631	$564,937	$462,214	$571,493	$279,155
Dividends paid	450,000	450,000	450,000	390,000	360,000	360,000
Balance	$22,814	$115,631	$114,937	$72,214	$211,493	(def.) $80,845

* Includes $112,304 appropriations for property in 1915 and $279,856 in 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $137,118; credit balance transferred from income, $22,814; miscellaneous credits, $13,523; total, $173,455. Contra: Credit balance carried to balance sheet, $111,103; miscellaneous debits, $62,352; total, $173,455.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$8,161,848	$7,932,755	$7,606,407	$6,839,452	$6,624,288	$6,370,728
Working assets	402.843	276.627	476,571	456,240	470,246	364,407
Deferred debit items.....	66,080	114,986	100,933	89,314	123,096	72,108
Total	$8,630,771	$8,324,368	$8,183,911	$7,385,006	$7,217,630	$6,807,243
LIABILITIES:						
Capital stock	$5.000,000	$5,000,000	$5,000,000	$5,000.000	$4.000,000	$4,000.000
Funded debt	2,000.000	2,000,000	2,000,000	2,000.000	2,000,000	2,000.000
Working liabilities	160,853	58,582	157,578	125,059	145,531	229,580
Accrued liabilities not due	3,500	53,000	3,900	3,250	.....	.....
Deferred credit items.....	57,567	48.589	39,117	31,130	23,082	13,900
Appropriated surplus	1,297,748	1,027,079	930,068	13,556	10,065	6,622
Profit and loss surplus...	111,103	137,118	53,248	212,011	1,038,952	557,141
Total	$8,630,771	$8,324,368	$8,183,911	$7,385,006	$7,217,630	$6,807,243

Bonded Debt: $2,000,000 Oahu Railway & Land Company cons. gold 5s. Dated July 1, 1909; due Jan. 1, 1927. Int. Jan. and July 1, at Bank of Hawaii, Honolulu, and Wells Fargo National Bank, San Francisco. Coupon, $100, $500 and $1,000. Subject to call on and after July 1, 1919, at par and interest. First lien on entire property. Normal income tax deducted from interest. Rating, A.

Capital Stock: Auth. and outstanding, $5,000,000. Par, $100. Dividends payable on the 15th of each month, at Bank of Hawaii. Paid dividends in 1906, 6½%; 1907, 7½%; in 1909 to date, 9% per annum. TRANSFER AGENT, The B. F. Dillingham Co., Ltd., Honolulu, T. H.

OCILLA SOUTHERN RAILROAD

History: Incorporated under laws of Georgia, December 2, 1908. Leases from the Fitzgerald, Ocilla & Broxton R.R., 11.60 miles of road, including terminal facilities at a monthly rental of $150. Lease may be canceled by either party on one year's notice.

The company has applied to the Secretary of State of Georgia for authority to amend its charter so as to be permitted to build an extension from Macon to Atlanta, Ga., about 100 miles, the charter having already been amended to permit of an extension of 100 miles to Macon, making total length of extensions, 200 miles. An extension is proposed also from Nashville, Ga., to Jacksonville, Fla., calling for construction of about 60 miles in the State of Georgia.

Location: Line owned, Ocilla to Nashville, 28.56 miles; and Fitzgerald to Pope City, Ga., 30.67 miles; total owned, 59.23 miles. Leased Ocilla to Fitzgerald, and Ocilla to Irwinsville, 10.26 miles. Hawkinsville to Perry, Ga., 23 miles; trackage, 17.68 miles. Total operated, 110.37 miles. Sidings owned, 3.31 miles; leased, 0.58 mile; total, 3.89. Equipment: Locomotives, 6; passenger cars, 6; combination, 3; service, 7.

Management: OFFICERS: Leopold Adler, Chairman, Savannah, Ga.; J. A. J. Henderson, Pres.; Reason Henderson, Vice-Pres., Ocilla, Ga.; F. W. Clarke, Sec.; J. H. Calais, Treas., Savannah, Ga.; D. C. Smith, Gen. Mgr. and Pur. Agt.; H. H. Hill, Aud., Ocilla, Ga. DIRECTORS: J. A. J. Henderson, Wm. Henderson, Reason Henderson, R. V. Paulk, H. J. Quincey, J. L. Paulk, M. J. Paulk, Ocilla, Ga.; J. N. King, S. B. Reid, Rochelle, Ga.; W. R. Bowen, M. W. Garbutt, Fitzgerald, Ga.; W. H. Tygart, A. W. Gaskins, Nashville, Ga.; Leopold Adler, Wm. B. Stillwell, Savannah, Ga. Annual meeting, first Tuesday in September. GENERAL OFFICE, Ocilla, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$131,452	$93,491	$121,027	$108,126	$75,945	$47,748
Maintenance of way	43,764	21,241	18,371	9,729	12,817	5,411
Maintenance of equipment	19,548	13,306	7,821	6,812	7,311	3,576
All other operating exps.	66,102	40,925	47,009	37,452	55,817	17,834
Net operating revs.	$2,038	$18,019	$47,826	$54,133	$24,180	$20,927
Taxes	4,834	3,584	3,587	.....	1,540	1,341
Fixed charges	51,050	39,313	39,726	25,877	20,639	6,441
Surplus	(def.)$53,846	(def.)$24,878	$4,513	$28,256	$2,001	$13,145
Dividends paid	.....	.....	.....	.....	.....	6,000
Balance	(def.)$53,846	(def.)$24,878	$4,513	$28,256	$2,001	$7,145

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $31,522; miscellaneous credits, $673; debit balance carried to balance sheet, $24,456; total; $56,651. Contra: Debit balance transferred from income, $53,846; miscellaneous debits, $2,805; total, $56,651.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$760,141	$704,484	$703,209	$573,689	$422,676	$261,777
Working assets	41,536	32,209	25,613	16,406	32,544	51,020
Accrued income not due	.....	.....	476	.....	.....	566
Deferred debit items	67,023	71,869	66,672	4,270	.....	.....
Profit and loss	24,456	.....	.....	.....	.....	.....
Total	$893,156	$808,562	$795,970	$594,365	$455,220	$313,363
LIABILITIES:						
Capital stock	$265,000	$265,000	$265,000	$105,917	$102.620	$100,000
Funded debt	417,000	418,710	424,445	173,374	150,000	150,000
Working liabilities	207,046	77,710	33,495	235,587	174,565	42,395
Accrued liabilities not due	4,110	14,580	14,285	5,676	3,807	743
Deferred credit items	.....	1,040	3,165	17,981	.....	.....
Appropriated surplus	.....	.....	.....	5,106	.....	.....
Profit and loss surplus	.....	31,522	55,580	50,724	22,228	20,225
Total	$893,156	$808,562	$795,970	$594,365	$455,220	$313,363

Bonded Debt: $416,000 Ocilla Southern R.R. first 6s. Dated Jan. 1, 1914; due Jan. 1, 1934. Interest paid Jan. and July 1, at Savannah (Ga.) Trust Co., Trustee. Coupon, $1,000. Principal and interest may be registered. Callable at 110 and interest at any time on published notice. Authorized, $500,000. First lien on entire property owned. Issued to take up former issue of $150,000 1st 6s and other obligations. Int. payable without deduction for normal income tax.

Note: $1,000 equipment obligations outstanding, June 30, 1916. Secured on 20 box cars and 1 engine.

Capital Stock: Authorized, $1,000,000. Increased from $500,000 in the year ended June 30, 1914. Outstanding, $265,000. Increased from $100,000 in year ended June 30, 1914. Par $100. A dividend of 6% was paid in 1911. None since. In January, 1915, the company filed an application in Georgia to increase stock from $1,000,000 to $3,000,000. The increase was approved by stockholders.

OGDEN UNION RAILWAY & DEPOT COMPANY

History: Incorporated under the laws of Utah, May 31, 1888. Owns terminal tracks and railroad depot at Ogden, Utah, constructed by Union Pacific R.R. and Southern Pacific Co., each of which companies advanced one-half the cost. These companies participate in the joint expenses and the Denver & Rio Grande R.R. Co. pays a yearly rental for passenger station facilities. Line operated, 2.92 miles. Sidings, 14.21 miles.

Management: OFFICERS: H. V. Platt, Pres., Salt Lake City, Utah; F. J. Kiesel, Vice-Pres.; C. W. White, Sec., Ogden, Utah; F. V. S. Crosby, Treas., New York. DIRECTORS: H. V. Platt, Salt Lake City, Utah; F. J. Kiesel, F. C. Smith, T. F. Rowlands, Ogden, Utah; S. R. Toucey, Cheyenne, Wyo. Annual meeting, first Tuesday in June. GENERAL OFFICE, Ogden, Utah.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$98,265	$116,085	$102,660	$89,966	$49,052	$40,378
Taxes	11,336	12,921	11,787	19,380	11,122	8,499
Fixed charges	86,929	103,164	90,873	80,586	39,930	31,879

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,187,569	$1,183,667	$1,165,623	$1,074,784	$1,037,587	$1,002,759
Working assets	156,666	144,135	97,445	90,451	499,890	460,023
Deferred debit items	26,290	26,844	800	1,069	.....	.....
Total	$1,370,525	$1,354,646	$1,263,868	$1,166,304	$1,537,447	$1,462,792
LIABILITIES:						
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	967,838	954,675	889,659	742,893	717,487	681,655
Working liabilities	95,385	76,918	62,654	111,478	514,556	475,704
Accrued liabilities not due	5,433	22,102	11,555	11,933	5,433	5,433
Deferred credit items	1,869	951	.....	.....	.....	.....
Total	$1,370,525	$1,354,646	$1,263,868	$1,166,304	$1,537,447	$1,462,792

Bonded Debt: $326,000 Ogden Union Ry. & Depot Co. 1st 5s. Dated Sept. 1, 1888; due Sept. 1, 1918. Interest paid Mar. and Sept. 1. Authorized, $1,000,000. Secured on entire property. The Union Pacific R.R. and the Southern Pacific Co. each own $163,000 of these bonds.

Capital Stock: Authorized and outstanding, $300,000. Par, $100. Owned jointly by the Union Pacific R.R. and the Southern Pacific Co.

OHIO & KENTUCKY RAILWAY

History: Incorporated under Kentucky laws, August 7, 1894; road opened to Canal City, Ky., in July, 1901; to Licking River, Ky., in January, 1912.

Location: Licking River to Ohio and Kentucky Junc., Ky., 37.43 miles; trackage over Lexington & East Ry., Ohio and Kentucky Junc. to Jackson, Ky., 1.37 miles. Total operated, 39.80 miles. Sidings, 5.22 miles. Equipment: Locomotives, 4; passenger cars, 2; combination cars, 3; freight cars, 57.

Management: OFFICERS: L. P. Mandell, Pres.; H. R. Mackay, Sec. and Treas., New York; S. M. Freese, Aud. and Cashier, Cannel City, Ky. DIRECTORS: L. P. Mandell, W. De L. Walbridge, Gerritt Smith, New York; Aaron Adams, East Orange, N. J.; J. R. Stanton, New York. Annual meeting, in October. GENERAL OFFICE, Cannel City, Ky. NEW YORK OFFICE, 1 Broadway.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$87,081	$68,615	$99,338	$95,218	$81,877	$96,002
Maintenance of way	23,485	18,259	20,474	17,831	14,215	18,316
Maintenance of equipment	12,842	10,189	6,729	6,983	7,163	7,242
All other operating exps.	33,177	35,174	47,233	45,826	44,055	45,582
Total net income	$17,577	$4,993	$24,902	$24,578	$16,444	$24,862
Taxes	1,297	1,616	1,328	1,389	1,125	1,327
Fixed charges	27,766	29,729	33,302	29,393	26,694	25,591
Surplus	(def.) $11,486	(def.) $26,352	(def.) $9,728	(def.) $6,204	(def.) $11,375	(def.) $2,056

Profit and Loss Account, year ended June 30, 1916: Delayed income debits, $30; debit balance carried to balance sheet, $19,238; total, $19,268. Contra: Debit balance at beginning of year, $7,768; debit balance transferred from income, $11,486; delayed income debits, $14; total, $19,268.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$800,656	$804,508	$793,815	$785,477	$779,484	$779,152
Working assets	13,754	8,202	17,218	15,041	13,868	31,439
Profit and loss deficit.....	19,238	7,768	7,043	.....	.....	.....
Total	$833,648	$820,478	$817,076	$800,518	$793,352	$810,591
LIABILITIES:						
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	250,000	250,000	425,000	425,700	425,000	425,000
Working liabilities	283,648	270,478	65,430	43,761	59,352	65,216
Appropriated surplus ...	.....	.....	26,646	28,261	.....	.....
Profit and loss surplus....	.....	.....	.....	2,796	9,000	20,375
Total	$833,648	$820,478	$817,076	$800,518	$793,352	$810,591

Bonded Debt: (1) $250,000 Ohio & Kentucky Ry. first 5s. Dated July 1, 1896; due July 1, 1926. Interest paid Jan. and July 1, at 1 Broadway, New York. Coupon, $1,000. Central Trust Co., New York, Trustee. Callable for sinking fund at 110. Guaranteed principal and interest by Kentucky Block Cannel Coal Co. Normal income tax deducted from interest.

(2) $175,000 Ohio & Kentucky Ry. 5% debenture certificates. Dated June 1, 1899; due June 1, 1914; extended for five years to June 1, 1919, with interest at 6% included in working liabilities. Int. June and Dec. 1. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $100,000 preferred and $200,000 common; par $25.

OHIO RIVER & COLUMBUS RAILWAY

History: Incorporated under Ohio laws, December 10, 1901, as the Ripley, Georgtown, Hillsboro & Columbus R.R. Name afterward changed as above.

Receivership: The Common Pleas Court, at Georgetown, Ohio, on Oct. 8, 1914, appointed Secy. and Gen. Mgr. Charles J. Finger as receiver of the company, on the application of Ex-Gov. Judge Harmon. Receivership terminated in Nov., 1916.

Location: Road extends from Ripley to Sardinia, 24.42 miles; sidings, 1.52 mile. Equipment: Locomotives, 2; passenger car, 1; combination car, 1.

Management: OFFICERS: C. J. Finger, Rec., Ripley, Ohio; A. J. Siegel, Pres., St. Louis, Mo.; E. L. McColm, Vice-Pres., Muscatine, Iowa; E. G. H. Kessler, Treas., St. Louis, Mo.; Chas. J. Finger, Sec. and Gen. Mgr.; W. L. Buckley, Supt., Ripley, Ohio. DIRECTORS: E. L. McColm, Muscatine, Iowa; A. J. Siegel, E. G. H. Kessler, St. Louis, Mo.; Chas. J. Finger, E. T. Kirker, J. C. Leggett, Ripley, Ohio; R. D. Musser, Little Falls, Minn. Annual meeting, second Monday in March, at Ripley, Ohio. OFFICE, Ripley, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$26,932	$23,744	$25,968	$26,856	$23,792	$18,241
Maintenance of way.....	9,749	8,175	9,530	9,517	9,731	9,734
Maintenance of equipment	3,719	2,290	3,723	1,697	2,145	12,335
All other operating exps..	13,095	11,989	9,997	9,946	12,640	11,479
Net operating revs...	$1,369	$1,290	$2,718	$5,696	$726	(def.) $15,307
Other income	.....	.....	.....	.....	.....	235
Total net income.....	$1,369	$1,290	$2,718	$5,696	$726	(def.) $15,172
Taxes	2,388	1,983	2,247	1,888	1,768	1,418
Fixed charges	2,022	17,209	2,593	5,229	5,192	5,146
Surplus	(def.) $3,041	(def.) $27,902	(def.) $2,122	(def.) $1,421	(def.) $7,684	(def.) $21,636

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $54,403; debit balance carried to balance sheet, $532,521; debit balance at beginning of year, $224,134; debit balance transferred from income, $3,041; loss on retired road and equipment, $501; delayed income debits, $35; miscellaneous debits, $359,214.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property Investment	$476,662	$475,284	$475,105	$472,576	$475,218	$476,459
Working assets	5,176	419,517	419,968	434,438	427,987	417,888
Deferred debit Items.....	59	74	.....	1,992	.....	34
Profit and loss deficit.....	532,521	224,134	196,280	169,158	167,746	164,229
Total	$1,014,418	$1,119,009	$1,091,353	$1,078,164	$1,070,951	$1,058,610
LIABILITIES:						
Capital stock	$501,000	$501,000	$501,000	$501,000	$501,000	$501,000
Funded debt	504,250	502,500	500,000	500,000	500,000	500,000
Working liabilities	8,070	113,043	90,353	72,760	69,951	57,610
Accrued liabilities not due	.....	1,368	.....	4,404	.....	.....
Deferred credit items.....	1,098	1,098	.....	.....	.....	.....
Total	$1,014,418	$1,119,009	$1,091,353	$1,078,164	$1,070,951	$1,058,610

Bonded Debt: $500,000 Ohio River & Columbus Ry. first 5s; dated July 1, 1903; due July 1, 1933. Int. paid Jan. and July 1, at Union Savings Bank & Trust Co., Cincinnati, Ohio, Trustee. Coupon, $500 and $1,000. Authorized, $1,000,000. Of the amount issued, $415,000 are held in treasury or pledged. First lien on entire property. Interest is in default.

Capital Stock: Auth., $1,000,000; outstanding, $501,000; par, $100. No dividends.

OKLAHOMA, KANSAS & MISSOURI INTERURBAN RAILWAY

History: Incorporated under laws of Oklahoma, Sept. 24, 1908, for fifty years to build a standard guage railroad from Miami, Okla., to Century, Okla.

Location: First portion of road, Miami to Hattonville, Okla., 5 miles, put in operation in Feb., 1909. Built entirely on private right of way, except in city of Miami, where franchise is for forty years. Now completed to Picken, Okla., 10.96 miles. Equipment: Locomotive, 1; passenger cars, 2; service cars, 2.

Management: OFFICERS: Henry C. Flower, Pres.; Lee Clark, Vice-Pres.; A. K. Wilder, Sec., Miami, Okla. DIRECTORS: Leon Smith, W. H. Trapp, W. L. McWilliams, H. C. Flower, Lee Clark. Annual meeting, second Tuesday in January. GENERAL OFFICE, Miami, Okla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$42,266	$27,938	$27,804	$29,176	$16,657
Operating expenses	23,256	13,832	20,228	17,338	16,836
Net operating revenues	$19,010	$14,106	$7,576	$11,838	(def.) $779
Fixed charges, incl. taxes	9,725	960	964	721	1,926
Balance	$9,285	$13,146	$6,612	$11,117	(def.) $2,105

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $2,999; credit balance transferred from income, $9,285; total, $12,284. Contra: Dividend appropriations of surplus, $6,300; credit balance carried to balance sheet, $5,984; total, $12,284.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	LIABILITIES:	1916
Property investment	$70,187	Capital stock	$35,000
Working assets	12,407	Funded debt	35,000
Deferred debit items	147	Working liabilities	2,328
		Accrued liabilities not due	875
		Deferred credit items	3,554
		Profit and loss	5,984
Total	$82,741	Total	$82,741

Capital Stock: Authorized, $200,000; outstanding, $35.000; par $100. No bonded debt. Dividend of 5% paid in 1910; 15% in 1913; 18% in 1914; 16% in 1915; 18% in 1916.

ONTONAGON RAILROAD

History: Incorporated under the laws of Michigan, Oct., 1903. Road opened May 15th, 1904.

Location: Road owned, Ontonagon to Green, Mich., 6.63 miles. Trackage, C. M. & St. P. R.R., 8.33 miles; total operated, 15 miles. Equipment: Locomotive, 1, box car, 1; logging cars, 88; caboose, 1.

Management: OFFICERS: C. H. Worcester, Pres. and Treas.; E. A. Hamar, Vice-Pres., Chassel, Mich.; Thornton A. Green, Sec.; G. H. Bronoel, Pur. Agt.; J. H. Bice, Gen. Mgr., Ontonagon, Mich.; R. Cousin, Aud., Chicago. DIRECTORS: C. H. Worcester, M. F. S. Worcester, E. A. Hamar, Chassel, Mich.; R. Cousin, Chicago; J. H. Bice, Ontonagon, Mich. Annual meeting, fourth Monday in October. GENERAL OFFICE, Ontonagon, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$8,706	$10,029	$9,661	$10,158	$8,017
Operating expenses	8,046	8,434	11,908	10,780	9,350
Net operating revenues	$660	$1,595	(def.) $2,247	(def.) $622	(def.) $1,333
Fixed charges, inc. taxes	1,402	365	185	270	5
Balance	(def.) $742	$1,230	(def.) $2,432	(def.) $892	(def.) $1,338

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$33,404	$34,996	$32,605	$33,222	$31,932
Working assets	2,402	3,336	3,029	2,398	1,890
Profit and loss	2,804	2,062	3,292	860	.....
Total	$38,610	$40,394	$38,926	$36,480	$33,822
LIABILITIES:					
Capital stock	$30,000	$30,000	$30,000	$30,000	$30,000
Working liabilities	8,610	10,394	8,801	6,460	3,774
Accrued liabilities not due	.....	.....	25	20	15
Profit and loss	.....	.....	.....	.....	33
Total	$38,610	$40,394	$38,926	$36,480	$33,822

Capital Stock: Authorized and outstanding, $30,000. Par $100. No bonded debt, and no dividends.

ORANGEBURG RAILWAY

History: Incorporated under the laws of South Carolina, May 1, 1910; road opened July 24, 1913.

Location: Road extends from Orangeburg to North, S. C., 17 miles. Sidings, 2 miles. Equipment: Locomotive, 1; passenger car, 1; freight car, 1. Company also leases 1 locomotive and passenger and freight cars.

Management: OFFICERS: Wm. G. Wilfe, Pres. and Treas.; W. W. Wanamaker, Vice-Pres.; W. A. Gore, Vice-Pres. and Gen. Mgr.; J. A. Berry, Sec., Orangeburg, S. C. DIRECTORS: Wm. C. Wolfe, J. A. Berry, C. A. Field, Orangeburg, S. C.

Bonded Debt: $100,000 Orangeburg Railway first 5s. Dated Jan. 1, 1913; due Jan. 1, 1933. Interest paid Jan. and July 1. Coupon and registered, $1,000. Interchangeable. Authorized, $100,000. First lien on entire mileage. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $100,000. Par, $100.

OREGON INTERURBAN RAILWAY

History: Incorporated under the laws of Missouri, Nov. 12, 1907. Road opened June 21, 1909.

Location Road extends from Oregon to Forest City, Mo., connecting at the latter point with the C. B. & Q. R.R., 4.46 miles. Operated by steam, and gasoline motor. Equipment: Locomotives, 2; passenger car, 1; gasoline motor car, 1; freight cars, 3.

Management: OFFICERS: J. R. Peacher, Pres.; E. O. Phillips, Vice-Pres.; L. I. Moore, Sec., Treas., Aud., Gen. Mgr. and Pur. Agt., Oregon, Mo. DIRECTORS: The foregoing and Jacob Bucher, W. H. Richards, J. C. Whitmer, W. A. S. Derr, B. F. Morgan, Sam'l Davidson, C. D. Zook, Oregon, Mo. Annual meeting, second Monday in January. GENERAL OFFICE, Oregon, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$14,990	$13,994	$15,499	$15,414	$13,077
Operating expenses	11,654	10,158	13,679	9,490	10,391
Net operating revenues	$3,336	$3,836	$1,820	$5,924	$2,686
Fixed charges, inc. taxes	2,225	2,209	2,210	2,174	2,446
Balance	$1,111	$1,627	(def.)$390	$3,750	$240

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$80,005	$79,481	$79,758	$80,758	$79,801
Working assets	1,561	2,775	2,670	3,860	711
Profit and loss	6,461	6,357	7,572	7,181	9,114
Total	$88,027	$88,613	$90,000	$91,799	$89,626
LIABILITIES:					
Capital stock	$44,400	$44,400	$44,400	$44,708	$44,708
Funded debt	30,000	30,000	30,000	30,000	30,000
Working liabilities	.....	1,800	3,600	5,400	5,400
Accrued liabilities not due	142	142	142	142	143
Appropriated surplus	13,485	12,271	11,858	11,549	9,375
Total	$88,027	$88,613	$90,000	$91,799	$89,626

Bonded Debt: $30.000 Oregon Interurban Railway first 6s. Dated Jan. 1, 1909; due Jan. 1, 1929. Interest paid Jan. 1, at company's office, Oregon, Mo. Coupon, $100. First lien on entire property. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Authorized, $60,000; outstanding, $44,400. Par, $100. Secretary of company acts as registrar and transfer agent of stock.

OREGON, PACIFIC & EASTERN RAILWAY

History: Incorporated under the laws of Oregon in 1912. In 1913 acquired the properties of the Oregon & Southeastern R.R. sold under foreclosure.

Location: Road extends from Cottage Grove to Disston, Ore., 20 miles.

Management: OFFICERS: G. B. Hengen, Pres., Chicago; A. B. Wood, Vice-Pres. and Gen. Mgr.; P. B. Protzman, Sec., Cottage Grove, Ore. DIRECTORS: The foregoing, H. Eakin, Jesse Darling, Cottage Grove, Ore. Annual meeting, second Tuesday in July. OFFICES, Chicago, Ill., and Cottage Grove, Ore.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$35,899	$23,791	$14,287
Operating expenses	23,560	20,551	11,870
Net operating revenues	$12,339	$3,240	$2,417
Fixed charges, including taxes	6,950	6,896	3,584
Other deductions	10,278	.....	.....
Deficit	$4,889	$3,656	$1,167

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$458,631	$452,581	$442,831
Working assets	8,194	5,691	3,833
Accrued income not due	107,750	111,827	114,350
Profit and loss	9,711	4,822	1,167
Total	$584,286	$574,921	$562,181
LIABILITIES:			
Capital stock	$200,250	$200,250	$200,250
Funded debt	330,000	330,000	330,000
Working liabilities	39,563	40,662	30,123
Accrued liabilities not due	4,195	4,009	1,808
Deferred credit items	10,278	.....	.....
Total	$584,286	$574,921	$562,181

Bonded Debt: $330,000 Oregon Pacific & Eastern Ry. first 5s. Dated Jan. 1, 1914; due Jan. 1, 1934. Interest paid Jan. and July 1, at Union Trust Co., San Francisco. Denomination, Series "A," $1,000; Series "B," $5,000. Coupon and registered; interchangeable. Authorized, $500,000. Balance issuable at rate of $20,000 per mile of road actually constructed or acquired. Callable at 102 and interest after July 1, 1920. Sinking fund of 2% per annum of outstanding bonds began Jan. 1, 1916, to be applied to purchase of bonds at not exceeding 102 and interest. First lien on all property of company now owned or hereafter acquired. Interest paid without deduction of normal income tax.

Capital Stock: Authorized, $300,000 preferred and $700,000 common. Outstanding, $200,250 common. Par, $10.

OSHKOSH TRANSPORTATION COMPANY

History: Incorporated under the laws of Wisconsin, January 26, 1868. Operated by Chicago & Northwestern Ry. under switching contract.

Location: Road extends in and about Oshkosh, 4.47 miles.

Management: OFFICERS: Howard Morris, Pres. and Treas.; Chas. M. Morris, Sec., Milwaukee, Wis. DIRECTORS: The foregoing and S. C. Hauxhurst, Milwaukee, Wis. Annual meeting, second Tuesday in October. GENERAL OFFICE, Milwaukee, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Rental income	$11,539	$9,547	$14,737	$11,269	$9,071
Fixed charges, including taxes	2,802	2,777	8,535	1,200	1,047
Other deductions	.....	6,770	8,535	10,069	7,800
Surplus for year	8,737	.....	.....	.....	224

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,519; credit balance transferred from income, $8,737; total, $10,256. Contra: Dividend appropriations of surplus, $8,300; credit balance carried to balance sheet, $1,956; total, $10,256.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$70,000	$70,000	$70,000	$70,000	$70,000
Working assets	511	288	352	304	225
Accrued income not due	1,445	1,231	1,197	1,559	2,069
Totals	$71,956	$71,519	$71,549	$71,863	$72,294
LIABILITIES:					
Capital stock	$70,000	$70,000	$70,000	$70,000	$70,000
Profit and loss	1,956	1,519	1,549	1,863	2,294
Totals	$71,956	$71,519	$71,549	$71,863	$72,294

Capital Stock: Authorized and outstanding, $70,000. Par, $100. No bonded debt. Dividends paid since 1902, recent declarations as follows: 11.21% in 1910; 9.64% in 1911; 11% in 1912; 15% in 1913; 12.7% in 1914; 9.71% in 1915; 11.85% in 1916.

OTIS RAILWAY

Origin: Incorporated under the laws of New York, June 23, 1899; reorganization of the Otis Elevating Ry.

Location: Road extends from Otis Junction to Otis Summit, N. Y., 1.08 miles. Operated by cable. Equipment: Stationary engine, 1; passenger cars, 4; freight cars, 4.

Management: OFFICERS: A. V. S. Olcott, Pres., New York; W. Y. Hawley, Secy., New York; T. E. Jones, Treas. and Supt., Catskill, N. Y. DIRECTORS: W. Y. Hawley, A. V. S. Olcott, E. E. Olcott, F. B. Hibbard, New York; J. D. Hasbrouck, Ridgewood, N. J. Annual meeting, third Friday in July. OFFICE, Catskill, N. Y.

Bonded Debt: $71,000 Otis Railway first 5s. Dated July 20, 1899; due July 15, 1939. Int. paid Jan. and July, at Lincoln National Bank, New York. Coupon, $1,000. Thos. L. James, New York, Trustee. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $65,000.

OUACHITA & NORTHWESTERN RAILROAD

History: Incorporated under the laws of Louisiana, May 27, 1905.

Location: Road extends from Clarks, La., to Tremont and Gulf Junc., La., and from Standard to Somerville, La., 65.55 miles; sidings, 6.14 miles. Equipment: Locomotives, 9; freight cars, 216; service cars, 4.

Management: OFFICERS: J. B. White, Pres., Kansas City, Mo.; W. B. Pettibone, Vice-Pres.; C. E. Slagle, Secy. and Gen. Mgr.; G. W. Dulany, Treas., Hannibal, Mo. DIRECTORS: J. B. White, Kansas City, Mo.; W. B. Pettibone, G. W. Dulany, Hannibal, Mo.; G. W. Grandin, Cleveland, O.; C. E. Slagle, Clarks, La.; F. P. Stubb, Jr., Monroe, La. Annual meeting, second Wednesday in January. GENERAL OFFICE, Clarks, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$238,197	$178,546	$184,711	$182,012	$157,475	$141,039
Maintenance of way	102,077	98,288	95,870	37,583	82,114	28,868
Maintenance of equipment	34,755	34,629	33,411	23,006	21,173	20,518
All other operat. expenses	79,587	62,704	62,165	63,687	45,017	39,777
Net operating revenue	$21,778	*$17,075	*$6,735	$57,736	$9,171	$51,876
Other income	.....	.....	414	.....	.....	.....
Total net income	$21,778	*$17,075	*$6,321	$57,736	$9,171	$51,876
Taxes	4,286	2,869	2,530	5,108	2,134	1,940
Fixed charges	.....	.....	2,103	64,546	.....	.....
Surplus	$17,492	*$19,944	*$10,954	*$11,918	$7,037	$49,936

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $30,214; credit balance transferred from income, $17,492; total, $47,706. Contra: Delayed income debits, $125; credit balance carried to Balance Sheet, $47,581; total, $47,706.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$412,230	$422,976	$453,080	$443,622	$417,241	$374,071
Working assets	10,290	33,118	5,113	4,646	6,174	9,026
Deferred debit items	4,461	.....	.....	.....	.....	.....
Total	$426,981	$456,094	$458,193	$448,268	$423,415	$383,097
LIABILITIES:						
Capital stock	$303,000	$303,000	$303,000	$303,000	$303,000	$303,000
Working liabilities	73,934	121,230	122,269	100,789	66,719	33,464
Accrued liabilities not due	1,466	1,650	2,100	2,700	.....	.....
Profit and loss surplus	47,581	30,214	30,824	41,779	53,696	46,633
Total	$426,981	$456,094	$458,193	$448,268	$423,415	$383,097

Capital Stock: Auth., $600,000; outstanding, $303,000; par, $100. C. E. Slagle, Registrar.

OUACHITA VALLEY RAILWAY

History: Incorporated under the laws of Arkansas, May 17, 1904.

Location: Road extends from Millville to Stark, Ark., 28 miles. Equipment: Locomotives, 3; cars, 73.

Management: OFFICERS: M. C. Smith, Pres., Los Angeles, Cal.; Stewart Gammill, Vice-Pres.; T. S. Bell, Sec.; M. C. Smith, Treas., Millville, Ark.; C. A. Buehner, Gen. Mgr. and Pur. Agt.; W. H. Burroughs, Aud., Millville, Ark. DIRECTORS: C. M. Smith, Los Angeles, Cal.; T. S. Bell, Stewart Gammill, C. A. Buehner, Millville, Ark.; J. T. Henry, Bentonville, Ark. Annual meeting, third Monday in July. GENERAL OFFICE, Millville, Ark.

Comparative Income Account, Years Ended June 30

	1916	9 mos. 1915
Gross revenues	$62,212	$22,186
Operating expenses	60,895	23,856
Net operating revenues	$1,317	def. $1,670
Fixed charges, including taxes	4,406	1,348
Balance	def. $3,089	def. $3,018

Profit and Loss Account, year ended June 30, 1916: Delayed income credits, $5,930; total, $5,930. Contra: Debit balance at beginning of year, $2,423; debit balance transferred from income, $3,089; credit balance carried to balance sheet, $418; total, $5,930.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$121,929	$123,856	Capital stock	$100,000	$100,000
Working assets	1,242	412	Working liabilities	22,753	26,691
Profit and loss	.....	2,423	Profit and loss	418	.....
Total	$123,171	$126,691	Total	$123,171	$126,691

Capital Stock: Authorized and outstanding, $100,000. Par, $100. No bonded debt. No dividends.

OWASCO RIVER RAILWAY

History: Incorporated under laws of New York, June 2, 1881. Road completed in 1882.

Location: Road extends from New York Central R.R. station in Auburn to yards of D. M. Osborne & Co., Auburn, N. Y., 2.61 miles. Equipment: Locomotives, 3; freight cars, 40.

Management: OFFICERS: F. B. Montgomery, Pres. and Gen. Mgr.; S. D. Snow, Vice-Pres., Chicago; F. M. Morton, Sec.; C. W. Embody, Treas., Auburn, N. Y.; A. G. Huckin, Asst. Sec.; W. M. Gale, Asst. Treas.; T. J. Maloney, Aud., Chicago. DIRECTORS: W. H. Beck, C. W. Embody, M. J. Lower, F. S. Jacques, F. M. Morton, Auburn, N. Y.; F. B. Montgomery, C. T. Bradford, A. G. Huckin, S. D. Snow, Chicago. Annual meeting, last Thursday in June. GENERAL OFFICE, 606 Michigan Avenue, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$36,236	$24,521	$40,891	$49,188	$53,029
Operating expenses	32,388	23,234	34,697	43,876	37,416
Net operating revenues	$3,848	$1,287	$6,194	$5,312	$15,613
Other income	1,167	1,246	1,072	1,872	629
Total net income	$5,015	$2,533	$7,266	$7,184	$16,242
Fixed charges, including taxes	1,951	2,073	3,853	2,067	3,195
Surplus	$3,064	$460	$3,413	$5,117	$13,047

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$82,786	$79,111	$81,042	$83,052	$83,763
Working assets	37,097	36,522	37,959	36,527	31,870
Deferred debit items	42	.....	.....	.....	.....
Total	$119,925	$115,633	$119,001	$119,579	$115,633
LIABILITIES:					
Capital stock	$30,000	$30,000	$30,000	$30,000	$30,000
Working liabilities	2,826	1,929	3,255	3,962	2,314
Accrued liabilities not due	117	117	117	117	117
Deferred credit items	1,281	950	452	736	556
Profit and loss	85,701	82,637	85,177	84,764	82,647
Total	$119,925	$115,633	$119,001	$119,579	$115,633

Capital Stock: Authorized and outstanding, $30,000. Par, $100. All owned by International Harvester Corporation. No bonded debt. Dividends of 10% each paid in years ended June 30, 1912, to and including 1915; none in 1916.

OZARK VALLEY RAILWAY

History: Incorporated under the laws of Missouri, Dec. 7, 1914, successor to the Williamsville, Greenville & St. Louis Ry., sold at foreclosure sale Nov. 10, 1914. Operations begun Jan. 23, 1915.

Location: Road extends from Cascade to Williamsville, Mo., 35 miles; sidings, 2.42 miles. Equipment: Locomotives, 2; passenger cars, 2; freight cars, 14; service cars, 8.

Management: OFFICERS: J. T. Long, Pres.; J. H. Downs, Vice-Pres.; O. D. Ridgely, Sec. and Treas., Williamsville, Mo.; G. A. Long, Gen. Mgr.; S. A. Cochran, Supt. Williamsville, Mo. DIRECTORS: J. T. Long, O. D. Ridgely, J. H. Downs, G. A. Long, J. K. Cochran, Williamsville, Mo. Annual meeting, third Tuesday in January. OFFICES, Greenville, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$42,405	$20,645
Operating expenses	43,686	15,607
Net operating revenues	*$1,281	$5,038
Fixed charges, including taxes	13,330	6,560
Deficit	$14,611	$1,522

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $1,522; debit balance transferred from income, $14,611; loss on retired road and equipment, $2,650; miscellaneous debits, $43; total, $18,826. Contra: Debit balance carried to Balance Sheet, $18,826.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$341,757	$351,893	Capital stock	$50,000	$50,000
Working assets	11,908	8,280	Funded debt	150,000	150,000
Profit and loss	18,826	1,522	Working liabilities	19,248	10,100
			Accrued liabilities not due	3,286	1,638
			Deferred credit items	149,957	149,957
Total	$372,491	$361,695	Total	$372,491	$361,695

Bonded Debt: $150,000 Ozark Valley Railway first mortgage 6% notes. Dated Feb. 1, 1915; due Feb. 1, 1917. Interest paid Feb. and Aug. 1, at Southwestern Bank of Commerce, Kansas City, Mo. Denomination, $2,500 and $5,000. Guaranteed principal and interest by James K. Cochran, Williamsville, Mo. First lien on road and equipment. Normal income tax deducted from interest.

Capital Stock: Authorized, $350,000; outstanding, $50,000. Par, $100. No dividends paid.

PACIFIC & IDAHO NORTHERN RAILWAY

History: Incorporated under the laws of Idaho, February 18, 1899.

Location: Road extends from Weiser to New Meadows, Idaho, 89.9 miles; sidings, 6.37 miles. Equipment: Locomotives, 6; cars, 63.

Receivership: On September 4, 1915, Judge Dietrich, in the United States District Court, appointed Pres. E. M. Heigho, receiver, on the application of the Meyer Rubber Co., of N. Y., which had a claim against the company on account of an unsecured loan of $663,910. Receivership terminated in November, 1916.

Management: OFFICERS: E. M. Heigho, Pres., Gen. Mgr. and Traffic Mgr., New Meadows, Ida.; J. C. Brady, Vice-Pres.; Samuel Norris, Vice-Pres. and Gen. Counsel; J. B. Ford, Treas.; J. D. Carberry, Sec., New York; L. F. Linney, Aud.; A. H. O'Leary, Supt.; New Meadows, Ida. DIRECTORS: E. M. Heigho, New Meadows, Ida.; Samuel Norris, J. B. Ford, W. H. Truesdale, New York; R. U. Bradsboro, W. J. Speer, Weiser, Ida.; Lester Leland, Boston. Annual meeting, third Thursday in September. MAIN OFFICE, New Meadows, Ida. NEW YORK OFFICE, 1790 Broadway.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$137,207	$129,223	$187,758	$197,785	$213,639	$181,222
Maintenance of way	49,306	41,099	51,712	54,070	51,457	50,751
Maintenance of equipment	13,256	17,724	22,231	21,047	19,555	12,338
All other operat. expenses	47,089	52,789	59,834	63,174	62,522	52,704
Net operating revs.	$27,556	$17,611	$53,981	$59,494	$80,105	$65,429
Other income	876	74	.....	2	99	67
Total net income	$28,432	$17,685	$53,981	$59,496	$80,204	$65,496
Taxes	1,734	4,102	8,908	7,680	5,874	4,995
Fixed charges	27,604	138,569	145,779	138,541	127,714	110,402
Deficit	$906	$124,986	$100,706	$86,725	$53,384	$49,901

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $17,524; miscellaneous credits, $592,354; total, $609,878. Contra: Debit balance at beginning of year, $570,792; debit balance transferred from income, $21,562; credit balance carried to balance sheet, $17,524; total, $609,878.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,490,000	$5,483,333	$5,486,650	$5,485,662	$5,449,583	$5,409,919
Working assets	26,068	29,970	29,177	35,360	41,771	51,441
Deferred debit items	3,330	10,741	10,890	10,790	9,677	9,363
Profit and loss deficit	592,354	570,792	445,806	346,821	260,515	203,391
Total	$6,111,752	$6,094,836	$5,972,523	$5,878,633	$5,761,546	$5,674,114
LIABILITIES:						
Capital stock	$2,929,800	$2,929,800	$2,929,800	$2,929,800	$2,929,800	$2,929,800
Funded debt	1,983,000	1,983,000	1,820,095	1,844,816	1,857,865	1,894,430
Working liabilities	1,071,575	1,003,492	1,111,958	1,015,914	904,734	812,385
Accrued liabilities not due	125,539	176,154	109,314	87,267	68,799	36,793
Deferred credit items	1,838	2,390	1,356	836	348	706
Total	$6,111,752	$6,094,836	$5,972,523	$5,878,633	$5,761,546	$5,674,114

Receiver's Balance Sheet, as of June 30, 1916: Property investment, $6,001; working assets, $44,519; deferred debit items, $6,647; total assets, $45,165; working liabilities, $23,339; accrued liabilities, $2,083; deferred credit items, $2,219; profit and loss, $7,524; total liabilities, $45,165.

Bonded Debt: $1,027,000 Pacific & Idaho Northern Ry., first sinking fund 5s; dated Nov. 1, 1899; due Nov. 1, 1949. Int. paid May and Nov., at New York. Coupon, $1,000. Guaranty Trust Co., New York, Trustee. Authorized, $3,000,000. Sinking fund is 1% per annum of bonds issued, payable to Trustee on January 1 of each year. A first lien on line, Weiser to Evergreen, 76.03 miles. Normal income tax deducted from interest.

(2) $956,000 Pacific & Idaho Northern Ry. second 5s; dated Feb. 1, 1907; due Feb. 1, 1937. Int. paid Feb. and Aug. 1, in New York. Coupon, $1,000. Central Trust Co., New York, Trustee. Authorized, $3,000,000. Secured on line Weiser to Evergreen, subject to first 5s. Normal income tax deducted from interest.

Capital Stock: Auth., $8,850,000; outstanding, $2,929,800; par, $100. No dividends. Registrar and Transfer Agent, F. D. Stover, Asst. Secy., New Meadows, Ida.

PACIFIC COAST RAILROAD COMPANY

Origin: Incorporated under laws of State of Washington, Nov. 26, 1880, as Columbia & Puget Sound R.R.; name changed as above, March 20, 1916. Was formerly the Seattle & Walla Walla R.R. Co. The Chicago, Milwaukee & Puget Sound Ry. has "running rights" for a period of 99 years, between Maple Valley and Seattle. 20 miles.

Location: Road extends from Seattle to Franklin, Wash., 33.65 miles; with branches of 22.08 miles; total, 55.73 miles. Equipment: Locomotives, 11; passenger cars, 9; freight cars, 491.

Management: OFFICERS: J. C. Ford, Pres.; E. C. Ward, Vice-Pres., Seattle, Wash.; W. M. Barnum, Vice-Pres., New York; J. W. Smith, Sec., Treas.; H. M. Watkins, Auditor. TRUSTEES: J. C. Ford, C. H. Farrell, J. W. Smith, W. E. Nichols, G. W. Mertens, Seattle, Wash. Annual meeting, third Tuesday in May. OFFICE, Seattle, Wash.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Passenger earnings	$26,527	$38,996	$54,890	$58,539	$53,542	$58,115	$57,735
Freight earnings	280,421	273,804	376,489	456,753	387,000	478,922	504,959
Gross earnings	383,504	366,520	486,772	595,324	514,035	604,295	623,754
Operating expenses and taxes	313,085	315,541	364,022	412,097	364,298	398,477	398,798
Net earnings	70,419	50,979	122,750	183,227	149,737	205,818	224,956
Other income	90,462	103,018	87,305	110,442	104,339	106,420	104,393
Fixed charges	76,210	75,079	75,000	75,001	75,000	75,001	37,461
Dividends	none	43,490	191,738	182,147	180,816	273,999	489,481
Surplus	84,671	35,428	*56,683	36,521	*1,740	*36,762	*197,593

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,069,004	$4,126,612	$4,115,472	$4,097,985	$4,082,273	$3,952,578
Working assets	302,540	208,897	359,934	418,462	256,083	418,853
Deferred debit items	27,605	25,150	20,592	4,908	3,746	2,522
Total	$4,399,149	$4,360,659	$4,495,998	$4,521,355	$4,342,102	$4,373,953
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,500,000	1,500,000	1,500,000	1,500,000	.....	.....
Working liabilities	385,938	440,940	620,583	570,401	1,915,537	1,936,334
Accrued liabilities not due	33,491	32,096	26,654	24,387	25,887	29,285
Deferred credit items	54,298	25	214	3,434	17,065	29,703
Appropriated surplus	.....	47,442	47,443	47,443	47,443	47,719
Profit and loss surplus	1,425,422	1,340,156	1,301,104	1,375,690	1,339,170	1,340,912
Total	$4,399,149	$4,360,659	$4,495,998	$4,521,355	$4,342,102	$4,373,953

Capital Stock: Auth. and outstanding, $1,000,000. Par, $100. All owned by Pacific Coast Company (statement of which, see in "Moody's Analyses of Industrials"). Dividends: 7½% per annum from Jan. 1, 1910, to June 30, 1914; 1915, 4½%. No bonded debt.

PACIFIC COAST RAILWAY

History: Incorporated under laws of California, April 18, 1882. Consolidation of the San Luis Obispo & Santa Maria Valley R.R. and the Pacific Coast Ry.

Location: Road extends from Port San Luis to Los Olivos, Cal., 75.99 miles; branches, 27.06 miles; total, 103.05 miles; sidings, 13.62 miles. Branch lines operated by electricity to Betteravia and Guadaloupe, 11.32 miles. Equipment: Locomotives, 8; passenger cars, 11; freight and service cars, 199.

Management: OFFICERS: J. C. Ford, Pres., E. C. Ward, Vice-Pres., Seattle, Wash.; E. W. Clarke, Vice-Pres., San Luis Obispo, Cal.; W. M. Barnum, Vice-Pres., New York; G. W. Towle, Sec., San Francisco, Cal.; J. W. Smith, Treas., Asst. Sec.; H. M. Watkins, Aud., Seattle. DIRECTORS: J. C. Ford, E. C. Ward, Seattle, Wash., W. M. Barnum, New York; H. C. Cantelow, C. D. Dunann, Geo. W. Towle, Arthur Goodall, C. M. Goodall, San Francisco; E. W. Clarke, San Luis Obispo, Cal. Annual meeting, first Thursday after Jan. 20. OFFICES, San Francisco, Cal. and Seattle, Wash.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$196,135	$221,484	$262,275	$326,982	$355,332	$326,724
Maintenance of way	42,034	43,641	50,041	54,535	73,371	70,978
Maintenance of equipment	28,133	31,479	29,024	36,176	44,823	36,170
All other operat. expenses	75,723	83,746	88,492	102,574	108,964	111,241
Net operating revs.	$50,245	$62,618	$94,718	$133,717	$128,174	$108,335
Other income	78,360	†66,846	23,476	4,204	.....	63
Total net income	$128,605	$129,464	$118,194	$137,921	$128,174	$108,398
Taxes	11,429	9,885	11,535	10,846	11,955	10,730
Fixed charges	82,730	82,694	82,729	82,585	82,509	82,590
Surplus	$34,446	$36,885	$23,930	$44,490	$33,710	$15,078
Dividends paid	.....	15,706	44,503	61,080	.....	.....
Balance	$34,446	$21,179	*$20,573	*$16,590	$33,710	$14,300

* Deficit. † Includes $53,301 net revenue from miscellaneous operations.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $127,016; credit balance transferred from income, $34,446; miscellaneous credits, $50; total, $161,512. Contra: Miscellaneous debits, $27,412; credit balance carried to Balance Sheet, $134,100; total, $161,512.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,824,822	$2,839,266	$2,806,741	$2,766,555	$2,781,097	$2,716,503
Working assets	242,618	129,032	265,064	277,644	327,095	248,659
Deferred debit items	7,201	1,646	2,376	1,692	1,352	961
Profit and loss deficit	.....	.....	.....	.....	.....	425,146
Total.	$3,074,641	$2,969,944	$3,074,181	$3,040,891	$3,109,544	$3,391,269
LIABILITIES:						
Capital stock	$1,370,400	$1,370,400	$1,370,400	$1,370,400	$1,370,400	$1,370,400
Funded debt	1,429,468	1,370,000	1,370,000	1,370,000	1,370,000	1,370,000
Working liabilities	136,900	158,884	285,167	228,321	277,198	639,514
Deferred credit items	3,773	2,725	2,044	1,802	.....	11,365
Appropriated surplus ...	.....	1,999	1,999	1,999	1,999	.....
Profit and loss surplus ...	134,100	65,936	44,571	73,369	89,947	.....
Total.	$3,074,641	$2,969,944	$3,074,181	$3,040,891	$3,109,544	$3,391,269

Note: Funded debt in 1916 includes $59,468 advances by Pacific Coast Co.

Bonded Debt: $1,370,000 Pacific Coast Ry. Co. first 6s; dated Sept. 1, 1882; due Sept. 1, 1922. All owned by Pacific Coast Co.

Capital Stock: Auth., $2,628,500; outstanding, $1,370,400; par, $100. All except directors' qualifying shares owned by the Pacific Coast Co.

PADUCAH & ILLINOIS RAILROAD

History: Incorporated under the laws of Kentucky, Feb. 21, 1910, to construct a double track steel bridge across the Ohio River near Metropolis, Ill. Company is also constructing a line of about 14 miles to a point near Paducah, Ky., where a modern efficient terminal yard will be installed with facilities for caring for heavy traffic. The bridge and railroad owned by this company will form the only direct connecting link between the Nashville, Chattanooga & St. Louis Ry. and the Chicago, Burlington & Quincy Railroad Company, providing route across the Ohio River for interchange of traffic, now handled by car ferry at Paducah. Controlled jointly by the Nashville, Chattanooga & St. Louis Ry. and the Chicago, Burlington & Quincy R.R. Co.

Management: OFFICERS: Hale Holden, Pres., Chicago, Ill.; John Howe Peyton, Vice-Pres.; J. H. Ambrose, Sec., Nashville, Tenn.; H. W. Weiss, Asst. Sec.; T. S. Howland, Treas., Chicago, Ill. DIRECTORS: Hale Holden, H. E. Byram, F. H. Rawson, Chicago, Ill.; John Howe Peyton, Nashville, Tenn.; W. J. Hills, Paducah, Ky. Annual meeting first Wednesday in July. GENERAL OFFICE, Nashville, Tenn.

Bonded Debt: $4,200,000 Paducah & Illinois R.R. first sinking fund 4½s. Dated July 1, 1915; due July 1, 1955. Interest payable Jan. and July 1, at company's agency in New York and at Union Trust Co., Chicago. Coupon and registered, $1,000. Interchangeable. Callable for sinking fund. July 1, 1921, and annually thereafter at 102½ and accrued interest on fifteen days' notice. Authorized, $7,000,000. Principal, interest and sinking fund payments unconditionally guaranteed by the N. C. & St. L. Ry. and C. B. & Q. R.R. Sinking fund payments beginning May 1, 1921, provide for redemption of entire issue by maturity. First lien upon all property. Normal income tax deducted from interest. Rating, Aaa.

Capital Stock: (1) Authorized, $7,000,000 4½% cumulative preferred. None outstanding. Par, $100. Has preference as to assets.

(2) Authorized and outstanding, $10,000 common. Par, $100. Owned jointly by the N., C. & St. L. Ry. and the C., B. & Q. R.R.

PAJARO VALLEY CONSOLIDATED RAILROAD

History: Incorporated under California laws, December 31, 1890, as the Pajaro Valley R.R. Title changed Dec. 7, 1899.

Location: Road extends from Watsonville to Spreckels, Cal., with branches, 41.36 miles. Guage, 3 feet. Equipment: Locomotives, 8; cars, 270.

Management: OFFICERS: John D. Spreckels, Pres.; A. B. Spreckels, Vice-Pres. and Treas.; W. H. Hannam, Sec., San Francisco; F. E. Sullivan, Gen. Mgr., Supt. and Pur. Agt., Spreckels, Cal. DIRECTORS: W. H. Hannam, W. I. Brobeck, A. B. Spreckels, John D. Spreckels, John D. Spreckels, Jr., San Francisco. Annual meeting, last Monday in July. GENERAL OFFICE, 60 California Street, San Francisco, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$100,998	$84,300	$60,847	$61,429	$86,362
Operating expenses	97,783	91,463	82,950	79,077	89,782
Net operating revenues	$3,215	*$7,163	*$22,103	*$17,648	*$3,420
Other income	436	572	1,569	1,711	1,827
Total net income	$3,651	*$6,591	*$20,534	*$15,937	*$1,593
Fixed charges, including taxes	- 5,399	3,453	4,029	4,055	3,995
Deficit	$1,748	$11,044	$24,563	$19,992	$6,588

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$517,337	$521,758	$527,140	$525,154	$530,263
Working assets	8,303	6,129	10,569	35,936	53,799
Deferred debit items	631,548	630,551	630,940	630,780	630,058
Total	$1,157,188	$1,158,438	$1,168,649	$1,191,870	$1,214,120
LIABILITIES:					
Capital stock	$1,100,000	$1,100,000	$1,100,000	$1,100,000	$1,100,000
Working liabilities	217	18	186	5,000	7,258
Profit and loss	56,971	58,420	68,463	86,870	106,862
Total	$1,157,188	$1,158,438	$1,168,649	$1,191,870	$1,214,120

Capital Stock: Authorized and outstanding, $1,100,000 of which $470,000 paid in. All owned by Spreckels Sugar Co. No bonded debt.

PALM BEACH & EVERGLADES RAILROAD

History: Incorporated under the laws of Florida, May 17, 1915. Company has concessions from State of Florida and other landowners of about 70,000 acres of Everglades land.

Location: Projected road extends from West Palm Beach, Fla., westerly 80 miles across the reclaimed Upperglades to Moorehaven and Hicpochee on Three-Mile Canal and Lake Okeechobee, where connection will be made with boat service down the Caloosahatchee River to the West Coast at Fort Myers on Gulf of Mexico.

Management: OFFICERS: Charles H. Baker, Pres.; James A. Moore, Vice-Pres.; T. T. Reese, Treas.; Geo. G. Currie, Sec.; Alton B. Parker, Gen. Counsel, N. Y. DIRECTORS: Paul T. Brady, Chas. H. Baker, Chas. T Brown, Alton B. Parker, Otto H. Fuerth, New York; T. T. Reese, J. A. Moore, Geo. W. Potter, M. E. Gruber, West Palm Beach, Fla. Annual meeting in February. GENERAL OFFICE, West Palm Beach, Fla. NEW YORK OFFICE, 149 Broadway.

Bonded Debt: $3,000,000 Palm Beach & Everglades R.R. 1st Sinking Fund 6s. Dated June 1, 1915; due June 1, 1940. Interest payable July and Dec. 1 at American Trust Co., Jacksonville, Fla. Coupon, $500 and $1,000. Of amount authorized ($3,000,000), $1,500,000 is to be reserved for additional mileage, etc. Callable at 105 and interest on 30 days' notice. Sinking fund 5% of outstanding bonds beginning June 1, 1926. Bonds to be first lien on land and road owned.

Capital Stock: Authorized and issued, $1,500,000. Par $100.

PANAMA RAILROAD COMPANY

History: Chartered by the Legislature of New York, April 7, 1849. Road opened throughout Jan. 28, 1855. The concessions from the United States of Colombia were granted in 1850, and as amended and enlarged run until 1966. In May, 1904, the United States Government purchased $6,887,000 of the capital stock, and has since acquired all the remainder.

Location: Road extends from Colon on the Atlantic, to Panama on the Pacific, 47.61 miles; Pedro Miguel to Panama, 7.37 miles. Total, 54.98 miles; Atlantic Terminal, 36.52 miles; Pacific Terminal, 20.55 miles. Intermediate sidings, 11.37. Leased line (main line, 9.12 miles; intermediate sidings, 3.34 miles), 12.46 miles; total tracks under management of Panama Railroad, 135.88 miles. In addition construction tracks aggregating 76.70 miles are maintained by the railroad forces and charged to the Panama Canal. Gauge, 5 feet.

Equipment: June 30, 1916: Locomotives, 13; passenger cars, 57; freight cars, 925; miscellaneous, 272. Floating equipment: Steamers (4 chartered) 8; tug, 1; lighters, 10; pilot boats, 2; floating pile driver, 1; towing boat, 1; launch, 1; barges, 4; garbage scow, 1.

Management: OFFICERS: G. W. Goethals, Pres., Balboa Heights, Panama; E. A. Drake, Vice-Pres., New York; Chester Harding, 2d Vice-Pres., Balboa Heights, Panama; Sylvester Deming, Treas.; T. H. Rossbottom, Sec.; V. M. Newton, Aud., New York; E. I. Brown, Gen. Pur. Agt., Washington, D. C.; S. W. Heald, Supt., Balboa Heights, Panama. DIRECTORS: G. W. Goethals, E. A. Drake, Frank McIntyre, Oswald H. Ernst, W. H. Rose, H. F. Hodges, H. H. Rousseau, C. A. Devol, Chester Harding, W. R. Grove, E. I. Brown, H. I. Cone, J. J. Morrow. Annual meeting, first Monday in April. GENERAL OFFICE, 24 State Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$7,900,497	$5,429,514	$6,822,507
Operating expenses	6,011,837	4,750,083	4,682,291
Net operating revenues	$1,888,660	$679,431	$2,140,216
Other income	643,956	328,739	277,134
Total net income	$2,532,616	$1,008,170	$2,417,350
Fixed charges	79,023	93,309	114,010
Surplus	$2,453,593	$914,861	$2,303,340

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$25,303,274	$23,669,424	Capital stock	$7,000,000	$7,000,000
Working assets	7,201,199	5,721,971	Due U. S. Govt.	3,247,332	3,247,332
Deferred debit items	283,368	235,456	Working liabilities	2,992,659	2,364,258
			Deferred credit items	206,367	74,189
			Profit and loss surplus	19,341,483	16,941,072
Total	$32,787,841	$29,626,851	Total	$32,787,841	$29,626,851

Capital Stock: $7,000,000. Par, $100. All owned by United States Government. Various rates of dividends have been paid from 1888 to and including 1892; none then until 1901, when 2% was paid; 1902, 4%; 1903, 8%; 1904, 2½%; 1905, 5%. None since.

PARIS & MOUNT PLEASANT RAILROAD

History: Incorporated under laws of Texas, January 13, 1909.

Location: Road extends from Paris to Mt. Pleasant, Tex., 51.32 miles, which includes extension from Bogota to Mt. Pleasant, 29 miles, opened June, 1913. Sidings, 7.55 miles. Equipment: Locomotives, 4; passenger cars, 4; freight cars, 28.

Management: OFFICERS: R. F. Scott, Pres.; S. W. Williams, Vice-Pres.; H. P. Mayer, Vice-Pres.; H. A. Willson, Vice-Pres.; N. H. Ragland, Sec. and Gen. Mgr.; R. J. Murphy, Treas.; C. F. Collins, Aud. and Pur. Agt., Paris, Tex. DIRECTORS: R. F. Scott, S. W. Williams, H. P. Mayer, T. J. Record, J. J. Culbertson, Paris, Tex.; A. N. Rodgers, Dallas, Tex.; C. O. Lide, E. S. Lilienstern, H. A. Willson, Mt. Pleasant, Tex. Annual meeting, in January. OFFICE: Paris, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$129,521	$116,131	$158,506
Maintenance of way and structures	19,542	24,128	40,882
Maintenance of equipment	11,132	6,727	8,332
All other operating expenses	51,342	53,114	56,979
Net operating revenues	$47,505	$32,062	$52,313
Other income	4,507	4,125	3,000
Total net income	$52,012	$36,187	$55,313
Taxes	8,000	5,000	2,550
Fixed charges	53,486	53,237	50,503
Surplus	* $9,474	* $22,050	$2,260

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$748,160	$748,013	$743,371
Working assets	106,909	107,440	100,076
Deferred debit items	48,000	52,500	58,500
Total	$903,069	$907,953	$901,947
LIABILITIES:			
Capital stock	$75,000	$75,000	$75,000
Funded debt	600,000	600,000	600,000
Working liabilities	125,220	120,088	92,721
Deferred credit items	116	670	.....
Profit and loss surplus	102,733	112,195	134,226
Total	$903,069	$907,953	$901,947

Bonded Debt: $600,000 Paris & Mt. Pleasant R.R. first 6s; dated July 1, 1912; due July 1, 1932. Int. paid Jan. and July 1, at First National Bank, Chicago, Ill., and First National Bank, New York. Coupon, $1,000. First Trust & Savings Bank, Chicago, Trustee. Authorized, $600,000. Callable at 105 and interest, on July 1,1915, or thereafter. Sinking fund 5% of gross earnings, beginning Jan. 1, 1915, to be invested in income producing securities, or applied to redemption of bonds. First lien on entire line. Interest payable without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $75,000. Par, $100.

PECOS VALLEY SOUTHERN RAILWAY

History: Incorporated under laws of Texas, May 28, 1909. Completed and in operation, Sept. 1, 1910.

Location: Road extends from Pecos to Toyahvale, Tex., 40.4 miles; sidings, 4.14 miles. Equipment: Locomotives, 3; passenger cars, 2; freight cars, 7; service cars, 5.

Management: OFFICERS: W. D. Cowan, Pres.; F. W. Johnson, First Vice-Pres.; L. W. Anderson, Second Vice-Pres., Gen. Mgr. and Pur. Agt., Pecos, Tex.; T. W. Slack, Sec., Fort Worth, Tex.; W. D. Johnson, Treas., Kansas City, Mo.; D. S. Floyd, Aud., Pecos, Tex. DIRECTORS: J. F. Ross, F. W. Johnson, W. D. Cowan, L. W. Anderson, T. Y. Casey, J. G. Love, Pecos, Tex.; W. D. Johnson, Kansas City, Mo.; T. W. Slack, Fort Worth, Tex.; Sol Mayer, Toyahvale, Tex. Annual meeting, first Monday in February. GENERAL OFFICE, Pecos, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$34,500	$34,360	$36,888	$30,704	$34,270	$24,084
Maintenance of way	7,386	7,056	6,650	3,351	5,211	15,384
Maintenance of equipment	4,372	4,679	10,382	8,521	4,316	3,425
All other operating exps.	17,085	16,987	21,403	21,079	19,875	17,361
Net operating revs.	$5,657	$5,638	*$1,547	*$2,247	$4,868	*$12,086
Other income	.....	.....	.....	15	1,483	.....
Total net income	$5,657	$5,638	*$1,547	*$2,232	$17,246	*$12,086
Taxes	2,203	1,704	1,416	1,323	1,483	.....
Fixed charges	25,564	27,060	25,779	24,910	17,246	77
Deficit	$22,110	$23,126	$28,742	$28,465	$13,861	$12,163

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$471,207	$471,118	$465,698	$462,169	$453,338	$45,000
Working assets	6,745	6,726	4,009	5,592	894	4,647
Deferred debit items	993	150	167	246	241	.....
Profit and loss deficit	64,177	42,067	17,775	.....	24,974	12,163
Total	$543,122	$520,061	$487,649	$468,007	$479,447	$61,810
LIABILITIES:						
Capital stock	$45,000	$45,000	$45,000	$45,000	$45,000	$45,000
Funded debt	400,000	400,000	400,000	400,000	400,000	.....
Working liabilities	97,167	74,443	42,251	12,376	34,447	16,810
Accrued liabilities not due	955	618	398	.....	.....	.....
Profit and loss surplus	.....	.....	.....	10,631	.....	.....
Total	$543,122	$520,061	$487,649	$468,007	$479,447	$61,810

Bonded Debt: $400,000 Pecos Valley Southern Ry. first 6s; dated Nov. 10, 1911; due Nov. 10, 1941. Int. paid May and Nov. 10, at Pecos, Tex. First lien on property. Interest payable without deduction for normal income tax.

Capital Stock: $45,000; par, $100. No dividends.

PENCOYD & PHILADELPHIA RAILROAD

History: Incorporated under laws of Pennsylvania, Dec. 15, 1899.

Location: Road extends from Pencoyd to Philadelphia, Pa., and branches, 3.15 miles. Equipment: Locomotives, 3; cars, 22.

Management: OFFICERS: August Ziesing, Pres., Pittsburg, Pa.; Chas. Major, Vice-Pres. and Gen. Mgr., Pencoyd, Pa.; R. F. Ball, Sec.; J. L. Foulk, Treas.; F. B. Thompson, Aud., Pittsburg, Pa. DIRECTORS: Charles S. Belsterling, Frank B. Thompson, Pittsburg, Pa.; J. A. Hatfield, New York. Annual meeting, first Friday in March. GENERAL OFFICE, Frick Building, Pittsburg.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$57,549	$45,014	$51,090	$61,898	$58,610
Operating expenses	59,076	43,653	51,886	52,733	48,210
Net operating revenues	*$1,527	$1,361	*$796	$9,165	$10,400
Fixed charges, inc. taxes	2,939	2,534	2,551	2,504	2,344
Balance	*$4,466	*$1,173	*$3,347	$6,662	$18,056

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$49,813	$53,390	$55,468	$59,093	$62,608
Working assets	62	20	84	4	62
Deferred debit items	45,000	45,000	45,000	45,000	45,000
Profit and loss	7,866	3,400	2,228	.....	5,544
Total	$102,741	$101,810	$102,780	$104,097	$113,214
LIABILITIES:					
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Working liabilities	52,417	51,536	52,562	52,791	62,881
Accrued liabilities not due	324	274	218	186	333
Profit and loss	.....	.....	.....	1,120	.....
Total	$102,741	$101,810	$102,780	$104,097	$113,214

Capital Stock: Authorized, $50,000. Par, $100. No bonded debt and no dividends paid.

PENSACOLA, MOBILE & NEW ORLEANS RAILWAY

History: Incorporated under the laws of Alabama, in May, 1907, to construct a line from Pensacola, Fla., to Mobile, Ala., 75 miles, of which 48 miles were completed on June 30, 1916, balance under construction. The line is being built by Henry McLaughlin, who accepts the company's stocks and bonds in payment therefor. In February, 1913, purchased the Pensacola, Alabama, & Tennessee R.R., Millview to Muscogee, Fla., 15 miles, and its leased line, the Pensacola & Perdido R.R., Pensacola to Millview, Fla., and branch, 10.5 miles.

Management: OFFICERS: Elwood McLaughlin, Pres.; R. M. Robinson, Vice-Pres.; L. K. Blitch, Sec. and Treas.; L. G. Wilkinson, Chief Eng. and Supt., Pensacola, Fla. DIRECTORS: Elwood McLaughlin, R. M. Robinson, J. B. Hall, B. Dotson, E. A. Clubbs, Pensacola, Fla. Annual meeting in March at Mobile, Ala. OFFICE, Pensacola, Fla.

Bonded Debt: $350,000 (closed mortgage) Pensacola, Mobile & New Orleans Ry. first 5s; dated Feb. 1, 1913; due Feb. 1, 1933. Int. paid Feb. and Aug. 1. Farmers' Loan & Trust Co., New York, Trustee. Coupon, $1,000. All other issues have been canceled, and satisfaction entered of record. None of these bonds had been sold prior to Nov. 1, 1915. The issue will be at the rate of less than $5,000 per mile.

Capital Stock: Authorized and outstanding, $750,000. Par, $100.

PEOPLE'S RAILWAY

History: Incorporated under the laws of Pennsylvania, May 24, 1865. Road completed in 1871. Operated by the Pottsville Union Traction Co., and the Schuylkill & Lehigh Valley R.R.

Location: Road extends from Pottsville to Minersville, Pa., 4.4 miles.

Management: OFFICERS: W. J. Richards, Pres.; W. D. Pollard, Sec., Treas. & Supt., Pottsville, Pa. DIRECTORS: W. D. Baber, L. F. Brigham, Geo. S. Clemens, J. P. Jones, W. J. Richards, Pottsville, Pa. Annual meeting, first Tuesday in November. GENERAL OFFICE, Pottsville, Pa.

Comparative Income Account, Years Ended June 30

	1915	1914	1913	1912	1911
Gross revenues	$21,908	$21,158	$20,111	$23,483	$22,047
Operating expenses	9,772	7,610	7,717	6,574	9,255
Net operating revenues	$12,136	$13,548	$12,394	$16,910	$12,792
Other income	2,384	2,259	2,218	.....	1,828
Total net income	$14,520	$15,807	$14,612	$16,910	$14,620
Fixed charges	1,942	1,800	1,800	1,800	1,800
Dividends	7,500	7,500	7,500	7,500	7,500
Surplus	$5,078	$6,507	$5,312	$7,610	$5,320

Bonded Debt: $36,000 People's Railway first 5s. Dated 1890; due May 1, 1940. Interest paid May and Nov. 1 at company's office. Coupon $100. First lien on entire line. Interest paid without deduction for normal income tax. Rating, A.

Capital Stock: Authorized and outstanding, $250,000; paid in $100,000; par, $50. ($20 paid in.) Recent dividends, 1910 to and including 1915, 3% per annum. Interest paid semi-annually Feb. and Aug. 1 at Pottsville, Pa.

PEORIA & PEKIN UNION RAILWAY

History: Incorporated in Illinois, September 28, 1880. Acquired the Peoria & Springfield R.R. and a part of Peoria, Pekin & Jacksonville Ry.

Location: Line of road, Peoria to Pekin, Ill., 9.75 miles; to Hollis, 6.26 miles; trackage, 2.33 miles; total, 19.26 miles; second track, yards and sidings owned, 129.01 miles. Use of facilities is rented to 9 roads at $22,500 each per annum, and usual terminal charges. (See below.) Equipment owned: Locomotives, 34; passenger cars, 9; combination cars, 2; freight cars, 228; service cars, 13.

Management: OFFICERS: H. K. Pinkney, Pres.; E. N. Armstrong, Vice-Pres.; J. K. Kiefer, Sec. and Treas. DIRECTORS: W. L. Park, W. S. Horton, C. H. Markham, E. N. Armstrong, H. K. Pinkney, S. M. Russell, John Carstensen, F. J. Lissman, Bluford Wilson, H. A. Boomer, Wm. C. Hurst, H. A. Worcester. Annual meeting, second Tuesday in March. OFFICE, Peoria, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,047,299	$940,820	$934,163	$937,647	$880,812	$895,252	$852,502
Maintenance of way	105,758	118,831	139,204	145,796	130,430	106,121	115,635
Maintenance of equipment	145,238	132,718	115,973	98,897	93,874	99,763	92,979
All other operating expenses	572,799	525,071	551,818	466,614	470,510	508,335	446,459
Net operating revs	$223,504	$164,200	$127,168	$226,340	$185,998	$181,033	$197,429
Operating ratio	78.7%	82.5%	86.4%	75.9%	78.9%	79.8%	76.8%
Other income	224,075	215,069	232,357	213,398	210,301	210,099	208,737
Total net income	$447,579	$379,269	$359,525	$439,738	$396,299	$391,132	$406,166
Taxes accrued	78,063	75,250	70,745 }	309,862	{ 52,311	49,121	44,800
Fixed charges, etc	251,985	226,968	210,073 }		{ 403,214	464,831	416,478
Surplus	$117,531	$77,051	$78,707	$129,876	*$59,226	*$122,820	*$55,112

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $361,979; credit balance transferred from income, $117,531; unrefundable overcharges, $9; donations, $6,233; miscellaneous credits, $5,304; total, $491,056. Contra: Miscellaneous appropriations of surplus, $50,000; loss on retired road and equipment, $2,276; miscellaneous debits, $195; credit balance carried to balance sheet, $438,585; total, $491,056.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,774,231	$5,739,392	$4,557,817	$4,494,162	$4,419,224	$4,419,224
Working assets	750,860	600,670	590,174	673,066	579,703	622,976
Deferred debit items	84,339	81,326	615,512	585,695	631,836	608,126
Total	$6,609,430	$6,421,388	$5,763,503	$5,752,923	$5,630,763	$5,650,326

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	3,606,000	3,656,000	3,706,000	3,756,000	3,824,500	3,552,500
Working liabilities	180,527	145,748	180,310	163,682	179,669	418,232
Accrued liabilities not due	63,848	64,746	63,492	68,447	62,300	60,430
Deferred credit items	17,599	*8,192	3,316	1,210	1,210	1,210
Appropriated surplus	1,302,871	1,201,107	587,323	425,224	425,224	425,224
Profit and loss	438,585	361,979	223,062	255,720	137,860	192,730
Total	$6,609,430	$6,421,388	$5,763,503	$5,752,923	$5,630,763	$5,650,326

* Reverse item.

Bonded Debt: (1) $1,495,000 Peoria & Pekin Union Ry. first 6s; dated Feb. 1, 1881; due Feb. 1, 1921; interest quarterly, Feb. 1, at Central Trust Co., New York. Coupon, $1,000. First lien on all property. Interest paid without deduction for normal income tax. Net Rating, Aa.

(2) $1,499,000 second 4½s; dated Feb. 1, 1885; due Feb. 1, 1921; interest May and November at Central Trust Co., New York. Coupon, $1,000. Follows No. 1 on same property. Interest paid without deduction for normal income tax. Net Rating, Baa.

(3) $562,000 debenture 5s; due $26,000 on Aug. 1, 1917; $50,000 annually on Aug. 1, 1918, to 1923; $60,000 annually from Nov. 1, 1924, to 1929; and $40,000 on Nov. 1, 1930. Int. paid Feb. and Aug. 1, at Central Trust Co., New York. Coupon, $500 and $1,000. Callable at 102½ and interest. Normal income tax deducted from interest. Rating, Ba.

Capital Stock: Auth. and outstanding, $1,000,000. Par, $100. Owned jointly by Illinois Central, C., C., C. & St. Louis, Chicago, Peoria & St. Louis, Lake Erie & Western, Chicago & Northwestern, and Toledo, Peoria & Western. Each of these companies, and also the Vandalia, Chicago & Alton and the Minneapolis & St. Louis, pay rental of $22,500 per annum each, for the use of the terminals, and usual terminal charges. No dividends paid since 1905.

PEORIA RAILWAY TERMINAL COMPANY

History: Incorporated in Illinois, November 14, 1906. Acquired property of Peoria & Pekin Terminal Ry.

Location: Owns 11.40 miles road over private right-of-way, Peoria to Pekin, and electric lines in these towns. Total track, including sidings and trackage, 31.86 miles. Also owns union depot in Pekin, a 1,000-foot steel drawbridge across Illinois River, power station, etc., etc.

Management: OFFICERS: W. G. Bierd, Pres.; A. C. Ridgway, Vice-Pres.; Geo. H. Crosby, Sec. and Treas., Chicago, Ill. DIRECTORS: T. A. Grier, W. T. Irwin, R. D. Clarke, A. C. Ridgway, G. H. Crosby, W. G. Bierd, F. H. Smith. Annual meeting, third Tuesday in January. OFFICE: Peoria, Ill. CHICAGO OFFICE: Transportation Bldg.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$254,427	$209,370	$256,578	$226,100	$198,473	$194,500	$172,914
Maintenance of way	28,104	24,764	27,730	31,219	22,116	17,719	24,148
Maintenance of equipment	28,795	38,113	28,884	28,145	24,625	25,206	29,732
All other operating expenses	131,048	128,945	149,977	140,830	153,885	153,017	111,417
Net operating revenues	$66,480	$17,548	$51,987	$25,906	*$2,153	*$1,442	$7,617
Non-operating income	1,271	15,280	.....	.....	.....	.....	.....
Net income	$67,751	$32,828	.....	.....	.....	.....	.....
Taxes	13,663	12,169	.....	.....	.....	.....	.....
Fixed charges	107,451	107,356	.....	.....	.....	.....	.....
Deficit	$53,363	$86,697	.....	.....	.....	.....	.....

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Unrefundable overcharges. $216; miscellaneous credits, $544; debit balance carried to balance sheet, $724,786; total, $725,546. Contra: Debit balance at beginning of year, $671,635; debit balance transferred from income, $53,363; loss on retired road and equipment, $319; miscellaneous debits, $229; total, $724,786.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,684,615	$2,684,037	$2,687,663	$2,674,575	$2,668,334	$3,209,593
Working assets	97,402	177,955	213,058	321,488	439,917	89,139
Deferred debit items	8,596	14,177	9,737	3,299	2,448	5,778
Profit and loss deficit	724,786	671,635	583,762	503,266	390,870	257,008
Total	$3,515,399	$3,547,804	$3,494,220	$3,502,628	$3,501,569	$3,561,518
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	2,344,000	2,444,000	2,444,000	2,444,000	2,444,000	1,780,000
Working liabilities	148,490	83,742	37,197	48,198	47,026	733,129
Accrued liabilities not due	10,975	11,415	11,356	10,430	10,543	48,389
Deferred credit items	11,934	8,647	1,667	.....	.....	.....
Total	$3,515,399	$3,547,804	$3,494,220	$3,502,628	$3,501,569	$3,561,518

Bonded Debt: (1) $944,000 first 30-year 4s; dated Jan. 2, 1907; due Jan. 2, 1937; interest, January and July at First National Bank, New York. Coupon, $1,000. First lien on all property owned. Guaranteed, principal and interest, by Chicago, Rock Island & Pacific Ry. and Chicago & Alton R.R. Callable at 102½ and interest after July 1, 1916. Authorized, $1,500,000. Interest paid without deduction for normal income tax. Net Rating, Ba.

(2) $1,400,000 first and refunding 30-yr. 4½s; dated Dec. 1, 1911; due Dec. 1, 1941. Interest June and December. Auth., $7,500,000. Of those issued, $100,000 are held in treasury, and balance are owned by Chicago, Rock Island & Pacific Ry. Follow No. 1 on same property. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $1,000,000. Par, $100; owned equally by Chicago, Rock Island & Pacific Ry. and Chicago & Alton R.R. No dividend.

PHILADELPHIA BELT LINE

History: Incorporated under laws of Pennsylvania, May 10, 1889. Company operates a terminal belt-line in the city of Philadelphia, including about 6.68 miles of track. The property is controlled by the city of Philadelphia, which owns 51% of stock, this being held in trust by a board of trustees.

Management: OFFICERS: Francis B. Reeves, Pres.; Walter F. Hagar, Vice-Pres.; John J. Curley, Sec.; H. E. Paisley, Treas.; Ashbel Welch, Gen. Mgr., Philadelphia. DIRECTORS: Geo. E. Bartol, Danl. Baugh, Jas. Dobson, Walter F. Hagar, F. L. Neall, Calvin Pardee, F. B. Reeves, Henry L. Davis, Ashbel Welch, F. B. Reeves, Jr., Philadelphia. Annual meeting in May. OFFICE: 328 Chestnut Street, Philadelphia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$36,094	$34,659	$38,794	$38,783	$33,140	$19,080	$19,043
Operating expenses	26,742	24,940	32,982	33,022	27,383	13,318	13,284
Net operating income	*$9,402	*$9,806	$5,812	$5,761	$5,757	$5,762	$5,759
Taxes	865	917	912	861	857	862	859
Fixed charges	3,637	3,989	.....	.....	.....	.....	.....
Surplus	$4,900	$4,900	$4,900	$4,900	$4,900	$4,900	$4,900
Dividends paid	4,900	4,900	4,900	4,900	4,900	4,900	4,900

* Includes $87 other income in 1915 and $50 in 1916.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$311,542	$310,819	$308,219	$308,192	$307,771	$295,618
Working assets	6,446	5,214	870	491	496	4,110
Deferred debit items	.....	.....	21,396	14,162	6,937	.....
Total	$317,988	$316,033	$330,485	$322,845	$315,204	$299,728
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	111,541	110,667	108,192	108,192	107,766	95,618
Working liabilities	1,837	511	11,501	6,190	1,299	6
Accrued liabilities not due	4,610	4,855	10,792	8,463	6,139	4,104
Total	$317,988	$316,033	$330,485	$322,845	$315,204	$299,728

Note: Funded debt in 1916 consists of $111,541 non-negotiable debt to affiliated companies.

Capital Stock: $102,000 common and $98,000 preferred; par, $50. The City of Philadelphia owns 51% of the stock, held in trust by a Board of Trustees, to ensure that the road shall always be operated in the interest of the trade of the city. Dividends of 5% per annum are paid on the preferred stock. None on common. There is no bonded debt.

THE PHILIPPINE RAILWAY

History: Incorporated under perpetual charter, under Connecticut laws, March 5, 1906, being granted a concession by the Philippine Government, with rights to operate and construct lines of railroad in the Philippine Islands, as follows: Island of Panay, 100 miles; Island of Negros, 100 miles; Island of Cebu, 95 miles, making a total of 295 miles. There is under operation, at the present time, 60 miles on Cebu and 73 miles on Panay. Equipment: Locomotives, 15; passenger and freight cars, 241; company cars, 7.

Management: OFFICERS: Wm. Salomon, Chairman; Chas. M. Swift, Pres.; F. H. Reed, Vice-Pres.; C. Lewis, Vice-Pres., New York; R. R. Hancock, Vice-Pres. and Gen. Mgr., Iloilo, P. I.; E. Eberlein, Sec. and Treas., New York. DIRECTORS: C. C. Walcutt, Jr., F. McIntyre, Washington, D. C.; C. Lewis, Wm. B. Parsons, Alonzo Potter, F. H. Reed, Wm. Salomon, Cornelius Vanderbilt, J. G. White, H. T. S. Green, Chas. M. Swift, New York. Annual meeting, first Monday in March, at Hartford, Conn. GENERAL OFFICE: 43-49 Exchange Place, New York.

Comparative Income Account, Years Ended December 31

	1915	1914	1913	*1913	*1912	1911	1910
Gross revenues	$371,427	$361,708	$320,588	$331,152	$386,970	$326,972	$240,399
Maintenance of way	58,835	51,151	84,678	91,797	64,959		
Maintenance of equipment	48,603	49,940	51,803	66,781	83,209	228,234	171,799
All other operating exps.	135,597	135,704	152,010	153,761	150,256		
Net operating revenues	$128,392	$128,913	$32,097	$18,813	$88,546	$98,738	$68,600
Operating ratio	67%	64%	90%	94.3%	77.1%	69.8%	71.6%
Other income	3,256	3,162	7,200	6,233	.....	.....	.....
Total net income	$131,648	$132,075	$39,297	$25,046	$88,546	.....	.....
Taxes accrued	2,995	2,495	1,746	1,746	1,875	.....	.....
Fixed charges	343,774	346,787	344,008	338,284	333,431	Not stated	
Deficit	$215,121	$217,207	$306,457	$314,986	$246,760	.....	.....

* Years ended June 30.

Condensed Balance Sheet, as of December 31, 1915

ASSETS:		LIABILITIES:	
Property investment	$9,149,793	Capital stock	$5,000,000
Contractual rights	4,999,000	Funded debt	8,551,000
Working assets	269,141	Working liabilities	21,481
Deferred debit items	2,557	Deferred credit items	2,024,939
Profit and loss deficit	1,287,805	Appropriated surplus	110,876
Total	$15,708,296	Total	$15,708,296

Bonded Debt: $8,551,000 Philippine Ry. first sinking-fund gold 4s. Dated July 1, 1907; due July 1, 1937. Int. paid, Jan. and July 1, at Bankers' Trust Co., New York. Coupon (prin. may be registered), $1,000; and registered, $1,000 and $10,000. Auth., $15,000,000. Under the terms of the concession, the Philippine Government guarantees interest on these bonds, which may be issued to extent of 95% of cost of construction. Entire issue is subject to redemption at 110 and int., on any interest date; bonds may also be drawn by lot at 110 and int., on any interest date; bonds may also be drawn by lot at 110 and int., for annual sinking-fund, established July 1, 1911, which sinking fund must be provided, before any dividends can be paid on the stock. The bonds have been accepted by Secretary of the U. S. Treasury as security for deposits in National banks. Sinking Fund, ½ of 1% of outstanding bonds, for the period July 1, 1911, to July 1, 1921 inc.; and to 1% from July 1, 1921, to maturity. Listed on New York, London and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax.

Rating, B.

Capital Stock: Authorized and outstanding, $5,000,000; par, $100. No dividends. Registrar, Guaranty Trust Co., New York.

PICKENS RAILROAD

History: Incorporated under the laws of South Carolina, May 10, 1892.

Location: Road extends from Easley to Pickens, S. C., 9.30 miles. Sidings, 1.46 mile. Equipment: Locomotives, 2; cars, 4.

Management: OFFICERS: J. P. Carey, Pres.; J. McD. Bruce, Sec. and Treas., Pickens, S. C.; Bond Anderson, Aud., Atlanta, Ga.; J. T. Taylor, Gen. Mgr., Pickens, S. C. DIRECTORS: J. P. Carey, Wm. Hagood, Easley, S. C.; A. A. Mann, Six Mile, S. C.; J. McD. Bruce, Pickens, S. C.; J. G. Evans, Spartansburg, S. C.; B. A. Hagood, Charleston, S. C. Annual meeting, first Monday in January. OFFICE: Pickens, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$18,007	$17,720	$19,394	$19,378	$17,033	$16,945
Maintenance of way	6,657	7,330	4,010	4,997	3,713	4,686
Maintenance of equipment	986	2,623	1,747	3,131	2,617	886
All other operating exps.	7,521	7,705	8,336	7,070	7,771	6,814
Net income	$2,843	$62	$5,301	$4,180	$2,932	$4,559
Taxes	519	497	478	478	424	409
Fixed charges	2,864	2,521	1,800	2,263	2,205	2,312
Surplus	*$540	*$2,956	$3,023	$1,439	$303	$1,838
Balance	*$540	*$2,956	$3,023	$1,321	*$431	$301

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	.1912	1911
Property investment	$111,089	$111,338	$104,510	$107,354	$104,852	$104,992
Working assets	3,836	1,548	3,995	4,334	769	2,163
Deferred debit items	2,637	5,254	9,735	.....	1,200	.....
Profit and loss deficit	10,815	10,275	7,319	6,937	8,377	8,679
Total	$128,377	$128,415	$125,559	$118,625	$115,198	$115,834
LIABILITIES:						
Capital stock	$63,000	$63,000	$63,000	$63,000	$63,000	$63,000
Funded debt	52,000	52,000	52,000	29,000	29,000	29,000
Working liabilities	9,912	10,102	7,246	26,020	25,528	23,688
Accrued liabilities not due	585	433	433	605	670	146
Appropriated surplus	2,880	2,880	2,880	.....	.....	.....
Total	$128,377	$128,415	$125,559	$118,625	$115,198	$115,834

Bonded Debt: $52,000 Pickens R.R. first 30-year bond; dated Nov. 5, 1913; payable to Southern Railway Co., or assigns, on Aug. 1, 1943, with interest as follows: 2% per annum for the first two years; 3% the third year; 4% the fourth year, and 5% thereafter. This bond was issued in exchange for the $29,000 old first 5s (due Feb. 1, 1928) and interest thereon. Guaranty Trust Co., New York, Trustee. A first lien on property.

Capital Stock: Authorized, $1,000,000; outstanding, $63,000; par, $100.

PINE BLUFF & NORTHERN RAILWAY

History: Incorporated under the laws of Arkansas, May 16, 1910. Purchased the Meto & Arkansas Valley Ry. on April 1, 1912.

Location: Road extends from McCreanor to Cullor, Ark., 8 miles. An extension from Cullor to Pine Bluff, Ark., 34 miles, is under construction. Equipment: Locomotive, 1; service cars, 2. Operated for freight service only.

Management: OFFICERS: C. P. Harnwell, Pres. and Pur. Agt.; E. T. Reaves, Vice-Pres. and Treas.; F. L. Young, Sec. and Aud., Little Rock, Ark. DIRECTORS: C. P. Harnwell, E. T. Reaves, Little Rock, Ark.; H. N. Street, L. J. Falls, J. M. Gates, Lonoke, Ark. Annual meeting, third Monday in October. GENERAL OFFICE, Little Rock, Ark.

Bonded Debt: $1,000,000 authorized; Pine Bluff & Northern Ry. No bonds issued to date.

Capital Stock: Authorized, $1,600,000; outstanding, $160,000. Par, $100. No dividends. Secretary of company acts as registrar.

PITTSBURGH & ALLEGHENY RIVER RAILROAD

History: Incorporated under laws of Pennsylvania, Dec. 15, 1898. Used for switching purposes only.

Location: Road is located in Pittsburg, 2 miles, covering sidings in Park Works of the Crucible Steel Co., of America. Equipment: Locomotives, 2.

Management: OFFICERS: C. C. Ramsey, Pres.; G. A. Turville, Sec. and Treas.; G. A. M. King, Aud.; G. M. Black, Supt., Pittsburg, Pa. DIRECTORS: J. A. Sutton, Herbert DuPuy, G. M. Black, G. A. Turville, G. W. Sargent, R. Michener, Pittsburg, Pa. Annual meeting in December. GENERAL OFFICE, Pittsburg, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$1,333	.....	$518	$756	$651
Operating expenses	33,903	$11,384	15,886	23,556	16,629
Net operating deficit	$32,570	$11,384	$15,368	$22,800	$15,978
Other income	142	80	329	.....	.....
Total net deficit	$32,428	$11,304	$15,039	$22,800	$15,978
Fixed charges, including taxes	1,655	46	27	3,338	371
Final deficit	$34,083	$11,350	$15,066	$26,138	$16,349

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $140,112; debit balance transferred from income, $34,083; miscellaneous debits, $6,295; total, $180,490. Contra: Debit balance carried to balance sheet, $180,490.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$13,814	$35,644	$36,484	$37,318	$36,484
Working assets	1,130	.....	.....	.....	.....
Deferred debit items	16,188	.....	.....	.....	.....
Profit and loss	180,490	140,112	128,762	113,695	78,366
Total	$211,622	$175,756	$165,246	$151,013	$114,850
LIABILITIES:					
Capital stock	$30,000	$30,000	$30,000	$30,000	$30,000
Working liabilities	181,622	145,756	135,246	121,013	84,850
Total	$211,622	$175,756	$165,246	$151,013	$114,850

Capital Stock: Authorized and outstanding, $30,000. Par, $50. No dividends and no bonded debt.

PITTSBURG, ALLEGHENY & M'KEES ROCKS RAILROAD

History: Incorporated under Pennsylvania laws, Sept. 25, 1899, consolidation of the Pittsburg & Allegheny R.R., McKees Rocks R.R. and North Shore Terminal R.R. companies. A switching road 1½ miles. Total track 20.94 miles.

Location: Connects Pittsburgh & Lake Erie and Pittsburg, Chartiers & Youghiogheny R.R. at McKees Rocks, Pa., with the Baltimore & Ohio R.R., Buffalo, Rochester & Pittsburg Ry. and Pittsburg, Ft. Wayne & Chicago Ry., at North Side, Pittsburg, Pa. Equipment: Locomotives, 8; freight cars, 132.

Management: OFFICERS: F. N. Hoffstot, Pres., New York; H. E. Graham, Vice-Pres. and Mgr.; F. M. Garland, Treas.; A. G. Davis, Aud., Pittsburgh, Pa. DIRECTORS: F. N. Hoffstot, W. S. Reeder, New York; J. B. Rider, W. A. Chamberlain, H. J. Gearhart, H. E. Graham, Pittsburg; A. H. Larkin, Jersey City, N. J. Annual meeting, fourth Tuesday in January. GENERAL OFFICE, Farmers Bank Building, Pittsburg, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$195,393	$76,427	$132,000	$167,949	$121,083
Operating expenses	141,824	76,856	106,847	120,832	91,557
Net operating revenues	$53,569	*$429	$25,153	$47,117	$29,526
Other income	.....	.....	2,962	2,931	7,904
Total net income	$53,569	*$429	$28,115	$50,048	$37,430
Fixed charges, including taxes	35,584	36,504	36,663	31,276	29,618
Balance	$17,985	*$36,933	$8,548	$18,772	$7,812

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $22,200; credit balance transferred from income, $17,985; total, $40,187. Contra: Miscellaneous debits, $8,453; credit balance carried to balance sheet, $31,734; total, $40,187.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$569,836	$579,436	$592,036	$611,561	$595,699
Working assets	68,107	32,667	41,447	36,608	26,819
Deferred debit items	3,616	501	.....	.....	.....
Total. . .	$641,559	$612,604	$633,483	$648,169	$622,518
LIABILITIES:					
Capital stock	$95,000	$95,000	$95,000	$95,000	$95,000
Funded debt	*390,780	*390,780	*390,780	*390,780	*390,780
Working liabilities	119,115	104,622	72,282	85,305	83,897
Accrued liabilities not due	.....	.....	16,285	9,400	3,929
Deferred credit items	4,930	.....	.....	.....	.....
Profit and loss	31,734	22,202	59,136	67,684	48,912
Total. . .	$641,559	$612,604	$633,483	$648,169	$622,518

* Miscellaneous obligations.

Capital Stock: Authorized, $250,000; outstanding, $95,000. Par, $50. No bonded debt.

PITTSBURGH & OHIO VALLEY RAILROAD

History: Incorporated under laws of Pennsylvania, Dec. 5, 1899.

Location: Road located at North Side, Pittsburgh, and Neville Island, Pa., 12.78 miles. Switching road. Equipment: Locomotives, 6; car, 1.

Management: OFFICERS: J. H. Reed, Pres.; D. N. Clemson, Vice-Pres.; G. W. Kepler, Sec. and Treas.; G. E. Campbell, Aud., Pittsburg, Pa. DIRECTORS: J. H. Reed, D. M. Clemson, D. G. Kerr, H. D. Williams, W. W. Blackburn, G. W. Kepler, L. C. Bihler, Pittsburg, Pa. Annual meeting, second Monday in January, GENERAL OFFICE, 1417 Carnegie Building, Pittsburg, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$40,156	$714	$1,813	$1,722	$1,412
Operating expenses	56,318	5,947	6,931	13,320	6,074
Net operating deficit	$16,162	$5,233	$5,117	$11,598	$4,662
Other income	152	150	2,841	9,646	2,854
Total net deficit	$16,010	$5,083	$2,276	$1,952	$1,808
Fixed charges, including taxes	155	199	240	165	210
Final deficit	$16,165	$5,282	$2,516	$2,117	$2,018

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $30,631; debit balance transferred from income, $16,165; total, $46,796; debit balance carried to balance sheet, $46,796; total, $46,796.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$198,975	$199,232	$200,732	$202,262	$203,822
Working assets	29,191	5,656	6,458	6,333	3,228
Deferred debit items	141	128	108	95	82
Profit and loss	46,796	30,631	25,349	22,833	20,716
Total. . .	$275,103	$235,647	$232,647	$231,523	$227,848
LIABILITIES:					
Capital stock	$60,000	$60,000	$60,000	$60,000	$60,000
Funded debt	100,000	100,000	100,000	100,000	100,000
Working liabilities	75,217	35,774	32,446	31,562	27,633
Accrued liabilities not due	.....	.....	348	121	388
Deferred credit items	141	128	108	95	82
Appropriated surplus	39,745	39,745	39,745	39,745	39,745
Total. . .	$275,103	$235,647	$232,647	$231,523	$227,848

Capital Stock: Authorized, $500,000; outstanding, $60,000. Par, $50. No bonded debt. The American Steel & Wire Co. owns entire outstanding capital stock.

PITTSBURG & SUSQUEHANNA RAILROAD

History: Incorporated under laws of Pennsylvania, Aug. 15, 1913, reorganization of company of same name. Sold at receiver's sale, June 2, 1913.

Location: Road owned extends from Wigton to Fernwood, Pa., 15.35 miles; sidings and spurs, 6.14 miles. Extension of 6 miles projected to connect with the Pennsylvania R.R. system at Eutahville, Pa. Equipment: Locomotives, 5; passenger cars, 6; freight cars, 222.

Management: OFFICERS: C. H. Rowland, Pres., Philipsburg, Pa.; L. T. McFadden, Vice-Pres., Canton, Pa.; E. I. White, Sec., Syracuse, N. Y.; T. C. Flaherty, Treas. & Gen. Mgr., Philipsburg, Pa. DIRECTORS: C. H. Rowland, Philipsburg, Pa.; L. T. McFadden, Canton, Pa.; F. G. Leonard, Coudersport, Pa.; H. W. Hartswick, Clearfield, Pa.; E. I. White, D. R. Cobb, W. Spaulding, Syracuse, N. Y. Annual meeting, first Tuesday in Februarv. GENERAL OFFICE, Philipsburg, Pa.

Comparative Income Account, Years Ended June 30

	1915	1914
Gross revenues	$56,276	$75,438
Operating expenses	53,275	81,666
Net operating revenues	3,001	*6,228
Other income	492	64
Total net income	3,493	6,136

* Deficit.

Bonded Debt: $362,500 Pittsburgh & Susquehanna R..R. first 5s. Dated Sept. 1, 1913; due July 1, 1943. Interest paid Jan. and July 1, at Clearfield Trust Co., Clearfield, Pa. Coupon, $100, $500 and $1,000. Authorized, $500,000. Callable at 105 and interest upon four weeks' notice. First lien on entire property. Interest paid without deduction for normal income tax.

Capital stock: Authorized, $500,000; outstanding, $362,500. Par, $100.

PITTSBURGH, CHARTIERS & YOUGHIOGHENY RAILWAY

History: Incorporated under Pennsylvania laws, Oct., 1881; road first opened in 1883. Controlled jointly by Pittsburgh, Cincinnati, Chicago & St. Louis Ry. and Pittsburgh & Lake Erie R.R.

Location: Line of road, McKees Rocks, Pa., junction of Chartiers Ry. with branches, etc., 37.37 miles. Equipment: Locomotives, 10; passenger and freight cars, 54.

Management: OFFICERS: J. J. Turner, Pres.; Edward B. Taylor, Vice-Pres.; R. T. Hill, Sec.; John G. Robinson, Treas. DIRECTORS: J. G. Robinson, D. T. McCabe, Geo. E. Shaw, E. B. Taylor, J. M. Schoonmaker, Geo. L. Peck. Annual meeting, third Tuesday in February. OFFICE, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1913	1912	1911	1910	1909
Gross earnings	$518,587	$318,953	$405,818	$348,230	$287,396	$386,473	$333,470
Net earnings	298,653	133,110	202,662	156,907	96,464	153,025	150,526
Total net income	305,804	139,943	208,022	158,356	98,418	155,288	151,813
Charges, including improvements	71,687	54,132	58,077	72,653	153,564	94,994	36,304
Dividends	47,000	.....	.....	56,400	.....	37,600	75,200
Surplus	187,117	85,811	149,945	29,303	*55,146	22,694	40,309

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $578,229; credit balance transferred from income, $187,117; donations, $119; total, $765,465. Contra: Loss on retired road and equipment, $700; miscellaneous debits, $10; credit balance carried to balance sheet, $764,755; total, $765,465.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1016	1915	1914	1913	1912	1911
Property investment	$2,497,051	$2,410,087	$2,184,046	$1,587,858	$1,512,510	$1,468,943
Working assets	273,638	125,747	71,717	208,184	119,471	157,327
Deferred debit items	2,554	1,246	6,682	847	.....	.....
Total	$2,773,243	$2,537,080	$2,262,445	$1,796,889	$1,691,981	$1,626,270
LIABILITIES:						
Capital stock	$1,390,000	$940,000	$940,000	$940,000	$940,000	$940,000
Funded debt	161,000	162,000	164,000	164,000	164,000	164,000
Working liabilities	183,919	602,488	425,564	64,824	49,251	47,088
Accrued liabilities not due	16,389	14,836	13,540	14,500	15,150	7,558
Deferred credit items	9,424	7,648	.....	.....	.....	.....
Appropriated surplus	247,756	231,879	228,112	229,362	211,515	105,062
Profit and loss surplus	764,755	578,229	491,229	384,203	312,065	362,562
Total	$2,773,243	$2,537,080	$2,262,445	$1,796,889	$1,691,981	$1,626,270

Bonded Debt: $161,000 Pitts., Chartiers & Youghiogheny Ry. gen. 4s; dated April 1, 1892; due April 1, 1932. Interest paid, April and October, in Pittsburgh. Coupon, $1,000. First lien on entire property. Sinking fund, 1% of outstanding bonds annually. Guar. prin. and int., by Pitts. & Lake Erie and Pitts., C., C. & St. Louis Rys. Interest paid without deduction for normal income tax. Market: Chas. Fearon & Co., Phila.; H. P. Taylor & Co., Pittsburgh. Net Rating, Aaa.

Capital Stock: Auth., $1,500,000; outstanding, $1,390,000. Par, $50. The Pitts. & Lake Erie and the Pitts., C., C. & St. L. each own one-half the issue. Dividends: 1906, 6%; 1907, 10%; 1908, 4%; 1909, 8%; 1910, 4%; 1912, 10%; 1916, 5%.

PITTSBURG, WESTMORELAND & SOMERSET RAILROAD

History: Incorporated under Pennsylvania laws, July 20, 1899. Road completed, June 1, 1906.

Location: Road extends from Ligonier to Somerset, Pa., 25.6 miles; sidings, etc., 8 miles. Equipment: Locomotives, 1; cars, 6.

Management: OFFICERS: Chas. Cochran, Pres., Williamsport, Pa.; A. R. Allen, Vice-Pres., Jersey City, N. J.; L. H. Allen, Vice-Pres., Sec., Treas. and Gen. Mgr.; M. H. Richardson, Asst. to Gen. Mgr., Somerset, Pa.; J. W. Baker, Supt., Ligonier, Pa. DIRECTORS: Chas. Cochran, Garrett Cochran, Seth McCormick, E. R. Payne, A. R. Allen, Jersey City, N. J.; L. H. Allen, Buffalo, N. Y. Annual meeting, April 1. OFFICE, Somerset, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$17,404	$22,057	$24,776	$29,111	$29,305	$32,368
Maintenance of way	6,184	6,483	9,898	10,095	9,779	7,183
Maintenance of equipment	6,914	985	5,208	2,963	3,104	5,825
All other operat. expenses	12,045	8,733	14,257	12,772	12,645	11,806
Net operating revenue	*$7,739	$5,856	*$4,587	$3,281	$3,777	$7,554
Other income	.....	642	611	627	610	600
Total net income	*$7,739	$6,498	*$3,968	$3,908	$4,387	$8,154
Taxes	.....	31	108	1,082	14	21
Fixed charges	31,605	30,011	29,652	29,978	29,227	30,413
Surplus	*$39,344	†*$23,544	*$33,728	*$27,152	*$24,854	*$22,280

† This inconsistency of $1,000 is shown in the report to I. C. C. * Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, 139; debit balance carried to balance sheet, $367,012; total, $367,151. Contra: Debit balance at beginning of year, $327,631; debit balance transferred from income, $39,344; miscellaneous debits, $176; total, $367,151.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,017,668	$1,129,390	$1,052,733	$1,052,719	$1,053,672	$1,055,057
Working assets	16,645	19,333	7,714	9,320	7,523	7,694
Deferred credit items	1,054	.....	.....	.....	.....	.....
Profit and loss deficit	367,012	253,762	229,218	189,419	162,240	137,386
Total	$1,402,379	$1,402,485	$1,289,665	$1,251,458	$1,223,435	$1,200,137
LIABILITIES:						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	605,900	558,500	540,550	540,550	540,550	540,550
Working liabilities	151,663	196,951	126,380	91,176	66,086	45,724
Accrued liabilities not due	.....	.....	22,735	19,732	16,799	13,863
Deferred credit items	44,816	47,034	.....	.....	.....	.....
Total	$1,402,379	$1,402,485	$1,289,665	$1,251,458	$1,223,435	$1,200,137

Bonded Debt: $557,000 Pittsburgh, Westmoreland & Somerset R.R. first 5s; dated Oct. 1, 1905; due Oct. 1, 1935. Interest paid April and October 1, at New York Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $700,000; of which $100,000 are reserved for extensions, etc. First lien on entire line.

Capital Stock: Auth., $700,000; outstanding, $600,000. Par, $100. TRANSFER OFFICE, Somerset, Pa.

PORTLAND, NEHALEM & SEACOAST RAILWAY

History: Incorporated under laws of Oregon to build a line from Buxton to Astoria, Ore., about 82 miles, with trackage over line of Pacific Ry. & Navigation Co. to Portland, Ore. Construction not yet begun.

Management: OFFICERS: O. W. Taylor, Pres.; R. V. Jones, Vice-Pres.; E. N. Wheeler, Sec. and Treas., Portland, Ore. DIRECTORS: O. W. Taylor, R. V. Jones, J. C. Ainsworth, J. L. Meier, W. F. Woodward, Portland, Ore. GENERAL OFFICE, Portland, Ore.

Bonded Debt: $3,600,000 Portland, Nehalem & Seacoast Ry. first 5s. Dated Sept. 1, 1912; due Sept. 1, 1942. Interest paid March and September 1, in London, Eng. Denomination, £100. Authorized, $5,000,000. Callable after ten years at par and interest.

Capital Stock: Authorized and outstanding, $750,000.

PORTLAND & NORTHERN RAILWAY

History: Incorporated under laws of Pennsylvania, Dec. 27, 1901. Road completed in 1903. Not recently operated.

Location: Road extends from Portland Mills to Highland, Pa., 12.25 miles. Equipment: Passenger car, 1; freight cars, 15.

Management: OFFICERS: L. G. Hall, Pres.; H. R. Hyde, Vice-Pres. and Gen. Mgr., Ridgway, Pa.; G. C. Simons, Sec. and Treas., St. Mary's, Pa. DIRECTORS: B. T. Darr, E. H. Heath, Wm. Kaul, G. C. Simons, St. Mary's, Pa.; L. G. Hall, H. R. Hyde, Ridgway, Pa.; W. E. Hall, New York. Annual meeting, second Monday in January. GENERAL OFFICE, St. Mary's, Pa.

Capital Stock: Authorized, $200,000; outstanding, $41,000. Par, $50. No bonded debt. No dividends paid.

PORTLAND & SOUTHWESTERN RAILROAD

History: Incorporated under laws of Oregon, Dec. 28, 1905, to build a steam railroad from a point on the Columbia River, near the town of Scappoose, Ore., to a point on the shore of Nehalem Bay, Ore.

Location: Road in operation, 12.06 miles of main line; sidings, 11 miles. Equipment: Locomotives, 3; passenger car, 1; freight and service cars, 30.

Management: OFFICERS: Jas. B. Kerr, Pres., Portland, Ore.; J. T. Gregory, Vice-Pres., Tacoma, Wash.; C. P. Bradshaw, Sec. and Aud., Portland, Ore. DIRECTORS: Jas. B. Kerr, John Pearson, C. P. Bradshaw, Portland, Ore.; J. T. Gregory, Tacoma, Wash.; Henry Turrish, Duluth, Minn. Annual meeting, second Monday in January. GENERAL OFFICE, 1120 Spaulding Building, Portland, Ore.

Capital Stock: Authorized, $1,000,000; outstanding, $360,000. Par, $100. No bonded debt. No dividends. Stock transferred by secretary of company.

POTATO CREEK RAILROAD

History: Incorporated under Pennsylvania laws, Jan. 10, 1907.

Location: Road extends from Keating Summit to Betula, Pa., 15.41 miles, with branches and spurs, 47.84 miles; total, 63.25 miles; sidings, 5.99 miles. Equipment: Locomotives, 10; passenger cars, 1; freight cars, 292; miscellaneous, 4.

Management: OFFICERS: R. R. Lewis, Pres., Coudersport, Pa.; Ganson Depew, Vice-Pres.; E. A. Mayer, Sec., Treas., Aud. and Pur. Agt., Buffalo, N. Y.; R. H. Krebs, Gen. Mgr., Norwich, Pa. DIRECTORS: R. R. Lewis, Coudersport, Pa.; Ganson Depew, E. A. Mayer, Buffalo, N. Y.; J. H. Hawes, F. J. Kelly, R. H. Krebs, E. L. Pitney, Fred Williams, R. F. Harbach, Norwich, Pa. Annual meeting, second Tuesday in February. GENERAL OFFICE, 1512 Marine Bank Bldg., Buffalo, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$282,916	$254,583	$204,933	$253,186	$86,093	$36,565
Maintenance of way	104,138	110,630	34,176	22,786	10,729	5,856
Maintenance of equipment	51,741	54,123	53,855	40,604	13,477	2,409
All other operat. expenses	82,776	83,438	90,492	75,786	31,072	20,605
Net operating revs.	$44,261	$6,392	$26,410	$114,010	$30,815	$7,695
Other income	1,605	1,077	949	680	100	73
Total net income	$45,866	$7,469	$27,359	$114,690	$30,915	$7,768
Taxes	3,000	4,540	1,500	1,100	900	825
Fixed charges	39,355	42,917	43,169	41,111	29,563	11,310
Surplus	$3,511	*$39,988	*$17,310	$72,479	$452	*$4,367

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $12,060; credit balance transferred from income, $3,511; total, $15,571. Contra: Loss on retired road and equipment, $33; credit balance carried to balance sheet, $15,538; total, $15,571.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$476,646	$552,861	$597,911	$443,649	$339,650	$181,359
Working assets	61,541	46,601	36,725	37,509	42,854	8,393
Deferred debit items	3,591	4,787	5,022	6,349	419	87
Profit and loss deficit	.....	.....	.....	.....	3,915	4,367
Total	$541,778	$604,249	$639,658	$487,507	$386,838	$194,206
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Funded debt	300,000	300,000	300,000	180,000	180,000	.....
Working liabilities	70,457	136,951	120,617	65,747	51,167	43,514
Accrued liabilities not due	5,616	5,217	4,660	3,826	3,438	692
Deferred credit items	167	21	349	105	2,233	.....
Profit and loss surplus	15,538	12,060	64,032	87,829	.....	.....
Total	$541,778	$604,249	$639,658	$487,507	$386,838	$194,206

Bonded Debt: $300,000 Potato Creek R.R. first 6s. Dated April 1, 1912; due April 1, 1920. Interest paid April and October 1, at Marine National Bank, Buffalo, N. Y. Coupon, $1,000; prin. may be registered. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Authorized, $280,000; outstanding, $150,000. Par, $50. No dividends.

POTOMAC, FREDERICKSBURG & PIEDMONT RAILROAD

History: Incorporated under laws of Virginia, May 13, 1878, as successor to the property of the Fredericksburg & Gordonsville R.R. Line of road operated, Fredericksburg to Orange Court House, Va., 37½ miles. Sidings, 2.43 miles. Narrow gauge. Equipment owned: Locomotives,3; cars, 67.

Management: OFFICERS: Geo. W. Richards, Pres. and Treas.; Jos. L. Savage, Sec. DIRECTORS: Howard Butcher, Howard Butcher, Jr., A. G. Tatnall, Philadelphia; Chas. J. Green, Boston, Mass.; Geo. W. Richards, Fredericksburg, Va. Annual meeting, first Tuesday in May. OFFICE, Fredericksburg, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$57,378	$57,843	$73,840	$73,906	$60,029	$63,468	$66,716
Maintenance of way	9,584	10,780	10,668	11,294	10,288		
Maintenance of equipment	3,570	3,412	6,023	5,829	3,969	36,059	33,967
All other operat. expenses	18,498	19,134	20,740	21,245	20,231		
Net operating revenues	$25,726	$24,517	$36,409	$35,538	$25,541	$27,409	$32,749
Operating ratio	55.2%	57.6%	50.7%	52%	57.4%	56.8%	50.9%
Other income	210	226	1,752	453	214	131	.....
Total net income	$25,936	$24,743	$38,161	$35,991	$25,755	$27,540	$32,749
Taxes accrued	2,514	2,537	2,668	2,269	2,283	2,345	2,002
Fixed charges	16,500	16,900	18,500	18,500	18,500	18,500	18,500
Surplus	$6,922	$5,306	$16,993	$15,222	$4,973	$6,695	$12,247

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $163,102; credit balance transferred from income, $6,922; miscellaneous credits, $2,000; total, $172,024. Contra: Credit balance carried to Balance Sheet, $172,024.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$999,282	$1,049,282	$999,282	$999,282	$999,282	$999,282
Working assets	11,842	13,460	56,862	331,662	326,963	340,515
Total.	$1,011,124	$1,062,742	$1,056,144	$1,330,944	$1,326,245	$1,339,797
LIABILITIES:						
Capital stock	$446,600	$446,600	$446,600	$446,600	$446,600	$446,600
Funded debt	390,000	450,000	450,000	750,000	750,000	750,000
Working liabilities	2,500	1,673	3,748	4,674	6,197	19,285
Accrued liabilities not due	.....	1,367	.....	.....	.....	.....
Appropriated surplus ...	.....	.....	.....	.....	.....	5,437
Profit and loss surplus ...	172,024	163,102	155,796	129,670	123,448	118,475
Total.	$1,011,124	$1,062,742	$1,056,144	$1,330,944	$1,326,245	$1,339,797

Bonded Debt: $390,000 Potomac, Fredericksburg & Piedmont R.R. first gold 4s. Dated June 1, 1909; due June 1, 1949. Interest July and December 1, at Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia, Pa. Coupon, $1,000. Principal may be registered. Subject to call at any time at 105. Auth., $750,000. Owned by company, $60,000. First lien on all property. Interest paid without deduction for normal income tax.

Rating, Ba.

Capital Stock: Authorized, $1,460,000; outstanding, $446,600. Par, $100. No dividends.

PRESCOTT & NORTHWESTERN RAILROAD

History: Incorporated under the laws of Arkansas, Oct. 16, 1890.

Location: Prescott to Highland, Ark., 33 miles; spurs, 10.00 miles. Equipment: Locomotives, 4; combination car, 1; freight cars, 69; service car, 1.

Management: OFFICERS: W. N. Bemis, Pres.; J. W. Bemis, Vice-Pres. and Gen. Mgr.; O. H. Helbig, Vice-Pres., Sec., Treas. and Traf. Mgr.; L. P. Beidleman, Aud., Prescott, Ark. Annual meeting in January. GENERAL OFFICE, Prescott, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$120,114	$90,590	$92,372	$110,507	$88,419
Operating expenses	93,237	73,753	88,732	97,348	84,713
Net operating revenues	26,877	16,837	3,640	13,159	3,706
Fixed charges, including taxes	16,112	12,015	3,664	3,682	3,448
Balance.	$10,765	$4,822	*$24	$9,477	$258

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $187,615; loss on retired road and equipment, $6,152; delayed income debits, $11,713; total, $205,480. Contra: Credit balance transferred from income, $10,765; miscellaneous credits, $5; debit balance carried to Balance Sheet, $194,710; total, $205,480.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$495,116	$489,508	$548,342	$567,338	$575,623
Working assets	23,855	10,321	6,873	15,339	13,047
Deferred debit items	.....	.....	.....	30	.....
Profit and loss	194,710	187,615	138,278	114,116	88,386
Total.	$713,681	$687,444	$693,493	$696,823	$677,056
LIABILITIES:					
Capital stock	$30,000	$30,000	$30,000	$30,000	$30,000
Working liabilities	51,325	25,088	31,137	384,467	647,056
Deferred credit items	632,356	632,356	632,356	282,356	.....
Total.	$713,681	$687,444	$693,493	$696,823	$677,056

Capital Stock: Authorized and outstanding, $30,000; due to stockholders, $632,356. Par, $100.

PUEBLO UNION DEPOT & RAILROAD COMPANY

History: Incorporated under laws of Colorado, December 23, 1887, to construct and operate passenger-station facilities at Pueblo, Colo., for the benefit of the Denver & Rio Grande, Atchison, Topeka & Santa Fe, Colorado & Southern R.R., Missouri Pacific Ry., and the Chicago, Rock Island & Pacific Railway. These five companies jointly own the entire outstanding capital stock, and the property is operated at cost for the benefit of the owners. Company owns, besides station building about 2½ miles of trackage in Pueblo, Colo.

Management: OFFICERS: C. H. Bristol, Pres., La Junta, Colo.; A. S. Booth, Asst. Treas. DIRECTORS: E. L. Brown, E. S. Koller, Denver, Colo.; C. H. Bristol, La Junta, Colo.; A. Robertson, St. Louis, Mo.; A. B. Ramsdell, Topeka, Kan. Annual meeting, third Wednesday in October. GENERAL OFFICE, Pueblo, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$57,764	$50,484	$50,779	$54,071	$54,075
Operating expenses	48,215	43,891	43,287	44,215	45,521
Net operating revenues	$9,549	$6,593	$7,492	$6,320	$8,554
Operating ratio	83.5%	86.9%	85.2%	87.5%	84.1%
Other income	37,265	37,038	28,483	37,900	23,304
Total net income	$46,814	$43,631	$35,975	$37,900	$31,858
Taxes accrued	7,012	6,767	7,401	7,920	7,858
Fixed charges	31,855	29,551	24,000	24,000	24,000
Balance	*$7.947	$7,313	$4,574	$5,980	.....

* Income applied to sinking and other reserve funds.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $7,570. Contra: Surplus appropriated for investment in physical property, $1,156; miscellaneous debits, $485; credit balance carried to balance sheet, $5,929; total, $7,570.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$452,359	$451,203	$451,203	$450,570	$448,397	$448,397
Working assets	25,197	23,692	22,436	23,234	25,547	26,509
Deferred debit items	153,464	154,003	162,940	154,366	144,387	134,797
Total	$631,020	$628,898	$636,579	$628,170	$618,331	$609,703
LIABILITIES:						
Capital stock	$40,600	$40,600	$40,600	$40,600	$40,600	$40,600
Funded debt	472,000	480,000	400,000	400,000	400,000	400,000
Working liabilities	8,423	8,063	102,415	6,581	94,721	7,683
Accrued liabilities not due	9,910	7,600	8,000	8,000	8,000	8,000
Appropriated surplus	94,158	85,056	77,543	164,335	64,184	142,594
Profit and loss surplus	5,929	7,579	8,021	8,654	10,826	10,826
Total	$631,020	$628,898	$636,579	$628,170	$618,331	$609,703

Bonded Debt: $400,000 Pueblo Union Depot & R.R. Co. first 6s. Dated Sept. 1, 1889; due Sept. 1, 1919. Int. March and September 1, at Metropolitan Trust Co., New York. Coupon, $1,000. Guar., prin. and int., by Denver & Rio Grande R.R., Atchison, Topeka & Santa Fe Ry., Colorado & Southern R.R., Missouri Pacific Ry. and the Chicago, Rock Island & Pacific Ry. Sinking Fund: $4,000 a year, contributed by the five proprietary lines. Subject to call, at not to exceed 105, out of sinking fund. First lien on all the property of the company. Normal income tax deducted from interest. Net Rating, Aa.

Capital Stock: Authorized, $300,000; outstanding, $40,600. Par, $100. All owned by the five companies above named.

PULLMAN RAILROAD

History: Incorporated under laws of Illinois, Aug. 25, 1906. Operates local railroad in Chicago.

Location: Road extends from Pullman Junc., Chicago, to Calumet River, at 126th Street, 18.22 miles, of which 7.18 miles, 104th to 115th Streets, are leased from the Pullman Co. Equipment: Locomotives, 8; freight cars, 205; service car, 1.

Management: OFFICERS: Richmond Dean, Pres.; J. T. Morrison, Vice-Pres. and Pur. Agt.; L. S. Taylor, Sec. and Treas., Chicago; W. C. Meade, Aud., O. L. Banks, Supt., Pullman, Ill. DIRECTORS: Richmond Dean, J. L. Woods, LeRoy Kramer, Chicago; E. F. Bryant, Pullman, Ill.; J. T. Morrison, Clive Runnels, Chicago. Annual meeting, first Wednesday in November. GENERAL OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$138,344	$88,180	$149,153	$208,970	$101,120
Operating expenses	87,659	90,394	106,762	119,794	79,550
Net operating revenues	$50,685	*$2,214	$42,391	$89,176	$21,570
Other income	23,179	22,118	22,936	21,822	5,824
Total net income	$73,864	*$19,906	$65,327	$110,998	$27,394
Fixed charges, including taxes	22,948	20,230	21,258	16,411	14,305
Surplus	$50,916	*$326	$44,069	$94,587	$13,089

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $214,364; credit balance transferred from income, $50,916; delayed income debits, $33,686; miscellaneous credits, $901; total, $299,867. Contra: Loss on retired road and equipment, $9,586; delayed income debits, $11,042; credit balance carried to balance sheet, $279,239; total, $299,867.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$575,830	$499,747	$459,163	$416,432	$418,134
Working assets	81,400	66,853	106,868	115,190	36,392
Deferred debit items	194,559	197,245	198,208	200,628	.....
Totals	$851,789	$763,845	$764,239	$732,250	$454,526

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$500,000	$500,000	$500,000	$500,000	$300,000
Working liabilities	33,081	41,279	46,769	60,925	32,256
Accrued liabilities not due	.....	.....	5,076	3,000	.....
Deferred credit items	39,469	8,202	.....	.....	.....
Profit and loss	279,239	214,364	212,394	168,325	122,270
Totals	$851,789	$763,845	$764,239	$732,250	$454,526

Capital Stock: Authorized and outstanding, $500,000. Par, $100. No bonded debt. Stock all owned by Pullman Co.

QUANAH, ACME & PACIFIC RAILWAY COMPANY

History: Incorporated under Texas laws, Jan. 28, 1909, as successor to Acme, Red River & Northern Ry. Formerly controlled through stock ownership by the St. Louis & San Francisco, which guaranteed payment of the bonds on terms outlined below.

Location: Line of road, Acme to Roaring Springs, Texas, 77.55 miles; Quanah to Fort Worth and Denver connection, 1.37 miles; and to Acme, 3.97 miles; total operated, including trackage rights, 90.99 miles. Yard track, 15.10 miles. Lines were projected to connection at El Paso, making total mileage ultimately of about 500 miles.

Management: OFFICERS: Sam. Lazarus, Pres.; C. H. Sommer, Vice-Pres.; Robert Cray, Vice-Pres. and Gen. Mgr., T. K. Hawkins, Sec. and Treas. DIRECTORS: Sam. Lazarus, C. H. Sommer, R. D. Yoakum, D. E. Decker, Robert Cray, S. B. Burnett, T. J. Richards, John Earp, C B. Dorcester. Annual meeting, October 18, 1915. OFFICE, Quanah, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$306,500	$309,569	$191,748	$224,621	$168,813	$177,152	$164,430
Operating expenses	166,196	146,735	109,019	102,794	87,954	89,621	74,209
Net operating revenues	$140,304	$162,834	$82,729	$121,827	$80,859	$87,531	$90,221
Operating ratio	54.2%	47.4%	56.8%	45.8%	52.1%	50.6%	45.1%
Total net income	151,979	163,958	118,729	122,280	81,049	87,531	90,221
Taxes accrued	14,400	11,104	8,468	6,002	5,135	6,124	1,621
Fixed charges	137,202	135,721	110,057	67,944	64,387	65,655	52,153
Balance	$377	$17,133	$204	$48,346	$11,527	$15,752	$36,447
Dividends	.....	.....	.....	7,000	17,500	.....	.....
Surplus	$377	$17,133	$204	$41,346	*$5,973	$15,752	$36,447

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,086,622	$2,047,441	$2,046,709	$1,697,151	$1,032,800	$1,020,231
Working assets	117,335	125,237	296,293	258,259	79,203	110,590
Deferred debit items	185,115	202,874	3,583	70,005	1,683	1,113
Total	$2,389,072	$2,375,552	$2,346,585	$2,025,415	$1,114,686	$1,131,934
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$70,000	$70,000
Funded debt	1,936,837	1,928,000	1,928,000	1,758,000	958,000	958,000
Working liabilities	208,692	197,084	187,101	56,956	44,067	55,364
Accrued liabilities not due	29,512	30,460	30,352	28,769	2,262	2,241
Deferred credit items	53,089	59,443	57,700	.....	.....	.....
Profit and loss	60,942	60,565	43,432	81,690	40,357	46,329
Total	$2,389,072	$2,375,552	$2,346,585	$2,025,415	$1,114,686	$1,131,934

Bonded Debt: $1,928,000 Quanah, Acme & Pacific Ry. 1st 6s; dated Oct. 1, 1909; due Oct. 1, 1939; int. paid April and Oct. 1, at Commonwealth Trust Co., St. Louis, Mo. Coupon, $1,000. First lien on entire property of company, and auth. up to $30,000 per mile for further construction, up to $10,000,000. Under an agreement dated Oct. 24, 1911, the St. Louis & San Francisco R.R. guaranteed: (1) to pay off the bonds at 105 and int. on or before July 15, 1921, and so long thereafter as any bonds remain outstanding; (2) to pay the interest on the bonds as the same mature; (3) to maintain the same division of rates as then in force; (4) to maintain the property in good operating condition; (5) to guarantee payment of all operating expenses and taxes. Under the reorganization of the St. Louis & San Francisco system in 1916, these bonds were offered 125% in new prior lien 4s. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and issued, $100,000. Par, $100. Partly owned by St. Louis & San Francisco R.R. Dividends: 1912, 25%; 1913, 10%; none since.

RAHWAY VALLEY COMPANY

History: Incorporated under the laws of New Jersey, Feb. 21, 1909. Leased the Rahway Valley R.R. for a term of five years from March 1, 1909; lease extended for three years from March 1, 1914.

Location: Road which is leased extends from Summit to Aldene, N. J., 8.54 miles; yard tracks and sidings, 2.21 miles.

Management: OFFICERS: C. J. Wittenberg, Pres., New York; E. L. McKirgan, Vice-Pres., Summit, N. J.; J. S. Gilbert, Treas., New York; A. A. Lockwood, Aud.; J. S. Caldwell, Gen. Mgr., Springfield, N. J. DIRECTORS: C. J. Wittenberg, Louis Keller; P. M. Vickers, J. S. Gilbert, J. E. Metterhous, New York; E. L. McKirgan, Summit, N. J.; J. S. Caldwell, Springfield, N. J. Annual meeting in February. GENERAL OFFICE: Kenilworth, N. J. NEW YORK OFFICE: 11 Broadway.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$44,652	$34,364	$31,318	$33,052	$30,750
Operating expenses	41,678	31,108	28,540	31,464	30,443
Net operating revenues	$2,974	$3,256	$2,778	$1,588	$307
Other income	.....	.....	1,422	.....	1,158
Total net income	$2,973	$3,256	$4,200	$1,588	$1,465
Fixed charges, inc. taxes	7,600	3,256	4,009	80	4,511
Other deductions	4,786	6,601	3,589	.....	.....
Surplus	*$159	*$3,345	*$3,398	$1,508	*$3,046

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $25,750; debit balance transferred from income, $159; total, $25,909. Contra: Miscellaneous credits, $4,786; debit balance carried to balance sheet, $21,123; total, $25,909.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$16,140	$12,102	$5,708	$9,440	$10,155
Working assets	20,030	12,641	10,899	10,679	17,747
Deferred debit items	6,557	3,158	.....	.....	.....
Profit and loss	21,123	25,750	25,911	24,160	16,087
Total	$63,850	$53,651	$42,518	$44,279	$43,989
LIABILITIES:					
Capital stock	$9,900	$9,900	$9,900	$7,800	$10,000
Funded debt	.....	.....	.....	4,000	.....
Working liabilities	43,324	35,781	29,028	32,479	32,623
Accrued liabilities not due	.....	.....	.....	.....	1,366
Deferred credit items	5,840	1,370	.....	.....	.....
Appropriated surplus	4,786	6,600	3,590	.....	.....
Total	$63,850	$53,651	$42,518	$44,279	$43,989

Capital Stock: Authorized, $10,000; outstanding, $9,900. Par, $100. No bonded debt.

RAHWAY VALLEY RAILROAD

History: Incorporated under the laws of New Jersey, July 18, 1904. On March 1, 1905, acquired the property of the New Orange Four Junction R.R. Co. On March 1, 1909, leased to the Rahway Valley Co. for five years at a rental of $4,000, $6,000, $8,000, $12,000 and $16,000, March 1, 1909 to March 1, 1914, respectively. Lease extended for three years from March 1, 1914, at rental of net earnings.

Location: Road extends from Summit to Aldene, N. J.

Management: OFFICERS: Louis Keller, Pres.; E. J. Dunn, Treas., New York; J. S. Caldwell, Gen. Mgr., Kenilworth, N. J. GENERAL OFFICE, Kenilworth, N. J.

Bonded Debt: $400,000 Rahway Valley R.R. first 5s. Dated July 1, 1906; due July 1, 1931. Interest paid Jan. and July 1 at Chemung Canal Trust Co., Elmira, N. Y. Callable at any time. Of this amount $328,000 pledged as collateral for notes payable. First lien on property.

Capital Stock: Authorized, $213,200; outstanding, $49,200. Par, $100.

RANDOLPH & CUMBERLAND RAILWAY

History: Incorporated under laws of North Carolina, June 30, 1906, and acquired the property of the Carthage R.R., including the lease of the line from Carthage to Cameron, 10 miles, from the Seaboard Air Line Railway.

Location: Road extends from Cameron to McConnell, N. C., 22.5 miles. Equipment: Locomotives, 3; cars, passenger, 2; freight and service, 4.

Management: OFFICERS: D. A. McDonald, Pres.; S. P. McConnell, Vice-Pres. and Gen. Mgr.; J. R. McConnell, Sec., Carthage, N. C.; B. M. Fellows, Treas., New York; C. C. Yates, Supt., Carthage, N. C. DIRECTORS: D. A. McDonald, S. P. McConnell, J. R. McConnell, W. G. Jennings, I. B. Tyson, J. M. Sinclair, Carthage, N. C.; B. M. Fellows, New York. Annual meeting, second Tuesday in June. GENERAL OFFICE: Carthage, N. C. NEW YORK OFFICE: 111 Broadway.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$23,749	$18,360	$21,757	$20,974	$16,802	$17,717
Maintenance of way	5,135	3,807	5,799	3,450	3,350	7,282
Maintenance of equipment	2,528	965	1,391	1,086	1,133	859
All other operating exps.	10,485	8,462	9,044	11,884	8,417	9,963
Net income	$5,601	$5,126	$5,523	$4,554	$3,902	*$387
Taxes	492	493	521	516	300	559
Fixed charges	3,934	3,230	10,630	8,460	10,174	8,740
Surplus	$1,175	$1,403	*$5,628	*$4,422	*$6,572	*$9,686

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,225,754	$1,228,352	$1,220,763	$1,206,626	$1,202,179	$1,194,296
Working assets	5,281	3,778	5,543	2,907	1,173	1,411
Deferred debit items	.....	.....	225	125	183	149
Profit and loss deficit	3,345	7,395	5,992	364	11,698	3,689
Total	$1,134,380	$1,239,525	$1,232,523	$1,209,922	$1,215,233	$1,199,545
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	138,000	138,000	138,000	138,000	138,000	138,000
Working liabilities	39,371	34,518	93,048	70,998	76,918	61,095
Accrued liabilities not due	.....	.....	.....	.....	109	300
Deferred credit items	57,009	57,009	.....	924	206	150
Appropriated surplus	.....	9,998	1,475	.....	.....	.....
Total	$1,134,380	$1,239,525	$1,232,523	$1,209,922	$1,215,233	$1,199,545

Bonded Debt: $138,000 Randolph & Cumberland Railway 1st 5s. Dated July 1, 1906; due July 1, 1936. Int. paid, Jan. and July 1, at Empire Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $1,000,000. First lien on entire property, including rights under lease of Carthage R.R. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and issued, $1,000,000; par, $100.

RAPID CITY, BLACK HILLS & WESTERN RAILWAY

History: Incorporated under laws of South Dakota, Feb. 20, 1909, successor to the Missouri River & Northwestern R.R., sold under foreclosure and bid in by the bondholders.

Location: Road extends from Rapid City to Mystic, So. Dak., 36.85 miles. Trackage rights, 13.00 miles. Locomotives, 3; cars, 22.

Management: OFFICERS: George E. Macomber, Pres., Augusta, Me.; D. H. Crary, Vice-Pres., Gen. Mgr., Supt. and Pur. Agt., Rapid City, S. D.; Chas. E. Hoyt, Sec., South Norwalk, Conn.; James Halley, Treas.; R. L. Reyman, Aud., Rapid City, S. D. DIRECTORS: Geo. E. Macomber, F. E. Smith, Augusta, Me.; Chas. E. Hoyt, Jos. R. Taylor, South Norwalk, Conn.; D. P. Ayars, Wilkes-Barre, Pa.; D. H. Crary, Rapid City, S. D.; J. A. Springfield, Hutchinson, Kan.; Wm. Hanson, Montreal, Que.; James Halley, Rapid City, So. Dak. Annual meeting, second Monday in January. OFFICE, Rapid City, S. D.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$77,610	$57,904	$49,609	$56,620	$63,059	$60,954
Maintenance of way	13,404	11,115	15,545	21,223	14,071	10,692
Maintenance of equipment	17,909	4,544	3,698	5,149	4,530	6,263
All other operating exps.	30,044	27,229	24,140	26,528	30,888	33,635
Net operating revs.	$16,253	$15,016	$6,226	$3,720	$13,570	$10.364
Other income	.....	.....	805	.....	660	660
Total net income	$16,253	$15,016	$7,031	$3,720	$14,230	$11,024
Taxes	1,620	1,620	1,620	1,500	1,500	1,500
Fixed charges	22,556	20,545	19,216	20,529	21,927	21,170
Deficit	$7,923	$7,149	$13,805	$18,309	$9,197	$11,646

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$939,765	$1,071,624	$1,068,924	$935,823	$984,196	$963.505
Working assets	13,574	9.986	15,092	145,604	131,328	164,408
Deferred debit items	.....	2.761	.....	(cr.) 626	129	19
Profit and loss deficit	67,780	59,857	52,708	38,903	20,593	11,248
Total	$1,021,119	$1,144,228	$1,136,724	$1,119,704	$1,136,246	$1,139,180
LIABILITIES:						
Capital stock	$587,700	$700,000	$700.000	$700,000	$700,000	$700,000
Funded debt	330,500	350,000	350,000	350,000	350,000	350.000
Working liabilities	102,919	94,228	86,724	67,692	83,869	86,290
Accrued liabilities not due	.....	.....	.....	.....	404	1,205
Deferred credit items	.....	.....	.....	2,012	1,973	1,685
Total	$1,021,119	$1,144,228	$1,136,724	$1,119,704	$1,136,246	$1,139,180

Bonded Debt: $330,500 Rapid City, Black Hills & Western Ry. 1st 5s. Dated May 1, 1909; due May 1, 1939. Interest paid at Columbia Trust Co., New York, Trustee. Coupon, $500. Authorized, $700,000. Of amount issued, $19.500 are held in treasury. First lien on entire property. The interest on bonds was deferred two years, by vote of the bondholders, to aid in improving roadbed.

Capital Stock: Authorized and outstanding, $242,000 5% cumulative preferred and $345,700 common. Par $100. The preferred was issued in exchange, dollar for dollar, for the bonds of the old company.

RARITAN RIVER RAILROAD COMPANY

History: Incorporated under New Jersey laws, April 20, 1888; road first opened in 1890. Owns and operates 22.20 miles, including main line from New Brunswick to South Amboy, N. J. Miles of 2nd track, 1.41. Sidings, 24.95. Equipment: Locomotives, 11; cars, 121.

Management: OFFICERS: Wm. G. Bumstead, Pres.; E. W. Harrison, Vice-Pres.; Chas. H. Sisson, Sec. and Treas. DIRECTORS: Wm. G. Bumstead, W. D. Edwards, F. W. Harrison, C. H. Sisson, G. T. Smith, W. C. Fisk, Frederick Dunham, F. H. Earle, E. F. Smith, T. Filskov, E. I. Edwards, Geo. Holmes, C. K. Corbin. Annual meeting, second Tuesday in February. OFFICE: 15 Exchange Place, Jersey City, N. J.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$498,141	$255,582	$254,032	$241,207	$235,811	$221,072	$205,918
Net earnings	248,210	126,136	121,816	99,475	99,557	88,924	93,286
Total net income	251,121	127,864	122,350	100,341	100,188	89,318	93,286
Fixed charges	*99,883	*57,508	48,118	41,650	40,074	38,695	37,171
Surplus	$151,237	$70,356	$74,232	$58,691	$60,114	$50,623	$56,115
Dividends paid	43,200	35,200	35,200	35,200	35,200	35,200	28,000
Balance	$108,037	$35,156	$39,032	$23,491	$24,914	$15,423	$28,115

* Including taxes.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $258,596; credit balance transferred from income, $108,037; donations, $2,257; miscellaneous credits, $55; total, $368,945. Contra: Dividend appropriations of surplus, $100,000; miscellaneous appropriations of surplus, $5,850; loss on retired road and equipment, $8,275; credit balance carried to balance sheet, $254,820; total, $368,945.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,264.482	$1,097,543	$1,069,552	$1,053,722	$996,154	$992,490
Working assets	147,979	109,265	75,217	84,468	110,545	83,389
Deferred debit items	1,078	879	.....	.....	.....	.....
Total	$1,413,539	$1,207,687	$1,144,769	$1,138,190	$1,106,699	$1,075,879
LIABILITIES:						
Capital stock	$540,000	$440,000	$440,000	$440,000	$440,000	$440,000
Funded debt	400,000	400,000	400,000	400.000	400,000	400,000
Working liabilities	216,881	108,880	85,594	113,533	101,157	92,244
Deferred credit items	1,838	211	.....	.....	.....	1,400
Profit and loss surplus	254,820	258,596	219,175	184,657	165,542	142,235
Total	$1,413,539	$1,207,687	$1,144,769	$1,138,190	$1,106,699	$1,075,879

Bonded Debt: $400,000 Raritan River Railroad 1st 5s; dated Jan. 1, 1889; due Jan. 1, 1939; int. paid, Jan. and July 1, at New Jersey Title Guarantee & Trust Co., Jersey City, N. J. Coupon, $1,000. First lien on entire property. Normal income tax deducted from interest. Net Rating, A.

Capital Stock: Auth., $1,000.000; outstanding, $540,000; par, $100. Dividends: 1903 and 1904, 4% each; 1905, 4½%; 1906, 5½%; 1907, 6%; 1908, 5½%; 1909, 5%; 1910, 7%; 1911, 1912, 1913, 1914 and 1915, 8% each; 1916, 7% regular, 23 8/11% Extra. Payments, Jan. and July 1. TRANSFER AGENT: C. H. Sisson, Sec., Jersey City, N. J.

RAY & GILA VALLEY RAILROAD

History: Incorporated under laws of Arizona, June 14, 1910; road opened Oct. 20, 1910.

Location: Road extends from Ray Junc. to Ray, Ariz., and Hayden Junc. to Hayden Mill, Ariz., 9.32 miles. Sidings, 1.39 miles. Equipment: Locomotives, 4; passenger car, 1; freight cars, 157; service car (motor), 1.

Management: OFFICERS: Sherwood Aldrich, Pres., New York; D. C. Jackling, Vice-Pres. and Gen. Mgr., San Francisco; A. J. Ronaghan, Sec.; Chas. Hayden, Treas.; J. K. MacGowan, Pur. Agt., New York; L. S. Cates, Supt., Ray, Ariz.; R. I. Ezell, Aud., Hayden, Ariz. DIRECTORS: Sherwood Aldrich, Chas. Hayden, K. R. Babbitt, C. M. MacNeil, New York; D. C. Jackling, San Francisco. Annual meeting, third Monday in January. GENERAL OFFICE, 25 Broad Street, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$563,934	$402,216	$494,636	$380,509	$363,454
Operating expenses	200,768	137,030	112,879	94,643	86,804
Net operating revenues	$363,166	$265,186	$381,757	$285,866	$276,650
Other income	17,721	15,502	13,708	12,627	6,009
Total net income	$380,887	$280,688	$395,465	$298,493	$282,659
Fixed charges, inc. taxes	11,406	22,778	6,754	9.097	3,144
Balance	$369,481	$257,910	$388,711	$287,396	$279,515

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $50,012; miscellaneous credits, $2,001; total, $52,013. Contra: Dividend appropriation of surplus, $48,519*; credit balance carried to balance sheet, $3,494; total, $52,013.

* In addition to $369,481 paid from income.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,099,304	$1,079,048	$1,036,610	$1,048,607	$1,042,378
Working assets	84,580	109,524	94,493	69,234	41,641
Deferred debit items	392	300	450	101	101
Total	$1,184,276	$1,188,872	$1,131,553	$1,117,942	$1,084,120
LIABILITIES:					
Capital stock	$1,120,000	$1,095,000	$1,070,000	$1,070,000	$1,050,000
Working liabilities	60,091	37,947	46,994	27,600	28,239
Deferred credit items	691	5,913	147	85	185
Profit and loss	3,494	50,012	14,412	15,701	1,523
Total	$1,184,276	$1,188,872	$1,131,553	$1,117,942	$1,084,120

Capital Stock: Authorized, $2,500,000. Outstanding, $1,120,000. Par, $100. All owned by Ray Consolidated Copper Co. No bonded debt.

RED RIVER & GULF RAILROAD

History: Incorporated under the laws of Louisiana, April 21, 1905.

Location: Road extends from Le Compte to Concrete Hill, La., 14.95 miles. Equipment: Locomotives, 2; car, 1.

Management: OFFICERS: C. T. Crowell, Pres., Los Angeles, Cal.; A. C. Spencer, Vice-Pres.; J. S. Crowell, Sec. and Gen. Supt., Long Leaf, La.; R. D. Crowell, Treas.; H. A. White, Aud. and Gen. Mgr., LeCompte, La. DIRECTORS: C. T. Crowell, Los Angeles, Cal.; J. S. Crowell, Long Leaf, La.; A. B. Spencer, R. D. Crowell, LeCompte, La.; G. W. Bottoms, Texarkana, Ark. Annual meeting in January. GENERAL OFFICE, LeCompte, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$91,980	$46,873	$32,966	$26,175	$36,070
Operating expenses	37,107	33,043	23,457	18,929	14,378
Net operating revenues	$54,873	$13,830	$9,509	$7,246	$21,692
Other income	2,893	4,076	.....	72	7,233
Total net income	$57,766	$17,906	$9,509	$7,318	$28,925
Fixed charges, inc. taxes	11,409	5,051	1,565	2,457	242
Balance	$46,357	$12,855	$7,944	$4,861	$28,683

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$170,879	$155,005	$105,538	$105,538	$105,938
Working assets	3,869	5,917	12,912	15,277	10,724
Total	$174,748	$160,922	$118,450	$120,815	$116,662
LIABILITIES:					
Capital stock	$101,000	$101,000	$101,000	$101,000	$101,000
Working liabilities	687	33,219	3,601	.....	2,830
Deferred credit items	.....	.....	.....	.....	5,657
Profit and loss	73,061	26,703	13,849	19,815	7,175
Total	$174,748	$160,922	$118,450	$120,815	$116,662

Capital Stock: Authorized and outstanding, $101,000. Par, $100. No bonded debt. In 1909 and 1910 paid 40% dividends each year; 10% in 1911; 30% in 1912; none in 1913; 15% in 1914; none in 1915 and 1916.

REYNOLDSVILLE & FALLS CREEK RAILROAD

History: Incorporated under laws of Pennsylvania, Jan. 11, 1897, as a consolidation of Reynoldsville & Falls Creek R.R. and Falls Creek R.R.

Location: Falls Creek to Soldier Run, Pa., with branches and spurs, 23.85 miles; sidings, 12.91 miles; total, 36.76 miles. Equipment: Locomotives, 3; cars, 5.

Management: OFFICERS: L. W. Robinson, Pres., Gen. Mgr. and Pur. Agt., Punxsutawney, Pa.; George H. Clune, Vice-Pres., Rochester, N. Y.; B. M. Clark, Sec., Punxsutawney, Pa.; J. F. Dinkey, Treas. and Aud., Rochester, N. Y.; J. S. Hammond, Supt., Reynoldsville, Pa. DIRECTORS: Adrian Iselin, Jr., Ernest Iselin, Lewis Iselin, C. O'D. Iselin, W. G. Oakman, New York; W. T. Noonan, Rochester, N. Y.; J. S. Hammond, Reynoldsville, Pa.; B. M. Clark, L. W. Robinson, J. W. Brown, F. H. Beck, H. C. Smith, W. F. Herple, Punxsutawney, Pa. Annual meeting, third Tuesday in January, at Reynoldsville, Pa. OFFICES, Rochester, N. Y. and Punxsutawney, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$88,813	$69,023	$74,575	$92,585	$87,951	$96,074
Maintenance of way	16,012	16,018	16,688	18,715	19,690	19,490
Maintenance of equipment	10,401	6,310	6,780	9,208	7,603	10,465
All other operat. expenses	28,884	25,517	28,153	30,034	30,387	31,027
Net operating revs...	$33,516	$21,178	$22,954	$34,628	$30,271	$35,092
Other income	19	79	81	137	74	81
Total net income	$33,535	$21,257	$23,035	$34,765	$30,345	$35,173
Taxes	1,128	1,128	1,128	1,128	1,128	1,179
Fixed charges	30,234	30,200	30,200	30,230	30,200	30,253
Surplus	$2,173	*$10,071	*$8,293	$3,407	*$983	$3,741

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $186,038; credit balance transferred from income, $2,173; total, $188,211. Contra: Loss on retired road and equipment, $506; credit balance carried to balance sheet, $187,705; total, $188,211.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$343,608	$346,176	$348,831	$351,719	$355,575	$358,170
Working assets	227,208	222,141	229,919	235,806	230,871	234,250
Total	$570,816	$568,317	$578,750	$587,525	$586,446	$592,420
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	170,000	170,000	170,000	170,000	170,000	170,000
Working liabilities	2,973	2,141	1,802	2,925	3,733	8,414
Accrued liabilities not due	6,096	6,096	6,042	5,100	6,020	5,975
Appropriated surplus	4,042	4,042	4,042	.....	4,042	4,042
Profit and loss surplus	187,705	186,038	196,864	209,500	202,651	209,989
Total	$570,816	$568,317	$578,750	$587,525	$586,446	$592,420

Bonded Debt: $170,000 Reynoldsville & Falls Creek R.R. first 6s. Dated Jan. 1, 1891; due June 1, 1926, extended from Jan. 1, 1911. Interest payable annually, Jan. 1, at Guaranty Trust Co., New York. Coupon, $1,000. Charles Clifton, Trustee. Authorized, $300,000. Outstanding bonds are deposited with the Guaranty Trust Co., New York, as part security for the second mortgage bonds of the Jefferson & Clearfield Coal & Iron Co. First lien on entire property.

Capital Stock: Authorized, $330,000; outstanding, $200,000. Par, $50. All owned by Jefferson and Clearfield Coal & Iron Company. Recent dividends as follows: 1900, 10%; 1902, 20%; 1905, 50%; 1908, 8%; none since.

RICHMOND BELT RAILWAY

History: Incorporated under the laws of California, Aug. 19, 1902. Road opened in 1905. A belt line extending from Richmond to Winchaven, Calif., 5.09 miles. Property is leased to the Atchison, Topeka & Santa Fe and Southern Railway jointly. Owns dock at San Pablo.

Management: OFFICERS: E. S. Pillsbury, Pres.; H. C. Breeden, Vice-Pres.; R. J. Woods, Sec.; H. C. Breeden, Treas., San Francisco. DIRECTORS: W. A. Bissell, H. C. Breeden, E. S. Pillsbury, Clinton E. Worden, Vanderlyn Stow, San Francisco. Annual meeting, second Tuesday in February. GENERAL OFFICE, San Francisco, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Rental income	$37,171	$43.837	$5,094	$16,051	$40,693
Fixed charges, including taxes	8,057	19,592	8,719	9,124	15,996
Balance	$29,114	$24,245	*$3,625	$6,927	$24,697

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$685.447	$685,447	$684,450	$680,684	$672,436
Working assets	80,059	50,945	14,198	20,825	29,644
Total	$765,506	$736,392	$698,648	$701,509	$702,080
LIABILITIES:					
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000
Working liabilities	.....	.....	184,325	183,561	191,059
Profit and loss	265,506	236,392	14,323	17,948	11,021
Total	$765,506	$736,392	$698,648	$701,509	$702,080

Capital Stock: Authorized and outstanding, $500,000. Par, $100. No bonded debt and no dividends paid.

RICHMOND & RAPPAHANNOCK RIVER RAILWAY

History: Incorporated under laws of Virginia, Apr. 19, 1912.

Location: Road projected to extend from Richmond to Urbanna in Middlesex County, or Rappahannock, Essex Co., Va., with branches to Warsaw, Lancaster Court House, etc. In operation Richmond to Pamunkey and Seven Pines, Va., 25.52 miles. Equipment: Locomotives, 2; cars, 33.

Management: OFFICERS: Thomas B. Love, Pres.; R. B. Campbell, Sec. and Treas.; Thomas P. Bryan, Counsel; J. C. Holden, Gen. Frt. and Pass. Agt.; A. L. Waldrop, Supt., Richmond, Va. GENERAL OFFICE, Richmond, Va.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$60,282	$50,917
Operating expenses	66,304	56,673
Net operating revenues	*$6,022	*$5,756
Other income	112	134
Total net income	*$5,910	*$5,622
Fixed charges, including taxes	34,277	17,090
Balance	*$40,187	*$22,712

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $18,540; debit balance transferred from income, $40,187; total, $58,727. Contra: Donations, $107; miscellaneous credits, $374; debit balance carried to balance sheet, $58,246; total, $58,727.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915
Property investment	$557,217	$539,339
Working assets	27,615	24,800
Deferred debit items	$357,902	$350,350
Profit and loss	58,246	18,540
Total	$1,000,980	$933,029
LIABILITIES:		
Capital stock	$500,000	$500,000
Funded debt	458,000	422,000
Working liabilities	40,002	7,991
Accrued liabilities not due	2,620	2,581
Deferred credit items	358	457
Total	$1,000,980	$933,029

Bonded Debt: $458,000 Richmond & Rappahannock River Valley Ry. first 6s; dated June 15, 1915; due June 15, 1935. Int. paid June and Dec. 15. Coupon, $1,000. Auth., $500,000. Issued to take up bills payable.

Capital Stock: Authorized and outstanding, $300,000 6% preferred, and $200,000 common. Par, $100.

RIO GRANDE RAILWAY

History: Incorporated under laws of Texas, Nov. 30, 1910, successor to Rio Grande R.R. Formerly controlled through stock ownership by St. Louis & San Francisco R.R. Co. Now operated independently.

Location: Road extends from Brownsville to Point Isabel, Texas, 22.50 miles; sidings, 1 mile. Guage, 3 ft. 6 in. Equipment: Locomotives, 2; passenger cars, 5; freight cars, 16; service cars, 2.

Management: OFFICERS: David O'Brien, Pres.; J. A. Browne, Vice-Pres. and Treas.; John Gregg, Sec. and Aud., Brownsville, Texas. DIRECTORS: The foregoing and F. W. Kibbe, L. Cobolini, Brownsville, Texas; R. M. Johnston, Houston, Tex. Annual meeting, first Wednesday after first Tuesday in June. GENERAL OFFICE, Brownsville, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$15,564	$11,743	$11,856	$12,218	$12,619
Operating expenses	11,762	14,444	13,630	15,905	10,881
Net operating revenues	$3,802	*$2,701	*$1,774	*$3,687	$1,738
Other income	250	250	250	250	354
Total net income	$4,052	*$2,451	*$1,524	*$3,437	$2,092
Taxes	1,500	1,294	1,417	1,374	776
Fixed charges	3,900	3,978	.....	.....	.....
Balance	*$1,348	*$7,723	*$2,941	*$4,811	$1,316

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$83,671	$83,884	$82,858	$22.266	$20,619
Working assets	3,425	1,438	2,158	28,561	30,092
Profit and loss	16,733	15,385	7,662	4,822	11
Total	$103,829	$100,707	$92,678	$55,649	$50,722

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$25,000	$25,000	$25,000	$25,000	$25,000
Funded debt	65,000	65,000	.....	.....	.....
Working liabilities	13,137	9,957	67,678	30,649	25,345
Accrued liabilities not due	692	750	.....	.....	377
Total. . .	$103,829	$100,707	$92,678	$55,649	$50,722

Bonded Debt: $65,000 Rio Grande Railway first 6s. Dated July 1, 1914; due July 1, 1924; interest paid Jan. and July 1, at Mercantile Trust Co., St. Louis, Mo. Coupon, $1,000. Authorized, $1,000,000. Callable at par and interest. No sinking fund. First lien on entire property. Normal income tax deducted from interest. Rating, B.

Capital Stock: Authorized and outstanding, $25,000. Par, $100. No dividends paid.

RIO GRANDE & EAGLE PASS RAILWAY COMPANY

History: Incorporated under Texas laws, May 29, 1885, as successor to the Rio Grande & Pecos Railway Company, the latter having been sold under foreclosure.

Location: Line of road: Laredo to Minera, Tex., with various spurs and branches, 28.44 miles; sidings, 10.94 miles. Equipment: Locomotives, 4; passenger and freight cars, 138.

Management: OFFICERS: C. B. Wright, Pres., Philadelphia, Pa.; E. F. Wager, Vice-Pres. and Gen. Mgr.; H. G. da Camara, Treas.; C. C. Biggio, Sec., Laredo, Texas. DIRECTORS: C. B. Wright, W. T. Wright, C. C. Biggio, E. F. Wager, J. J. Haynes, H. G. da Camara, A. Winslow, W. H. Alley, B. M. Alexander. Annual meeting, first Thursday in March. OFFICE, Laredo, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$123,548	$110,736	$117,299	$108,926	$116,442	$108,970	$124,044
Operating expenses	83,127	83,338	78,210	83,399	79,280	75,237	71,691
Net operating revenues	$40,421	$27,398	$39,089	$25,527	$37,162	$33,733	$52,353
Operating ratio	67.3%	75.3%	66.8%	76.5%	68.1%	69%	57.8%
Other income	13,330	16,290	17,079	12,959	14,435	13,183	5,465
Total net income	$53,751	$43,688	$56,168	$38,485	$51,597	$46,916	$57,818
Taxes accrued	6,324	5,702	5,770	4,390	4,785	4,314	6,880
Interest charges, etc.	29,450	29,450	29,450	29,450	41,450	29,450	29,954
Surplus	$17,977	$8,536	$20,948	$4,645	$5,362	$13,152	$20,984

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $61,437; credit balance transferred from income, $17,977; miscellaneous credits, $24,711; total, $104,125. Contra: Miscellaneous debits, $639; credit balance carried to balance sheet, $103,486; total, $104,125.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$961,135	$1,137,295	$883,475	$968,269	$1,063,992	$1,059,972
Working assets	256,385	97,712	346,400	325,702	331,027	306,711
Accrued income not due	573	317	538	.....	.....	.....
Deferred debit items	.....	94,050	88,000	1,874	9,050	1,875
Total. . .	$1,218,093	$1,329,374	$1,318,413	$1,295,845	$1,404,069	$1,368,558
LIABILITIES:						
Capital stock	$600.000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	441,000	600,000	600,000	600,000	600,000	600,000
Working liabilities	13,800	12,532	10.039	9,513	18.012	10,408
Deferred credit items	60,807	55,405	55,405	49,947	3,000	144,655
Appropriated surplus	.....	.....	.....	5,158	156,175	.....
Profit and loss surplus	103,486	61,437	52,969	31,227	26,882	13,495
Total. . .	$1,218,093	$1,329,374	$1,318,413	$1,295,845	$1,404,069	$1,368,558

Bonded Debt: $441,000 Rio Grande & Eagle Pass Ry. first income 5s; dated Oct. 11. 1899; due October 1, 1929. Int. paid annually (if earned) on October 1. Denom., $1,000 each. Auth., $600,000, of which $159.000 has been reacquired and held alive. First lien on entire property. Interest in recent years has been paid as follows: 1903 and 1904, 2% each; 1905 to date, 5% per annum. Interest is not cumulative. The company may, if desired, spend its entire net earnings for betterments and improvements. Rating, B.

Capital Stock: Auth. and outstanding, $600,000. Par, $100. No dividends.

ROANOKE RIVER RAILWAY

History: Incorporated under the laws of North Carolina, Oct. 25, 1905; successor to North Carolina Connecting Ry.

Location: Road extends from Manson to Townsville, N. C., including spur, 10.5 miles; sidings, 0.5 miles. Equipment: Locomotives, 2; cars, 2.

Management: OFFICERS: G. W. Morrow, Pres., Townsville, N. C.; J. R. Paschall, Vice-Pres., Thos, Gresham, Sec., Richmond, Va.; J. T. Morrow, Treas., Henderson, N. C. DIRECTORS: The foregoing and O. J. Sands, Richmond, Va.

Bonded Debt: $77,000 Roanoke River Ry. first 6s. Dated Aug. 1, 1908; due Aug. 1, 1928. Interest paid Feb. and Aug. 1, at Citizens Bank, Henderson, N. C. Coupon, $1,000. Issued $144,000, of which $67,000 are held in treasury. First lien on entire property.

Capital Stock: Authorized, $450,000; outstanding, $90,000. Par, $100. President of company acts as Transfer Agent. Secretary of company acts as Registrar.

ROCK ISLAND-FRISCO TERMINAL RAILWAY

History: Incorporated in Missouri, April 9, 1906.

Location: Owns freight depots and yards in St. Louis, furnishing terminal facilities to Chicago, Rock Island & Pacific Ry., St. Louis-San Francisco Ry. and Chicago & Eastern Illinois R.R. at rentals sufficient to cover taxes, expenses, interest, etc. Miles of yard track, etc., 13.83 miles.

Management: OFFICERS: J. E. Gorman, Pres., Chicago; W. C. Nixon, Vice-Pres.; F. H. Hamilton, Sec. and Treas., St. Louis, Mo. DIRECTORS: H. E. Correll, W. F. Evans, W. C. Nixon, H. M. Sloan, J. E. Gorman. Annual meeting, first Tuesday after first Monday in April. OFFICE, St. Louis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$191,429	$191,890	$188,047	$200,657	$182,985	$174,646
Taxes accrued	17,946	18,424	15,081	18,153	11,847	13,105
Fixed charges	173,483	173,466	172,966	182,504	171,138	161,541

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,880,643	$3,876,681	$3,855,934	$3,899,500	$3,872,596	$3,814,027
Working assets	111,137	112,929	134,970	121,794	114,008	104,149
Deferred debit items	456	1,095	1,580	576	1,411	2,241
Total	$3,992,236	$3,990,705	$3,992,484	$4,021,870	$3,988,015	$3,920,417
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	3,390,000	3,390,000	3,390,000	3,390,000	3,390,000	3,254,589
Working liabilities	93,670	92,355	95,265	124,667	93,131	155,121
Accrued liabilities not due	8,566	8,350	7,219	7,203	4,884	6,076
Deferred credit items	.....	.....	.....	.....	.....	4,631
Total	$3,992,236	$3,990,705	$3,992,484	$4,021,870	$3,988,015	$3,920,417

Bonded Debt: $3,390,000 Rock Island-Frisco Terminal Ry. first 5s; dated Jan. 2, 1907; due Jan. 1, 1927. Int. Jan. and July, at Mercantile Trust Co., St. Louis, or at company's agency in New York. Secured on all property. Guar. by Chicago, Rock Island & Pacific Ry. and St. Louis-San Francisco Railway companies. Interest paid without deduction for normal income tax. Auth., $5,000,000. Net Rating. B.

Capital Stock: Outstanding, $500,000; all deposited as additional security for above bonds, but owned by the Chicago, Rock Island & Pacific Ry. and the St. Louis-San Francisco Railway companies.

ROCKINGHAM RAILROAD

History: Incorporated under laws of North Carolina in 1910. Began operations, May 6, 1912.

Location: Road extends from Leak to Gibson, N. C., 21.4 miles. Locomotives, 2; cars, 3.

Management: OFFICERS: T. C. Leak, Pres.; J. Le Grand Everett, Sec. and Treas.; J. L. Hawley, Gen. Supt., Rockingham, N. C. DIRECTORS: T. C. Leak, W. L. Parsons, W. C. Leak, Claude Gore, Wm. Entwistle, J. L. Everett, Rockingham, N. C. Annual meeting, third Wednesday in October. GENERAL OFFICE, Rockingham, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$32,099	$27,816	$37,040	$39,910	$4,327
Maintenance of way and structures	6,967	6,488	6,623	6,407	1,413
Maintenance of equipment	3,927	4,277	4,239	3,121	515
All other operating expenses	16,256	15,795	19,879	18,449	3,959
Net operating revenues	$4,949	$1,256	$6,299	$11,933	*$1,560
Other income	.....	144	132	137	12
Total net income	$4,949	$1,400	$6,431	$12,070	*$1,548
Taxes	1,169	1,059	929	787	16
Fixed charges	17,634	15,761	15,192	13,856	2,257
Surplus	*$13,854	*$15,420	*$9,690	*$2,573	*$3,821

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$315,837	$316,427	$317,058	$317,967	$311,716
Working assets	5,100	5,363	4,859	21,749	6,513
Deferred debit items	10,108	10,987	11,392	.....	12,621
Profit and loss deficit	47,350	33,496	18,076	6,394	3,821
Total	$378,395	$366,273	$351,385	$346,110	$334,671

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$72,000	$72,000	$72,000	$71,790	$69,967
Funded debt	250,000	250,000	250,000	250,000	250,000
Working liabilities	55,629	44,273	29,385	24,320	9,064
Accrued liabilities not due	766	.....	.....	.....	5,640
Total	$378,395	$366,273	$351,385	$346,110	$334,671

Bonded Debt: $250,000 Rockingham R.R. first 5s. Dated July 21, 1910, due July 21, 1940. Interest Jan. and July 21, at Safe Deposit & Trust Co., Baltimore, Trustee. Coupon, $1,000. First lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $72,000. Par, $100.

ROCKPORT, LANGDON & NORTHERN RAILWAY

History: Incorporated under the laws of Missouri, Dec. 2, 1889. Road completed July, 1890.

Location: Road extends from Rockport to Langdon, Mo., 5.60 miles. Equipment: Locomotives, 2; passenger car, 1; flat car, 1.

Management: OFFICERS: J. W. Raines, Pres.; T. R. Warneke, Vice-Pres.; D. T. Wyatt, Sec. and Aud.; E. A. Lewis, Treas.; J. H. Hedgpeth, Gen. Supt. and Pur. Agt., Rockport, Mo. DIRECTORS: The foregoing and E. O. Lewis, Rockport, Mo. Annual meeting, third Monday in December. GENERAL OFFICE, Rockport, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$12,400	$12,401	$14,105	$14,295	$13,460
Operating expenses	9,815	9,793	9,049	10,645	7,771
Net revenues	$2,585	$2,608	$5,056	$3,650	$5,689
Taxes	151	153	139	218	213
Fixed charges	1,873	2,064	2,175	2,079	2,349
Balance	$561	$391	$2,742	$1,353	$3,127

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$66,377	$66,377	$66,377	$86,377	$80,240
Working assets	2,801	2,060	3,000	2,203	4,611
Total	$69,178	$68,437	$69,377	$88,580	$84,851
LIABILITIES:					
Capital stock	$35,000	$35,000	$35,000	$55,000	$55,000
Funded debt	21,000	21,000	21,000	21,000	21,000
Working liabilities	810	630	1,962	3,905	1,530
Appropriated surplus	240	240	240	240	240
Profit and loss	12,128	11,567	11,175	8,435	7,081
Total	$69,178	$68,437	$69,377	$88,580	$84,851

Bonded Debt: $21,000 Rockport, Langdon & Northern Ry. first 6s. Dated June 1, 1891; due June 1, 1911, extended to June 1, 1921. Interest paid Jan. and July 1, at National Bank of St. Joseph, Mo. Coupon, $500. Authorized, $25,000. First lien on line. Normal Income tax deducted from interest. Rating, B.

Capital Stock: Authorized, $90,000; outstanding, $35,000. Par, $100.

ROME & NORTHERN RAILROAD

History: Incorporated under the laws of Georgia, June 25, 1909. Road opened July 1, 1910.

Location: Road extends from Rome to Gore, Ga., 17.60 miles; sidings, 1.4 miles. Operated under contract, 2.0 miles; trackage rights, 3.30 miles.

Management: OFFICERS: J. H. Reynolds, Receiver, Rome, Ga.; R. G. Peters, Pres., Manistee, Mich.; J. L. Bass, Vice-Pres.; H. H. Shackleton, Sec., Treas., Gen. Mgr. and Pur. Agt.; F. L. Sammons, Aud.; R. E. Young, Supt., Rome, Ga. DIRECTORS: J. H. Reynolds, H. H. Shackleton, J. L. Bass, H. M. Smith, B. T. Haynes, W. S. McHenry, Rome, Ga.; R. G. Peters, R. A. Nickerson, J. R. Peters, R. A. Hoffman, Manistee, Mich. Annual meeting, first Wednesday after 4th of July. GENERAL OFFICE, Rome, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$18,771	$20,383	$22,572	$22,390	$17,436
Operating expenses	17,956	19,793	22,220	24,458	21,214
Net operating revenues	$815	$590	$351	*$2,068	*$3,778
Other income	478	3	2,988	.....	.....
Total net income	$1,293	$593	$3,339	*$2,068	*$3,778
Taxes	1,967	1,874	.....	2,267	2,486
Fixed charges	1,098	744	3,484	1,453	533
Balance	*$1,772	*$2,025	*$145	*$5,788	*$6,797

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1912
ASSETS:					
Property investment	$317,155	$317,155	$319,518	$318,514	$319,136
Working assets	1,792	925	7,444	8,032	9,379
Deferred debit items	.....	949	.....	.....	.....
Profit and loss	33,470	31,698	27,310	30,849	25,062
Total	$352,417	$350,727	$354,272	$357,395	$353,577
LIABILITIES:					
Funded debt	$242,570	$242,570	.....	.....	$9,000
Working liabilities	81,192	81,469	$327,162	$328,741	315,922
Deferred credit items	28,655	26,688	27,110	28,242	28,242
Appropriated surplus	.....	.....	.....	412	413
Total	$352,417	$350,727	$354,272	$357,395	$353,577

Capital Stock: Authorized, $1,000,000; none outstanding. Par, $100. No bonded debt. No dividends paid.

ROSCOE, SNYDER & PACIFIC RAILWAY

History: Incorporated under laws of Texas, August 31, 1906, to construct a railroad from Roscoe, Nolan County, Tex., to the New Mexico State line.

Location: Road extends from Roscoe to Fluvanna, Tex., 49.77 miles. Sidings 5.6 miles. Locomotives, 2; passenger cars, 2.

Management: OFFICERS: F. W. James, Chairman of Board; E. S. Hughes, Pres. and Gen. Mgr.; H. O. Wooten, Vice-Pres. and Traffic Mgr.; A. N. Prince, Sec.; Henry James, Treas., Abilene, Tex.; E. J. Worthy, Asst. Treas.; R. O. Dobbins, Aud.; W. S. James, Asst. Gen. Mgr., Pur. Agt. and Gen. Frt. and Pass. Agt., Roscoe, Tex. DIRECTORS: F. W. James, J. B. Craddock, Fort Worth, Tex.; La Monte Daniels, Dallas, Tex.; Geo. Firberg, Abilene, Tex.; H. O. Wooten, Henry James, E. S. Hughes, Abilene, Tex.; Cecil P. Hostetter, El Paso, Tex.; E. L. White, Fort Worth, Tex. Annual meeting, in August. GENERAL OFFICE: Roscoe, Tex. NEW YORK OFFICE: Pier 32, East River.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$168,159	$181,603	$98,051	$54,138	$65,999	$86,864
Maintenance of way	26,949	27,333	21,151	17,071	14,644	13,376
Maintenance of equipment	5,644	5,424	8,903	3,810	6,810	3,883
All other operating exps.	51,504	52,121	36,694	33,544	33,569	34,230
Net income	$84,062	$96,725	$31,303	*$287	$10,976	$35,375
Taxes	4,701	3,350	3,824	2,530	2,908	1,199
Fixed charges	26,272	28,252	24,298	16,636	11,765	13,466
Surplus	$53,089	$65,123	$3,181	*$19,453	*$3,697	$20,710
Dividends paid	22,500	37,500	.....	.....	.....	.....
Balance	$30,589	$27,623	$3,181	*$19,453	*$3,697	$20,710

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $16,505; credit balance transferred from income, $30,589; miscellaneous credits, $8; delayed income debits, $275; credit balance carried to balance sheet, $46,827.

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1912	1911
ASSETS:						
Property investment	$745,441	$741,690	$740,772	$741,401	$906,217	$905,172
Working assets	39,391	26,085	18,657	4,639	6,932	14,794
Deferred debit items	606	1,685	217	.....	.....	.....
Profit and loss deficit	.....	.....	11,103	14,283	.....	.....
Total	$785,438	$769,460	$770,749	$760,323	$913,149	$919,966
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$200,000	$150,000
Funded debt	566,924	574,924	307,511	307,511	157,511	157,511
Working liabilities	14,663	21,486	306,655	298,087	528,153	*567,073
Accrued liabilities not due	6,857	6,172	6,583	4,725	4,725	14,179
Deferred credit items	168	373	.....	.....	.....	4,725
Profit and loss surplus	46,827	16,505	.....	.....	22,760	26,478
Total	$785,438	$769,460	$770,749	$760,323	$913,149	$919,966

* Debt to construction company.

Bonded Debt: (1) $157,511 Roscoe, Snyder & Pacific Ry. 6% first mortgage lien note. Dated Jan. 1, 1910; due July 1, 1917. Payable annually Jan. 1, at Dallas, Tex. St. Louis Union Trust Co., Trustee. Registered form. First lien on line and two locomotives. The note is held by the Texas & Pacific Ry. Co.

(2) $250,000 Roscoe, Snyder & Pacific Ry. 1st refunding 5s. Dated, 1912; due Nov. 1, 1942. Interest paid May and Nov. 1, in New York. Guaranty Trust Co., New York, Trustee. Denomination, $1,000. Callable, on any interest date, in blocks of $1,000,000. Authorized, $5,000,000, limited to $20,000 per mile. Of unissued bonds, sufficient are reserved to retire No. 1. Balance available for additions and betterments. Interest paid without deduction for normal income tax.

Rating, Ba.

Capital Stock: Authorized and outstanding, $150,000. Par, $100. Dividend of 25% paid in 1915 and 15% in 1916.

SACRAMENTO VALLEY & EASTERN RAILROAD

History: Incorporated under the laws of California, Nov. 8, 1906.

Location: Road extends from Pitt to Bully Hill, Cal., 15 miles. Sidings 0.5 mile. Connects with Southern Pacific Line at Pitt. Equipment: Locomotives, 2; cars, 7; motor car, 1.

Management: OFFICERS: J. B. Keating, Pres., Treas. and Mgr.; H. R. Hanley, Vice-Pres.; E. A. Wilson, Sec.; J. W. Schoonover, Aud., Winthrop, Cal. DIRECTORS: The foregoing and T. B. Dozien, San Francisco, Cal.; D. M. Riordan, New York. Annual meeting in June. GENERAL OFFICE, Winthrop, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$21,762	$9,886	$7,124	$13,766	$10,092
Operating expenses	34,863	28,853	23,936	21,362	19,701
Net operating deficit	$13,101	$18,967	$16,812	$7,596	$9,609
Taxes	456	503	650	674	4,256
Fixed charges	.....	647	.....	818	.....
Deficit for year	$13,557	$20,117	$17,462	$9,088	$13,865

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$446,716	$458,994	$496,831	$493,455	$493,805
Working assets	7,479	1,864	1,690	17,609	26,419
Deferred debit items	389	465	79	51	25
Profit and loss	63,592	50,035	4,718	.....	.....
Total	$518,176	$511,358	$503,318	$511,115	$520,249
LIABILITIES:					
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000
Working liabilities	17,947	11,130	3,077	1,450	1,532
Accrued liabilities not due	229	228	241	297	263
Profit and loss	.....	.....	.....	9,368	18,454
Total	$518,176	$511,358	$503,318	$511,115	$520,249

Capital Stock: Authorized and outstanding, $500,000. Par, $100. The Bully Hill Copper Mining & Smelting Co. owns $499,500 of the stock. No bonded debt.

ST. CLAIR TERMINAL RAILROAD

History: Incorporated under laws of Pennsylvania, June 24, 1901.

Location: Road extends from Clairton to Wylie, Pa., 1.7 miles; branches and spurs, 6.15 miles; total, 7.85 miles. Yards and sidings, 15.98 miles. Equipment: Locomotives, 11; freight cars, 157.

Management: OFFICERS: J. H. Reed, Pres.; D. M. Clemson, Vice-Pres.; G. W. Kepler, Sec. and Treas.; Geo. E. Campbell, Aud., Pittsburgh, Pa.; H. J. Davis, Supt., Clairton, Pa. DIRECTORS: L. C. Bihler, W. W. Blackburn, D. M. Clemson, G. W. Kepler, D. G. Kerr, J. H. Reed, H. D. Williams, Pittsburgh, Pa. Annual meeting, second Monday in January. OFFICE: 1417 Carnegie Building, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$314,320	$180,111	$206,286	$219,688	$236,240	$186,485
Maintenance of way	30,410	16,750	37,098	25,213	20,411	21,466
Maintenance of equipment	47,946	29,032	64,341	53,092	37,464	39,023
All other operating exps.	103,929	61,697	79,130	78,907	66,806	64,735
Net operating revs.	$132,035	$72,632	$25,717	$62,476	$111,559	$61,261
Other income	9,601	10,014	10,180	11,246	10,826	10,200
Total net income	$141,636	$82,646	$35,897	$73,722	$122,385	$71,461
Taxes	4,073	2,675	1,600	4,200	3,265	2,415
Fixed charges	54,046	53,690	54,535	56,131	91,015	92,564
Surplus	$83,517	$26,281	*$20,238	$13,391	$28,105	*$23,518

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $233,361; miscellaneous debits, $2,232; total, $235,593. Contra: Credit balance transferred from income, $83,517; debit balance carried to balance sheet, $152,076; total, $235,593.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,342,630	$2,296,140	$2,304,649	$2,164,878	$2,169,962	$2,174,670
Working assets	72,906	49,792	77,544	55,433	116,021	78,262
Deferred debit items	37,798	1,173	1,172	1,702	1,398	1,178
Profit and loss deficit	152,076	233,361	258,907	.....	9,266	68,143
Total	$2,605,410	$2,580,466	$2,642,272	$2,222,013	$2,296,647	$2,322,253

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,130,577	1,160,578	1,147,578	1,179,578	1,260,578	1,291,578
Working liabilities	84,880	29,580	103,727	23,324	16,226	11,044
Accrued liabilities not due	15,850	16,292	16,996	17,064	19,215	19,080
Deferred credit items	970	883	773	704	628	551
Appropriated surplus	373,133	373,133	373,198	.....	.....	.....
Profit and loss surplus	.....	.....	.....	1,343	.....	.....
Total	$2,605,410	$2,580,466	$2,642,272	$2,222,013	$2,296,647	$2,322,253

NOTE: Funded debt in 1916 includes $536,577 advances by Clairton Steel Co.

Bonded Debt: $594,000 St. Clair Terminal R.R. first 5s. Dated Feb. 1, 1902; due Feb. 1, 1932. Interest paid Feb. and Aug. 1, at Pittsburgh Trust Co., Pittsburgh, Trustee. Authorized, $1,000,000 of which $594,000 are outstanding, and $406,000 have been retired by the sinking fund. Coupon, $1,000. Callable at 110 and accrued interest. Sinking fund, $33,334 per annum. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Authorized and outstanding, $1.000,000. Par, $100. All owned by Clairton Steel Co., a subsidiary of the U. S. Steel Corporation. No dividends.

ST. JOHN & OPHIR RAILROAD COMPANY

History: Incorporated under the laws of Utah, March 5, 1912.

Location: Road extends from Ophir to St. John, Utah, 8.56 miles; sidings, 0.31 mile. Connects at St. John with San Pedro, Los Angeles & Salt Lake R.R. Equipment: Locomotives, 2; passenger car, 1.

Management: OFFICERS: W. A. Clark, Pres., New York; E. W. Clark, Vice-Pres., Treas. and Gen. Mgr., Ophir, Utah; J. H. Anderson, Sec., New York; W. H. Dillehunt, Aud., Ophir, Utah. DIRECTORS: W. A. Clark, J. H. Anderson, H. St. Clair, New York; E. W. Clark, Ophir, Utah; W. J. Barrett, Salt Lake City, Utah. Annual meeting, in November. GENERAL OFFICE: Ophir, Utah.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$49,895	$31,377
Operating expenses	26,212	18,947
Net operating revenues	$23,683	$12,430
Other income	.....	349
Total net income	$23,683	$12,779
Taxes	2,312	1,607
Fixed charges	1,288	1,271
Balance	$20,083	$9,901
Dividends	17,500	7,680
Surplus	$2,583	$2,221

Comparative Condensed Balance Sheet, as of June 30

ASSETS:		LIABILITIES:	
Property investment	$135,190	Capital stock	$140,000
Current assets	13,670	Current liabilities	19
		Unadjusted credits	1,050
		Profit and loss	7,791
Total	$148,860	Total	$148,860

Capital Stock: Authorized, $150,000; outstanding, $140,000. Par, $100. No bonded debt. In the year ended June 30, 1915, dividends of 18% were paid, representing 6% for the three years then ended. A dividend of 12½% was paid year ending June 30, 1916.

ST. JOSEPH BELT RAILWAY

History: Incorporated under the laws of Missouri, Oct. 1, 1908. Operates switching tracks in St. Joseph, 23.86 miles, in interest of St. Joseph Stock Yards Co. Owns 6 Locomotives.

Management: OFFICERS: S. S. Brown, Pres.; J. O. Barkley, Vice-Pres. and Gen. Mgr., St. Joseph, Mo.; A. R. Fay, Vice-Pres., Chicago; I. A. Vant, Treas.; P. P. Welty, Asst. Treas.; M. J. O'Malley, Sec.; H. A. Ebling, Aud.; L. R. Sack, Supt.; J. E. Johnson, Pur. Agt., St. Joseph, Mo. DIRECTORS: S. S. Brown, J. O. Barkley, A. B. Swift, J. G. Schneider, St. Joseph, Mo.; A. R. Fay, Chicago, Ill. Annual meeting, second Monday in January. GENERAL OFFICE, So. St. Joseph, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$157,985	$147,938	$145,159	$149,741	$150,219
Operating expenses	114,843	100,585	103,868	97,222	97,263
Net revenues	$43,142	$47,353	$41,291	$52,519	$52,956
Other income	1,236	1,157	1,170	1,057	720
Total net income	$44,378	$48,510	$42,461	$53,576	$53,676
Taxes	2,765	2,772	2,831	2,709	3,863
Fixed charges	27,319	27,164	26,151	18,796	19,207
Balance	$14,294	$18,574	$13,479	$32,071	$30,606

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $41,100; credit balance transferred from income, $14,294; total, $55,394. Contra: Loss on retired road and equipment, $832; credit balance carried to balance sheet, $54,562; total, $55,394.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$409,926	$400,263	$393,888	$394,974	$388,043
Working assets	51,772	48,617	44,300	47,205	34,220
Accrued income not due	.....	.....	.....	.....	22
Deferred debit items	1,118	920	573	666	338
Total	$462,816	$449,800	$438,761	$442,845	$422,623
LIABILITIES:					
Capital stock	$400,000	$400,000	$400,000	$400,000	$400,000
Working liabilities	6,988	6,918	6,783	8,749	5,735
Accrued liabilities not due	1,266	1,238	1,392	1,053	1,331
Deferred credit items	.....	544	61	.....	.....
Profit and loss	54,562	41,100	30,526	33,043	15,557
Total	$462,816	$449,800	$438,761	$442,845	$422,623

Capital Stock: Authorized, $500,000; outstanding, $400,000. Par, $100. No bonded debt. Secretary acts as Transfer Agent.

ST. JOSEPH TERMINAL RAILROAD

History: Incorporated under laws of Missouri, Jan. 5, 1887. Owns and operates .86 mile of main track and 10.42 miles of sidings in St. Joseph, Mo. Company does a general switching business for the Atchison, Topeka & Santa Fe R.R. and St. Joseph & Grand Island Ry. Companies. The two companies pay operating expenses each month, on basis of tonnage and cars handled. Owns two locomotives.

Management: OFFICERS: E. Stenger, Pres., Topeka, Kan.; C. W. Kouns, Vice-Pres., St. Joseph, Mo.; E. L. Copeland, Treas., Topeka, Kan.; F. W. Meyer, Sec. and Aud.; H. M. Duncan, Supt., St. Joseph, Mo. DIRECTORS: C. W. Kouns, R. J. Parker, Topeka, Kan.; E. Stenger, T. F. Van Natta, F. W. Meyer, St. Joseph, Mo. Annual meeting, second Tuesday in June. OFFICE, St. Joseph, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Total net income	$28,656	$29,944	$32,299	$31,854	$31,548	$29,507
Taxes	6,280	6,373	6,161	8,564	8,372	8,256
Fixed charges	22,376	23,571	26,138	23,290	23,176	21,251

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$689,409	$684,519	$689,401	$696,396	$694,543	$695,088
Working assets	39,335	34,722	45,227	36,593	26,675	35,188
Deferred debit items	171	239	240	35	46	41
Total	$728,915	$719,480	$734,868	$733,024	$721,264	$730,317
LIABILITIES:						
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	399,280	399,280	350,000	350,000	350,000	350,000
Working liabilities	22,133	12,112	75,874	75,447	63,663	72,383
Accrued liabilities not due	7,497	7,497	7,762	7,566	7,597	7,499
Deferred credit items	.....	591	1,232	11	4	435
Total	$728,915	$719,480	$734,868	$733,024	$721,264	$730,317

Bonded Debt: $350,000 St. Joseph Terminal R.R. 1st 5s. Dated Aug. 1, 1888; due Aug. 1, 1918. Interest paid, Feb. and Aug. 1, at office of Atchison, Topeka & Santa Fe Ry. Co., in New York City. Coupon, $1,000. Boston Safe Deposit & Trust Co., Trustee. Authorized, $500,000. Callable at 105, on six months' notice. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Authorized, $500,000; outstanding, $300,000. Par, $100. The Atchison, Topeka & Santa Fe and St. Joseph & Grand Island Ry. companies each own one-half of the stock.

ST. JOSEPH UNION DEPOT COMPANY

History: Incorporated under the laws of Missouri, March 1, 1880; completed for operation May 1, 1882. Owns Union Station at St. Joseph, Mo., with 2.30 miles of yard tracks. Station is jointly used by Atchison, Topeka & Santa Fe Ry.; Chicago, Burlington & Quincy R.R., Chicago, Rock Island & Pacific Ry., Missouri Pacific Ry., St. Joseph & Grand Island Ry., and Chicago Great Western R.R. companies.

Management: OFFICERS: C. W. Kouns, Pres., Topeka, Kan.; C. M. Carter, Sec. and Treas.; F. E. Ernst, Supt., St. Joseph, Mo. DIRECTORS: C. W. Kouns, Topeka, Kans.; F. H. Ustick, Burlington, Iowa; A. Robertson, St. Louis, Mo.; O. M. Spencer, C. M. Carter, E. Stenger, C. R. Berry, W. A. Card, St. Joseph, Mo.; F. J. Easley, Denver, Col.; D. Coughlin, Trenton, Mo. Annual meeting, second Wednesday in Feb. GENERAL OFFICE: St. Joseph, Mo.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$254,183	$254,183	$254,183	$254,183	$254,183
Working assets	10,775	10,843	10,951	11,713	11,708
Total	$264,958	$265,026	$265,134	$265,896	$265,891

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$10,000	$10,000	$10,000	$10,000	$10,000
Working liabilities	3,438	3,506	3,618	4,380	4,375
Appropriated surplus	2,790	2,790	2,790	2,790	2,790
Profit and loss	248,730	248,730	248,726	248,726	248,726
Total	$264,958	$265,026	$265,134	$265,896	$265,891

Capital Stock: Authorized, $150,000; outstanding, $10,000. Par, $100. No bonded debt. The C., B. & Q. R.R. owns $4,000; the C., R. I. & P. Ry., $2,000; and other companies mentioned above, $1,000 each.

ST. LOUIS & HANNIBAL RAILWAY

History: Incorporated under laws of Missouri, June, 3, 1872. Main line opened in 1882.

Location: Road extends from Hannibal to Gilmore, Mo., 85.6 miles, with a branch from Ralls Junc. to Perry, Mo., 17.8 miles; total operated, 103.4 miles. Sidings, 6 miles. Equipment: Locomotives, 9; cars, 178.

Management: OFFICERS: J. A. Jordan, Pres., Hannibal, Mo.; Edgar Palmer, Vice-Pres.; C. W. Cox, Sec. and Treas., New York; J. M. Worland, Aud.; H. M. Modisett, Gen. Mgr. and Pur. Agt., Hannibal, Mo. DIRECTORS: C. L. Blair, J. T. Blair, C. W. Cox, Edgar Palmer, New York; J. A. Jordan, Green Bay, Wis.; H. M. Modisett, J. M. Worland, Hannibal, Mo. Annual meeting, second Tuesday in March. OFFICE: Hannibal, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$242,431	$238,072	$244,684	$236,721	$241,040	$229,192
Maintenance of way	68,132	79,642	80,616	71,429	73,690	97,702
Maintenance of equipment	33,972	31,370	35,409	34,321	29,367	28,068
All other operating exps.	108,397	99,710	104,393	107,392	112,025	102,690
Net operating revs.	$31,930	$27,350	$24,266	$23 579	$25,958	$732
Other income	1,443	2,742	3,496	3,821	4,224	5,099
Total net income	$33.373	$30.092	$27,762	$27,400	$30,182	$5,831
Taxes	7,688	7,575	8,895	8,822	8,603	8,203
Fixed charges	58,406	61,281	61,115	59,062	59,359	55,262
Deficit	$32,721	$38,764	$42,248	$40,484	$37,780	$57,634

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,169,478	$1,157.970	$1,144.406	$1,143,168	$1,125.364	$1,120,312
Working assets	62,360	72,848	100.446	129,583	153.576	174.174
Profit and loss deficit	594,733	562,050	523,286	477,888	437,405	399,626
Total	$1,826,571	$1,792,868	$1,768,138	$1,750,639	$1,716,345	$1,694,112
LIABILITIES:						
Capital stock	$462.000	$462.000	$462.000	$462 000	$462.000	$462,000
Funded debt	630.000	630.000	630.000	630.000	630.000	630.000
Working liabilities	734,571	700 868	676,138	658,639	624,345	602,112
Total	$1,826,571	$1,792,868	$1,768,138	$1,750,639	$1,716,345	$1,694,112

Bonded Debt: (1) $380.000 St. Louis & Hannibal Ry. 1st 7s. Dated Jan. 1, 1886; due Jan. 1, 1936. Interest paid Jan. and July 1 at 40 Wall Street, New York. Coupon, $1,000. Authorized, $600,000. Interest not paid.

(2) $250.000 St. Louis & Hannibal Ry. Income 5s. Dated May 26. 1893; due June 1. 1933. Interest paid June and December 1, at 40 Wall Street. Interest regularly paid, with normal income tax deducted.

Capital Stock: Authorized, $1,000,000; outstanding, $462,000. Par, $100.

ST. LOUIS & O'FALLON RAILROAD

History: Incorporated under laws of Illinois, June 1, 1896.

Location: Road extends from East St. Louis to O'Fallon, 8.64 miles. Sidings, etc., 11.03 miles. Equipment: Locomotives, 4; cars, passenger, 5; freight, 507; 300 coal cars are held under equipment trusts.

Management: OFFICERS: Aug. A. Busch, Chairman; Wm. Cotter, Pres. and Gen. Mgr., St. Louis, Mo.; W. E. Dudenbostel, Vice-Pres. and Supt., East St. Louis, Ill.; Philip Marsh, Sec., Treas. and Aud.; A. E. Wright, Pur. Agt., St. Louis. DIRECTORS: Aug. A. Busch, Wm. Cotter, St. Louis; W. E. Dudenbostel, John C. Broden, J. C. Deans, East St. Louis. Annual meeting in April. OFFICE, St. Louis, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$234,160	$183,756	$225.442	$275.551	$229.417	$263.674
Maintenance of way	13,850	11,267	23 300	19.284	15.924	26.046
Maintenance of equipment	47,642	47,791	60.146	44.073	41,446	41.736
All other operating exps.	42.486	34,937	42,440	47,535	48,790	54,751
Net operating revs.	$130.182	$89,761	$99.556	$164,659	$123.257	$141,151
Other income	1,205	1,193	4,346	10,715	15,348	1,080
Total net income	$131.387	$90.954	$103.902	$175 374	$138.605	$142.231
Taxes	12.000	12.438	11 322	8.620	8,722	12.042
Fixed charges	37,154	34,032	31,069	33,298	40,645	42,007
Surplus	$82,233	$44,484	$61,511	$133,456	$89,238	$88.182

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $72,945; credit balance transferred from income, $82,233; total, $155,178. Contra: Surplus applied to sinking and other reserve funds, $26,000; surplus appropriated for investment in physical property, $3,269; loss on retired road and equipment, $200; miscellaneous debits, $1,488; credit balance carried to balance sheet, $124,221; total, $155,178.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$816,026	$850.062	$830,123	$853,508	$869,721	$888,938
Working assets	116,306	30,589	40,296	324,379	170,581	145,300
Deferred debit items	.....	.....	.....	2,970	760	1,005
Total.	$932,332	$880,651	$870,419	$1,180,857	$1,041,062	$1,035,243
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Funded debt	436,000	462,000	483,000	533,000	566,000	629,000
Working liabilities	18,918	111	448	69,622	14,234	12,808
Accrued liabilities not due	13,673	13,898	13,570	11,300	13,800	16,114
Deferred credit items	5,085	*642	1,317	.....	250	8,081
Appropriated surplus ...	184,435	.....	51,495	49,131	43,030	39,730
Profit and loss surplus ...	124,221	255,284	170,589	367,804	253,748	179,600
Total.	$932,332	$880,651	$870,419	$1,180,857	$1,041,062	$1,035,243

* Reverse item.

Bonded Debt: (1) $136,000 St. Louis & O'Fallon R.R. 1st 5s. Dated 1902; due 1922. Interest paid Apr. and Oct. 1, at St. Louis Union Trust Co., Trustee. Denomination, $1,000. Callable at par. Authorized and issued, $300,000, of which $164,000 have been redeemed and canceled. Sinking fund of $7,500 semi-annually began Oct. 1, 1907. Secured on entire line and equipment. Rating, Baa.

(2) $300 000 St. Louis & O'Fallon R.R. 2d 6s. Dated 1908; due 1928. Interest paid, Mar. and Sept. 1, at State Bank, Chicago. Secured on entire line and equipment, subject to first mortgage bonds. Rating, Ba.

Capital Stock: Authorized and outstanding, $150,000. Par, $100. Dividends of 10% each paid in 1911, 1912, 1913; 1914, none; 1915, 8%; 1916, none.

ST. LOUIS TERMINAL CUPPLES STATION & PROPERTY COMPANY

History: Incorporated under laws of Missouri, March 18, 1897. The company owns the Cupples Station wholesale buildings in St. Louis, consisting of several blocks of terminal buildings, and including a union freight station. The station is operated, directly or indirectly, through the St. Louis Terminal Association, for the benefit of all the railroads entering St. Louis and East St. Louis. The storage buildings are leased to wholesale houses in St. Louis. The Terminal Railroad Association is under a perpetual contract to maintain the freight station. The company connects independently of the St. Louis Terminal Association with the Missouri Pacific and the St. Louis, Iron Mountain & Southern Railway, and also indirectly with the St. Louis & San Francisco and most other roads entering St. Louis.

Management: OFFICERS: R. S. Brookings, Pres.; W. K. Bixby, Vice-Pres.; E. A. Engler, Sec. and Treas. DIRECTORS: Above and R. McKay Jones, D. F. Houston. OFFICE, Seventh and Spruce Sts., St. Louis, Mo.

Income Account, year ended June 30, 1915: Gross receipts, $333,858.94; net earnings, $301,989.81; interest on bonds, $135.000.00; surplus for year, $166,989.81.

Year ended June 30, 1916: Gross receipts, $333,044.24; net earnings, $307,343.43; interest on bonds, $135,000.00; surplus for year, $172,343.43.

Bonded Debt: $3,000.000 St. Louis Terminal, Cupples Station & Property Company first 4½s. Dated June 1, 1897; due June 1, 1917. Int., June and Dec. 1, at J. & W. Seligman & Company, New York. Coupon, $500 and $1,000. Callable at 102 and interest. First lien on entire property of the company. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Rating, A.

Capital Stock: Authorized and issued, $1,000,000 5% cumulative preferred and $2,000,000 common. Par, $100. Regular dividends are paid on preferred. Both issues are owned by the Washington University of St. Louis.

ST. LOUIS, TROY & EASTERN RAILROAD

History: Incorporated in Illinois, Aug., 1899. Operated for freight only in interest of Merchants & Manufacturers Investment Co.

Location: Line of road East St. Louis to Troy, Ill., 18.91 miles; Edwardsville to Formosa, Ill., 7 miles; total, 25.91 miles; sidings, 17.28 miles, of which 2.06 miles are leased from St. Louis & Illinois Belt R.R. Latter is leased from St. Louis & Illinois Belt R.R. Equipment: Locomotives, 4; cars, 1,034.

Management: OFFICERS: Edwin H. Conrades, Pres.; W. F. Gould, Vice-Pres., Sec., Treas. and Aud. DIRECTORS: R. Bethmann, H. Leroy Browning, L. O. Whitnel, G. W. Wiemeyer, E. H. Conrades, E. C. Donk, W. F. Gould. Annual meeting, last Saturday in November. OFFICE, St. Louis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$350,421	$286.849	$254,717	$245.219	$233,767	$272.558	$241.367
Maintenance of way	25 017	25,586	32,048	24,208	20.687	36.689	15,628
Maintenance of equipment	97,115	81,712	87,882	84,490	78,634	90,828	77,481
All other operating expenses...	78,341	80,134	79,491	79,445	77,605	90,092	61,545
Net operating revenues....	$149.948	$99,417	$55.296	$57,076	$56.841	$64.949	$86.713
Other income	29,012	14,186	14,490	8,367	7,137	5,026	3,718
Total net income	$178,960	$113,603	$69,786	$65,443	$63,978	$69,975	$90,431
Taxes accrued	15,256	14.400	15.200	.....	.....	.....	.....
Fixed charges, including taxes.	55,943	52,582	45,910	57,872	59,007	57,295	51.529
Surplus for dividends	$107,761	$46,621	$8,676	$7,570	$4,971	$12,680	$38,902

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $96,661; credit balance transferred from income, $107,761; delayed income credits, $288; total, $204,710. Contra: Loss on retired road and equipment, $5,302; credit balance carried to balance sheet, $199,408; total, $204,710.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,727,706	$1,222,864	$1,250,293	$1,276,993	$1,289,598	$1,312,564
Working assets	86,427	323,090	240,663	192,844	159,969	226,620
Deferred debit items	184	52	104	157	92	144
Total.....	$1,814,317	$1,546,006	$1,491,060	$1,469,994	$1,449,659	$1,539,328
LIABILITIES:						
Capital stock	$850,000	$850,000	$850,000	$850,000	$850,000	$850,000
Funded debt	687,000	500,000	500,000	500,000	500,000	500,000
Working liabilities	58,403	85,954	77,087	82,152	68,383	79,252
Accrued liabilities not due	12,920	8,708	6,827	4,783	4,783	4,556
Deferred credit items	6,586	4,683	2,791	1,000	1,148	146
Profit and loss surplus ...	199,408	96,661	54,355	32,059	25,345	105,374
Total.....	$1,814,317	$1,546,006	$1,491,060	$1,469,994	$1,449,659	$1,539,328

Bonded Debt: (1) $500,000 St. Louis, Troy & Eastern R.R. first 5s; dated Dec. 1, 1904; due Dec. 1, 1924. Int. June and Dec., at Mississippi Valley Trust Co., St. Louis. First lien on all property owned. Guar., prin. and int., by the Merchants & Manufacturers Investment Co. Market: F. J. Lisman & Co., New York., Bowman, Cost & Co., St. Louis. Net Rating, A.

(2) $245,000 St. Louis and Illinois Belt Ry. first 5s. Dated June 1, 1909; due June 1, 1929. Int. paid, June and Dec. 1, at Mississippi Valley Trust Co., St. Louis. Coupon, $1,000. Guar., prin. and int., by Merchants and Manufacturers Investment Co. Rating, Baa.

Car Trust Notes, dated Sept. 1, 1915; issued for a term of 7 years, to be paid in 14 payments, $187,000 outstanding June 30, 1916.

Capital Stock: Outstanding, $850,000. Par, $100. Dividends have ranged from 10% to 25%, and in 1910, a special dividend of $500,000 was paid from surplus. In 1912, 10%; none since. All owned by Merchants and Manufacturers Investment Co.

ST. MARY'S & WESTERN RAILROAD

History: Incorporated under the laws of Pennsylvania, May 4, 1904, for the purpose of building a road from Johnsonburg to Benezette, Pa.

Location: Road extends from Kaulmont to Gralls Crossing, Pa., 3.52 miles. Equipment: Locomotives, 2; freight cars, 137.

Management: OFFICERS: Wm. Kaul, Pres.; F. A. Kaul, Vice-Pres. and Gen. Mgr.; G. C. Simons, Sec. and Treas.; H. O. Wilson, Supt., St. Mary's, Pa. DIRECTORS: Wm. Kaul, F. A. Kaul, G. C. Simons, Lyle G. Hall, H. C. Stackpole, B. T. Darr, St. Mary's, Pa.; W. E. Hall, New York. Annual meeting, second Monday in January. GENERAL OFFICE, St. Mary's, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$28	$961	$26,774	$37,371	$37,376
Operating expenses	28	550	23,900	34,377	36,243
Net operating revs.	.....	$411	$2,874	$2,994	$1,133
Fixed charges, including taxes.....	$6	532	740	756	753
Net income	*6	*121	2,134	2,238	380

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance transferred from income, $6; credit balance carried to balance sheet, $17,551; total, $17,557; credit balance at beginning of year, $17,557; total, $17,557.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$175,881	$175,881	$175,881	$175,881	$175,881
Working assets	11,237	14,054	20,408	16,768	14,127
Totals.....	$187,118	$189,935	$196,289	$192,649	$190,008
LIABILITIES:					
Capital stock	$88,900	$88,900	$88,900	$88,900	$88,900
Working liabilities	80,666	83,478	89,711	88,204	87,801
Profit and loss	17,552	17,557	17,678	15,545	13,307
Totals.....	$187,118	$189,935	$196,289	$192,649	$190,008

Capital Stock: Authorized, $250,000; outstanding, $88,900.* Par, $50.

* Report to Interstate Commerce Commission for fiscal year 1916 states: "There was subscribed, 2,540 shares and paid in cash on account of same, $88,900. No stock has been issued."

ST. PAUL BRIDGE & TERMINAL RAILWAY

History: Incorporated under laws of Minnesota, Oct. 14, 1908, for 99 years.

Location: Road is a switching line between St. Paul Union Stockyards and the railroads at St. Paul and South St. Paul. 25.71 miles of track operated. Equipment is owned and consists of 6 locomotives, 3 caboose cars and 1 flat car.

Management: OFFICERS: Wm. Magivny, Pres. and Gen. Mgr., South St. Paul, Minn.; A. R. Fay, Vice-Pres., Chicago; A. A. McKechnie, Sec., Treas. and Aud.; C. A. Ross, Supt.; C. R. Nicholson, Pur. Agt., South St. Paul. DIRECTORS: J. S. Bangs, Wm. Magivny, K. D. Dunlop, St. Paul, Minn.; A. R. Fay, L. F. Swift, Chicago. Annual meeting, Wednesday after third Tuesday in January. GENERAL OFFICE, South St. Paul, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$283,500	$228,459	$196,656	$163,227	$147,594	$145,095
Maintenance of way	38,541	30,392	28,296	19,819	19,281	19,535
Maintenance of equipment	20,174	18,226	14,698	18,856	15,098	13,588
All other operat. expenses	115,496	93,888	85,296	77,196	65,663	69,917
Net operating revs.	$109,289	$85,953	$68,366	$47,356	$47,552	$42,055
Other income	13,326	10,075	6,485	3,606	2,931	.....
Total net income	$122,615	$96,028	$14,851	$50,962	$50,483	$42,055
Taxes	16,324	13,115	10,104	7,430	6,470	5,941
Fixed charges	69,694	32,688	35,122	34,144	35,356	35,466
Surplus	$36,597	$50,225	$29,625	$9,388	$8,657	$4,428

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $73,260; credit balance transferred from income, $36,597; total, $109,857. Contra: Miscellaneous appropriations of surplus, $73,260; credit balance carried to balance sheet, $36,597; total, $109,857.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$412,220	$406,777	$408,481	$347,857	$351,585	$352,996
Working assets	66,337	96,224	32,663	44,124	20,815	21,640
Deferred debit items	51,470	56,420	62,000	65,540	68,960	72,260
Profit and loss deficit	.....	.....	.....	.....	4,212	13,668
Total	$530,027	$559,421	$503,144	$457,521	$445,572	$460,564
LIABILITIES:						
Capital stock	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000
Funded debt	400,000	400,000	431,000	421,000	421,000	421,000
Working liabilities	41,970	47,416	13,384	11,858	10,359	29,400
Accrued liabilities not due	8,825	6,604	4,453	4,035	2,864	.....
Deferred credit items	40,635	30,141	17,472	13,418	9,349	8,164
Profit and loss surplus	36,597	73,260	34,835	5,210	.....	.....
Total	$530,027	$559,421	$503,144	$457,521	$445,572	$460,564

Bonded Debt: $400,000 St. Paul Bridge & Terminal Ry. first 6s. Dated April 1, 1909; due Jan. 1, 1929. Interest paid, Jan. and July 1, at First Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000. Authorized, $500,000. Callable at 105 and interest. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Authorized, $500,000; subscribed, $10,000; paid in $2,000. Par, $100.

ST. PAUL UNION DEPOT COMPANY

History: Incorporated under laws of Minnesota, March 5, 1879.

Location: Owns and operates 9.54 miles terminal tracks and the Union Depot in St. Paul, in general use by all railroads entering that city, and they pay all expenses, bond interest and dividends.

Management: OFFICERS: E. Pennington, Pres.; J. T. Clark, Vice-Pres.; W. G. Johnson, Sec.; E. H. Bailey, Treas. DIRECTORS: S. M. Felton, E. Pennington, A. C. Ridgway, D. L. Bush, J. T. Clark, C. W. Huntington, R. Budd, J. M. Hannaford, Hale Holden. Annual meeting, second Wednesday in May. OFFICE, St. Paul, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross income	$89,246	$89,383	$85,327	$68,968	$68,687	$69,537
Taxes accrued	373	373	373	323	323	323
Fixed charges	51,577	51,714	47,659	31,349	31,068	31,918
Surplus	$37,296	$37,296	$37,295	$37,296	$37,296	$37,296
Dividends paid	37,296	37,296	37,295	37,296	37,290	37,296

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,676,012	$1,599,544	$1,436,010	$1,432,247	$1,431,965	$1,432,921
Working assets	20,691	36,010	99,634	11,825	11,780	11,525
Deferred debit items	691	3,721	2,262	961	1,288	587
Total	$1,697,394	$1,639,275	$1,537,906	$1,445,033	$1,445,033	$1,445,033

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$932,400	$932,400	$932,400	$932,400	$932,400	$932,400
Funded debt	500,000	500,000	500,000	500,000	500,000	500,000
Working liabilities	160,000	102,000	2,000	2,000	2,000	2,000
Accrued liabilities not due	10,633	10,633	10,633	10,633	10,633	10,633
Deferred credit items	94,361	94,242	92,873	.....	.....	.....
Total.	$1,697,394	$1,639,275	$1,537,906	$1,445,033	$1,445,033	$1,445,033

Bonded Debt: (1) $250,000 St. Paul Union Depot Co. 1st 6s. Dated May 1, 1880; due May 1, 1930. Int., May and Nov., at Central Trust Co., New York. Coupon, $1,000. Int. guar. by Northern Pacific, Chicago, Milwaukee & St. Paul, Great Northern, Chicago, St. Paul, Minneapolis & Omaha, Chicago Great Western, Chicago, Burlington & Quincy, Minneapolis, St. Paul & Sault Ste. Marie, Minneapolis & St. Louis, and Chicago, Rock Island & Pacific railroad companies. Secured on all equipment owned by company. Normal income tax deducted from interest.
Net Rating, Aa.

(2) $250,000 consolidated 4s and 5s; dated May 1, 1894; due May 1, 1944; int., May and November, at Central Trust Co., New York. Coupon, $100. ($100,000 4s; $150,000 5s.) Int. guar. by above-named companies. Normal income tax deducted from interest.
Net Rating, A.

Capital Stock: Auth., $1,000,000; outstanding, $932,400; par, $100. Owned equally by the several companies leasing the property (see under Bond Record). Dividends, 1900, 6%; 1901, 5%; 1902 to date, 4% per annum.

SALEM, WINONA & SOUTHERN RAILROAD

History: Incorporated under laws of Missouri, May 21, 1908.

Location: Leased from Missouri Lumber and Manufacturing Co., Winona Junc. to Horse Hollow, Mo., 13.2 miles; trackage (St. L. & S. F. R.R.), Winona Junc. to Winona, Mo., 8.3 miles. Total operated, 21.5 miles. Equipment: Locomotives, 2; cars, 5.

Management: OFFICERS: J. B. White, Pres. and Gen. Mgr., Kansas City, Mo.; G. W. Dulaney, Treas., Hannibal, Mo.; F. W. Wright, Sec.; H. H. Rhodes, Aud. and Supt., West Eminence, Mo. DIRECTORS: J. B. White, Kansas City, Mo.; F. W. Wright, West Eminence, Mo.; J. M. McGhee, Grandin, Mo.; A. J. Hawkins, Eminence, Mo.; J. L. Grandin, Jr., Boston, Mass. Annual meeting in June. GENERAL OFFICE, West Eminence, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$41,229	$43,031	$41,884	$44,210	$51,627
Operating expenses	28,953	25,369	28,013	29,131	35,246
Net revenues	$12,276	$17,662	$13,871	$15,079	$16,381
Fixed charges	14,723	14,433	15,381	14,508	14,404
Balance.	*$2,447	$3,229	*$1,510	$571	$1,977

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Working assets	$11,929	$11,771	$8,670	$11,135	$10,234
Deferred debit items	149,250	149,250	149,250	149,250	149,250
Total.	$161,179	$161,021	$157,920	$160,385	$159,484
LIABILITIES:					
Capital stock	$150.000	$150,000	$150,000	$150,000	$150,000
Working liabilities	6,568	3,963	4,090	5,046	4,717
Profit and loss	4,611	7,058	3,830	5,339	4,767
Total.	$161,179	$161,021	$157,920	$160,385	$159,484

Capital Stock: Authorized and issued, $150,000, of which $750 paid in. Par, $100. No bonded debt. No dividends paid.

SALINA NORTHERN RAILROAD COMPANY

History: Incorporated under laws of Kansas in 1915; first portion of road opened January 1, 1916. This road has been operated during construction by the Keystone Construction Co., builders of the property, and will be operated by its owners beginning Jan. 1st, 1917. No separate accounting between construction and operation has yet been started, but the earnings have been equal to operation and fixed charges.

Equipment: Locomotives, 6; passenger cars, 4; freight cars, 25.

Location: Road extends from Salina to Downs, Kan., 86 miles; sidings, 2 miles.

Management: OFFICERS: E. A. Tennis, Pres. and Gen. Mgr.; J. D. Goff, Vice-Pres., Salina, Kan.; H. W. Neiswanger, Vice-Pres., Osborne, Kan.; S. H. Rankin, Sec.; W. C. King, Treas.; W. S. Conaway, Supt.; J. R. Ferris, Aud.; C. T. Logan, Pur. Agt., Salina, Kansas. DIRECTERS: E. A. Tennis, J. D. Goff, S. H. Rankin, H. W. Neiswanger, W. S. Conaway. Annual meeting, second Tuesday in January. GENERAL OFFICE, Salina, Kans.

Bonded Debt: $1,500,000 Salina Northern R.R. first 6s. Dated July 1, 1915; due July 1, 1945. Interest paid Jan. and July 1, at Kansas Trust Co., Kansas City, Kan. Coupon, $100, $500 and $1,000. Authorized, $1,500,000. Issuable at the rate of $17,500 per mile of completed road. Callable at 105 and interest after July 1, 1918. First lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $1,500,000. Par, $100.

SALT LAKE CITY UNION DEPOT & RAILROAD COMPANY

History: Incorporated under the laws of Utah, May 18, 1907, for the purpose of erecting a union depot at Salt Lake City, Utah. Opened for public use in 1910. Owns and operates, 4.38 miles of track. Operated by Denver & Rio Grande R.R. through ownership of 50% of stock. Of the entire stock the Denver & Rio Grande owns 1,001 shares and the Western Pacific, 999 shares.

Management: OFFICERS: E. T. Jeffery, Pres., New York; H. U. Mudge, Vice-Pres., Denver, Colo.; E. A. Greenwood, Sec., Salt Lake City; T. H. Marshall, Treas.; E. R. Murphy, Aud., Denver. DIRECTORS: E. T. Jeffery, S. C. Matthews, J. P. Howland, New York; H. U. Mudge, Denver; W. Van Cott, Salt Lake City; R. M. Ogilvie, Elko, Nev.; C. M. Levy, T. J. Wycke, A. R. Baldwin, San Francisco, Cal. GENERAL OFFICE, Salt Lake City, Utah.

Comparative Income Account, Years Ended June 30

	1916	1915	†1914	1913	†1912
Gross revenues	.....	$31,609	$40,100	$30,018	$43,214
Operating expenses	.....	30,860	36,666	38,596	37,973
Net revenues	.....	$749	$3,434	*$8,578	$5,241
Other income	$85,470	84,470	80,091	85,688	61,928
Total net income	$85,470	$85,219	$83,525	$77,110	$67,169
Taxes	10,044	8,455	8,942	8,776	12,169
Fixed charges	54,781	56,153	54,583	55,000	55,000
Surplus	$20,645	$20,611	$20,000	$13,334	.....

† Revenues and expenses are for outside operations. * Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $2,300; debit balance carried to balance sheet, $103,500; total, $105,800. Contra: Debit balance at beginning of year, $105,800.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,111,231	$1,111,231	$1,108,060	$1,108,060	$1,108,060
Working assets	90,457	92,897	95,825	98,409	98,640
Accrued income not due	22,077	22,155	22,333	9,167	9,167
Deferred debit items	597	1,094	1,245	1,333	.....
Profit and loss	103,500	105,800	108,000	110,000	110,000
Total	$1,327,862	$1,333,177	$1,335,463	$1,338,969	$1,325,867
LIABILITIES:					
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	1,035,000	1,058,000	1,080,000	1,100,000	1,100,000
Working liabilities	8,131	9,854	9,741	12,606	12,833
Accrued liabilities not due	12,800	13,095	13,145	26,363	13,034
Appropriated surplus	71,931	52,228	32,577	.....	.....
Total	$1,327,862	$1,333,177	$1,335,463	$1,338,969	$1,325,867

Bonded Debt: $1,035,000 Salt Lake City Union Depot & Railroad first 5s. Dated Nov. 1, 1908; due Nov. 1, 1938. Interest paid May and Nov. 1, at Bankers Trust Co., New York. Coupon, $1,000. Authorized, $1,500,000. Issued to close of year $1,100,000, of which $65,000 has been reacquired and cancelled. Callable on and after May 1, 1923, at not exceeding 105 and interest. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Authorized and issued, $200,000. Par, $100. The Denver and Rio Grande R.R. Co. owns $100,100, and the Western Pacific, $99,900.

SALT LAKE, GARFIELD & WESTERN RAILWAY

History: Incorporated under laws of Utah. Sept. 21, 1891, as Salt Lake & Los Angeles Ry.; named changed as above, Oct. 28, 1916; road opened in Feb., 1892.

Location: Road extends from Salt Lake City to Saltair Beach, Utah, 15.57 miles; sidings, 1.91 miles. Equipment: Locomotives, 3; passenger cars, 20; freight cars, 4.

Management: OFFICERS: Joseph Nelson, Pres. and Gen. Mgr.; Arthur Winter, Vice-Pres.; Joel Richards, Sec.; O. C. Beebe, Treas., Salt Lake City. DIRECTORS: Joseph Nelson, Arthur Winter, Ashby Snow, O. C. Beebe, J. F. Bennett, Salt Lake City. Annual meeting, second Tuesday in January. OFFICE, Salt Lake City, Utah.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$128,243	$96,985	$99,118	$97,426	$108,081	$130,532
Maintenance of way	6,515	9,083	5,430	7,155	7,061	16,607
Maintenance of equipment	13,502	18,375	16,384	6,117	8,383	7,587
All other operat. expenses	40,119	40,751	53,787	58,577	76,902	84,506
Net operating revs.	$68,107	$28,776	$23,517	$25,577	$16,035	$21,832
Other income	399	630	.....	.....	.....	.....
Total net income	$68,506	$29,406	$23,517	$25,577	$16,035	$21,832
Taxes	5,070	4,894	6,074	3,293	3,368	3,268
Fixed charges	20,177	23,184	21,831	21,074	18,500	18,000
Surplus over charges	$43,259	$1,328	*$4,388	$1,210	*$5,833	$564
Dividends	15,000	.....	.....	.....	.....	.....
Balance	$28,259	.....	.....	.....	.....	.....

* Deficit

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1911
Property investment	$642,793	$620,931	$631,286	$632,234	$525,000
Working assets	36,705	92,010	43,592	35,555	.....
Profit and loss deficit	78	28,337	29,665	25,293	20,654
Total. . .	$679,576	$741,278	$704,543	$693,082	$545,654
LIABILITIES:					
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	300,000	300,000	300,000	300,000	300,000
Working liabilities	76,270	135,047	102,144	87,348	.....
Accrued liabilities not due	3,306	6,231	2,399	5,734	.....
Total. . .	$679,576	$741,278	$704,543	$693,082	.....

Bonded Debt: (1) $300,000 Salt Lake, Garfield & Western Ry. first 6s. Dated Sept. 1, 1916; due serially Sept. 1, 1919, to 1941. Interest paid March and Sept. 1, at Salt Lake City. Coupon, $100, $500, $1,000. Callable at 104 on 60 days' notice. First lien on entire property, including Saltair Beach property. Auth., $600,000. Interest paid without deduction for normal income tax.

(2) $200.000 Salt Lake, Garfield & Western Ry. second 6s, due $35,000 annually 1918 to 1922, and $30,000 each 1923 and 1924.

Capital Stock: Authorized and outstanding, $300,000. Par, $100. Dividends have been paid as follows: 1901, 6%; 1904 and 1905, 6% each; 1907, 5%; 5% in 1916.

SAN ANTONIO, UVALDE & GULF RAILROAD

History: Incorporated in Texas, April 17, 1909, as Crystal City & Uvalde R. R.,; name changed April 4, 1912.

Location: San Antonio to Crystal City, Tex., 144.43 miles; Uvalde Junc. to Carrizo Springs, Tex., 52.83 miles, and Pleasanton to Corpus Christi, Tex., 117.26 miles; trackage, 2.74 miles; total, 317.26 miles; sidings, 24.81 miles.

Equipment: Locomotives, 17; passenger cars, 23; freight cars, 169; service car, 1; total, 193.

Management: OFFICERS: Duval West and A. R. Ponder, Receivers, San Antonia, Tex.; Carl Gross, Sec.; H. P. McMillan, Treas., San Antonio, Texas; F. L. Lewis, Gen. Supt., Pleasanton, Tex. DIRECTORS: A. R. Ponder, M. E. Leming, H. W. Webber, A. A. Byrd, Jacob Wolff, D. J. Woodward, J. T. Pryor, San Antonio, Tex.; J. E. Franklin, St. Louis, Mo.; F. C. MacMillan, Des Moines, Ia. Annual meeting in April. GENERAL OFFICE, San Antonio, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross earnings	$589,500	$475,259	$398,357	$305,610	$132,210
Operating expenses and taxes	503,050	469,435	386,557	223,772	107,866
Net earnings	$86,418	$5,824	$11,800	$81,838	$24,344
Fixed charges	56,625	48,692	35,549	28,202	11,098
Surplus. . .	†$30,130	*$42,868	$23,749	$53,636	$13,246

† Includes $337 other income. * Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$4,701,521	$4,757,745	$3,936,314	$3,092,910
Working assets	316,810	208,328	129,817	83,652
Deferred debit items	51,302	60,686	2,449	2,860
Profit and loss deficit	39,678	69,808	14,145	.....
Total. . .	$5,109,311	$5,096,567	$4,082,725	$3,179,422
LIABILITIES:				
Capital stock	$280,000	$280,000	$280,000	$230,000
Funded debt	4,576.000	4,576,000	3,663,000	2,863,000
Working liabilities	185,379	164,910	124,450	63,076
Accrued liabilities not due	17,919	.....	9,000	4,150
Deferred credit items	50,013	75,657	6,275	3.268
Profit and loss surplus	.....	.....	.....	15,928
Total. . .	$5,109,311	$5,096,567	$4,082,725	$3,179,422

Bonded Debt: $4.413,000 San Antonio, Uvalde & Gulf R.R. first 5s. Dated Feb. 1, 1913; due Feb. 1, 1943. Interest paid, Feb. and Aug. 1, at National Bank of Commerce, St. Louis, Mo. Bankers Trust Co., St. Louis, Mo., Trustee. Coupon, $1,000. Authorized, $13,500,000. Bonds may not be called. First lien on all property now owned or hereafter acquired. Of those outstanding, $75,000 were to receive interest only if earned; balance in default and pledged to secure indebtedness to Bankers Trust Co. of St. Louis. Receiver of latter, in Jan., 1917, under court order, entered into agreement to sell $3,467,000 of this issue to John T. Milliken for $785,334. Minority stockholders protested against sale, but appeal was dismissed.

Note: On June 30, 1916, there were outstanding $163,000 receivers' certificates issued to complete line from Odem to Corpus Christi.

Capital Stock: Authorized, $315,000; outstanding, $280,000. Par, $100. TRANSFER AGENTS, Bankers Trust Co., St. Louis, Mo. Registrar, C. F. Gross, Sec., San Antonio.

SAN BENITO & RIO GRANDE VALLEY RAILWAY

History: Incorporated June 28, 1912, as San Benito and Rio Grande Valley Interurban Ry. Name changed as above, Aug. 22, 1912.

Location: Road extends from Fernando, Tex., to a point 1¼ miles west of Santa Maria, Tex., via San Benito, Tex., 29.81 miles; Ohio to Boulevard Junc., Tex., 11.37 miles; La Somita to Monte Cristo, via Mission, Tex., 19.74 miles; branches, 4.07 miles; total, 64.99 miles; sidings, 6.16 miles. Equipment owned: Motor cars, 2; motor car trailers, 3. Leased: Locomotives, 2; combination coach, 1; coal cars, 5; flat cars, 3; caboose, 1.

Management: S. A. Robertson, Pres., San Benito, Tex.; J. W. Link, Vice-Pres., Houston, Tex.; G. H. Winsor, Sec., Aud., Traf. Mgr. and Gen. Supt.; J. T. Lomax, Treas., San Benito, Tex. DIRECTORS: S. A. Robertson, Samuel Speers, C. M. Robards, E. E. McLellan, San Benito, Tex.; D. C. Dunn, J. S. Rice, J. W. Link, R. H. Kelly, Houston, Tex.; Charles Armstrong, Armstrong, Tex. Annual meeting, third Wednesday in August. GENERAL OFFICE, San Benito, Tex.

Comparative Income Account. Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$26,734	$28,697	$40,740	$30,083
Operating expenses	52,024	51,405	48,015	29,995
Net operating revenues	*$25,290	*$22,708	*$7,275	$88
Other income	301	60	40,123	.....
Total net income	*$24,989	*$22,648	$32,848	$88
Fixed charges, including taxes	67,441	67,945	69,641	30,538
Balance	*$92,430	*$90,593	*$36,793	*$30,450

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $154,852; debit balance transferred from income, $92,430; total, $247,282. Contra: Unrefundable overcharges, $11; donations, $18,293; miscellaneous credits, $10; debit balance carried to balance sheet, $228,968; total, $247,282.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$1,069,509	$1,066,575	$1,056,976	$525.000
Working assets	306,737	325,388	376,239	17.901
Deferred debit items	294	426	900	7,656
Profit and loss	228,968	154,852	81,612	30,450
Total	$1,605,507	$1,547,241	$1,515,727	$581,007
LIABILITIES:				
Capital stock	$70,000	$70,000	$70,000	$50,000
Funded debt	953,735	953,735	953,735	525,715
Working liabilities	568,256	505,784	488,482	.....
Accrued liabilities not due	13,516	17,719	3,510	5,292
Deferred credit items	.....	3	.....	.....
Total	$1,605,507	$1,547,241	$1,515,727	$581,007

Bonded Debt: $953,735 San Benito & Rio Grande Valley Ry. 1st 6s. Dated Oct. 1, 1912; due Oct. 1, 1942. Interest paid Apr. and Oct. 1. Authorized issue, $10,000,000. First lien on entire property. Normal income tax deducted from interest.

Capital Stock: Authorized, $5,000,000; outstanding, $70,000. Par, $100. No dividends.

SAN DIEGO & ARIZONA RAILWAY

History: Incorporated under California laws, Dec. 15, 1906, to build a line from San Diego, Cal., to Yuma, Ariz., 220 miles. The first portion of the road was put in operation March 1, 1911. Completed to Oct. 31, 1915, 91 miles from San Diego to near Campo, Cal., 61.72 miles and from Seeley to near Carriso Pass, Cal., 31.35 miles. Sidings, 13.84 miles. Equipment: Locomotives, 4; passenger cars, 22; freight cars, 80; service cars, 16.

Management: OFFICERS: J. D. Spreckels, Pres.; R. C. Gillis, Vice-Pres.; H. L. Titus, Sec. and Treas.; A. H. Kayser, Gen. Aud.; E. J. Kallright, Engr. and Gen. Supt.; Geo. Holmes, Pur. Agt., San Diego, Cal. DIRECTORS: J. D. Spreckels, H. L. Titus, San Diego, Cal.; Paul Shoup, I. B. Dockweiler, R. C. Gillis, Los Angeles, Cal. Annual meeting, third Monday in February. GENERAL OFFICE: San Diego, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$57,268	$18,199	$11,828	$6,514	$12,479	$3,417
Maintenance of way	58,745	6,312	5,117	2,205	2,108	1,861
Maintenance of equipment	13,684	8,100	1.997	1,119	1,953	349
All other operating exps.	16,739	11,255	13,760	10,099	9,911	3,133
Net operating revs.	*$31,900	*$7,468	*$9,046	*$6,909	*$1,493	*$1,926
Other income	10,431	22,463	3,533	6,319	438	239
Total net income	*$21,469	$14,995	*$5.513	*$590	*$1,055	*$1,687
Taxes	1,689	2,775	237	764	.....	.....
Fixed charges	288,539	206,929	1,106	171	.....	.....
Surplus	*$311,697	*$194,709	*$6,856	*$1,525	*$1,055	*$1,687

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $37; miscellaneous credits, $379; debit balance carried to balance sheet, $622,352; total, $622,768. Contra: Debit balance at beginning of year, $302,603; debit balance transferred from income, $311,697; loss on retired road and equipment, $5,931; miscellaneous debits, $2,537; total, $622,768.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$7,523,415	$6,977,178	$5,681,413	$4,518,125	$4,142,752	$3,206,783
Working assets	358,879	254,951	172,678	306,799	371,064	322,830
Deferred debit items	53,858	48,999	26,543	15,626	15,789	72,678
Profit and loss deficit	622,352	302,603	21,531	4,268	2,742	1,687
Total	$8,558,504	$7,583,731	$5,902,165	$4,844,818	$4,532,347	$3,603,978
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000.000	$2,000,000	$2,000,000	$2,000,000
Working liabilities	6,499,846	5,491,835	3,007,908	2,833,830	2,525,889	1,599,373
Accrued liabilities not due	.....	23,725	.....	.....	.....	.....
Deferred credit items	58,658	68,171	894,257	10,988	6,458	4,605
Total	$8,558,504	$7,583,731	$5,902,165	$4,844,818	$4,532,347	$3,603,978

Bonded Debt: $10,000,000 San Diego & Arizona Ry. Co. 1st 5s. Dated Dec. 1, 1914; due Dec. 1, 1954. Interest payable, June and Dec. 1, at San Francisco and New York. Authorized, $25,000,000. Coupon and reg., $1,000; interchangeable. Sinking-fund of not under $10.000 annually, after 1918. First lien on entire property and equipment. Interest paid without deduction for normal income tax. None issued as yet.

Capital Stock: Authorized, $6,000,000; outstanding, $2,000,000. Par, $100.

SAN DIEGO & SOUTH EASTERN RAILWAY

History: Incorporated under the laws of California, March 2, 1912. Road is a consolidation of San Diego Southern Ry. and San Diego & Cuyamaca Railway.

Location: Road extends from San Diego to Foster, Cal., 25.29 miles; San Diego to Tia Juana, Cal., 18.13 miles; Sweetwater Junc. to La Presa, Cal., 7.86 miles; Coronado Ferry Landing to National City and San Diego, Cal., 20.97 miles; other branches 1.22 miles; total, 73.47 miles. Sidings, 20.57 miles. Equipment: Locomotives, 13; passenger cars, 30; freight cars, 280, wreckers, 2.

Management: OFFICERS: J. D. Spreckles, Pres.; W. Clayton, Vice-Pres. and Mgr. Dir.; H. L. Titus, Gen. Counsel; Claus Spreckels, Sec. and Treas.; B. M. Warner, Gen. Supt.; A. H. Kayser, Gen. Aud.; Geo. Holmes, Pur. Agt., San Diego, Cal. DIRECTORS: J. D. Spreckels, C. L. Bundy, W. Clayton, H. L. Titus, Claus Spreckels, San Diego, Cal. Annual meeting, second Tuesday in February. GENERAL OFFICE, San Diego, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	†1912
Gross revenues	$222,937	$305,433	$365,703	$428,694	$130,493
Operating expenses	277,526	350,112	340,035	377,820	105,174
Net operating revenues	*$54,589	*$44,679	$25,668	$50,874	$25,319
Other. income	4,438	3,590	2,716	320	281
Total net income	*$50.151	*$41,089	$28,384	$51,194	$25.600
Taxes	18,199	18,176	21,125	16.500	4,206
Fixed charges	29,418	27,023	16,562	11,210	2,016
Balance	*$97,768	*$86,288	*$9,303	$23,484	$19,388

* Deficit. † For four months.

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $9; miscellaneous credits, $240; debit balance carried to balance sheet, $168,169; total, $168,418. Contra: Debit balance at beginning of year, $61.693; debit balance transferred from income, $97,768; loss on retired road and equipment, $7,958; miscellaneous debits, $999; total, $168,418.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,895.161	$1,920.148	$1,872.914	$1,810.772	$1,633.474
Working assets	23.554	35.979	106.676	94.968	59,436
Deferred debit items	3,842	12.595	23,503	22,723	43,354
Profit and loss	168,169	61,693	.....	.....	.....
Total	$2,090,726	$2,030,415	$2,003,093	$1,928,463	$1,736,264
LIABILITIES:					
Capital stock	$1,650.000	$1,650.000	$1,650.000	$1,650.000	$1,650.000
Working liabilities	436.128	380.937	326,651	239,271	66,938
Deferred credit items	4,598	*522	.....	.....	.....
Profit and loss	.....	.....	26,442	39,192	19,326
Total	$2,090,726	$2,030,415	$2,003,093	$1,928,463	$1,736,264

* Reverse item.

Capital Stock: Authorized, $5,000,000; outstanding, $1,650,000. Par, $100. No bonded debt. No dividends paid.

SAN JOAQUIN & EASTERN RAILWAY

History: Incorporated under laws of California, March 16, 1912. Controlled by Pacific Light & Power Corporation.

Location: Road extends from El Prado on the Southern Pacific Co. to Cascada on Big Creek, Cal., 55.92 miles. Sidings, 5.12 miles. Equipment: Locomotives, 6; passenger cars, 5; other cars, 4.

Management: OFFICERS: G. C. Ward, Pres.; W. E. Dunn, Vice-Pres.; O. V. Showers, Sec.; A. N. Kemp, Treas., Los Angeles, Cal.; W. H. Dresser, Aud. and Supt., Auberry, Cal.; G. G. Watson, Mgr., Fresno, Cal.; W. J. Graecy, Pur. Agt., Los Angeles, Cal. DIRECTORS: G. C. Ward, W E. Dunn, A. N. Kemp, E. R. Davis, H. E. Huntington, Los Angeles, Cal. Annual meeting, first Thursday in February. GENERAL OFFICE: 624 Pacific Electric Building, Los Angeles, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$40,433	$45,233	$181,206	$705,522
Maintenance of way and structures	35,827	20,151	62,672	91,573
Maintenance of equipment	17,359	16,063	25,018	52,982
All other operating expenses	39,080	34,691	59,215	121,226
Net operating revenues	*$51,833	*$25,672	$34,301	$439,741
Other income	.....	2,282	8,825	.....
Total net income	*$51,833	*$23,390	$43,126	$439,741
Taxes	2,494	23,418	18,682	3,654
Fixed charges	64,446	80,597	77,537	88,385
Surplus	*$118,773	*$127,405	*$53,093	$347,702

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $312; debit balance carried to balance sheet, $157,425; total, $157,737. Contra: Debit balance at beginning of year, $37,975; debit balance transferred from income, $118,773; miscellaneous debits, $989; total, $157,737.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$1,210,682	$1,176,978	$1,183,306	$1,198,842
Working assets	31,747	31,359	36,633	94,177
Deferred debit items	1,445,888	1,458,868	1,471,820	1,493,574
Profit and loss deficit	157,425	37,975	.....	.....
Total	$2,845,742	$2,705,180	$2,691,759	$2,786,593
LIABILITIES:				
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,438,759	1,331,804	1,000,000	1,000,000
Working liabilities	207,960	174,353	400,785	437,638
Accrued liabilities not due	16,667	16,667	16,667	1,253
Deferred credit items	.....	.....	.....	.....
Appropriated surplus	182,356	182,356	182,357	182,357
Profit and loss surplus	.....	.....	91,950	165,345
Total	$2,845,742	$2,705,180	$2,691,759	$2,786,593

Note: Funded debt in 1916 includes $438,759 advances by Pacific Light & Power Corporation.

Bonded Debt: $1,000,000 San Joaquin & Eastern Ry. first 5s. Dated March 1, 1912; due March 1, 1952. Interest paid Mar. and Sept. 1, at Security Trust & Savings Bank Los Angeles, Cal., Trustee. Coupon, $1,000. Callable at par and interest. Sinking fund begins March 1, 1917, of 1% of bonds outstanding. First lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $1,000,000. Par, $100. Majority owned by Pacific Light & Power Corporation.

SAN LUIS CENTRAL RAILROAD

History: Incorporated under laws of Colorado, Feb. 19, 1913.

Location: Road extends from Sugar Factory to Center, Colo., 12.21 miles; trackage over Denver and Rio Grande R.R., Monte Vista, Colo., to Sugar Factory, 3 miles; total operated, 15.21 miles. Sidings, 1 mile. Connects, at Monte Vista, with Denver and Rio Grande R.R. Equipment: Locomotive, 1; combination car, 1; box cars, 3.

Management: OFFICERS: J. B. Cosgriff, Pres.; Geo. McLean, Vice-Pres.; A. T. Young, Sec., Gen. Mgr. and Pur. Agt., Denver, Colo.; Geo. McLean, Treas., Denver, Colo.; A. W. Cornell, Aud., Monte Vista, Colo. DIRECTORS: J. B. Cosgriff, Geo. McLean, A. R. Couzens, A. T. Young, Denver, Colo. Annual meeting, second Monday in May, at Denver. GENERAL OFFICE: 901 17th Street, Denver, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	†1914
Gross revenues	$22,893	$21,978	$18,301
Maintenance of way and structures	2,066	1,919	2,257
Maintenance of equipment	1,135	1,054	379
All other operating expenses	12,875	12,834	12,507
Net operating revenues	$6,817	$6,171	$3,158
Other income	.....	45	105
Total net income	$6,817	$6,216	$3,263
Taxes	1,004	953	450
Fixed charges	8,171	8,243	7,036
Deficit	$2,358	$2,980	$4,223

† Ten months.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$154,587	$154,057	$153,793
Working assets	592	2,499	3,014
Deferred debit items	75,500	75,508	75,531
Total	$230,679	$232,064	$232,338
LIABILITIES:			
Capital stock	$75,500	$75,500	$75,500
Funded debt	122,282	125,705	129,128
Working liabilities	17,240	12,780	7,499
Accrued liabilities not due	933	940	428
Deferred credit items	33	168	.....
Profit and loss surplus	14,691	16,971	19,783
Total	$230,679	$232,064	$232,338

Bonded Debt: $120,000 San Luis Central R.R. first 6s. Dated July 1, 1913; due July 1, 1923. Interest paid Jan. and July 1, at City Bank and Trust Co., Denver, Colo., Trustee. Coupon, $1,000. Authorized issue, $500,000, the unissued bonds being reserved for extensions and betterments, etc. Callable at 105, after July 1, 1916. First lien on entire property. Equipment notes, $2,282, dated Dec. 30, 1913; due Feb. 1, 1917. Authorized, $10,269. Issued in payment for one locomotive.

Capital Stock: Authorized, $200,000; outstanding, $75,500. Par, $100.

SAN LUIS SOUTHERN RAILWAY

History: Incorporated under laws of Colorado, July 3, 1909. First section of line completed and put in operation April 14, 1910; opened as below, Sept. 1, 1910.

Location: Road extends from Blanco, Colo., to Jaroso, on New Mex.-Colo. State Line, 31.53 miles. Sidings, 2.63 miles. Equipment: Locomotives, 2; passenger cars, 2; freight cars, 9; service car, 1.

Management: OFFICERS: Chas. E. Gibson, Pres., Boston, Mass.; Lafayette M. Hughes, Vice-Pres., Denver, Colo.; Chas. A. Robinson, Treas. and Gen. Mgr., San Acacio, Colo.; H. A. Smith, Sec., Colorado Springs, Colo.; R. B. Ramsey, Aud., San Acacio, Colo. DIRECTORS: A. W. Bierbauet, H. A. Smith, Colorado Springs, Colo.; Henry M. Sweet, Chas. E. Gibson, Philip Cabot, Chas. H. Hare, Boston, Mass.; L. M. Hughes, Gerald Hughes, Denver, Colo.; William V. Kellen, Cohasset, Mass.; Otto T. Mallery, Philadelphia, Pa.; C. A. Robinson, San Acacio, Colo. Annual meeting, first Wednesday in March. GENERAL OFFICE: San Acacio, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$28,244	$19,482	$15,977	$18,640	$19,906
Operating expenses	23,144	21,681	21,308	26,167	26,082
Net revenue	$5,100	*$2,199	*$5,331	*$7,527	*$6.176
Taxes	3,600	3,600	2.570	3.330	5,575
Fixed charges	17,317	17,117	17,049	17,134	16,987
Balance, deficit	$15,817	$22,916	$24,950	$27,991	$28,738

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,324,816	$1,325,436	$1,326,064	$1,326,802	$1,327,542
Working assets	7,828	5,937	6,403	6,983	680.279
Deferred debit items	22	7,912	539	67	510
Profit and loss	146,779	130,962	107,709	82,759	54,769
Total	$1,479,445	$1,470,247	$1,440,715	$1,416,611	$1,390,100

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	327,000	327,000	327,000	327,000	327,000
Working liabilities	147,042	134,997	104,289	81,882	58,704
Accrued liabilities not due	5,403	8,250	9,426	7,729	4,396
Total	$1,479,445	$1,470,247	$1,440,715	$1,416,611	$1,390,100

Bonded Debt: $327,000 San Luis Southern Railway first 5s; dated Jan. 1, 1910; due Jan. 1, 1940. Interest paid Jan. and July 1, at International Trust Co., Denver, Trustee. Coupon, $1,000. Authorized and issued, $1,000,000, of which $673,000 in company's treasury. Guaranteed by Costilla Estates Development Co. First lien on entire property of company. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $250,000 preferred, and $750,000 common.

SANTA MARIA VALLEY RAILROAD

History: Incorporated under the laws of California, July 14, 1911, for fifty years.

Location: Road extends from Betteravia to Roadamite, Cal., 17.77 miles; leased, Guadaloupe to Betteravia, Cal., 3.62 miles; sidings, etc., 1.8 miles. Trackage rights, 1.18 miles. Equipment: Locomotives, 2; service car, 1; Operated for freight only.

Management: OFFICERS: C. W. Gates, Pres.; O. C. Edwards, Vice-Pres.; E. J. Miley, Sec.; Jay Spencer, Treas.; Chas. Tutehulte, Asst. Sec., Los Angeles, Cal.; J. M. Davis, Aud.; M. L. Shearin, Supt., Santa Maria, Cal. DIRECTORS: C. W. Gates, O. C. Edwards, C. L. Wallis, E. J. Miley, Jay Spencer, Los Angeles, Cal. Annual meeting, second Tuesday in July. OFFICES: Santa Maria, Cal. and N. W. Hellman Bldg., Los Angeles, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$99,010	$81,342
Operating expenses	54,295	42,675
Net operating revenues	$44,715	$38,667
Other income	1,412	.....
Total net income	$46,127	$38,667
Taxes	3,808	2,519
Fixed charges	22,444	22,346
Balance	$19,875	$13,802

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $11,904; credit balance transferred from income, $19,875; miscellaneous credits, $94; total, $31,873. Contra: Surplus applied to sinking and other reserve funds, $7,650; dividend appropriations of surplus, $10,000; miscellaneous debits, $435; credit balance carried to balance sheet, $13,788; total, $31,873.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$254,609	$244,626	Capital stock	$300,000	$300,000
Current assets	27,941	17,830	Funded debt	191,000	200,000
Unadjusted credits	255,946	258,021	Current liabilities	25,608	8,573
			Corporate surplus	7,650	.....
			Profit and loss	13,788	11,904
Total	$538,496	$520,477	Total	$538,496	$520,477

Bonded Debt: $191,000 Santa Maria Valley R.R. first 6s. Dated Sept. 1, 1911; due Sept. 1, 1931; interest Mar. and Sept. 1 at Security Trust & Savings Bank, Los Angeles, Cal., Trustee. Coupon, $1,000. Authorized, $200,000. On June 30, 1916, the Southern Pacific Co. owned $91,000 of this issue. Callable at 105 and interest. Sinking fund of 6% per annum of gross earnings, began Sept. 1, 1913. First lien on road and equipment. Rating, Ba.

Capital Stock: Authorized and outstanding, $300,000. Par, $100. No dividends paid. A dividend of 3 1/3% was paid June 30, 1916.

SAVANNAH & NORTHWESTERN RAILWAY

History: Incorporated as the Brinson Railway, under laws of Georgia, May 16, 1906. Name changed, March 26, 1914, to above title. In 1907, opened its line from Savannah to Springfield, Ga., 25 miles. In 1909, the Savannah Valley R.R. was purchased, and merged into the Brinson Ry. The line through from Savannah to Millhaven, Ga., was opened in the same year.

Location: Lines owned and operated now consist of 108.60 miles, from Savannah to St. Clair, Ga., with 13.18 miles of spurs and sidings. The company also owns terminal lands in Savannah, and makes connection with all railroads that enter Savannah. Now operates under a traffic agreement the Savannah & Atlantic Railway to Camack, where connection is made with Georgia Railroad. Equipment: Locomotives, 12; passenger and freight cars, 307.

Management: OFFICERS: James Imbrie, Chairman, 61 Broadway, New York; John Heard Hunter, Pres.; C. E. Gay, Jr., Vice-Pres. and Gen. Mgr.; Robert M. Hitch, Sec.; Wm. Murphy, Treas. DIRECTORS: James Imbrie, John F. Wallace, Richd. Billings, Mills B. Lane, E. T. Comer, H. D. Stevens, Thos. P. Goodbody, J. H. Hunter, R. M. Hitch, C. E. Gay, Jr., E. M. Frank, C. W. Skinner, J. H. Evans. Annual meeting, last Wednesday in October. GENERAL OFFICE: Savannah, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$192,605	$177,741	$226,547	$178,131	$174,283	$180,165	$137,806
Maintenance of way	41,164	38,786	41,996	28,235	22,068	14,578	15,398
Maintenance of equipment	37,498	33,833	26,334	26,604	23,836	24,546	18,626
All other operating expenses	130,152	137,466	144,473	98,293	76,581	60,318	47,102
Net operating revenues	*$16,209	*$32,344	$13,744	$24,999	$51,798	$80,723	$56,680
Operating ratio	108.31%	118.2%	94%	86%	70.3%	55.2%	58.9%
Other income	.....	.....	.....	998	6,956	4,528	1,144
Total net income	*$16,209	*$32,344	$13,744	$25,996	$58,754	$85,251	$57,824
Taxes accrued	10,100	8,112	7,572	70,913	8,154	7,100	4,200
Fixed charges, etc	140,267	162,281	117,536		52,252	60,293	43,539
Surplus	*$166,576	*$202,737	*$111,364	*$44,917	*$1,652	$17,858	$10,087
Dividends paid	.....	.....	.....	.....	27,300	12,390	.....
Balance	*$166,576	*$202,737	*$111,364	*$44,917	*$28,951	$7,468	$10,087

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $351,905; debit balance transferred from income, $159,587; stock discount extinguished through surplus, $2,241; debt discount extinguished through surplus, $4,748; miscellaneous debits, $3,269; total, $521,750. Contra: Miscellaneous credits, $5,283. Debit balance carried to balance sheet, $516,467; total, $521,750.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$2,913,278	$2,901,625	$2,989,833
Working assets	34,542	27,292	34,461
Deferred debit items	50,058	57,490	140,346
Profit and loss deficit	516,467	351,905	.....
Total	$3,514,345	$3,338,312	$3,164,640
LIABILITIES:			
Capital stock	$1,000,000	$1,000,000	$1,010,000
Funded debt	2,128,031	2,148,363	2,048,271
Working liabilities	337,912	145,370	54,362
Accrued liabilities not due	48,402	43,299	48,758
Deferred credit items	.....	1,280	1,280
Profit and loss surplus	.....	.....	1,969
Total	$3,514,345	$3,338,312	$3,164,640

Bonded Debt: (1) $865,000 Brinson Ry. first 5s; dated May 2, 1910, due May 1, 1935; interest payable May 1 and Nov. 1, at Farmers' Loan and Trust Co., N. Y. Coupon, $1,000. Principal may be registered. Secured by absolute first mortgage on the line from Savannah to St. Clair, Ga., 108.60 miles, and the branch to Port Wentworth, 2.34 miles; total, 110.94 miles, and also on terminal property and equipment. Authorized, $1,000,000; the unissued bonds to be used for extensions and permanent improvements up to 85% of cost. No sinking fund. Provision is made in the first and refunding mortgage for the retirement of these bonds. Interest payable without deduction for normal income tax. Market: Wm. Morris Imbrie & Co., New York.

(2) $1,196,400 Savannah & Northwestern Ry. collateral trust convertible 6% refunding notes; dated Aug. 1, 1916, due Aug. 1, 1917; interest payable Feb. 1 and Aug. 1, at office of trustee, Equitable Trust Co., New York, N. Y. Denominations: $100, $500 and $1,000. Notes callable on thirty days' notice at 102 and interest; they are convertible at option of holder into refunding bonds under mortgage of Aug. 1, 1913, at 105. Secured by deposit of $1,562,500 first and refunding mortgage bonds issued under mortgage of August 1, 1913. Normal income tax deducted from interest.

(3) Brinson Ry. First and Refunding 6s: Authorized, $5,000,000, of which $1,000,000 are reserved to retire the Brinson Ry. 1st mortgage 5% bonds of May 1, 1935; and $1,562,500 have been issued and deposited with trustee as security for the $1,196,400 collateral-trust 6% notes described above. Dated Aug. 1, 1913; mature Aug. 1, 1943; interest, Feb. 1 and Aug. 1, at Equitable Trust Co., New York, N. Y. Coupon, $500 and $1,000; principal may be registered. Sinking fund of 1% of principal amount is provided in mortgage. Callable as a whole for sinking-fund at 110 and interest on four weeks' notice. Interest paid without deduction for normal income tax.

(4) $45,000 Brinson Ry. equipment trust, Series "A," 6% bonds; interest, Mar. 1 and Sept. 1, at Baltimore, Md. Coupon bonds, $1,000 each. Original amount, $86,000, issued March 1, 1911; due $8,000 yearly until March 1, 1915, and $9,000 yearly thereafter, till all are retired. Secured on 3 locomotives, 2 passenger cars, 2 combination cars, and 55 box cars, costing $96,085, of which $10,085 was paid in cash. Trustee, Baltimore Trust Co., Baltimore, Md. Interest paid in full without deduction for normal income tax.

(5) $21,531 Savannah and Northwestern Ry. car notes, given to the Georgia Car and Locomotive Co. to secure payment on 100 flat cars, 30 box cars, and one switching and one road locomotive. Notes were originally given for $70,327, with the cash payment of $21,072, making this lot of equipment cost $91,399. These notes extend over a period of thirty-six months, and are due and payable to the Georgia Car and Locomotive Co. of Atlanta, Ga., in the amount of $1,133 a month. These notes cover interest on their face, and are not subject to any additional interest. Company paid since the issuing of these notes, $48,797, leaving outstanding as of June 30, 1916, $21,531. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $1,000,000 common. Shares $100. Original preferred stock authorized and issued, $500,000, which has since been retired under plan for readjustment of the company's finances.
TRANSFER AGENT: Farmers' Loan & Trust Co., New York, N. Y.

SAVANNAH & ATLANTIC RAILWAY

(Affiiliated with Savannah & Northwestern Ry.)

History: Incorporated Dec. 8, 1915, to construct a link connecting the Savannah & Northwestern Railway with the Georgia Railroad. The road is operated by the Savannah & Northwestern under a traffic agreement that guarantees the interest on its bonds as a prior operating charge. Its completion makes a direct route between Atlanta and Savannah. It extends 35 miles through rich and developed country. Over its line the Georgia Railroad gets its only direct entrance to Savannah and the Savannah & Northwestern its only direct entrance to Atlanta, and at Wrens it furnishes the Savannah & Northwestern with an entrance to Augusta over the Augusta Southern. The Georgia Railroad is leased jointly by the Atlantic Coast Line and Louisville & Nashville, and taps the traffic bound to the Seaboard from the Ohio and Mississippi valleys.

Bonded Debt: $500,000 Savannah & Atlantic Ry. 1-year 6% notes. Dated July 15, 1916; due July 15, 1917. Int. paid Jan. and July 15 in New York. Secured by first lien and by deposit of all stock of Port Wentworth Terminal Corporation, which controls the tidewater terminals of the Savannah & Northwestern Ry. at Savannah.

Capital Stock: Auth. and issued, $250,000 preferred and $250,000 common. Par, $100.

SAVANNAH & SOUTHERN RAILROAD

History: Incorporated under laws of Georgia, Aug. 5, 1909, to build a railroad from Savannah, Ga., to the Altamaha River, a distance of about 52 miles. Completed to June 30, 1916, 21.6 miles of track, including 4 miles of sidings and spurs. Equipment: Locomotives, 4; passenger cars, 3; freight, 35; service cars, 3.

Management: OFFICERS: W. G. Tuten, Pres., Treas. and Pur. Agt.; G. T. Tuten, Vice-Pres., Sec. and Aud., Letford, Ga. DIRECTORS: W. G. Tuten, G. T. Tuten, J. H. Harvey, T. T. Osteen, Letford, Ga.; W. P. Goodhue, C. M. Goodhue, C. V. Tuten, Willia, Ga.; Julian Morgan, Pembroke, Ga. Annual meeting last Saturday in January. GENERAL OFFICE: Letford, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$15,470	$15,383
Operating expenses	11,148	10,421
Net operating revenues	$4,322	$4,962
Other income	4,982	6,072
Total net income	$9,304	$11,034
Taxes	2,193	1,530
Fixed charges	2,313	2,598
Balance	$4,798	$6,906

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $28,370; credit balance transferred from income, $4,798; donations, $13; miscellaneous credits, $145; total, $33,326. Contra: Loss on retired road and equipment, $300; credit balance carried to balance sheet, $33,026; total, $33,326.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$204,475	$201,537	Capital stock	$150,000	$150,000
Current assets	7,550	4,977	Current liabilities	28,266	28,144
			Unadjusted credits	733	.....
			Profit and loss	33,026	28,370
Total	$212,025	$206,514	Total	$212,025	$206,514

Capital Stock: Authorized and outstanding, $150,000. Par, $100. No bonded debt. No dividends paid.

SAVANNAH UNION STATION COMPANY

History: Incorporated under laws of Georgia, Sept., 24, 1900.

Location: Owns union passenger-station and terminal in Savannah, Ga., with 13 miles of track, leased to Southern Ry., Atlantic Coast Line R.R. and Seaboard Air Line Ry., at rental sufficient for bond interest, sinking fund, maintenance, etc.

Management: OFFICERS: J. R. Kenly, Pres.; H. W. Miller, Vice-Pres.; C. G. Mackall, Sec.; Chatham Bank & Trust Co., Treas. DIRECTORS: J. R. Anderson, J. R. Kenly, E. H. Coapman, H. W. Miller, W. J. Harahan, L. Delano. Annual meeting, second Friday in November. OFFICE: Savannah, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$36,026	$35,654	$35,181	$35,189	$35,263	$35,156
Taxes accrued	8,505	8,204	8,181	8,181	8,263	8,156
Fixed charges	22,559	22,730	22,440	22,630	27,000	27,000
Balance	$4,962	$4,720	$4,560	$4,378	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$913,965	$911,840	$911,246	$902,842	$902,592	$901,983
Working assets	17,045	18,780	21,666	20,158	19,964	16,393
Deferred debit items	7,218	54,997	50,738	40,218	35,891	31,691
Profit and loss deficit	25	25	.....	.....	.....	.....
Total	$938,253	$985,642	$983,650	$963,218	$958,447	$950,066

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	570,004	620,246	600,000	602,842	602,592	601,983
Working liabilities	9,266	9,448	30,991	19,003	18,810	15,321
Accrued liabilities not due	6,255	6,490	7,501	1,154	1,154	1,072
Deferred credit items	.....	.....	380	.....	.....	.....
Appropriated surplus	52,728	49,458	44,778	40,219	35,891	31,690
Total.	$938,253	$985,642	$983,650	$963,218	$958,447	$950,066

Note: Funded debt in 1916 includes $21,004 advances by proprietary companies.

Bonded Debt: $549,000 Savannah Union Station Co. first 4s; dated June 3, 1902; due April 1, 1952. Interest Apr. and Oct., at Guaranty Trust Co., New York. Reg., $1,000 and multiples. Guar. prin. and int., by the three tenant railroads mentioned above. Annual sinking-fund of 1% commenced in 1903, to purchase bonds at not exceeding 103. First lien on property. Interest paid without deduction for normal income tax. Net Rating, Aa.

Capital Stock: Auth. and issued, $300,000. Par, $100. Owned equally by Atlantic Coast Line, Seaboard Air Line and Southern Railway.

SCOOTAC RAILWAY

History: Incorporated under the laws of Pennsylvania, Dec. 12, 1901. Road opened in 1902.

Location: Road extends from North Fork to Scootac Mines, Pa., 6.16 miles. Equipment: Locomotive, 1.

Management: OFFICERS: C. LaRue Munson, Pres.; N. B. Bubb, Vice-Pres.; W. R. Kramer, Sec., Treas. and Gen. Mgr., Williamsport, Pa. DIRECTORS: N. B. Bubb, W. N. Danley, W. R. Kramer, Addison Candon, Edgar Munson, C. G. Burk, Williamsport, Pa. Annual meeting second Monday in January. GENERAL OFFICE, Williamsport, Pa.

Bonded Debt: $17,500 Scootac Railway first 6s. Due Feb. 1, 1913. Interest paid Feb. and Aug. 1, at Lycoming National Bank, Williamsport, Pa. Coupon, $500. Authorized, $17,500. First lien on road and equipment. Entire issue owned by Messrs. Munson, Bubb and Kramer, sole owners of road.

Capital Stock: Authorized, $90,000; outstanding, $18,000. Par, $100. No dividends paid.

SHANNON-ARIZONA RAILWAY

History: Incorporated under Arizona laws on March 31, 1909, to construct a line to connect the Shannon Copper Company's mine at Metcalf, with the smelter at Clifton, Ariz. Road in operation, 11.02 miles. Equipment: Locomotives, 2; freight cars, 31.

Management: OFFICERS: Nathan L. Amster, Pres.; Chas. R. Jeffers, Vice-Pres., Sec. and Treas., Boston, Mass.; J. W. Bennie, Gen. Mgr., Clifton, Ariz. DIRECTOR: The foregoing and B. F. Spriggs, Clifton, Ariz.; David A. Ellis, Wm. A. Paine, Boston, Mass. Annual meeting, first Monday in January, at Clifton, Ariz. OFFICE: 67 Milk Street, Boston, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$62,134	$50,760	$93,700	$116,906	$110,035	$97,773
Maintenance of way	7,843	6,920	7,880	20,202	20,367	13,522
Maintenance of equipment	13,958	10,443	7,548	12,031	14,877	13,493
All other operat. expenses	15,610	13,871	23,373	25,851	29,891	25,287
Net operating revs...	$24,723	$19,526	$54,899	$58,822	$45,900	$45,471
Other income	2,094	1,540	2,837	1,423	1,649	324
Total net income	$26,817	$21,066	$57,736	$60,245	$47,549	$45,795
Taxes.	660	513	878	923	.....	19
Fixed charges	34,640	35,000	35,400	35,760	36,300	36,000
Surplus.	*$8,483	*$14,447	$21,458	$23,562	$11,249	$9,776

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$681,073	$687,413	$716,640	$713,477	$712,904	$650,598
Working assets	1,428	776	2,506	1,311	12,604	1,048
Deferred debit items	590,044	591,174	590,706	590,298	590,169	590,200
Total.	$1,272,545	$1,279,363	$1,309,852	$1,305,086	$1,315,677	$1,241,846
LIABILITIES:						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	575,000	581,000	588,000	594,000	600,000	600,000
Working liabilities	62,405	54,867	41,871	52,540	82,021	18,711
Accrued liabilities not due	1,382	6,723	.....	6,195	6,000	6,000
Deferred credit items	6,741	1,324	8,614	2,905	1,980	2,708
Appropriated surplus	.....	.....	.....	.....	.....	.....
Profit and loss surplus	27,017	35,449	71,367	49,446	25,676	14,427
Total.	$1,272,545	$1,279,363	$1,309,852	$1,305,086	$1,315,677	$1,241,846

Bonded Debt: $575,000 Shannon-Arizona Ry. 6s. Dated Nov., 1909; due Nov. 1, 1919. Interest paid May and Nov. 1, at Boston Safe Deposit & Trust Co., Trustee. Coupon, $1,000. Callable at par and interest, on 60 days' notice. Authorized and issued $600,000, of which $25,000 have been canceled through operation of sinking fund. Sinking fund 1% of outstanding bonds per annum, payable Nov. 1, to be applied to purchase of bonds, at not exceeding par and interest. First lien on entire property. Guaranteed, principal and interest, by Shannon Copper Company, which owns $406,000 of outstanding bonds. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $600,000. Par, $100. All owned by Shannon Copper Company.

SHREVEPORT, HOUSTON & GULF RAILROAD

History: Incorporated under the laws of Texas for ten years, June 20, 1906, for purpose of constructing road from Prestidge to Houston, Texas, 100 miles.

Location: Road extends from Manning to Prestidge, Tex., 9 miles; trackage rights, 1.75 miles; sidings, 1.30 miles. Equipment: Locomotive, 1; passenger car, 1; baggage car, 1; motor cars, 2.

Management: OFFICERS: G. A. Kelley, Pres. and Gen. Mgr.; W. M. Gibbs, Vice-Pres.; W. N. Smith, Sec. and Treas.; S. R. Parker, Aud., Supt. and Pur. Agt., Manning, Tex. DIRECTORS: G. A. Kelley, H. Moss, S. R. Parker, W. N. Smith, W. M. Gibbs, Manning, Tex.; W. T. Carter, Houston, Tex.; E. A. Carter, Camden, Tex.; E. J. Mantooth, Lufkin, Tex. Annual meeting, second Tuesday in August. GENERAL OFFICE, Manning, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$28,633	$27,651	$19,882	$21,289	$25,620
Operating expenses	18,625	20,867	13,638	14,786	14,210
Net operating revenues	$10,008	$6,784	$6,244	$6,503	$11,410
Other income	.....	1,508	152	.....	3,390
Total net income	$10,008	$8,292	$6,396	$6,503	$14,800
Taxes	1,112	647	.....	718	600
Fixed charges	1,968	1,333	3,889	1,337	1,442
Balance	$6,928	$6,312	$2,507	$4,448	$12,758
Dividends	7,500	5,000	2,500	15,000	.....
Other deductions	3,259	.....	.....	.....	.....
Surplus	*$3,831	$1,312	$7	*$10,552	$12,758

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$77,808	$77,387	$78,065	$78,203	$99,296
Working assets	1,167	4,618	4,007	3,500	4,197
Deferred debit items	60	.....	.....	.....	.....
Total	$79,035	$82,005	$82,072	$81,703	$103,493
LIABILITIES:					
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	.....	.....	.....	.....	11,000
Working liabilities	.....	283	1,664	1,300	1,545
Accrued liabilities not due	44	.....	.....	.....	500
Appropriated surplus	1,100	.....	.....	.....	.....
Profit and loss	27,891	31,722	30,408	30,403	40,448
Total	$79,035	$82,005	$82,072	$81,703	$103,493

Capital Stock: Authorized, $100,000; outstanding, $50,000. Par, $100. No bonded debt. Dividend of 30% was paid in year ended June 30, 1913; 5% in 1914; 10% in 1915; 15% in 1916.

SIBLEY, LAKE BISTENEAU & SOUTHERN RAILWAY

History: Incorporated under the laws of Louisiana, July 7, 1900. First section of road opened same year. Operated as part of the Shreveport, Alexandria & Southwestern Ry. System.

Location: Road extends from Sibley to Camp Long, La., 28 miles; sidings, etc., 2.75 miles. Equipment: Locomotives, 2; passenger cars, 2; freight cars, 47.

Management: OFFICERS: R. A. Long, Pres.; F. J. Bannister, Vice-Pres.; R. S. Davis, 2d Vice-Pres. and Gen. Mgr.; R. T. Dempsey, Sec.; P. C. Rickey, Comp., Kansas City, Mo.; J. W. Martin, Treas., Ludington, La.; S. Earle, Supt., Yellow Pine, La. DIRECTORS: R. A. Long, F. J. Bannister, R. S. Davis, J. D. Tennant, R. T. Demsey, Kansas City, Mo.; S. T. Woodring, Lake Charles, La.; J. W. Martin, Ludington, La. Annual meeting, first Monday in February. GENERAL OFFICE: Yellow Pine, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$23,368	$19,548	$28,532	$100,700	$105,874
Operating expenses	33,878	35,744	37,162	58,674	62,461
Net operating revenues	*$10,510	*$16,196	*$8,630	$42,026	$43,413
Other income	.....	330	518	.....	.....
Total net income	*$10,510	*$15,866	*$8,112	$42,026	$43,413
Taxes	3,164	3,060	2,495	3,124	1,551
Fixed charges	2,657	3,261	3,173	11,177	10,513
Balance	*$16,331	*$22,187	*$13,880	$27,725	$31,349

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $86,449; miscellaneous credits, $489; total, $86,938. Contra: Debit balance transferred from income, $16,331; credit balance carried to balance sheet, $43,815; delayed income debits, $26,743; miscellaneous debits, $49; total, $86,938.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$217,581	$219,487	$221,441	$218,402	$225,710
Working assets	4,874	35,633	33,511	36,871	12,466
Deferred debit items	153	51	114	139	102
Total.	$232,608	$255,171	$355,066	$255,412	$238,278
LIABILITIES:					
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	77,113	65,075	39,549	24,419	35,202
Accrued liabilities not due	1,680	3,647	1,897	1,116	776
Profit and loss	43,815	86,449	113,620	129,877	102,300
Total.	$232,608	$255,171	$355,066	$255,412	$238,278

Capital Stock: Authorized and outstanding, $100,000. Par, $100. No bonded debt.

SIERRA RAILWAY COMPANY OF CALIFORNIA

History: Incorporated under California laws, Feb. 2, 1897; main road opened in 1900, and extension to Angels in 1902.

Location: Owns and operates 75.95 miles, from Oakdale to Tuolumne, Cal., and from Jamestown to Angels, Cal.; sidings, 9.6 miles. Equipment: Locomotives, 10; cars, 80.

Management: OFFICERS: Robert H. Dawnes, Pres.; Wm. H. Crocker, Vice-Pres.; C. N. Hamblin, Aud. and Treas.; T. S. Bullock, Gen. Mgr. DIRECTORS: Above and L. B. Doe, Roy W. Bishop, J. T. Bullock. OFFICE: Jamestown, Cal. Annual meeting in February.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$360,862	$349,705	$382,853	$424,747	$425,868	$409,960	$425,314
Maintenance of way	57,924	64,988	80,562	94,772	88,289	102,459	98,347
Maintenance of equipment	29,711	28,095	25,856	39,148	38,798	32,693	27,348
All other operating expenses	91,091	101,959	105,556	104,365	110,134	137,879	111,114
Net operating revenues	$182,136	$154,663	$170,879	$186,462	$188,647	$136,929	$188,505
Operating ratio	49.5%	55.8%	55%	56.1%	55.7%	66.6%	55.7%
Taxes accrued	19,223	20,355	19,957	20,681	20,559	17,974	16,972
Fixed charges, etc.	144,744	137,675	142,240	143,500	143,498	121,814	117,533
Surplus	*$20,863	*†$1,881	$14,762	$22,280	$24,589	*$2,859	$54,000

* Deficit. † Includes $1,486 "Other Income" in 1915 and $2,964 in 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $539,909; credit balance transferred from income, $20,863; donations, $2,912; miscellaneous credits, $373; total, $564,056. Contra: Credit balance carried to balance sheet, $528,542; miscellaneous debits, $35,491; delayed income debits, $23; total, $564,056.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,608,648	$5,569,548	$5,594,705	$5,599,078	$5,604,235	$5,598,216
Working assets	194,822	321,059	312,761	353,049	343,015	332,082
Deferred debit items	14,160	43,796	50,921	51,185	53,785	53,485
Total.	$5,817,630	$5,934,403	$5,958,387	$6,003,312	$6,001,035	$5,983,783
LIABILITIES:						
Capital stock	$3,248,000	$3,248,000	$3,248,000	$3,248,000	$3,248,000	$3,248,000
Funded debt	1,960,000	2,064,000	2,077,000	2,098,000	2,098,000	2,098,000
Working liabilities	36,561	41,966	51,021	89,360	109,701	120,436
Accrued liabilities not due	44,427	40,528	40,166	41,593	40,154	36,758
Profit and loss surplus	528,542	539,909	542,200	526,359	505,180	480,589
Total.	$5,817,630	$5,934,403	$5,958,387	$6,003,312	$6,001,035	$5,983,783

Bonded Debt: (1) $1,203,000 Sierra Ry. first 6s; dated April 12, 1897; due April 12, 1937. Int. paid, Apr. and Oct. 12, at Crocker National Bank, San Francisco. Coupon, $1,000. Sinking fund, 5% of net earnings, with a minimum of $5,000 per annum. First lien on entire property. Normal income tax deducted from interest.
Net Rating, A.

(2) $757,000 Sierra Ry. second 5s; dated Sept. 15, 1904; due Sept. 15, 1944. Int. paid, March and Sept. 15, at Crocker National Bank, San Francisco. Coupon, $1,000. Sinking fund, 1% of net earnings annually. Second lien, following No. 1. Normal income tax deducted from interest. Net Rating, B.

Capital Stock: Auth., $5,000,000; outstanding, $3,248,000. Par, $100. No dividends. Annual meeting, second Monday in February.

SILVER PEAK RAILROAD

History: Incorporated under the laws of Nevada, June 20, 1906. Connects with Tonopah & Goldfield R.R. at Blair Junction.

Location: Road extends from Blair Junc. to Blair, Nev., 17.5 miles; sidings, etc., 1.5 miles. Equipment: Locomotives, 1; cars, 4.

Management: OFFICERS: G. T. Oliver, Pres., Pittsburg; Wm. A. Bradley, Vice-Pres. and Gen. Mgr.; B. A. Rives, Sec., Treas. and Gen. Frt. and Pass. Agt.; W. C. Leach, Aud., Blair, Nev. DIRECTORS: Geo. T. Oliver, Wm. Flinn, Pittsburg; Wm. A. Bradley, B. A. Rives, S. H. Fine, Blair, Nev. Annual meeting, first Monday in September. GENERAL OFFICE: Blair, Nev.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$6,050	$7,575	$12,568	$12,816	$14,853
Operating expenses	23,001	30,814	33,163	13,517	15,610
Net revenues	*$16,951	*$23,239	*$20,595	*$701	*$757
Taxes	1,764	1,254	735	776	897
Balance	*$18,715	*$24,493	*$21,320	*$1,477	*$1,654

* Deficit.

Capital Stock: Authorized and outstanding, $200,000. Par, $100. Owned by Pittsburg Silver Peak Gold Mining Co. No bonded debt. No dividends paid.

SILVERTON NORTHERN RAILROAD

History: Incorporated under Colorado laws, Sept. 20, 1895. Road completed in June, 1905. On January 15, 1910, company took over, on ten-year lease, the operation of the Silverton, Gladstone and Northerly R.R.

Location: Silverton to Animas Forks, Colo., 14.1 miles; Howardsville to Green Mountain, Colo., 2 miles; total, 16 miles. Leased S. G. & N. R.R., Silverton to Gladstone, Colo., 7.3 miles; sidings, 2.41 miles. Equipment: Locomotives, 3; cars, 10.

Management: OFFICERS: Otto Mears, Pres, Pasadena, Cal.; J. R. Pitcher, Jr., Vice-Pres., Treas., Gen. Mgr. and Pur. Agt., Silverton, Colo.; J. B. Frank, Sec., Denver, Colo.; C. W. Montgomery, Aud., Silverton, Colo. DIRECTORS: J. R. Pitcher, Jr., Silverton, Colo.; Otto Mears, Pasadena, Cal.; J. B. Frank, Harvey Riddell, M. D. Smith, Denver, Colo. Annual meeting, first Tuesday in October. OFFICE: 409 Jacobson Building, Denver, Colo.

Income Account, year ended June 30, 1916: Gross revenue, $56,291; operating expenses and taxes, $42,585; charges, $14,494; deficit for year, $788; year ended June 30, 1915: Gross revenue, $54,601; operating expenses and taxes, $35,887; charges, $20,577; deficit for year, $1,863.

Bonded Debt: (1) $260,000 Silverton Northern R.R. first 5s. Dated Jan. 1, 1896; due Jan. 1, 1946. Interest paid, Jan. and July 1, at International Trust Company, Denver, Trustee. Coupon, $1,000. $40,000 held in treasury. First lien on entire property. Normal income tax is not deducted from interest.

(2) $100,000 Silverton, Gladstone & Northerly R.R. first 6s. Dated Aug. 1, 1899; due Aug. 1, 1919. Interest paid, Feb. and Aug. 1, at Newtonville Trust Co., Newtonville, Mass., Trustee. Coupon, $100 and $500. Callable at par. First lien on line from Silverton to Gladstone, Colo., 7 miles. Normal income tax deducted from interest.

Capital Stock: Authorized, $150,000. Par, $100. 10% was paid in 1902, but none reported since.

Silverton, Gladstone & Northerly Ry. capital stock. Authorized, $200,000; outstanding, $121,000; par, $100. Dividends of 6% per annum were paid in 1905, 1906 and 1907. None since.

SILVERTON RAILWAY

History: Incorporated under Colorado laws, Nov. 9, 1904. Road is a reorganization of the Silverton R.R. Co., which was sold under foreclosure.

Location: Road extends from Silverton to Joker Tunnel, Colo., 15 miles with spurs, 2 miles.

Management: OFFICERS: Otto Mears, Pres., Pasadena, Cal.; J. H. Slattery, Vice-Pres., Silverton, Colo.; J. A. Ewing, Sec., Denver, Colo.; J. R. Pitcher, Jr., Treas., Gen. Mgr. and Pur. Agt.; C. W. Montgomery, Silverton, Colo. DIRECTORS: Geo. Crawford, New York; John A. Ewing, Denver, Colo.; Otto Mears, Pasadena, Cal.; James R. Pitcher, Jr., J. H. Slattery, Silverton, Colo. Annual meeting, second Tuesday in October. OFFICE: 409 Jacobson Building, Denver, Colo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$5,408	$1,765	$9,367	$9,489	$13,601	$13,141
Maintenance of way	2,846	486	1,558	3,084	6,546	3,768
Maintenance of equipment	90	.....	390	459	234	531
All other operat. expenses	4,265	3,454	5,686	6,231	10,340	9,859
Net operating revs.	*$1,793	*$2,175	$1,733	*$285	*$3,519	*$1,017
Other income	.....	.....	.....	.....	.....	64
Total net income	*$1,793	*$2,175	$1,733	*$285	*$3,519	*$953
Taxes	131	138	439	388	300	763
Fixed charges	25,395	25,234	25,097	25,119	25,215	25,103
Surplus	*$27,319	*$27,547	*$23,803	*$25,792	*$29,034	*$26,819

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$600,060	$600,060	$600,060	$600,060	$600,000	$600,000
Working assets	3,267	3,144	3,236	3,596	3,363	5,380
Deferred debit items	.....	.....	101	101	.....	.....
Profit and loss	281,719	254,400	226,853	203,051	177,259	148,225
Total.	$885,046	$857,604	$830,250	$806,808	$780,622	$753,605
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	500,000	500,000	500,000	500,000	500,000	500,000
Working liabilities	285,046	257,604	230,250	206,808	180,622	153,605
Total.	$885,046	$857,604	$830,250	$806,808	$780,622	$753,605

Bonded Debt: $500,000 Silverton Ry. first 5s. Dated Jan. 1, 1905; due Jan. 1, 1935. Interest paid, Jan. and July 1, at Commonwealth Title Insurance and Trust Co., Philadelphia, Pa. Coupon, $1,000. First lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $100,000. Par, $100.

SIOUX CITY TERMINAL RAILWAY

History: Incorporated under the laws of Iowa, July 3, 1907. Is a switching property connecting lines entering Sioux City with stock yards, packing houses, etc.

Location: Road located in Sioux City, Ia., 1.95 miles; branches, 9.28 miles; total, 11.23 miles. Equipment: Locomotives, 5; freight cars, 1.

Management: OFFICERS: F. L. Eaton, Pres. and Pur. Agt.; Wm. Milchrist, Vice-Pres.; Geo. F. Burdick, Sec. and Treas.; C. F. Morrison, Gen. Supt.; W. H. Benn, Traf. Mgr., Sioux City, Ia. DIRECTORS: F. L. Eaton, Wm. Milchrist, Sioux City, Ia.; L. F. Swift, Chicago, Ill. Annual meeting, second Tuesday in October. GENERAL OFFICE: Sioux City, Ia.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$143,115	$120,703	$102,104
Operating expenses	118,972	102,170	92,271
Net operating revenues	$24,143	$18,533	$9,833
Other income	.....	.....	3,563
Total net income	$24,143	$18,533	$13,396
Taxes.	2,561	1,341	975
Fixed charges	14,642	10,676	11,018
Balance.	$6,940	$6,516	$1,403
Dividends.	7,000	6,000	6,000
Surplus.	*$60	$516	*$4,597

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$146,897	$124,843	$120,700
Working assets	40,762	56,253	33,388
Deferred debit items	260	260	.....
Total.	$187,919	$181,356	$154,088
LIABILITIES:			
Capital stock	$100,000	$100,000	$100,000
Working liabilities	82,263	76,723	49,732
Accrued liabilities not due	1,414	331	333
Deferred credit items	88	88	325
Profit and loss	4,154	4,214	3,698
Total.	$187,919	$181,356	$154,088

Capital Stock: Authorized, $200,000; outstanding, $100,000. Par, $100. No bonded debt. A dividend of 6% was paid in 1914; 6% in 1915; 7% in 1916.

SKANEATELES RAILROAD

History: Incorporated under laws of New York, April 17, 1866, road being opened for traffic in 1867. Company has traffic contract with New York Central, whereby that company's cars run over this road to connect with steamboat lines on Skaneateles Lake. Line of road operated, Skaneateles Junction to Skaneateles, N. Y., 5 miles; sidings, 1.25 miles. Equipment: Locomotives, 3; cars, 7.

Management: OFFICERS: H. B. Reed, Pres., New York; S. A. Kane, Vice-Pres., Skaneateles, N. Y., D. V. Reynolds, Sec. and Treas., 90 West Street, New York. DIRECTORS: H. B. Reed, C. J. Keegan, Wm. H. Hennessey, S. A. Kane, B. A. Polhemus, D. V. Reynolds, F. V. Bains. OFFICE: Skaneateles, N. Y. NEW YORK OFFICE: 90 West Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$56,113	$57,305	$57,645	$56,633	$48,668	$48,056	$45,138
Maintenance of way	10,565	18,295		10,610	25,914		
Maintenance of equipment	4,764	5,257	41,144	6,740	4,978	33,838	29,223
All other operating expenses	21,529	20,951		19,384	18,948		
Net operating revenues	$19,155	$12,802	$16,501	$19,899	*$1,172	$14,218	$15,915
Operating ratio	65.8%	77.7%	71.3%	64.8%	102.4%	70.5%	64.9%
Other income	353	190	.....	.....	1,361	.....	.....
Total net income	$19,508	$12,992	$16,501	$19,899	$189	$14.218	$15,915
Taxes accrued	2,018	1,830	1,871	1,743	1,736	1,395	1,511
Fixed charges	7,148	7,321	8,161	10,060	8,301	5,934	6,831
Other deductions	8,160	.....	.....	.....	.....	.....	.....
Surplus	$2,182	$3,841	$6,469	$8,096	*$9,849	$6,889	$7,574

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $49,275; credit balance transferred from income, $2,182; total, $51,457. Contra: Miscellaneous debits, $111; credit balance carried to balance sheet, $51,346; total, $51,457.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$194,271	$193,933	$202,083	$202,083	$202,083	$202,083
Working assets	58,433	57,704	59,410	39,670	30,106	34,497
Total	$252,704	$251,637	$261,494	$241,753	$232,189	$236,580
Liabilities:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	80,000	85,000	90,000	95,000	100,000	90,000
Working liabilities	19,691	15,591	2,636	13,150	8,033	10,602
Accrued liabilities not due	1,667	1,771	6,869	1,979	2,083	1,875
Deferred credit items	.....	.....	16,555	7,212	5,995	4,779
Profit and loss surplus	51,346	49,275	45,434	24,412	16,078	29,324
Total	$252,704	$251,637	$261,494	$241,753	$232,189	$236,580

Bonded Debt: (1) $50,000 Skaneateles R.R. serial gold 5s. Dated Aug. 1, 1898; due in annual instalments of $5,000 to Aug. 1, 1927. Int., Feb. and Aug. 1, at U. S. Mortgage & Trust Co., New York. Coupon, $1,000. First lien on the property. Net Rating, Baa.

(2) $30,000 Skaneateles R.R. refunding 5s. Dated Aug. 1, 1908; due 1918 to 1937. Int., Feb. and Aug. 1, at U. S. Mortgage & Trust Co., New York. $5,000 of these bonds are issued each year to replace an equal amount of No. 1. Rating, Ba.

Capital Stock: Auth. and outstanding, $100,000. Par, $100. Dividends have been paid as follows: 1898 to 1900, inc., 6% per annum; 1901 and 1902, 4% each; none since. Stock transferred at office of company.

SLIGO & EASTERN RAILWAY

History: Incorporated under laws of Missouri, August 8, 1902. Road chiefly used for transportation of ores, etc., from property of Sligo Furnace Co. of Mo., to its plant.

Location: Line extends from East End, Mo., 27.5 miles; sidings, 2.39 miles. Equipment Locomotives, 2; cars, 45.

Management: Officers: J. M. Buick, Pres., St. Louis; C. D. Eaton, Vice-Pres.; S. S. DeLano, Treas., New York; N. A. Doyle, Sec. and Aud.; W. E. Hedgcock, Pur. Agt., St. Louis; F. C. Flickinger, Supt., Sligo, Mo. Directors: J. M. Buick, N. A. Doyle, W. E. Hedgcock, St. Louis; S. S. DeLano, F. H. Eaton, New York. Annual meeting, first Monday in June. General Office: 915 Olive Street, St. Louis, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$122,284	$99,441	$62,369	$67,197	$61,277
Operating expenses	57,182	74,135	64,591	66,597	65,926
Net operating revenues	$65,102	$25,306	*$2,222	$600	*$4,649
Other income	.....	11	7,652	.....	5,276
Total net income	$65,102	$25,317	$5,430	$600	$627
Taxes	500	773	655	600	627
Fixed charges	37,773	28,462	.....	.....	.....
Balance	$26,829	*$3,918	$4,775	.....	.....

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $859; credit balance transferred from income, $26,829; total, $27,688. Contra: Loss on retired road and equipment, $762; credit balance carried to balance sheet, $26,926; total, $27,688.

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1912
ASSETS:					
Property investment	$52,266	$75,040	$113,020	$151,127	$195,692
Working assets	274,765	226,163	192,019	149,176	104,617
Total	$327,031	$301,203	$305,039	$300,303	$300,309
LIABILITIES:					
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000
Accrued liabilities not due	105	344	264	303	309
Profit and loss	26,926	859	4,775	.....	.....
Total	$327,031	$301,203	$305,039	$300,303	$300,309

Capital Stock: Authorized and outstanding, $300,000. Par, $100. No bonded debt. No dividends paid.

THE SOUTH BUFFALO RAILWAY COMPANY

History: Incorporated under laws of New York, April 24, 1899. Road opened, July 1, 1902.

Location: Lackawanna to Buffalo, N. Y., and branches, 8.74 miles. Leases from Lackawanna Steel Co., 56.906 miles. Trackage, D. L. & W. R.R., Abbott Rd. to Main Street, Buffalo, N. Y., 3 miles. Total road operated, 74.83 miles. Sidings, 7.81 miles. Equipment: Locomotives, 29 (6 of which are leased); passenger cars, 2; freight, 343.

Management: OFFICERS: E. A. S. Clarke, Pres.; A. J. Singer, Asst. to the Pres.; Moses Taylor, Vice-Pres., New York; C. H. McCullough, Jr., Vice-Pres. and Gen. Mgr.; F. F. Graham, Sec.; J. P. Higginson, Treas.; L. W. Hesselman, Compt.; E. M. Tewkesbury, Gen. Supt.; F. H. Burnett, Pur. Agt., Buffalo, N. Y. DIRECTORS: Fredk. F. Graham, J. P. Higginson, E. M. Tewkesbury, L. L. Babcock, C. H. McCullough, Jr., Buffalo, N. Y.; Arthur J. Singer, Henry R. Taylor, E. A. S. Clarke; Moses Taylor, New York. Annual meeting, third Tuesday in July, at New York. GENERAL OFFICE: Lackawanna, N. Y. NEW YORK OFFICE: 2 Rector Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$884,251	$476,865	$693,523	$975,442	$687,635	$676,471
Maintenance of way	94,040	57,448	69,691	66,616	60,159	72,027
Maintenance of equipment	101,517	72,877	79,769	70,656	62.825	70,902
All other operat. expenses	419,666	231,182	297,730	388,759	302,066	338,920
Net operating revs...	$269,028	$115,358	$246,333	$449,411	$262,585	$194.622
Other income	14,415	10,507	2,094	3,634	3,643	1,098
Total net income	$283,443	$125,865	$248,427	$453,045	$266,228	$195,720
Taxes	15,623	14,856	18,544	14,677	11,837	9,600
Rentals, etc.	109,119	20,957	46,993	93,238	41,339	53,397
Surplus	$158,701	$90,052	$182,890	$345,130	$213,052	$132,723

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,375,973; credit balance transferred from income, $158,701; total, $1,534,494. Contra: Dividend appropriation of surplus, $500,000; miscellaneous credits, $9; credit balance carried to balance sheet, $1,034,485; total, $1,534,494.

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1912	1911
ASSETS:						
Property investment	$1,265,818	$1,331,111	$1,380,738	$1,414,453	$1,080,586	$1,095,486
Working assets	561,568	657,479	507,337	370,222	327,785	340,745
Deferred debit items	14,961	1,542	1,982	1,491	1,462	1,444
Total	$1,842,347	$1,990,132	$1,890,057	$1,786,166	$1,409,833	$1,437,675
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Working liabilities	276,900	107,465	97,671	180,577	149,280	389,666
Accrued liabilities not due	8,196	5,860	5,542	1,696	311	882
Deferred credit items	22,766	1,014	1,135	1,062	1,077	1,052
Profit and loss	1,034,485	1,375,793	1,285,709	1,102,831	759,165	546,075
Total	$1,842,347	$1,990,132	$1,890,057	$1,786,166	$1,409,833	$1,437,675

Capital Stock: Authorized and outstanding, $500,000. Par, $100. A dividend of 100% was paid in 1916. No bonded debt. Lackawanna Steel Co. owns practically entire issue.

SOUTH GEORGIA RAILWAY

History: Incorporated under laws of Georgia, February 6, 1896, as the South Georgia Ry. A portion of the property was opened for traffic in 1897, and the remainder in October, 1901. Additional extensions were opened in 1904. Company leases the West Coast Ry. Co. at a rental equaling 8% on $197,000 of stock.

Location: Line of road: Adel, Ga., to Greenville, Fla., 51 miles; Greenville to Hampton Springs, Fla., 31 miles, etc., making a total of about 82 miles. Additional extension projected from Greenville to Gulf of Mexico, 50 miles. Equipment owned: Locomotives, 9; cars, 64.

Management: OFFICERS: J. W. Oglesby, Pres.; R. C. McIntosh, Vice-Pres.; Chas. T. Tillman, Sec. and Treas. and Pur. Agt.; C. F. Cater, Aud. DIRECTORS: C. T. Tillman, J. G. McCall, R. C. McIntosh, J. W. Oglesby, S. S. Rountree, W. Oglesby, Quitman, Ga. Annual meeting, first Thursday in October. OFFICE: Quitman, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$207,957	$187,849	$239,227	$222,252	$213,763	$223,603	$211,086
Maintenance of way	46,711	41,152	40,677	33,301	33,282		
Maintenance of equipment	24,941	21,233	24,191	27,049	24,291	134,527	129,047
All other operating expenses	80,325	77,570	83,838	82,792	68,516		
Net operating revenues	$55,980	$47,894	$90,521	$79,110	$84,674	$89,076	$82,039
Operating ratio	73.1%	74.5%	62.2%	64.4%	60.4%	60.1%	61.1%
Other income	414	7,668	1,064	715	1,248	1,160	3,981
Total net income	$56,394	$55,562	$91,585	$79,825	$85,922	$90,236	$86,020
Taxes accrued	11,769	9,494	10,116	8,194	6,703	5,868	5,416
Fixed charges	34,638	34,929	31,902	37,575	38,160	40,833	35,637
Balance	$9,987	$11,139	$49,567	$34,056	$41,059	$43,535	$44,967
Dividends paid	23,200	34,800	29,000	34,800	20,300	14,500	17,400
Surplus	*$13,213	*$23,661	$20,567	*$744	$20,759	$29,035	$27,567

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $195,903; miscellaneous credits, $2,086; debit balance transferred from income, $13,213; loss on retired road and equipment, $2,205; miscellaneous debits, $2,177; credit balance carried to balance sheet, $180,394.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$405,276	$420,834	$438,431	$437,520	$432,742	$398,465
Working assets	60,380	57,038	64,899	48,620	72,588	74,833
Deferred debit items	7,435	7,803	9,786	10,251	17,714	38,416
Total	$473,091	$485,675	$513,116	$496,391	$523,044	$511,714
LIABILITIES:						
Capital stock	$58,000	$58,000	$58,000	$58,000	$58,000	$58,000
Funded debt	204,000	204,000	204,000	204,000	204,000	204,000
Working liabilities	25,664	12,824	17,836	19,823	28,415	38,022
Accrued liabilities not due	5,033	14,661	14,041	13,505	9,450	9,100
Deferred credit items	.....	287	341	464	412	584
Profit and loss surplus	180,394	195,903	218,898	200,599	222,767	202,008
Total	$473,091	$485,675	$513,116	$496,391	$523,044	$511,714

Bonded Debt: $204,000 South Georgia Ry. first gold 5s. Dated Jan. 1, 1903; due Jan. 1, 1923. Int., Jan. and July 1, at Hanover National Bank, New York, and at Quitman, Ga. Coupon, $1,000. Principal may be registered. First lien on entire property owned. Interest paid without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth., $65,000; outstanding, $58,000. Par, $100. Dividends have been paid as follows: 28% in 1906; 10% each in 1907 and 1908; 20% in 1909; 30% in 1910; 25% in 1911; 35% in 1912; 60% in 1913; 50% in 1914; 60% in 1915; 40% in 1916.

SOUTH MANCHESTER RAILROAD

History: Incorporated under laws of Connecticut, May 30, 1866. Road opened, June, 1869.

Location: Road extends from South Manchester to Manchester, Conn., 1.94 miles; sidings, 1.21 miles. Equipment: Locomotives, 2; cars, 4.

Management: H. G. Cheney, Pres.; C. H. Cheney, Sec. and Mgr.; Chas. Cheney, Treas., So. Manchester, Conn. DIRECTORS: C. H. Cheney, J. W. Cheney, Frank Cheney, Jr., H. G. Cheney, Charles Cheney, South Manchester, Conn. Annual meeting at call of President. GENERAL OFFICE: Manchester, Conn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$30,803	$29,786	$27,939	$25,252	$23,894
Operating expenses	21,051	19,352	18,972	24,298	33,558
Net operating revenues	$9,752	$10,434	$8,967	$954	*$9,664
Other income	25	25	25	.....	.....
Total net income	$9,777	$10,459	$8,992	$954	*$9,664
Taxes	.....	567	527	721	563
Fixed charges	4,836	4,016	3,856	.....	.....
Balance	$4,941	$5,876	$4,609	$233	*$10,227

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $31,115; credit balance transferred from income, $4,941; total, $36,056. Contra: Loss on retired road and equipment, $9,697; credit balance carried to balance sheet, $26,359; total, $36,056.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$74,805	$80,666	$80,835	$81,798	$119,096
Working assets	24,188	21,520	15,214	8,831	11,046
Total	$98,993	$102,186	$96,049	$90,629	$130,142

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$40,000	$40,000	$40,000	$40,000	$40,000
Working liabilities	32,260	31,071	30,810	30,000	57,132
Deferred credit items	374	.....	.....	.....	.....
Profit and loss	26,359	31,115	25,239	20,629	33,010
Total.	$98,993	$102,186	$96,049	$90,629	$130,142

Capital Stock: Authorized and outstanding, $40,000. Par, $100. No bonded debt. No dividends paid.

SOUTHERN ILLINOIS & MISSOURI BRIDGE COMPANY

History: Incorporated in Illinois, December, 1900.

Location: Owns bridge of 2,760 feet steel truss and 1,148 feet concrete arches over Mississippi River near Thebes, Ill., with 4.64 miles of track, forming direct connection between various roads, which have contracted for use of bridge till 1951, in return for payment of bond interest and other charges. Total length of bridge with approaches, 3,908 feet.

Management: OFFICERS: J. M. Herbert, Pres.; W. L. Park, Vice-Pres.; J. S. Ford, Sec. and Treas. DIRECTORS: J. M. Herbert, A. Robertson, W. L. Park, W. J. Jackson, J. G. Drew. Annual meeting, second Tuesday in January. OFFICE: 332 South Michigan Ave., Chicago.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$145,107	$141,371	$141,457	$143,182	$136,411	$137,087
Fixed charges	120,353	120,354	120,100	120,246	120,000	120,247
Taxes accrued	24,754	21,017	21,357	22,936	16,411	16,840

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$3,250,496	$3,250,496	$3,250,496	$3,250,496	$3,250,496	$3,249,988
Working assets	55,234	74,595	40,207	37,041	27,704	20,723
Accrued income not due..	*	*	20,000	20,000	20,000	20,000
Deferred debit items	1,142	1,741	2,522	1,112	1,664	2,498
Total.	$3,306,872	$3,326,832	$3,313,225	$3,308,650	$3,299,864	$3,293,209
LIABILITIES:						
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	3,219,592	3,220,046	3,200,496	3,200,496	3,200,496	3,200,496
Working liabilities	5,280	26,036	31,729	27,113	21,068	22,713
Accrued liabilities not due	32,000	30,750	31,000	31,041	28,300	20,000
Total.	$3,306,872	$3,326,832	$3,313,225	$3,308,650	$3,299,864	$3,293,209

* Included in "Working Assets."

Bonded Debt: $3,000,000 Southern Illinois & Missouri Bridge Company first 4s; dated Nov. 1, 1901; due Nov. 1, 1951. Interest, May and Nov., at Bankers' Trust Co., New York. Coupon, $1,000; prin. may be registered. First lien on entire property. Under a fifty-year contract, the Illinois Central, Chicago & Eastern Illinois, St. Louis, Iron Mountain & Southern, St. Louis Southwestern, guarantee all charges. Interest paid without deduction for normal income tax.

Net Rating, A.

Capital Stock: Outstanding, $50,000, owned equally by above railroads and Missouri Pacific.

SOUTHWESTERN RAILWAY

History: Incorporated under Texas laws, May 22, 1907 for fifty years; opened July 1, 1908.

Location: Road extends from Henrietta to Archer City, Tex., 29.09 miles; trackage over M. K. & T. Railway, Henrietta to terminals, 0.75 miles; total operated, 29.84 miles. Sidings, 1.80 miles. Equipment: Locomotives, 2; passenger cars, 2; flat cars, 2; service cars, 2.

Management: OFFICERS: H. J. Scott, Pres., Toronto, Can.; D. T. Bomar, Vice-Pres. and Counsel, Ft. Worth, Tex.; W. B. Worshom, Vice-Pres.; A. C. Parks, Vice-Pres., Gen. Mgr. and Pur. Agt.; W. H. Featherston, Sec. and Treas.; J. D. Wards, Aud., Henrietta, Tex. DIRECTORS: H. J. Scott, C. M. Worshom, W. H. Featherston, J. E. Dale, M. Schlossberg, K. U. Hapgood, H. H. Howard, Henrietta, Texas; D. T. Bomar, Ft. Worth, Tex.; J. H. Muerer, Scotland, Tex. Annual meeting, first Tuesday in June. OFFICE: Henrietta, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$20,870	$24,442	$22,784	$24,346	$21,636	$33,412
Maintenance of way	7,226	9,966	10,430	8,938	10,423	3,751
Maintenance of equipment	2,171	2,764	3,097	2,667	3,153	1,130
All other operat. expenses	17,373	18,174	20,396	20,323	18,701	18,859
Net operating revs...	*$5,900	*$6,462	*$11,139	*$7,582	*$10,641	$9,572
Other income	$48	†$58	74	97	.....	.....
Total net income	*$5,852	*$6,520	*$10,065	*$7,485	*$10,641	$9,572
Taxes.	1,974	1,680	1,822	1,884	2,012	642
Fixed charges	27,788	27,849	27,777	22,860	22,651	8,157
Surplus.	*$35,614	*$36,049	*$39,074	*$32,229	*$35,304	$773

* Deficit. † Debit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$321,858	$321,667	$321,531	$320,269	$318,475	$318,443
Working assets	5,599	8,620	12,146	11,889	12,338	13,901
Deferred debit items	72,307	73,920	78,140	80,972	84,145	86,104
Profit and loss	173,240	137,626	101,585	62,510	30,282	.....
Total.....	$573,004	$541,833	$513,402	$475,640	$445,240	$418,448
LIABILITIES:						
Capital stock	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000
Funded debt	354,000	354,000	354,000	354,000	354,000	354,000
Working liabilities	177,806	147,515	119,082	81,286	50,947	16,435
Accrued liabilities not due	5,296	5,318	5,320	5,354	5,292	5,067
Deferred credit items	902	.....	.....	.....	1	2,702
Profit and loss	.....	.....	.....	.....	.....	5,244
Total.....	$573,004	$541,833	$513,402	$475,640	$445,240	$418,448

Bonded Debt: $354,000 Southwestern Railway first 5s. Dated Apr. 4, 1911; due Oct. 4, 1937. Interest paid, April and Oct., at Fidelity Trust Co., Fort Worth, Tex., Trustee. Coupon, $1,000. First lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $35,000. Par, $100. No dividends. TRANSFER AGENT: D. T. Bomar, Fort Worth, Tex.

SPIRIT LAKE TRANSFER RAILWAY

History: Incorporated under the laws of Minnesota, Oct. 10, 1907, to construct railway from a point on the St. Louis River, at or near New Duluth to Adolph, Minn.

Location: Road completed, main line, 15.78 miles; second track, 0.29 miles; yard tracks and sidings, 23.71 miles. No equipment owned.

Management: OFFICERS: F. E. House, Pres.; G. L. Reis, Vice-Pres.; H. Johnson, Sec. and Aud.; E. S. Kempton, Treas.; F. H. White, Pur. Agt., Duluth, Minn. DIRECTORS: F. D. Adams, F. E. House, W. J. Olcott, W. A. McGonagle, G. L. Reis, Duluth, Minn. Annual meeting, first Tuesday after first Monday in June. GENERAL OFFICE: Wolvin Building, Duluth, Minn.

Capital Stock: Authorized and outstanding, $500,000. Par, $100. No dividends paid. No bonded debt.

SPOKANE, PORTLAND & SEATTLE RAILWAY

History: Incorporated in Washington, August 2, 1905. Owned jointly by Great Northern Ry. and Northern Pacific Ry.

Location: Line of road owned: Portland, Ore., to Spokane, Wash., 372.54 miles; Lyle to Goldendale, Wash., 42.25 miles; Goble to Holladay, Ore., 79.41 miles; Warrenton to Fort Stearns, Ore., 3.54 miles; leased, Willbridge to Goble, Ore., 35.29 miles; sidings, 137.15 miles; trackage rights, 21.71 miles. Total miles operated, 554.74 miles. Equipment: Locomotives, 71; passenger cars, 119; baggage, etc., 30; freight, 522; service, 199.

Management: OFFICERS: L. C. Gilman, Pres.; G. T. Reid, Vice-Pres.; W. G. Davidson, Treas.; Wm. F. Turner, Sec. DIRECTORS: L. C. Gilman, R. Budd, J. M. Hannaford, G. T. Reid, F. V. Brown. Annual meeting, third Thursday in February. OFFICE: Portland, Ore.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$4,973,037	$4,414,415	$4,901,740	$5,341,465	$4,814,560	$4,819,465
Maintenance of way	599,370	777,938	880,721	674,201	514,044	545,495
Maintenance of equipment	456,903	411,646	455,070	464,202	514,765	377,733
All other operat. expenses	1,465,782	1,348,545	1,472,852	1,556,446	1,434,354	1,402,669
Net operating revs...	$2,450,982	$1,876,286	$2,093,097	$2,646,616	$2,351,397	$2,493,568
Operating ratio	52.8%	57.5%	57.3%	50.5%	51.2%	48.1%
Other income	432,766	320,863	1,498,660	749,045	1,104,452	496,798
Total net income	$2,883,748	$2,197,149	$3,591,757	$3,395,661	$3,455,849	$2,994,136
Taxes accrued	658,217	646,800	640,800	640,800	527,405	429,400
Fixed charges, etc.	4,224,198	4,082,065	3,849,130	3,743,190	3,780,736	3,320,546
Deficit	$1,998,667	$2,531,716	$898,173	$347,529	$324,887	$330,180

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $10,881; unrefundable overcharges, $674; donations, $1,525; miscellaneous credits, $8,183; debit balance carried to balance sheet, $9,432,173; total, $9,453,435. Contra: Debit balance at beginning of year, $7,390,364; debit balance transferred from income, $1,998,666; surplus appropriated for investment in physical property, $1,525; loss on retired road and equipment, $17,612; miscellaneous debits, $80,492; total, $9,453,435.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$99,333,403	$99,015,947	$96,432,386	$91,766,988	$87,263,926	$79,217,570
Working assets	1,710,593	1,627,351	7,764,893	7,795,732	20,574,135	21,726,311
Accrued income not due..	3,923	797	606,063	442,365	153	.....
Deferred debit items	20,223,888	20,641,082	21,391,316	21,349,053	17,885,843	18,269,807
Profit and loss deficit	9,432,173	7,390,364	4,664,738	3,438,619	3,279,269	3,003,135
Total.....	$130,703,977	$128,675,541	$130,859,396	$124,792,757	$129,003,326	$122,246,823

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$40,000,000	$40,000,000	$40,000,000	$40,000,000	$40,000,000	$40,000,000
Funded debt	84,587,613	84,602,471	80,000,000	80,000,000	80,000,000	80,000,000
Working liabilities	4,387,011	2,269,772	7,529,064	3,383,493	7,921,751	1,101,740
Accrued liabilities not due	1,529,122	1,498,774	3,202,340	1,287,196	972,844	1,027,818
Deferred credit items	198,706	304,524	127,992	122,068	108,731	117,265
Appropriated surplus	1,525	.....	.....	.....	.....	.....
Total	$130,703,977	$128,675,541	$130,859,396	$124,792,757	$129,003,326	$122,246,823

Note: Funded debt in 1916 includes $10,877,613 non-negotiable debt to affiliated companies.

Bonded Debt: $73,710,000 first 4s. Dated March 1, 1911; due Mar. 1, 1961. Int. March and Sept., at Central Trust Co., New York. Redeemable at 105 and int., after Mar. 1, 1931. Auth., $125,000,000, of which $6,290,000 are issued and in treasury. First lien on entire property. All owned by the Great Northern and Northern Pacific Rys., which guarantee the bonds, both prin. and int. Net Rating, Aa.

Capital Stock: Auth., $62,500,000; outstanding, $40,000,000; equally owned by the Northern Pacific and Great Northern Ry. companies.

STANDARD & HERNANDO RAILROAD

History: Incorporated under the laws of Florida, Nov. 13, 1903, to build a road from Standard to Hernando, Fla.

Location: Road extends from Rockwell to Hernando, and Rockwell to Inglis, Fla., 34.18 miles; sidings, 9.37 miles. Equipment: Locomotives, 4; freight cars, 191; cabooses, 3; total, 194.

Management: OFFICERS: John L. Inglis, Pres.; A. G. Bigelow, Vice-Pres. and Gen. Mgr., Rockwell, Fla.; Ralph Barker, Sec. and Treas.; F. F. Quimby, Aud., New York; Reese Lindsay, Supt., Rockwell, Fla. DIRECTORS: John W. Auchincloss, Ralph Barker, F. F. Quimby, New York; A. G. Bigelow, John L. Inglis, A. W. Inglis, Rockwell, Fla.; R. S. Cope, Savannah, Ga. Annual meeting, third Tuesday in February. GENERAL OFFICES: Rockwell, Fla. NEW YORK OFFICE: 22 William Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$35,221	$22,054	$77,957	$111,179	$107,629
Operating expenses	28,178	34,437	75,320	80,243	99,584
Net revenues	$7,043	*$12,383	$2,637	$30,936	$8,045
Taxes	8,561	7,578	8,210	5,693	5,015
Fixed charges	3,174	2,830	2,712	3,441	3,398
Balance	*$4,692	*$22,791	*$8,285	$21,802	*$368

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$368,846	$376,133	$383,168	$391,558	$400,466
Working assets	.....	.....	592	592	4,900
Profit and loss	11,511	6,819	.....	.....	.....
Total	$380,357	$382,952	$383,760	$392,150	$405,366
LIABILITIES:					
Capital stock	$300.000	$300,000	$300,000	$300,000	$300,000
Working liabilities	80,357	82,952	66,803	66,908	101,926
Profit and loss	.....	.....	16,957	25,242	3,440
Total	$380,357	$382,952	$383,760	$392,150	$405,366

Capital Stock: Auth., $500,000; outstanding, $300,000. Par, $100. All owned by Port Inglis Terminal Company. No bonded debt.

STANLEY, MERRILL & PHILLIPS RAILWAY

History: Incorporated under Wisconsin laws, August 21, 1903. Road opened in the same year.

Location: Road extends from Stanley to Lynch, Wis., with branches and terminals, 54.97 miles, of which 45.03 miles are owned. Equipment: Locomotives, 5; cars, 278.

Management: OFFICERS: S. G. Moon, Pres.; C. D. Moon, Vice-Pres. and Pur. Agt.; F. H. L. Cotten, Sec. and Aud.; J. T. Barber, Treas., Eau Claire, Wis.; L. F. Easterly, Supt.; M. W. Hodge, Traffic Mgr., Stanley, Wis. DIRECTORS: S. G. Moon, C. D. Moon, J. T. Barber, F. H. L. Cotten, Eau Claire, Wis.; J. B. Galbraith, Stanley, Wis. Annual meeting, third Tuesday in June. GENERAL OFFICE: Eau Claire, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$102.682	$114,789	$106,285	$105.505	$86,323	$111,441
Maintenance of way	22,635	29,178	52,681	31,730	29,734	37,484
Maintenance of equipment	19,603	35,087	29,763	23,066	27,957	23,451
All other operating expns.	45,335	45,119	47,705	41,442	38,196	38,291
Net operating revs.	$15,109	$5,405	*$23,864	$9,267	*$9,564	$12,215
Other income	.....	.....	196	74	636	1,524
Total net income	$15,109	$5,405	*$23.668	$9,341	*$8.928	$13,739
Taxes	2.385	2,587	2,571	2.292	2,422	2,439
Fixed charges	35,344	34,210	31,196	29,912	28,972	28,519
Surplus	*$22,620	*$31,392	*$57,435	*$22,863	$40,322	*$17,219

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $225,213. Contra: Debit balance at beginning of year, $197,771; debit balance transferred from income, $22,620; loss on retired road and equipment, $4,822; total, $225,213.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$556,444	$564,320	$571,495	$578,934	$597,912	$611,400
Working assets	15,626	17,126	24,112	13,453	7,784	8,107
Deferred debit items	589	60	60	956	797	982
Profit and loss	225,213	197,771	166,379	107,556	84,693	44,370
Total.	$797,872	$779,277	$762,046	$700,899	$691,186	$664,859
LIABILITIES:						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	688.000	667,500	500,000	500 000	500,000	500,000
Working liabilities	5,705	5,367	157,814	96,732	86,916	60,666
Accrued liabilities not due	4,167	4,167	4,167	4,167	4,167	4,167
Deferred credit items	.....	2,243	65	.....	103	26
Total.	$797,872	$779,277	$762,046	$700,899	$691,186	$664,859

Note: Funded debt in 1916 includes $188,000 advances by Northwestern Lumber Co.

Bonded Debt: $500,000 Stanley, Merrill & Phillips Ry. first 5s. Dated Nov. 1, 1905; due Nov. 1, 1935. Interest paid, May and Nov. 1, at Central Trust Co., of Illinois, Chicago, Trustee. Coupon, $1,000. Authorized, $750,000. First lien on entire road and equipment. All owned by the Northwestern Lumber Company.

Capital Stock: Authorized and outstanding, $100,000. Par, $100. No dividends. All owned by the Northwestern Lumber Company.

STERLING MOUNTAIN RAILWAY

History: Incorporated under the laws of New York, May 18, 1864. Road opened Nov. 1, 1866. Used principally for carrying supplies, etc., to the plant of the Sterling Iron and Railway Co.

Location: Road extends from Sterlington to Lakeville, N. Y., 7.6 miles. Sidings, etc., 1 mile.

Management: OFFICERS: H. A. Van Alstyne, Pres., New York; W. P. Hamilton, Vice-Pres., Sterlington, N. Y.; W. S. Johnson, Sec., New York; B. Moffatt, Jr., Treas. and Gen. Supt., Sterlington, N. Y. OFFICES: Sterlington, N. Y., and 475 Fifth Avenue, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$46.371	$44,724	$34,114	$25.309	$24,400
Operating expenses	18,188	21,604	18,796	15,055	18,745
Net revenues	$28,183	$23.120	$14,318	$10,254	$5,655
Taxes	1,838	1,363	.....	.....	1,041
Balance	$26,345	$21,757	$14,318	$10,254	$4,614

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1915	1914	1913	1912
Property investment	$513.884	$513,884	$513.884	$513,884
Profit and loss.....	104,899	125,778	138,086	148,340
Total	$618,783	$639,662	$651,970	$662,224
LIABILITIES:				
Capital stock	$80.000	$80.000	$80.000	$80,000
Funded debt	475.674	475.674	475.674	475,674
Working liabilities	63,109	83,988	96,296	106,550
Total	$618,783	$639,662	$651,970	$662,224

Note: Balance sheet for 1916 not available.

Bonded Debt: $475,674 Sterling Mountain Railway 7% income bonds. Dated May 12, 1881. Interest payable when earned. No further details furnished.

Capital Stock: Authorized and outstanding, $80,000. Par, $50. All owned by the Sterling Iron & Railway Co.

STEWARTSTOWN RAILROAD

History: Incorporated under laws of Pennsylvania, Sept., 1884; road opened, Sept. 12, 1885.

Location: Road extends from Stewartstown to New Freedom, Pa., 7.2 miles. Sidings: 2.00 miles. Equipment: Locomotives, 2; passenger cars, 2; freight cars, 2.

Management: OFFICERS: J. W. Anderson, Pres.; T. B. Fulton, 1st Vice-Pres. and Supt.; W. J. P. Gemmill, 2d Vice-Pres.; H. E. Anstine, Sec.; H. R. Fulton, Treas.; C. W. Shaw, Gen. Mgr.; Fay Shaw, Aud., Stewartstown, Pa. DIRECTORS: T. B. Fulton, W. J. P. Gemmill, H. E. Anstine, A. T. Grove, C. W. Shaw, Jacob Yost, H. R. Fulton, W. B. Gemmill, S. H. Smith, H. W. Rehmyer, H. W. Anderson, Stewartstown, Pa. Annual meeting, second Monday in January. OFFICE: Stewartstown, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$32,822	$36,820	$33,349	$30,638	$26,147	$28,025
Maintenance of way	4,970	4,841			8,821	9,605
Maintenance of equipment	1,388	1,030	21,067	20,095	4,913	801
All other oper. expenses	16,213	17,663			10,100	10,270
Net operating revs	$10,251	$13,286	$12,282	$10,543	$2,314	$7,349
Other income	2,146	2,419	641	2,000	3,956	.....
Total net income	$12,397	$15,705	$12,923	$12,543	$6,270	$7,349
Taxes	.....	.....	.....	.....	937	937
Fixed charges	.....	.....	.....	.....	729	1,872
Surplus	$12,397	$15,705	$12,923	$12,543	$4,604	$4,540
Dividends paid	4,200	3,850	3,500	3,500	3,500	3,500
Other deductions	975	5,583	.....	.....	.....	.....
Balance	$7,222	$6,272	$9,423	$9,043	$1,104	$1,040

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$128,454	$127,479	$124,251	$121,571	$113,636	$113,636
Working assets	36,933	29,711	21,084	15,450	22,027	20,934
Total	$165,387	$157,190	$145,335	$137,021	$135,663	$134,560
LIABILITIES:						
Capital stock	$70,000	$70,000	$70,000	$70,000	$70,000	$70,000
Accrued liabilities not due	975	.....	.....	.....	937	1,743
Profit and loss	94,412	87,190	75,335	67,021	64,726	62,817
Total	$165,387	$157,190	$145,335	$137,021	$135,663	$134,560

Capital Stock: Auth., $100,000; outstanding, $70,000. Par, $50. Recent dividends as follows: 1898 to 1900, inclusive, 4% per annum; 1901, 2%; 1902, 4%; 1903, 2%; 1904, 4½%; 1905 and 1906, 4% each; 1907, 4½%; 1908, 5½%; 1909 to 1914, inclusive, 5% each; 1915, 5½%; 1916 6%. Dividends payable Jan. and July, at First National Bank, Stewartstown. Treasurer acts as transfer agent and registrar.

STOCKTON TERMINAL & EASTERN RAILROAD

History: Incorporated under laws of California, Oct. 29, 1908. Line projected, Stockton to Jenny Lind, Cal., 29.4 miles. In operation, Feb. 15, 1915, Stockton to Bellota, Cal., 18.5 miles. Sidings, 2.20 miles. Equipment: Locomotives, 1; passenger cars, 2; freight cars, 5. Road is now operated by gasoline motor-cars, and is ultimately to be operated by electricity.

Management: OFFICERS: J. E. Adams, Pres.; Theo. C. Bee, Vice-Pres.; C. M. Prater, Sec. and Treas.; J. A. Nesbitt, Aud.; F. Crawford, Supt. of Roadway; C. J. Tuttle, Supt., Stockton, Cal. DIRECTORS: J. E. Adams, Theo. C. Bee, C. M. Prater, J. A. Nesbitt, D. F. Owens, J. W. Churchill, Francis George, Mary Turner, M. L. Scott, Stockton, Cal. Annual meeting, last Saturday in October. GENERAL OFFICE: Stockton, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$17,794	$23,685
Maintenance of way and structures	2,159	4,049
Maintenance of equipment	2,698	1,680
All other operating expenses	13,825	11,167
Net revenues	*$888	$6,789
Taxes	1,304	975
Fixed charges	2,137	349
Balance	*$4,329	$5,465

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $342; debit balance carried to balance sheet, $36,902; total, $37,244. Contra: Debit balance at beginning of year, $7,525; debit balance transferred from income, $4,329; miscellaneous debits, $25,390; total, $37,244.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$342,613	$368,320	Capital stock	$263,900	$263,900
Working assets	14,168	6,049	Funded debt	133,822	132,361
Accrued income not due	.....	.....	Working Liabilities	14,175	11,065
Deferred debit items	20,288	30,549	Deferred credit items	2,074	64
Profit and loss	36,902	2,472			
Total	$413,971	$407,390	Total	$413,971	$407,390

Bonded Debt: $133,822 Stockton Terminal & Eastern R.R. first sinking-fund 6s; dated April 1, 1911; due April 1, 1941. Int. paid Apr. and Oct. 1, at Mercantile Trust Co., San Francisco, Trustee. Coupon, $500 and $1,000. Authorized issue, $500,000. Callable on and after April 1, 1917, at 110. First lien on entire property.

Capital Stock: Auth., $600,000; outstanding, $263,900. Par, $100.

SUGAR LAND RAILWAY

History: Incorporated under laws of Texas, October 31, 1893.

Location: Road extends from Cabell to Otey, Tex., 32.72 miles. Equipment: Locomotives, 6; flat cars, 58; caboose, 1; stock, 1; service cars, 11.

Management: OFFICERS: W. T. Eldridge, Pres. and Gen Mgr., Sugar Land, Tex.; A. M. Waugh, Vice-Pres., Houston, Tex.; E. O. Guenther, Treas.; G. D. Ulrich, Sec. and Pur. Agt.; W. D. Woodruff, Aud.; I. G. Wirtz, Supt., Sugar Land, Tex. DIRECTORS: W. T. Eldridge, G. D. Ulrich, L. W. Stiler, E. O. Guenther, Sugar Land, Tex.; F. J. Hillje, San Antonio, Tex.; W. D. Woodruff, A. M. Waugh, Houston, Tex. Annual meeting, in December. GENERAL OFFICE, Sugar Land, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$195,889	$160,297	$124,498	$120,315	$115,539
Operating expenses	89,812	68,405	66,349	68,080	65,254
Net operating revenues	$106,077	$91,892	$58,149	$52,235	$50,285
Fixed charges, inc. taxes	18,737	27,035	31,650	38,507	15,004
Surplus	$87,340	$64,857	$26,499	$13,728	$35,281

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1914	1913	1912
Property investment	$536,616	$508,779	$513,462	$448,926
Working assets	166,706	114,380	171,809	80,978
Deferred debit items	39,724	31,772	32,589	274
Total	$743,046	$654,931	$717,860	$530,178
LIABILITIES:				
Capital stock	$109,400	$109,400	$109,400	$109,400
Funded debt	400,480	384,000	384,000	.....
Working liabilities	40,119	77,209	57,237	307,184
Accrued liabilities not due	568	.....	.....	9,869
Deferred credit items	6,308	51,675	51,675	1,905
Profit and loss	186,171	32,647	115,548	101,820
Total	$743,046	$654,931	$717,860	$530,178

Bonded Debt: $384,000 Sugar Land Railway first 5s. Dated Nov. 1, 1912; due November, 1942. Interest payable at Sugar Land, Tex. Coupon, $1,000. Authorized, $384,000. First lien on entire property. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Auth., $142,000; outstanding, $109,400. Par, $100. A dividend of 100% was paid in 1914.

SUMTER & CHOCTAW RAILWAY

History: Incorporated under the laws of Alabama, July 12, 1904.

Location: Road extends from Lilita to Choctaw City, Ala., 22.66 miles; sidings, 2.58 miles. Locomotives, 6; passenger cars, 2; freight cars, 95; service cars, 14.

Management: OFFICERS: E. F. Allison, Pres. and Gen. Mgr., Bellamy, Ala.; F. L. Richardson, Vice-Pres., Alpena, Mich.; R. A. Allison, Sec. and Treas.; A. E. Tidmore, Aud.; F. R. Wise, Gen. Supt., Bellamy, Ala. DIRECTORS: E. F. Allison, R. A. Allison, Bellamy, Ala.; M. V. Barber R. Starr, Toledo, O.; F. L. Richardson, Alpena, Mich. Annual meeting in April. GENERAL OFFICE: Bellamy, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$86,592	$71,036	$78,369	$65,548	$69,206
Operating expenses	65,012	67,812	63,027	59,345	59,761
Net operating revenues	$21,580	$3,224	$15,342	$6,203	$9,445
Other income	*1,447	*1,467	62	113	1,711
Total net income	$20,133	$1,757	$15,404	$6,316	$11,156
Fixed charges, inc. taxes	14,002	13,616	15,330	13,388	11,423
Balance	$6,131	*$11,859	$74	*$7,072	$267

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $35,364; loss on retired equipment, $2,900; total, $38,264. Contra: Credit balance transferred from income, $6,131; debit balance carried to balance sheet, $32,133; total, $38,264.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$168,948	$188,083	$204,001	$199,080	$208,557
Working assets	4,638	37,392	25,423	20,249	6,347
Profit and loss	32,133	35,364	23,505	23,579	16,507
Total	$205,719	$260,839	$252,929	$242,908	$234,533

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	151,398	151,397	151,397	152,157	151,397
Working liabilities	4,321	59,442	51,532	40,751	2,863
Accrued liabilities not due	.....	.....	.....	.....	30,265
Deferred credit items	.....	.....	.....	.....	8
Total	$205,719	$260,839	$252,929	$242,908	$234,533

Notes: $151,397 6% notes. Due June 30, 1916. Interest cumulative until 1916, but is not to be charged by the Allison Lumber Co., until expiration of period to which notes are to run.

Capital Stock: Authorized and outstanding, $50,000. Par, $100.

SUMPTER VALLEY RAILWAY COMPANY

History: Incorporated under laws of Oregon, August 15, 1890, road being first opened October 1, 1891. Line of road, Baker City to Prairie City, 80.1 miles. Narrow gauge. Equipment owned: Locomotives: 11; passenger and freight cars, 367.

Management: OFFICERS: David C. Eccles, Pres., Ogden, Utah; C. W. Nibley, Vice-Pres., Salt Lake City, Utah; LeRoy Eccles, Treas.; Joseph A. West, Sec., Ogden, Utah. DIRECTORS: David C. Eccles, Ogden, Utah; C. W. Nibley, Salt Lake City, Utah; W. H. Eccles, Baker, Ore.; C. T. Early, Hood River, Ore.; Geo. Stoddard, La Grande, Ore. Annual meeting, second Monday in January. OFFICE: Baker, Ore.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$341,020	$305,945	$316,237	$302,577	$223,130	$250,310	$175,101
Maintenance of way	76,730	91,825	87,393	83,885	50,431		
Maintenance of equipment	35,407	32,188	45,972	53,474	35,618	164,502	112,460
All other operating expenses	125,375	109,480	106,558	96,382	65,909		
Net operating revenues	$103,508	$72,452	$76,314	$68,836	$71,172	$85,808	$62,641
Operating ratio	69.7%	76.3%	75.9%	77.3%	68.1%	65.8%	64.3%
Other income	6,988	4,130	3,664	1,288	.....	.....	.....
Total net income	$110.496	$76,582	$79,978	$70.124	$71,172	$85.808	$62,641
Taxes accrued	10 304	11,411	9,900	9.840	18.585	6,451	2,780
Fixed charges, etc	51,190	78,064	48,738	48,608	48,600	127,900	37,200
Other deductions	49,830	.....	.....	.....	.....	.....	.....
Surplus	*$828	*$12,893	$21,340	$11,676	$3,985	$48,543	$22,661

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $801,435. Contra: Debit balance at beginning of year, $779,753; debit balance transferred from income, $828; miscellaneous appropriations of surplus, $17,490; miscellaneous debits, $3,364; total, $801,435.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$849,507	$769,138	$767,497	$786,732	$1,642.765	$1,557.765
Working assets	137,422	130 460	144.092	92,770	444,529	440,543
Deferred debit items	2,333	2,013	3,094	1,707	.....	.....
Profit and loss deficit	801,435	779,753	766.860	788,201	.....	1,692
Total	$1,790,697	$1,681,364	$1,681,543	$1,669,410	$2,087,294	$2,000,000
LIABILITIES:						
Capital stock	$810,000	$810.000	$810.000	$810.000	$1.000.000	$1,000.000
Funded debt	791.000	803.000	810.000	810 000	1,000,000	1,000,000
Working liabilities	79.253	36,235	54.829	42,185	.....	.....
Accrued liabilities not due	12.441	11,376	5,478	6,381	.....	.....
Deferred credit items	1.230	*8.699	1,236	843	.....	.....
Appropriated surplus	96,773	29,452	.....	.....	22.765	.....
Profit and loss deficit	.....	.....	.....	.....	64,529	.....
Total	$1,790,697	$1,681,364	$1,681,543	$1,669,410	$2,087,294	$2,000,000

* Reverse item.

Bonded Debt: $791.000 Sumpter Valley first gold 6s. (Auth., $1,000.000.) Dated Jan. 1, 1907; due Jan. 1, 1927. Int.. Jan. and July 1, at First National Bank, Ogden, Utah. Registered. $1,000. Subject to call at 105, up to Jan., 1917. First lien on entire property. Normal income tax deducted from interest. Rating, Ba.

Capital Stock: Auth., $1,000,000; outstanding, $810,000. Par, $100.

SUNSET RAILWAY

History: Incorporated under laws of California, March 20, 1912. Consolidation of Sunset R.R. and Sunset Western Railway.

Location: Road extends from Gosford to Maricopa, Cal., 32.75 miles; Pentland Junc. to Shale, Cal., 17.11 miles; trackage, Kern Junc. to Gosford and to Bakersfield, 13.07 miles; total, 62.93 miles. Sidings, 48.25 miles.

Management: OFFICERS: C. N. Beal, Pres., San Francisco, Cal.; A. G. Wells, Vice-Pres., Los Angeles, Cal.; H. V. Platt, Vice-Pres.; G. Holterhoff, Jr., Sec. and Treas.; L. B. Jones, Aud., Los Angeles, Cal. DIRECTORS: C. N. Beal, San Francisco; A. G. Wells, W. H. Brewer, D. W. Campbell, Los Angeles; R. P. Schwerin, San Francisco, Cal. Annual meeting, second Monday in March. GENERAL OFFICE: Los Angeles, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross earnings	$339,744	$323,315	$476,497	$735,980
Operating expenses	186,009	243,102	259,445	373,443
Taxes	21,842	26,698	39,038	44,749
Net earnings	$131,893	$50,515	$178,013	$317,788
Other income	3,453	807	1,517	2,894
Total income	$135.346	$51,322	$179,530	$320,682
Fixed charges	89,018	90,107	164,806	250,639
Dividends paid	†.....	.....	.....	(10%) 100,000
Balance	$46,328	*$38,785	(sur.) $14,724	*$29,957

* Deficit. † Dividend paid from profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $24,998; credit balance transferred from income, $46,328; delayed income credits, $118,656; miscellaneous credits, $12; total, $189,994. Contra: Surplus applied to sinking and other reserve funds, $14,856; dividend appropriations of surplus, $50 000; surplus appropriated for investment in physical property, $852; credit balance carried to balance sheet, $124,286; total, $189,994.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,691,854	$1,685,829	$1,680,387	$1,656,818	$1,618.796	$1,009.071
Working assets	220,819	66,504	127,619	154,972	248,184	486,386
Deferred debit items	1,126	891	1,772	2,801	3,464	10,467
Total	$1,913,799	$1,753,224	$1,809,778	$1,814,591	$1,870,444	$1,505,924
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000.000	$1,000,000	$1,000,000	$500,000
Funded debt	606,000	606,000	606,000	606,000	666,140	320,426
Working liabilities	125,685	79,121	103,753	124 867	93,490	292 041
Accrued liabilities not due	9,483	9,483	9,483	9,483	14,462	2.510
Deferred credit items	6,026	6,012	2	62	.....	6.431
Appropriated surplus	43.319	27,610	27,610	25,974	18,192	121.617
Profit and loss surplus	124,286	24,998	62,930	48,205	78,160	262,899
Total	$1,913,799	$1,753,224	$1,809,778	$1,814,591	$1,870,444	$1,505,924

Bonded Debt: (1) $290.000 Sunset R.R. first 4s. Dated Oct. 1, 1900; due Oct. 1, 1930. Interest paid Apr. and Oct. 1, at Union Trust Co., San Francisco, Trustee. Coupon, $1,000. Original issue, $500,000. Callable at any time. Sinking-fund. 10% of net income after deducting bond interest, set aside each year for redemption of bonds on or before maturity. Guaranteed, principal and interest, by the Southern Pacific Co., and Atchison, Topeka & Santa Fe Ry. Co., each of which owns one-half of outstanding bonds. Interest paid without deduction for normal income tax. Rating, Aa.

(2) $316,000 Sunset Western Ry. first 5s. Dated Feb. 1, 1912; due Feb. 1, 1932. Interest paid Feb. and Aug. 1, at offices of company, New York and Los Angeles. Coupon, $1.000. Union Trust Co. of San Francisco, Trustee. Authorized, $316.000. Sinking-fund 10% of net income after deducting bond interest, set aside each year for redemption of bonds on or before maturity. First lien on 17.11 miles of line, Pentland to Shale, Cal. Interest paid without deduction for normal income tax. Rating, Ba.

Capital Stock: Authorized and outstanding, $1,000.000. Par, $100. Owned jointly by Atchison, Topeka & Santa Fe and Southern Pacific Co. Dividends: 1910, 100%; 1911, 60%; 1912, 50%; 1913, 10%; none in 1914 and 1915; 5% in 1916.

SURRY, SUSSEX & SOUTHAMPTON RAILWAY

History: Incorporated under the laws of Virginia, May 16, 1886. Road opened in 1893.

Location: Road extends from Scotland to Dory, Va., 28 miles; branches and spurs for lumber business, 38 miles. Sidings, etc., 6 miles. Gauge, 3 feet. Equipment: Locomotives, 14; cars, 53.

Management: OFFICERS: Francis E. Waters, Pres. and Gen. Mgr., Baltimore; John Walter Smith, Vice-Pres.; P. D. Dix, Sec. and Treas.; M. T. Hargis, Aud., Snow Hill, Md.; Edward Rogers, Supt., Dendron, Va. DIRECTORS: Marion T. Hargis, Edward Rogers, John Walter Smith, Snow Hill, Md.; Francis E. Waters, Baltimore. Annual meeting, in May. GENERAL OFFICE: Union Trust Building, Baltimore, Md.

Capital Stock: Auth., $500,000; outstanding, $100,000. Par, $100. No bonded debt.

SUSQUEHANNA & NEW YORK RAILROAD

History: Incorporated under the laws of Pennsylvania, May 26, 1903, as a consolidation of the Susquehanna & New York Railway Company, and the Gray's Run Railroad Company. The company is controlled by the Central Leather Company, which owns practically all of the capital stock.

Location: Line of road operated consists of 68.27 miles, extending from Towanda to Gray's Run, Pa., with branches. Sidings, 23.41 miles. Equipment: Locomotives, 9; passenger, freight, and service cars, 153.

Management: OFFICERS: P. M. Newman, Pres. and Gen. Mgr., Williamsport, Pa.; W. R. Campbell, Vice-Pres., New York; F. E. Bradley, Treas.; R. G. Brownell, Sec.; J. M. Rhen, Gen. Aud., Williamsport, Pa. DIRECTORS: P. M. Newman, R. G. Brownell, C. H. McCauley, Jr., A. W. Mallison, J. M. Rhen, A. R. Spicer, S. T. Hoyt, Jr., Williamsport, Pa.; Eugene Horton, Middletown, N. Y.; E. C. Hoyt, Stamford, Conn.; Walter Horton, New York; W. H. Haugh, Williamsport, Pa.; G. W. Childs, New York; W. R. Campbell, New York. Annual meeting, second Monday in January. OFFICE: Williamsport, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$294,450	$231,864	$260,717	$301,139	$332,552	$293,792	$274,818
Maintenance of way	56,690	50,193	61,114	55,554	50,579	44,841	52,458
Maintenance of equipment	65,630	57,887	74,436	6,077	51,480	44,601	41,875
All other operating expenses	118,599	103,983	133,920	186,817	144,369	128,641	119,509
Net operating revenues	$54,031	$19,801	*$8,753	$52,691	$86,124	$75,709	$60,976
Operating ratio	81.7%	95.8%	103.4%	82.5%	84%	74.2%	77.8%
Other income	19,618	60,295	22,387	32,497	5,585	41,678	41,852
Total net income	$73,649	$80,096	$13,634	$85,188	$91,709	$117,378	$102,828
Taxes accrued	3,000	5,400	5,400		5,325	4,500	4,847
Fixed charges, etc	36,200	63,896	50,162	53,033	46,653	45,048	36,200
Surplus	$34,449	$10,800	*$41,928	$32,155	$39,731	$67,830	$61,781
Dividends paid	.....	†.....	.....	25,490	25,490	63,725	25,490
Balance	$34,449	$10,800	*$41,928	$6,665	$14,241	$4,115	$36,291

Deficit. † Dividend paid from profit and loss in 1915.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $55,263; credit balance transferred from income, $34,449; delayed income debits, $2,230; total, $91,942. Contra: Miscellaneous debits, $122; credit balance carried to balance sheet, $91,820; total, $91,942.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,032,108	$2,058,480	$2,106,829	$2,162,761	$2,147,337	$2,082,098
Working assets	143,848	88,356	657,486	643,938	633,812	624,989
Deferred debit items	704	6,034	926	7,032	14,397	12,377
Total	$2,176,660	$2,152,870	$2,765,241	$2,813,731	$2,795,546	$2,719,464
LIABILITIES:						
Capital stock	$1,274,500	$1,274,500	$1,274,500	$1,274,500	$1,274,500	$1,274,500
Funded debt	724,000	724,000	1,274,000	1,274,000	1,274,000	1,274,000
Working liabilities	8,047	17,475	15,489	18,426	14,578	24,899
Accrued liabilities not due	6,621	7,671	6,448	4,803	2,530	.....
Deferred credit items	5,353	7,642	8,815	14,084	3,614	329
Appropriated surplus	66,319	66,319	66,319	66,319	66,319	.....
Profit and loss surplus	91,820	55,263	119,670	161,599	160,005	145,736
Total	$2,176,660	$2,152,870	$2,765,241	$2,813,731	$2,795,546	$2,719,464

Bonded Debt: $724,000 Susquehanna & New York R.R. first 5s; dated Dec. 15, 1904; due Jan. 1, 1955. Int. paid Jan. and July 1, at Williamsport, Pa. Coupon, $1,000. Aside from that outstanding as above, $550,000 are in treasury of company. Entire issue owned by Central Leather Co., which guarantees principal and interest. First lien on entire property. Interest paid without deduction for normal income tax. Net Rating, Ba.

Capital Stock: Auth., $2,000,000; outstanding, $1,274,500. Par, $100. Dividends: 1908, 2%; 1909, 2%; 1910, 2%; 1911, 5%; 1912, 2%; 1913, 2%; 1914, nil; 1915, 6%; 1916, nil. TRANSFER AGENT: R. G. Brownell, Williamsport, Pa.

SUSQUEHANNA RIVER & WESTERN RAILROAD

History: Incorporated under laws of Pennsylvania, Oct. 10, 1903; a reorganization of the Perry County R.R. Co., which was sold under foreclosure, Sept. 14, 1903.

Location: Road extends from Duncannon to Bloomfield Junc., Pa., 13.83 miles. Equipment: Locomotives, 2; passenger cars, 4; freight cars, 5.

Management: OFFICERS: David Gring, Pres.; E. R. Sponsler, Vice-Pres.; O. K. Miller, Treas. and Gen. Mgr.; J. M. Barnett, Sec., New Bloomfield, Pa. OFFICE: New Bloomfield, Pa. DIRECTORS: David Gring, R. M. Gring, Newport, Pa.; E. R. Sponsler, W. H. Sponsler, James M. Barnett, J. W. Shull, New Bloomfield, Pa.; Emanuel Jenkyns, Duncannon, Pa. Annual meeting, first Monday in May. OFFICE: Newport, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$20,589	$19,543	$23,170	$23,804
Maintenance of way and structures	4,626	5,918	5,811	4,643
Maintenance of equipment	2,442	2,539	2,871	3,955
All other operating expenses	9,151	10,198	10,598	9,695
Net operating revenues	$4,370	$888	$3,980	$5,511
Other income	295	202	23	.....
Total net income	$4,665	$1,090	$3,913	$5,511
Taxes	313	305	331	327
Fixed charges	8,468	9,031	7,877	9,091
Surplus	*$4,116	*$8,246	*$4,295	*$3,907

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $2,647; credit balance carried to balance sheet, $96,878; total, $99,525; debit balance at beginning of year, $95,244; debit balance transferred from income, $4,116; surplus appropriated for investment in physical property, $71; miscellaneous debits, $94; total, $99,525.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$306,251	$308,205	$313,154	$312,379
Working assets	2,184	783	211	536
Deferred debit items	29	.....	795	.....
Profit and loss	96,878	95,244	17,723	13,426
Total. . .	$405,342	$404,232	$331,883	$326,341
LIABILITIES:				
Capital stock	$150,000	$150,000	$150,000	$150,000
Funded debt	150,000	150,000	125,000	125,000
Working liabilities	62,834	62,127	54,785	51,341
Accrued liabilities not due	3,058	2,751	.....	.....
Deferred credit items	25	.....	2,098	.....
Appropriated surplus	39,425	39,354	.....	.....
Total. . .	$405,342	$404,232	$331,883	$326,341

Bonded Debt: $150,000 Susquehanna River & Western R.R. first 5s; dated Oct. 10, 1903; due Oct. 1, 1933. Int. paid, Apr. and Oct. 1, at Real Estate Trust Co., Philadelphia, Trustee. Coupon, $500. Authorized, $150,000. First lien on entire line. Interest paid without deduction for normal income tax.

Capital Stock: Outstanding, $150,000. Par, $5. No dividends.

SYRACUSE & MILFORD RAILROAD

History: Incorporated under laws of Indiana, Feb. 23, 1907. Operated in connection with the Sandusky Portland Cement Co.

Location: Road extends from Syracuse to Wabee Lake and Milford, Ind., 7.32 miles. Equipment: Locomotives, 2; marl cars, 80; baggage car, 1.

Management: OFFICERS: S. B. Newberry, Pres., Sandusky, O.; W. B. Newberry, Treas.; E. J. McGuire, Sec., Cleveland, O. DIRECTORS: S. B. Newberry, Sandusky, O.; W. B. Newberry, Cleveland, O.; J. P. Dolan, Syracuse, Ind.; Wm. D. Frazier, Warsaw, Ind.; one vacancy. Annual meeting, first Tuesday in August. GENERAL OFFICE: Syracuse, Ind.

Bonded Debt: $65,000 Syracuse & Milford Railway first 5s. Dated, Oct. 1, 1907; due Oct. 1, 1927. Interest paid Apr. and Oct. 1, at Superior Savings & Trust Co., Cleveland, Ohio. Coupon, $1,000. Authorized and issued $100,000, of which $35,000 cancelled by sinking fund. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $50,000. Par, $100. No dividends paid.

TABOR & NORTHERN RAILWAY

History: Incorporated under the laws of Iowa, November 3, 1887. Road opened Dec. 20, 1889.

Location: Road extends from Tabor to Malvern, Iowa, 10.75 miles; sidings, 1 mile. Equipment: Locomotive, 1; cars, 2.

Management: OFFICERS: Robt. McClelland, Pres., Gen. Mgr. and Pur. Agt., Tabor, Iowa; Thos. McClelland, Vice-Pres., Galesburg, Ill.; E. V. Stopper, Sec.; Myra McClelland, Treas.; R. S. McClelland, Aud.; M. A. Chantry, Supt., Tabor, Iowa. DIRECTORS: Robt. McClelland, J. M. Barbour, Los Angeles, Cal.; Thos. McClelland, Galesburg, Ill.; R. S. McClelland, Austin, Colo. Annual meeting, June 10. OFFICE: Tabor, Iowa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$25,417	$25,489	$29,261	$28,391	$26,993	$23,368
Maintenance of way	6,339	6,106	7,362	6,879	4,945	6,065
Maintenance of equipment	2,321	1,062	1,669	1,783	1,417	837
All other operat. expenses	12,067	12,541	13,539	10,405	10,972	9,477
Net income	$4,690	$5,780	$6,691	$9,324	$9,659	$6,989
Taxes. . .	539	1,444	1,407	1,042	963	958
Fixed charges	5,254	5,775	6,836	6,373	6,146	6,118
Surplus. . .	*$1,103	*$1,439	*$1,552	$1,909	$2,550	*$87

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$89,761	$90,112	$90,463	$92,918	$92,567	$92,216
Working assets	8,354	6,360	3,266	12,067	7,604	3,982
Profit and loss	20,391	19,288	17,849	15,727	18,373	21,044
Total. . .	$118,506	$115,760	$111,578	$120,712	$118,544	$117,942

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$25,300	$25,300	$25,300	$25,300	$25,300	$25,300
Funded debt	50,000	50,000	50,000	50,000	50,000	50,000
Working liabilities	42,650	39,904	35,723	44,857	42,689	42,087
Accrued liabilities not due	556	556	555	555	555	555
Total	$118,506	$115,760	$111,578	$120,712	$118,544	$117,942

Bonded Debt: $50,000 Tabor & Northern Ry. first 5s. Dated April 10, 1899; due April 10, 1914, but extended to April 10, 1924. Int. paid, Apr. and Oct. 10, at Omaha National Bank, Omaha, Neb. Coupon, $1,000. J. H. Millard, Trustee. First lien on entire property. Rating, B.

Capital Stock: Auth., $120,000; outstanding, $25,300 Par, $50.

TALBOTTON RAILROAD

History: Incorporated under laws of Georgia, Aug 23, 1872. Road opened May 4, 1881.

Location: Road extends from Talbotton to Paschal, Ga., 6.63 miles; sidings, 1 mile. Equipment: Locomotive, 1; cars, 2.

Management: OFFICERS: T. H. Persons, Pres., Treas. and Gen. Mgr.; F. B. King, Sec.; R. K. Persons, Supt., Talbotton, Ga. Annual meeting, first Wednesday in May. GENERAL OFFICE, Talbotton, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$13,225	$13,927	$16,587	$14,767
Operating expenses	11,121	13,547	11,138	13,258
Net operating revenues	$2,104	$380	$5,449	$1,509
Other income	905	600	.....	.....
Total net income	$3.009	$980	$5.449	$1,509
Fixed charges, including taxes	2,834	3,205	3,005	2,797
Balance	$175	*$2,225	$2,444	*$1,288

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $10,132; credit balance transferred from income, $175; total, $10.307. Contra: Dividend appropriations of surplus, $2,275; credit balance carried to balance sheet, $8,032; total, $10,307.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$64.930	$65 180	$65,430	$66,930
Working assets	7,165	9,016	12,872	10,553
Total	$72,095	$74,196	$78,302	$77,483
LIABILITIES:				
Capital stock	$32.500	$32.500	$32.500	$32,500
Funded debt	30,000	30,000	30,000	30,000
Working liabilities	63	64	.....	.....
Accrued liabilities not due	1,500	1,500	1,500	1.500
Profit and loss	8,032	10,132	14,302	13,483
Total	$72,095	$74,196	$78,302	$77,483

Bonded Debt: $30,000 Talbotton R.R. first 5s. Dated Dec. 1, 1901; due Nov. 1, 1945. Interest paid, May and Nov. 1.

Capital Stock: Issued, $34,500, of which $2,000 is held in treasury. Dividend of 5% paid in 1914; 6% in 1915; 7% in 1916.

TAMPA & GULF COAST RAILROAD

History: Incorporated under laws of Florida, February 11, 1913, and acquired the property of the Tampa & Gulf Coast Ry.

Location: Road extends from Gulf Coast Junc. to Tampa, Fla., 47.1 miles; Tarpon Junc. to Tarpon Springs, Fla., 21 miles; Tarpon to Port Richey, Fla., 11 miles; total, 79.1 miles. Leased line, 7.7 miles; sidings, 3.83 miles. Road connects Tampa with Belair, St. Petersburg, Tarpon Springs and Port Richey, Fla., extending from a connection of the Tampa Northern R.R., controlled by the Seaboard Air Line Ry. through the Pinellas Peninsula. A 50-year trackage agreement has been made with the Tampa Northern R.R., which gives the company an entrance into Tampa and use of Tampa terminals. The agreement is subject to lien of first 5s. Equipment: Locomotives, 7; cars, 34.

Management: OFFICERS: Chas. H. Brown, Pres., Tampa, Fla.; John K. Cheney, Vice-Pres., Tarpon Springs, Fla.; James H. Dowling, Vice-Pres., Live Oak, Fla.; Chas. H. Lutz, Treas. and Gen. Mgr.; Jas. W. Booth, Sec. and Aud., Tampa, Fla. DIRECTORS: John K. Cheney, Chas. H. Lutz, Tarpon Springs, Fla.; Jas. W. Booth, Chas. H. Brown, J. C. Hilderly, Edgar Wall, Tampa, Fla.; Jas. H. Dowling, Live Oak, Fla.; C. G. Memminger, Lakeland, Fla.; J. H. Dowling, Odessa, Fla. GENERAL OFFICE: American National Bank Bldg., Tampa, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$186,873	$185,435	$70,910	$38,575	$31,872	$35,606
Maintenance of way	25,696	30,746	13,050	7,406	6,001	7,833
Maintenance of equipment	17,972	12,340	6,830	3,085	2,913	1,223
All other operat. expenses	87,126	71,866	25,019	17,021	16,115	17,638
Net income	$56,079	$70,483	$26,011	$11,063	$6,843	$8,912
Taxes	12,043	5,048	2,119	2,021	804	850
Fixed charges	69,760	54,913	10,357	4,197	3,449	4,443
Surplus	*$25,724	$10,522	$13,535	$4,845	$2,590	$3,619

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $24,674; miscellaneous credits, $336; debit balance carried to balance sheet, $809; total, $25,849. Contra: Debit balance transferred from income, $25,724; miscellaneous debits, $125; total, $25,849.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,044,868	$998,371	$850,214	$223,081	$193,363	$188,889
Working assets	51,431	140,642	130,482	10,035	6,237	7,033
Deferred debit notes	104,149	.....	87,506	806,730	.....	278
Profit and loss	1,050	.....	.....	.....	.....	.....
Total	$1,201,498	$1,139,013	$1,068,202	$1,039,846	$199,600	$196,200
LIABILITIES:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$153,700	$153,700
Funded debt	780,880	750,000	750,000	750,000	32,000	33,322
Working liabilities	162,264	100,555	41,960	23,919	5,421	4,709
Accrued liabilities not due	8,354	13,784	12,090	15,312	1,958	850
Profit and loss	.....	24,674	14,152	615	6,521	3,619
Total	$1,201,498	$1,139,013	$1,068,202	$1,039,846	$199,600	$196,200

Bonded Debt: $750,000 Tampa & Gulf Coast R.R. first 5s; dated April 1, 1913; due April 1, 1953. Int. paid, Apr. and Oct. 1, at New York and Baltimore. Continental Trust Co., Baltimore, Trustee. Authorized, $5,000,000. Unissued bonds are reserved for extensions or branches, at the rate of $12,000 per mile of main track, or, in case net earnings for a preceding year shall have been one and one-half times the interest on all bonds outstanding, then additional bonds may be issued subject to limitation that, when added to all bonds outstanding, the total bonds issued shall not exceed $17,500 per mile of main track. Guaranteed, principal and interest, by endorsement, by the Seaboard Air Line Ry. Co. A first lien on entire road owned, now completed or under construction. Interest paid without deduction for normal income tax. Rating, Baa.

Note: There were also outstanding, June 30, 1916, $30,880 equipment notes. Interest, 6%; payable monthly. Secured on 2 locomotives and 28 cars.

Capital Stock: Authorized and outstanding, $250,000. Par, $100.

TAMPA & JACKSONVILLE RAILWAY

History: Incorporated under Florida laws, March 31, 1884, as the Gainesville, Rocky Point & Micanopy Ry. Co.; on Feb. 25, 1907, consolidated under a new charter with the Gainesville & Gulf Ry.

Location: Sampson City to Blichton, Fla., 56 miles; sidings, 2 miles. Road fully opened in 1907. Equipment: Locomotives, 3; cars, 11.

Management: OFFICERS: F. J. Lisman, Pres.; A. de Sola Mendes, Vice-Pres.; W. G. Edinburg, Sec.; H. E. Taylor, Treas. DIRECTORS: A. P. Stuckey, J. B. Munson, F. J. Lisman, A. de Sola Mendes, G. F. Allen, H. W. Waits, J. F. Hill. OFFICE: Gainesville, Fla.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$63,278	$69,885	$99,242	$91,178	$82,533	$94,669	$77,543
Maintenance of way	16,434	19,037	15,474	14,593	13,508	17,335	17,884
Maintenance of equipment	7,876	10,974	8,550	7,585	9,872	8.813	6,492
All other operating expenses	27,397	32,761	41,888	39,089	33,795	33,301	27,489
Net operating revenues	$11,671	$7,113	$32,330	$29,911	$25,358	$35,220	$25,678
Operating ratio	81.5%	89.8%	67.4%	67.2%	69.3%	62.8%	66.9%
Other income	1,620	1,391	.....	.....	.....	.....	.....
Total net income	$13,291	$8,504	$32,330	$29,911	$25,358	$35,220	$25,678
Taxes accrued	5,465	5,010	5,816	5,465	3,774	3,880	4,163
Fixed charges	31,320	35,621	35,477	32,527	30,293	27,556	22,620
Surplus	*$23,494	*$32,127	*$8,963	*$8,081	*$8,711	$3,784	*$1,105

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$1,151,022	$1,151,029	$1,159,180	$1,152,799	$1,112,289	$1,072,621
Working assets	17,391	16,613	28,294	18,404	66,589	117,650
Deferred debit items	45	45	40,000	40,000	.....	.....
Profit and loss deficit	71,002	47,508	14,046	2,123	.....	.....
Total.....	$1,239,460	$1,215,195	$1,231,530	$1,213,326	$1,178,878	$1,190,271
LIABILITIES:						
Capital stock	$604,900	$604,900	$604,900	$604,900	$591,900	$569,400
Funded debt	546,718	545,525	560,000	560,000	560,000	560,000
Working liabilities	77,936	59,514	15,754	33,871	10,996	32,072
Accrued liabilities not due	9,906	5,256	.....	6,500	7,589	10,463
Deferred credit items	.....	.....	50,876	8,055	.....	.....
Profit and loss surplus ...	.....	.....	.....	.....	8,393	18,336
Total.....	$1,239,460	$1,215,195	$1,231,530	$1,213,326	$1,178,878	$1,190,271

Bonded Debt: $520,000 Tampa & Jacksonville Ry. first 6s; dated Oct. 1, 1909; due Oct. 1, 1949. Int., April and Oct., at Guaranty Trust Co., New York. Coupon, $1,000. Auth., $3,000,000, at $10,000 per mile. First lien on entire property. Additional bonds at the rate of $2,000 per mile may be sold for improvements, after the company has earned twice its interest charges for two consecutive years. Interest paid without deduction for normal income tax. In default. Protective Committee: H. L. Cohen, Chm.; Graham Adams, Sec., 61 Broadway, New York.

Capital Stock: Auth., $1,000,000; outstanding, $604,900. Par, $100.

TANANA VALLEY RAILROAD COMPANY

History: Incorporated under laws of Maine, December, 1906, as successor to the Tanana Mines R.R. The latter owned and operated 26 miles from Chena to Gilmore with branch to Fairbanks, Alaska. Present property operates, in all, 45 miles, Chena to Chatinika, 40 miles and Junction to Fairbanks, 5 miles. Equipment: Owned, locomotives, 4; passenger and freight cars, 31.

Management: OFFICERS: Falcon Joslin, Pres., Fairbanks, Alaska; Peter Dudley, Vice-Pres., Chicago; B. L. Allen, Vice-Pres., New York; H. A. Dunn, Treas.; New York; H. B. Rettie, Sec., Chicago. DIRECTORS: Falcon Joslin, Fairbanks, Alaska; B. L. Allen, W. H. Roome, Peter Dudley, J. W. Herbert, New York. Annual meeting, third Tuesday in November. GENERAL OFFICE: 53 W. Jackson Boulevard, Chicago, Ill. NEW YORK OFFICE: 60 Broadway.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$116,587	$101,650	$116,580	$167,750	$186,868	$160,660	$250,537
Maintenance of way	36,234	31,053	23,181	26,001	21,457		
Maintenance of equipment	10,071	7,612	5,235	6,681	8,695	116,615	167,440
All other operating expenses...	62,515	56,223	65,844	77,918	70,550		
Net operating revenues ...	$7,768	$6,761	$22,320	$57,150	$86,166	$44,045	$83,097
Operating ratio	93%	93.3%	80.9%	65.9%	53.9%	72.6%	67%
Other income	.....	*$589	431	262	.....	.....	.....
Total net income	$7,768	$6,172	$21,889	$57,412	$86,253	$41,526	$82,479
Fixed charges	37,796	37,509	36,899	49,209	55,791	40,744	56,766
Surplus.....	*$30,028	*$31,337	*$15,010	$8,203	$30,462	$782	$25,713

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$2,118,790	$2,118,790	Capital stock	$1,300,000	$1,300,000
Working assets	21,849	22,455	Funded debt	575,000	575,000
Deferred debit items	2,310	2,210	Working liabilities	18,587	23,554
			Deferred credit items	69,000	34,500
			Accrued liabilities	3,051	3,162
			Appropriated surplus	74,671	74,671
			Profit and loss	102,640	132,668
Total.....	$2,142,949	$2,143,555	Total.....	$2,142,949	$2,143,555

Bonded Debt: $575,000 Tanana Valley R.R. first 20-year sinking-fund gold 6s. Dated Jan. 1, 1907; due Dec. 1, 1926. Int. June and Dec. 1, at Columbia Trust Co., New York. Coupon, $1,000. Principal may be registered. Subject to call, on any interest day, at 105. Sinking-fund: 10% of net earnings. First lien on all property, franchises, etc.

Net Rating, Ca.

Capital Stock: Authorized and outstanding, $1,000,000 common and $300,000 7% cumulative preferred; par, $100. Preferred stock has preference, to assets as well as to dividends, and is subject to call at any time, at 110. TRANSFER AGENT: Columbia Trust Co., New York. Dividends of 3½% each, paid July 24 and Dec. 6, 1909, on preferred; none since.

TAVARES & GULF RAILROAD

History: Incorporated under the laws of Florida, March 27, 1890. Reorganization of Tavares, Apopka & Gulf R.R. Co.

Location: Road extends from Ellsworth Junc. to Winter Garden and Wait's Junc. to Clermont, Fla., 31.64 miles. Trackage (Seaboard Air Line Ry.), Ellsworth Junc. to Tavares, 3.39 miles; total operated, 36.40 miles. Equipment: Locomotives, 2; cars, 2.

Management: OFFICERS: Henry H. Jackson, Pres.; Chas. Tremain, Vice-Pres., New York; J. R. Peebles, Gen. Mgr., Tavares, Fla.; S. H. Jackson, Sec.; A. H. Jackson, Treas., New York; M. Lloyd, Aud., Tavares, Fla. DIRECTORS: Henry H. Jackson, Chas. Tremain, A. H. Jackson, S. H. Jackson, New York. Annual meeting, second Tuesday in March at Jacksonville, Fla. GENERAL OFFICE: Tavares, Fla. NEW YORK OFFICE: 106 Lexington Ave.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$37,949	$34,038	$31,460	$28,589	$24,356
Operating expenses	34,038	35,739	26,521	31,794	32,304
Net operating revenues	$3,911	*$1,701	$4,939	*$3,205	*$7,948
Fixed charges, including taxes	33,775	33,375	33,187	31,996	29,603
Balance	*$29,864	*$35,076	*$28,248	*$35,201	*$37,551

* Deficit.

Bonded Debt: $299,000 Tavares & Gulf R.R. first 5s. Dated March 8, 1890; due Jan. 1, 1916. Interest paid, Jan. and July 1, at Bankers Trust Co., New York. Coupon, $1,000. Authorized at rate of $9,000 per mile. Interest paid without deduction for normal income tax.

Capital Stock: Outstanding, $250,000. Par, $100.

TENNESSEE, ALABAMA & GEORGIA RAILROAD

History: Incorporated under laws of Alabama and Georgia, in 1911, for the purpose of constructing a line from Chattanooga, Tenn., to Atlanta, Ga., and Gadsden to Birmingham, Ala. Successor to Chattanooga Southern R.R., and consolidation with Chattanooga & Atlanta R.R. and Gadsden & Birmingham R.R.

Location: Georgia-Tennessee State line to Gadsden, Ala., 86.74 miles; branches, 3.94 miles; total owned, 90.68 miles. Trackage: Belt Ry. of Chattanooga, Georgia-Tennessee State line to Chattanooga, Tenn., 5 miles; total operated, 95.68 miles. Equipment: Locomotives, 6; passenger cars, 6; freight cars, 69; service cars, 10.

Management: OFFICERS: J. J. Slocum, Pres.; H. W. DeForest, Vice-Pres.; W. G. Dooley, Vice-Pres., New York; Chas. Hicks, Gen. Mgr., Chattanooga, Tenn.; H. B. Blanchard, Sec.; E. C. Osborn, Treas., New York; D. E. Hedges, Aud., Chattanooga, Tenn. DIRECTORS: J. J. Slocum, W. G. Dooley, Johnston DeForest, I. M. Dittenhoefer, E. C. Osborn, Newman Erb, H. W. DeForest, New York; W. M. Wadden, Boston. Annual meeting, second Monday in October. GENERAL OFFICE: Chattanooga, Tenn. EXECUTIVE OFFICE: 111 Broadway, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross earnings	$101,879	$69,672	$92,504	$137,111	$110,605	$102,330
Operating exps. and taxes	139,632	105,760	111,794	141,017	147,392	169,670
Loss from operation	37,753	36,088	19,290	3,906	36,787	67,340
Fixed charges	15,736	7,867	6,526	14,811	8,411	3,514
Deficit for year	* 53,489	* 43,855	25,816	18,717	45,198	70,854

* Includes $100 other income in 1915 and $2,676 in 1916.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $433; debit balance carried to balance sheet, $248.208; total, $248,641. Contra: Debit balance at beginning of year, $197,333; debit balance transferred from income, $50,813; loss on retired road and equipment, $208; miscellaneous debits, $287; total, $248,641.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	*1911
Property investment	$4,627,319	$4,639,197	$4,652,085	$4,646,279	$4,645,276	$4,636,486
Working assets	41,849	16,086	141,098	145,253	134,395	140,739
Deferred debit items	362,004	125,114	415	433	426	837
Profit and loss deficit	248,208	197,333	144,813	112,448	89,425	41,042
Total	$5,279,380	$4,977,730	$4,938,411	$4,904,413	$4,869,521	$4,819,104
LIABILITIES:						
Capital stock	$3,645,385	$3,100.000	$3,100.000	$3,100 000	$3.100.000	$3,100.000
Funded debt	1,511,042	1,500.000	1,500,000	1,500,000	1,500.000	1,500.000
Working liabilities	116,923	68,287	333,753	299,598	264.840	216,633
Accrued liabilities not due	6,030	5,208	4,658	4,815	4,681	2,471
Deferred credit items	.....	304,235	.....	.....	.....	.....
Total	$5,279,380	$4,977,730	$4,938,411	$4,904,413	$4,869.521	$4,819,104

* For ten months.

Bonded Debt: $1,500,000 Tennessee, Alabama & Georgia R.R. first 5s; dated Feb. 1, 1911; due Feb. 1, 1961. Int. paid Feb. and Aug. 1, at agency of company in New York. Coupon, $1,000. Empire Trust Co., New York, Trustee. Callable. at 110 and interest. Of these bonds, $1,000,000 will be entitled to interest up to 5%, only in so far as earned during first five years, and thereafter fixed interest of 5%. After the issue of the first $1.000.000. bonds are limited to $25,000 per mile, main or branch track, constructed or acquired in section of five miles and multiples, provided there has been added to the equipment and paid for, at least one locomotive for each ten miles and four freight cars for each mile added. First lien on entire property. Interest, when paid, is without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $750,000 non-cumulative preferred and $2,500,000 common; par, $100.

TENNESSEE, KENTUCKY & NORTHERN RAILROAD

History: Incorporated under laws of Tennessee, Mar. 18, 1904, as the Overton County R.R. Co. Property was sold to a reorganization committee, Aug. 13, 1912, which in turn sold it to the Cincinnati-Nashville Southern Ry. Co., a new organization incorporated Oct. 1, 1912, in Tennessee, with a perpetual charter. Latter company leased the property, on date of purchase, to the Tennessee, Kentucky & Northern R.R. Co., which was incorporated, Aug. 14, 1912, in Tennessee. The Tennessee, Kentucky & Nashville R.R. operates the property, under lease, for a period of fifteen years, beginning Aug. 14, 1912, on a yearly rental equivalent to $7,500 interest on $150,000 Cincinnati-Nashville Southern Ry. first 5s, and taxes, operating expenses, upkeep, etc. Late in 1912, the road started surveys for an extension north to Oneida, Tenn., 55 miles, and south to Sparta, Tenn., 22 miles.

Location: Road extends from Algood to Livingston, Tenn., 17.40 miles, including 0.40 mile trackage; sidings, 2.61 miles. Locomotive, 1; passenger car, 1; freight cars, 7.

Management: OFFICERS: Mrs. P. E. Clark, Pres.; T. C. McCampbell, Vice-Pres., Sec. and Treas., Nashville, Tenn.; H. Adkins, Gen. Mgr. and Chief Eng., Livingston, Tenn. DIRECTORS: T. C. McCampbell, Mrs. P. E. Clark, Nashville, Tenn.; C. P. Clark, G. C. Toye, H. Adkins, Livingston, Tenn. Annual meeting, third Tuesday in January. GENERAL OFFICE: Nashville, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	†1913
Gross revenues	$31,754	$30,502	$42,250	$38,489
Maintenance of way and structures	4,341	3,282	2,960	3,087
Maintenance of equipment	1,387	2,146	1,140	423
All other operating expenses	13,850	17,907	20,126	14,597
Net income	$12,176	$7,167	$18,024	$19,422
Taxes	1,100	1,360	750	960
Fixed charges	10,002	9,570	10,079	9,002
Surplus	$1,074	*$3,763	$7,195	$10,420

* Deficit. † Aug. 13, 1912, to June 30, 1913.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $1,074; miscellaneous credits, $1,898; debit balance at beginning of year, $1,275; credit balance carried to balance sheet, $1,697.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	*1913
Property investment	$2,202	$1,688	$12,214	.....
Working assets	2,315	4,849	2,253	$4,587
Deferred debit items	10,267	10,377	10,412	19,889
Profit and loss	.....	1,275	.....	.....
Total	$14,784	$18,189	$24,879	$24,486
LIABILITIES:				
Capital stock	$10,000	$10,000	$10,000	$10,000
Working liabilities	2,573	7,668	13,318	3,416
Accrued liabilities not due	514	521	.....	600
Deferred credit items	.....	.....	251	.....
Profit and loss	1,697	.....	1,310	10,420
Total	$14,784	$18,189	$24,879	$24,486

* Aug. 13, 1912, to June 30, 1913.

Bonded Debt: $150,000 Cincinnati-Nashville Southern Ry. first 5s; dated Oct. 15, 1912; due Oct. 15, 1937. Int. paid, Apr. and Oct. 15, at Colonial Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Authorized and outstanding, $10,000. Par, $100. A dividend of 58.8% was paid in 1913-14; none in 1915 and 1916. The Cincinnati-Nashville Southern Ry. Co. also has $25,000 stock outstanding.

TENNESSEE RAILWAY

History: Incorporated under laws of Tennessee, March 29, 1914, to build a railroad from Oneida, Tenn., 75 miles in length. In Feb., 1915, the Court authorized the receiver to extend the road 14 miles toward the open of the State Mines.

Receivership: On July 1, 1913, President Bird M. Robinson, was appointed receiver on a bill filed by the New River Lumber Co.

Location: Road extends from Oneida to Charleys Branch, Tenn., and branches, 58.0 miles.

Management: OFFICERS: Bird M. Robinson, Rec., New York; R. S. Barnes, Aud.; T. F. Whittelsey, Gen. Mgr., Oneida, Tenn. DIRECTORS: None. Annual meeting, second Wednesday in May. GENERAL OFFICE: Oneida, Tenn. NEW YORK OFFICE: 18 Broadway.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$104,872	$74,626
Operating expenses	71,768	52,132
Net operating revenues	$33,104	$22,494
Other income	201	.....
Total net income	$33,305	$22,494
Fixed charges, including taxes	69,541	72,198
Balance	*$36,236	*$49,704

* Deficit.

Comparative Condensed Balance Sheet, as of June 30, 1915 *

ASSETS:		LIABILITIES:	
Property investment	$2,462,523	Capital stock	$1,000,000
Working assets	13,979	Funded debt	1,214,200
Accrued income not due	.....	Working liabilities	310,698
Deferred debit items	12,604	Accrued liabilities not due	6,754
Profit and loss	42,546	Deferred credit items	.....
		Appropriated surplus	.....
		Profit and loss	.....
Total	$2,531,652	Total	$2,531,652

* Latest available.

Bonded Debt: $1,130,000 Tennessee Railway first 5s. Dated March 1, 1907; due March 1, 1937. Interest paid, Mar. and Sept. 1, at Guaranty Trust Co., New York, Trustee. Coupon and registered, $1,000. Authorized, $4,500,000. First lien on entire property. Interest in default.

Receivers' Certificates: On June 30, 1916, there were outstanding, $160,000 receivers' certificates. No details furnished.

Capital Stock: Authorized and outstanding, $1,000,000. Par, $100.

TEXAS, ARKANSAS & LOUISIANA RAILWAY

History: OFFICERS: Incorporated under laws of Texas, Aug. 28, 1898. Road completed same year.

Location: Road extends from Atlanta to Bloomburg, Tex., 7.7 miles; sidings, 1 mile. Equipment: Locomotives 2, cars 2.

Management: OFFICERS: F. M. Greene, Pres.; J. J. Ellington, Jr., Sec. and Treas.; J. H. Birmingham, Aud., Atlanta, Tex. DIRECTORS: F. M. Greene, R. S. Allday, John J. Ellington, Jr., Geo. Hughes, Vilas Johnson, Jefferson, Tex., T. J. Smith, Atlanta, Texas. Annual meeting in January. GENERAL OFFICE: Atlanta, Texas.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$11,712	$13,166	$13,321	$12,636	$13,057
Operating expenses	11,341	11,421	11,451	12,796	14,614
Net operating revenues	$371	$1,745	$1,870	*$160	*$1,557
Fixed charges, including taxes	463	517	678	417	466
Balance	*$92	$1,228	$1,192	*$577	* $2,023

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$26,495	$26,495	$26,495	$26,495	$26,496
Working assets	1,727	1,819	699	551	1,096
Total	$28,222	$28,314	$27,194	$27,046	$27,592
LIABILITIES:					
Capital stock	$25,000	$25,000	$25,000	$25,000	$25,000
Funded debt	.....	.....	108	1,152	1,121
Profit and loss	3,222	3,314	2,086	894	1,471
Total	$28,222	$28,314	$27,194	$27,046	$27,592

Capital Stock: Auth., $100,000; outstanding, $25,000. Par, $100. No bonded debt. Recent dividends as follows: For years ended June 30, 1908, 12%; 1909, 10%; 1910 and 1911, 6% each; none since, except $394 distributed as dividends in 1914.

TEXAS SHORT LINE RAILWAY

History: Incorporated under laws of Texas, Feb. 28, 1901. Road opened in September, 1902. Line of road, Grand Saline to Hoyt, with branches, 13.14 miles. Equipment owned: Locomotives, 2; cars, 50.

Management: OFFICERS: T. B. Meeks, Pres., Grand Saline, Tex.; W. P. Allen, Vice-Pres., Terrell, Tex.; U. S. Meeks, Treas.; A. F. Harn, Sec., Aud. and Pur. Agt., Grand Saline, Tex. DIRECTORS: T. B. Meeks, A. F. Harn, U. S. Meeks, S. B. Maupin, Grand Saline, Tex.; W. P. Allen, Terrell, Tex.; Morgan Jones, Percy Jones, Abilene, Tex. Annual meeting, in January. GENERAL OFFICE, Grand Saline, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$53,982	$51,728	$59,451	$69,333	$61,231	$54,075	$30,282
Operating expenses	35,390	44,967	52,771	46,215	47,893	29,934	26,384
Net operating revenues	$18,592	$6,761	$6,680	$23,118	$13,338	$24,141	$3,898
Operating ratio	65.6%	86.9%	88.8%	66.7%	78.2%	55.4%	87.1%
Other income	907	1,215	.....	.....	.....	.....	.....
Total net income	$19,499	$7,976	$6,680	$23,118	$13,338	$24,141	$3,898
Taxes accrued	.....	1,583	1,988	1,259	1,322	615	1,020
Fixed charges, inc. taxes	7,224	6,921	5,154	3,757	2,031	20,114	10,176
Surplus	$12,275	*$528	*$462	$18,102	$9,985	$3,412	*$7,298

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $95,274; credit balance transferred from income, $12,275; miscellaneous credits, $349; loss on retired road and equipment, $4,885; miscellaneous debits, $67; credit balance carried to balance sheet, $102,947.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$291,395	$233,931	$241,325	$238,980	$224,584	$214,157
Working assets	10,405	11,335	7,039	7,131	8,152	10,912
Deferred debit items	.....	.....	1,549	.....	.....	.....
Total	$301,800	$245,266	$249,913	$246,111	$232,736	$225,069
LIABILITIES:						
Capital stock	$11,000	$11,000	$11,000	$11,000	$11,000	$11,000
Funded debt	180,788	175,000	175,000	175,000	184,314	186,100
Working liabilities	7,065	17,621	16,326	18,384	12,666	24,557
Accrued liabilities not due	.....	.....	8,378	.....	.....	.....
Profit and loss surplus	102,947	41,645	39,209	41,721	24,756	3,412
Total	$301,800	$245,266	$249,913	$246,111	$232,736	$225,069

Bonded Debt: $175,000 Texas Short Line Ry. first gold 5s. Dated Jan. 1, 1901; due Jan. 1, 1921. Int. Jan. and July 1, at U. S. Mortgage & Trust Co., New York. Coupon, $1,000. First lien on entire property. $174.000 held by company; $1,000 outstanding. Rating, B.

Note: There are also $5,788 equipment trusts outstanding of an authorized issue of $6,500. Issued Apr. 13, 1916; due Feb. 13, 1918. Interest payable monthly.

Capital Stock: Auth., $100,000; outstanding, $11,000. Par, $100.

TEXAS SOUTHEASTERN RAILROAD

History: Incorporated under laws of Texas, October 9, 1900.

Location: Road extends from Diboll to Bluff City, Tex., 34.5 miles. Blix to Lufkin, Tex., 9.85 miles; other branches, 10.65 miles; total, 55 miles. Equipment: Locomotives, 4; motor cars, 2; passenger cars, 2; freight cars, 165; miscellaneous cars, 5.

Management: OFFICERS: T. L. L. Temple, Pres., Texarkana, Tex.; E. C. Durham, Vice-Pres., Sec., Treas., Gen. Mgr. and Pur. Agt.; C. A. Jordon, Aud., Diboll, Tex. DIRECTORS: T. L. L. Temple, H. A. Carpenter, Texarkana, Tex.; Watson Walker, W. P. Rutland, E. C. Durham, W. M. Ashford, J. J. O'Hara, Diboll, Tex. Annual meeting in November. GENERAL OFFICE, Diboll, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$141.984	$124,355
Operating expenses and taxes	115,235	100,345
Net income	$35,141	$30,492
Fixed charges, etc	37,667	38,913
Deficit	$2,526	$8,421

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	LIABILITIES:	1916
Cost of road and equipment	$790,766	Capital stock	$243,005
Materials and supplies	3,279	Current liabilities	21,640
Cash	1,463	Other liabilities	539,609
Bills receivable	6,219	Accrued depreciation	33,494
Current accounts	486		
Total	$802,214	Total	$802,214

Capital Stock: Auth., $250,000; outstanding, $243,000. Par, $100. No bonded debt.

TIDEWATER & WESTERN RAILROAD COMPANY

History: Incorporated under laws of Virginia, June 30, 1905; successor to the Farmville & Powhatan, R.R. Co., sold under foreclosure June 7, 1905.

Location: Bermuda to Farmville, Va., 89.14 miles; branches, 3.40 miles; total, 92.54 miles; sidings, etc., 8.85 miles. Equipment: Locomotives, 6; passenger cars, 10; freight cars, 139; service cars, 2.

Management: OFFICERS: L. M. Williams, Pres.; T. M. R. Talcott, Vice-Pres., Gen. Mgr. and Pur. Agt.; S. M. Woodward, Vice-Pres.; Berkeley Williams, Sec.; G. M. Wilson, Treas.; R. W. Duffer, Aud., Richmond, Va. DIRECTORS: L. M. Williams, T. M. R. Talcott, J. B. Beasley, Thos. F. Jeffress, Herbert W. Jackson, S. H. Beemis, B. Rand Wellford, E. L. Bemiss, S. M. Woodward, Berkeley Williams, Richmond, Va.; C. Cabell Robinson, Wingina, Va. Annual meeting, first Wednesday in October. OFFICE: Richmond, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$81,656	$85,436	$89,280	$106,535	$99,753	$91,706
Maintenance of way	27,305	26,162	29.287	31,187	33,780	28,571
Maintenance of equipment	9,849	11,917	14,583	14,036	14,584	10,994
All other oper. expenses	38,414	39,560	12,839	44,774	39,516	37,325
Net operating revs.	$6,088	$7,797	$2,571	$16,538	$11,873	$14,815
Other income	4,022	1,471	.....	4,856	.....	.....
Total net income	$10,110	$9,268	$2,571	$21,394	$11,873	$14,815
Taxes	3,629	4,317	4.819	4,433	4,351	4,174
Fixed charges	14,525	14,247	12,432	12,730	12,000	12,213
Surplus	*$8,044	*$9,296	*$14,680	$4,231	*$4,478	*$1,572

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$688,876	$688,308	$665.797	$644,760	$616,958	$613,399
Working assets	15,124	15,089	15,123	37,285	25,229	19,750
Deferred debit items	.....	.....	1,700	1,600	850	550
Profit and loss	49,696	41,652	32,356	14,741	18,973	14,494
Total	$753,696	$745,049	$714,976	$698,386	$662,010	$648,193
LIABILITIES:						
Capital stock	$300,000	$300.000	$300,000	$300.000	$300.000	$300,000
Funded debt	300.000	300,000	300,000	300.000	300.000	300,000
Working liabilities	153,522	145,029	114,963	98,203	61,870	48,076
Deferred credit items	174	20	13	183	140	117
Total	$753.696	$745,049	$714,976	$698,386	$662,010	$648,193

Bonded Debt $300,000 Tidewater & Western R.R. first 4s; dated Nov. 19, 1905; due July 1, 1955. Int. paid Jan. and July 1, at Virginia Trust Co., Richmond, Va. Coupon, $1,000. Authorized, $600.000. Callable on 60 days' notice. First lien on entire property now owned or hereafter acquired. The Jan., 1908, coupon was the last interest paid.

Capital Stock: Auth., $500,000; outstanding, $300,000. Par, $100. No dividends paid. TRANSFER AGENT, Virginia Trust Co., Richmond, Va.

TIMPSON & HENDERSON RAILWAY

History: Incorporated under the laws of Texas, August 5, 1909, reorganization of the Timpson & Northwestern Railway Company.

Location: Road extends from Timpson to Henderson, Tex., 34 miles. Equipment: Locomotive, 1; passenger cars, 2; freight cars, 5.

Management: OFFICERS: W. G. Ragley, Pres.; F. Ragley, Vice-Pres.; Homer Harris, Sec. and Treas.; M. J. Ragley, Asst. Sec.; C. W. Gray, Gen. Mgr. and Aud., Henderson, Tex. DIRECTORS: W. G. Ragley, F. Ragley, J. B. Edwards, A. Prycer, Ragley, Tex.; H. Harris, R. T. Brown, E. B. Alford, J. C. Hickey, Henderson, Tex.; J. S. Garrison, Timpson, Tex. Annual meeting, August 5th. GENERAL OFFICE: Ragley, Tex.

Bonded Debt: On July 18, 1914, the Texas Railroad Commission authorized a mortgage $100,000 to W. G. Ragley, payable in four years with interest at 6%.

Capital Stock: Authorized and outstanding, $250,000. Par, $100.

TIONESTA VALLEY RAILWAY

History: Incorporated under laws of Pennsylvania, Feb. 17, 1904; consolidation of a company of the same name with the Spring Creek Ry. Co.

Location: Road extends from Dunhams to Ogilsby, Pa., 52.06 miles; branches, 32.27 miles; total, 84.33 miles. Sidings, 26.72 miles. Equipment: Locomotives, 15; passenger cars, 4; freight cars, 562.

Management: OFFICERS: P. M. Newman, Pres. and Gen. Mgr., Williamsport, Pa.; E. C. Hoyt, Vice-Pres., New York; R. G. Brownell, Sec.; F. E. Bradley, Treas.; J. M. Rhen, Gen. Aud., Williamsport, Pa.; H. A. Gibson, Supt., Sheffield, Pa.; W. H. Humphreys, Pur. Agt., 17 Battery Place, New York. DIRECTORS: R. G. Brownell, C. H. McCauley, Jr.; A. W. Mallinson, A. R. Spicer, L. W. Otto, J. M. Rhen, P. M. Newman, W. H. Hough, Williamsport, Pa.; Eugene Horton, E. C. Hoyt, Walter Horton, W. E. Henderson, Sheffield, Pa. Annual meeting, second Monday in January. OFFICE: Williamsport, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$227,868	$210,962	$215,786	$244,185	$238,799	$237,767
Maintenance of way	38,037	35,419	49,850	51,334	50,299	42,941
Maintenance of equipment	30,502	25,523	25,086	28,153	27,280	27,436
All other operating exps.	93,405	93,255	97,482	97,499	90,037	86,750
Net operating revs.	$65,924	$56,756	$43,368	$67,199	$71,183	$80,640
Other income	.....	.....	.....	2,467	3,020	2,556
Total net income	$65,924	$56,756	$43,368	$69,666	$74,203	$83,196
Taxes	5,500	4,500	4,200	4,938	4,936	4,800
Fixed charges	2,419	2,318	3,357	2,167	1,998	3,130
Surplus	$58,005	$49,938	$35,811	$62,561	$67,269	$75,266
Dividends paid	.....	.....	.....	50,000	50,000	75,000
Balance	$58,005	$49,938	$35,811	$12,561	$17,269	$266

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $250,600; credit balance transferred from income, $58,005; profit on road and equipment sold, $550; total, $309,155. Contra: Credit balance carried to balance sheet, $309,155.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$610,780	$598,227	$602,202	$559,737	$568,850	$469,286
Working assets	262,264	219,814	80,696	46,216	71,790	76,663
Deferred debit items	47,825	39,988	126,020	172,925	131,872	103,438
Total	$920,869	$858,029	$808,918	$778,878	$772,512	$649,387
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Working liabilities	7,673	3,839	4,359	8,496	15,422	13,391
Accrued liabilities not due	3,410	2,966	2,878	4,898	3,526	.....
Deferred credit items	631	624	1,019	633	375	.....
Appropriated surplus	100,000	100,000	100,000	100,000	100,000	135,996
Profit and loss	309,155	250,600	200,662	164,851	153,189	.....
Total	$920,869	$858,029	$808,918	$778,878	$772,512	$649,387

Capital Stock: Authorized and outstanding, $500,000; par, $100. All owned by Central Leather Co., except directors' qualifying shares. Recent dividends as follows: 1898 to 1900, inclusive, 6% per annum; 1903 to 1910, inclusive, 10% per annum; 1911, 15%; 1912 and 1913, 10%; none since. No bonded debt.

TOLEDO, ANGOLA & WESTERN RAILWAY

History: Incorporated under laws of Ohio, July 11, 1902. Operated for freight service only.

Location: Road extends from Vulcan to Centennial, Ohio, 10.5 miles; sidings, etc., 1.5 miles. Owns 1 locomotive.

Management: OFFICERS: Frank Janes, Pres.; Louis Bartlett, Sec. and Treas., Toledo, Ohio. GENERAL OFFICE: Toledo, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$29,859	$28,694	$37,373	$43,924	$29,618	$16,348
Maintenance of way	9,931	5,268	8,820	6,489	3,762	4,433
Maintenance of equipment	1,137	562	3,448	1,876	719	450
All other operating exps.	12,243	11,388	18,518	16,580	9,149	7,415
Net operating revs.	$6,548	$11,476	$6,587	$18,979	$15,988	$4,050
Other income	10	70	1,206	.....	.....	.....
Total net income	$6,558	$11,546	$7,793	$18,979	$15,988	$4,050
Taxes	1,835	2,097	1,588	1,942	1,550	1,158
Fixed charges	16,792	18,353	16,037	15,040	11,223	11,670
Surplus	*$12,069	*$8,904	*$9,832	$1,997	$3,215	*$8,778

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$751,538	$751,393	$734,312	$733,003	$713,125	$712,974
Working assets	26,496	25,351	9,663	27,059	13,895	8,270
Profit and loss	46,043	33,974	25,116	17,036	18,196	21,420
Total	$824,077	$810,718	$769,091	$777,098	$745,216	$742,664

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	315,000	315,000	315,000	410,000	395,000	397,000
Working liabilities	201,257	189,463	146,709	58,552	46,655	43,336
Accrued liabilities not due	3,341	3,023	4,152	5,314	3,561	2,328
Deferred credit items	4,479	3,232	3,230	3,232	.....	.....
Total	$824,077	$810,718	$769,091	$777,098	$745,216	$742,664

Bonded Debt: (1) $300,000 Toledo, Angola & Western Ry. first 5s; dated Sept. 1, 1902; due Sept. 1, 1922. Int. paid Mar. and Sept. 1, at Ohio Savings Bank & Trust Co., Toledo, Trustee. Coupon, $1,000. Callable at 102½ and interest. Authorized, $300,000, of which $281,000 is pledged to secure the collateral trust notes. Interest paid without deduction for normal income tax.

(2) $15,000 Toledo, Angola & Western Ry. collateral trust demand notes. Issued on various dates, and bearing several rates of interest. Secured by deposit of $281,000 first 5s. Interest is paid quarterly or monthly, as arranged for.

Capital Stock: Authorized and outstanding, $300,000. Par, $100.

TOLEDO SOUTHEASTERN RAILWAY

History: Incorporated under the laws of Ohio, April 12, 1895. Operated for freight exclusively.

Location: Road extends from White Rock to Martin, O., 1 mile, with 1.35 miles of sidings, connecting at the latter point with the New York Central R.R. Equipment: Locomotives, 2; cars, 4.

Management: OFFICERS: John A. Kling, Pres. and Treas.; T. C. Wellsted, Sec., Cleveland, Ohio; J. G. Yule, Aud.; A. B. Mack, Gen. Mgr., Marblehead, O. DIRECTORS: A. M. Carey, A. Y. Gowen, T. A. Jones, John A. Kling, T. C. Wellsted, Cleveland, O. Annual meeting, first Monday in January. GENERAL OFFICE: Cleveland, O.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$22,938	$39,842	$34,833	$32,721	$25,778
Operating expenses	11,356	13,778	13,608	15,957	9,733
Net operating revs	$11,582	$26,064	$21,225	$16,764	$16,045
Other income	1,113	.....	.....	.....	.....
Total net income	$12,695	$26,064	$21,225	$16,764	$16,045
Fixed charges, inc. taxes	1,746	2,485	2,022	1,266	883
Surplus	$10,949	$23,579	$19,203	$15,498	$15,162

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $57,304; credit balance transferred from income, $10,949; total, $68,253. Contra: Dividend appropriation of surplus, $5,000; credit balance carried to balance sheet, $63,253; total, $68,253.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$18,317	$19,143	$20,057	$17,715	$18,479
Working assets	50,660	44,785	19,648	14,445	4,334
Accrued income not due	.....	.....	.....	.....	.....
Deferred debit items	566	158	124	120	.....
Total	$69,543	$64,086	$39,829	$32,280	$22,813
LIABILITIES:					
Capital stock	$5,000	$5,000	$5,000	$5,000	$5,000
Working liabilities	345	895	587	1,565	1,890
Accrued liabilities not due	869	811	517	296	.....
Deferred credit items	76.	76	.....	.....	.....
Profit and loss	63,253	57,304	33,725	25,419	15,923
Total	$69,543	$64,086	$39,829	$32,280	$22,813

Capital Stock: Authorized and outstanding, $5,000. Par, $10. No bonded debt. Paid dividend of 300% June 28, 1912; 125%, Dec. 30, 1912; 200%, Dec. 30, 1913, and 100%, Jan. 28, 1916.

TOLEDO TERMINAL RAILROAD

History: Incorporated in Ohio, December 4, 1907. Successor to Toledo Ry. & Terminal Co. Controlled by the nine railroad companies named below, which guarantee the interest on the bonds. Has direct connection with all companies entering Toledo.

Location: Belt line 36.902 miles around Toledo, Ohio, including two bridges and branch to terminal station, with 29.321 miles of sidings.

Management: OFFICERS: A. B. Newell, Pres. and Gen. Mgr.; W. L. Ross, Vice-Pres.; W. C. Carr, Treas.; E. D. Potter, Sec.; Bryan Thomas, Aud. DIRECTORS: M. J. Caples, P. H. King, H. E. Speaks, W. L. Ross, E. D. Bronner, H. G. Kelly, Geo. L. Peck, D. C. Moon, C. W. Galloway. Annual meeting, first Tuesday in March. OFFICE, Toledo, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$492,945	$437,499	$427,691	$403,471	$313,618	$324,577	$335,352
Maintenance of way	24,199	56,292	94,066	56,494	37,416	63,651	61,126
Maintenance of equipment	46,978	48,379	53,860	44,240	43,617	54,319	34,959
All other operating expenses	177,004	175,325	242,838	216,239	179,005	228,392	224,731
Net operating revenues	$244,764	$157,503	$36,927	$86,498	$53,580	*$21,695	$14,536
Other income	159,399	113,720	75,063	69,540	67,611	43,687	43,564
Total net income	$404,163	$271,223	$111,990	$156,038	$121,191	$21,992	$58,100
Taxes and fixed charges	319,431	306,044	.....	.....	.....	.....	.....
Balance	$84,732	*$34,821	.....	.....	.....	.....	.....

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance tranferred from income, $84,732; miscellaneous credits, $268; debit balance carried to balance sheet, $1,008,348; total, $1,093,348. Contra: Debit balance at beginning of year, $1,090,111; loss on retired road and equipment, $2,634; miscellaneous debits, $603; total, $1,093,348.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$8,209,176	$8,170,629	$8,121,494	$7,997,468	$7,989,313	$7,995,075
Working assets	275,454	254,355	194,876	226,549	164,475	191,774
Deferred debit items	8,108	5,306	1,076	1,581	1,101	2,676
Profit and loss deficit	1,008,348	1,090,111	1,055,096	835,362	710,733	593,738
Total	$9,501,086	$9,520,401	$9,372,542	$9,060,960	$8,865,622	$8,783,263
LIABILITIES:						
Capital stock	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000
Funded debt	*5,330,560	5,342,413	4,000,000	4,000,000	4,000,000	4,000,000
Working liabilities	105,971	125,281	1,239,577	1,007,872	820,522	738,119
Accrd. liabilities not due	51,182	48,762	75,345	47,713	44,578	43,935
Deferred credit items	13,373	3,945	3,620	5,374	522	1,209
Total	$9,501,086	$9,520,401	$9,372,542	$9,060,960	$8,865,622	$8,783,263

* Includes $1,130,560 non-negotiable debt to affiliated companies. No interest charged to cost of property.

Bonded Debt: $4,200,000 Toledo Terminal R.R. first 4½s. Dated Nov. 1, 1907; due Nov. 1, 1957. Interest paid May and Nov., at Columbia Trust Co., New York. Interest guaranteed by Cincinnati, Hamilton & Dayton Ry., Pere Marquette R.R. as to 16.12% each, and by Grand Trunk Western Ry., New York Central R.R., Michigan Central R.R., Pennsylvania Co., Toledo, St. Louis & Western R.R. Hocking Valley Ry. and Toledo & Ohio Central Ry. as to 9.68% each. Authorized, $6,000,000; in treasury, $100,000. First lien on entire property. Interest paid without deduction for normal income tax. Net Rating, Baa.

Capital Stock: Auth., $6,000,000; outstanding, $4,000,000. Par, $10. Owned in the following proportions: Cincinnati, Hamilton & Dayton Ry., Pere Marquette R.R., 16.12% each; Grand Trunk Western Ry., Pennsylvania Co., Toledo & Ohio Central Ry., New York Central R.R., Michigan Central R.R., Toledo, St. Louis & Western R.R., Hocking Valley Ry., 9.68% each.

TOMAHAWK & EASTERN RAILWAY

History: Incorporated under the laws of Wisconsin, August 12, 1907. Road operated under lease.

Location: Road extends from Tomahawk to Harrison, Wis., 13.40 miles; Antigo June. to south line of Township 34, 6.47 miles; total, 19.87 miles; sidings, 1.05 miles.

Management: OFFICERS: R. B. Tweedy, Pres. and Treas., Tomahawk, Wis.; Spencer Ilsley, Vice-Pres., Milwaukee; F. P. Werner, Sec.; E. C. McNaughton, Aud.; C. H. Grundy, Supt., Tomahawk, Wis. DIRECTORS: R. B. Tweedy, C. H. Grundy, F. P. Werner, E. C. McNaughton, Tomahawk, Wis.; Spencer Ilsley, Milwaukee, Wis. Annual meeting, second Wednesday in September. GENERAL OFFICE, Tomahawk, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$21,806	$12,349	$16,801	$16,113	$12,285
Operating expenses	13,783	10,396	12,701	10,567	9,284
Net revenues	$8,023	$1,953	$4,100	$5,546	$3,001
Total net income	$8,023	$1,953	$4,100	$5,546	$3,001
Fixed charges	7,029	2,106	4,521	5,153	4,190
Balance	$994	*$153	*$421	$393	*$1,189

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Working assets	$4,600	$3,207	$2,696	$2,481	$2,283
Total	$4,600	$3,207	$2,696	$2,481	$2,283
LIABILITIES:					
Capital stock	$1,000	$1,000	$1,000	$1,000	$1,000
Working liabilities	2,105	1,706	1,042	405	600
Profit and loss	1,495	501	654	1,076	683
Total	$4,600	$3,207	$2,696	$2,481	$2,283

Capital Stock: Auth., $25,000; outstanding, $1,000. Par, $100. No bonded debt.

TONOPAH & TIDEWATER RAILROAD COMPANY

History: Incorporated under laws of New Jersey, to build a railroad from Ludlow, Cal., to Tonopah, Nev., about 200 miles. Completed up to June 30, 1914: Ludlow, Cal., to Beatty, Nev., 169.07 miles; sidings, 12.99 miles; total, 182.06 miles. Equipment: Locomotives, 5; passenger cars, 6; freight cars, 41.

Management: OFFICERS: John Ryan, Pres. and Gen. Mgr., Oakland, Cal.; DeWitt Van Buskirk, Vice-Pres.; C. B. Zabriskie, Sec. and Treas., New York.; F. M. Jenifer, Traffic Mgr.; H. Escherich, Aud., Oakland, Cal.; W. W .Cahill, Supt., Stagg, Cal. DIRECTORS: Frank M. Smith, Oakland, Cal.; DeWitt Van Buskirk, R. C. Baker, W. R. Alberger, Oakland, Cal.; C. B. Zabriskie, J. A. Middleton, New York; J. W. Hardenbergh, Jersey City, N. J. Annual meeting, second Wednesday in August, at Bayonne, N. J. GENERAL OFFICE, Syndicate Building, Oakland, Cal. NEW YORK OFFICE, 100 William Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$433,939	$323,028	$343,048	$328,241	$291,391	$317,424
Maintenance of way	60,367	49,061	66,564	50.056	49,505	51,902
Maintenance of equip.	40,878	38,153	25,424	32,664	30,785	42,373
All other oper. expenses	120,369	120,258	116,180	109,977	117,040	139,671
Net oper. revenues	$212,325	$115,556	$134,880	$136.550	$94,061	$83,478
Other income	3,148	2,479	262	20,060	23,737	22,123
Total net income	$215,473	$118,035	$135,142	$156,610	$117,798	$105,601
Taxes	20,435	17,695	18,679	15,482	18,625	21,839
Fixed charges	174,875	160,469	171,363	166,267	168,686	184,373
Surplus	$20,163	*$60,129	*$54,900	*$25,139	*$69,513	*$100,611

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $20,163; donations, $812; miscellaneous credits, $502; debit balance carried to balance sheet, $1,035,275; total, $1,056,752. Contra: Debit balance at beginning of year, $897,276; loss on retired road and equipment, $91,484; delayed income debits, $67,571; miscellaneous debits, $421; total, $1,056,752.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,475,304	$4,550,767	$4,524,771	$4,507,336	$4,537,387	$4,534,339
Working assets	173,630	93,737	241,120	244,957	240,497	293,491
Deferred debit items	30,796	1,741	433,784	400,141	341,598	226,726
Profit and loss	1,035,275	897,276	356,867	302,196	276,729	187,246
Total	$5.715,005	$5,543,521	$5,556,542	$5,454,630	$5,381,193	$5,241,802
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	4,634,685	4,474,801	3,285,344	3,285.344	3,285.344	3,285,344
Working liabilities	28,149	23,911	1,232.914	1,130.688	1,057,210	914,647
Accrd. liabilities not due	38,655	36,305	37,426	38,293	38,293	40,719
Deferred credit items	13,516	8,504	858	305	346	1,092
Total	$5.715,005	$5,543,521	$5,556,542	$5,454,630	$5,381,193	$5,241,802

Bonded Debt: (1) £500,000 Tonopah & Tidewater R.R. first 5s debenture stock certificates. Dated Nov. 1, 1905; due July 1, 1960. Interest paid, April and Oct. 15. Indian & General Investment Trust Co., Ltd., of London, England, Trustee. Guar. principal and interest, by Borax Consolidated, Ltd. Redeemable at 105, on six months' notice. First lien on £500,000 first mortgage sterling 5% bonds, and on entire line and equipment. Listed on London Stock Exchange. Rating, Ba.

(2) £175,000 Tonopah & Tidewater redeemable sterling 5s. Dated July 25, 1907; due July 1, 1960. Interest paid March and Sept. 1, at Glyn, Mills Currie & Co., London. Coupon, £100. Mechanics Trust Co., Bayonne, N. J., Trustee. Redeemable at 105, on any interest day by drawings on six months' notice. Guar. principal and interest, by Borax Consolidated, Ltd. Secured on entire property of company subject to No. 1. Listed on London Stock Exchange. Rating, Ba.

Capital Stock: Authorized and outstanding, $1,000,000. Par, $100. All owned by Tonopah & Tidewater Co., of Nevada. TRANSFER AGENT AND REGISTRAR, Mechanics Trust Co., Bayonne, N. J.

TOOELE VALLEY RAILWAY

History: Incorporated under laws of Utah, November 18, 1908. Connects at Tooele Junc., Utah, with the Los Angeles & Salt Lake Ry.

Location: Road extends from Tooele Junc. to International, Utah, 7 miles. Equipment: Locomotives, 5; cars: passenger, 5; baggage, 2; freight, 3; service, 10; total, 20.

Management: OFFICERS: William Wraith, Pres., Salt Lake City, Utah; W. D. Thornton, Vice-Pres.; D. B. Hennessy, Sec. and Treas., New York; John D. Woods, Aud.; W. H. Raymond, Supt., Tooele City, Utah. DIRECTORS: William Wraith, Salt Lake City, Utah; John D. Ryan, W. D. Thornton, B. B. Thayer, D. B. Hennessy, New York. Annual meeting, first Monday in December. GENERAL OFFICE, Salt Lake City, Utah.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$220,274	$175,237	$183,094	$129,774	$79,984
Operating expenses	166,721	134,007	125,248	113,466	69,432
Net operating revenues	$53,553	$41,230	$57,846	$16,308	$10,552
Other income	1,836	1,475	894	860	911
Total net income	$55,389	$42,705	$58,740	$17,168	$11,463
Fixed charged, inc. taxes	22,374	16,423	26,242	32,005	13,617
Balance	$33,015	$26,282	$32,498	*$14,837	*$2,154

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $56,545; credit balance transferred from income, $33,015; unrefundable overcharges, $10; miscellaneous credits, $10; total, $89,580. Contra: Miscellaneous debits, $9; credit balance carried to balance sheet, $89,571; total, $89,580.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$348,962	$316,211	$324,858	$305,673	$259,769
Working assets	207,170	138,564	786,944	814,093	856,256
Deferred debit items	4,330	4,477	4,604	4,922	5,148
Profit and loss	.....	.....	.....	98	.....
Total	$560,462	$459,252	$1,116,406	$1,124,786	$1,121,173
LIABILITIES:					
Capital stock	$320,000	$320,000	$1,000,000	$1,000,000	$1,000,000
Working liabilities	149,348	81,194	84,805	123,985	105,658
Appropriated surplus	1,543	1,513	1,333	801	862
Profit and loss	89,571	56,545	30,268	.....	14,652
Total	$560,462	$459,252	$1,116,406	$1,124,786	$1,121,173

Capital Stock: Authorized, $1,000,000; outstanding, $320,000. Par, $100. All owned by International Smelting Co., subsidiary of the Anaconda Copper Mining Co.

TRANS-MISSISSIPPI TERMINAL RAILROAD

History: Incorporated under the laws of Louisiana, Oct. 26, 1914, succeeding to the rights and privileges of the Trans-Mississippi Terminal Co.; company also assumed a stock liability amounting to $100,000 in respect of the capital stock of the Trans-Mississippi Terminal Co. The Terminal Company had leased from the Texas & Pacific Ry. Co. its terminal facilities in New Orleans, and entered into an agreement providing for the joint use of these facilities by the Texas & Pacific Ry. and the St. Louis, Iron Mountain and Southern Ry. Owns valuable real estate in New Orleans. Company has no equipment, but leases two transfer steamers from the Texas & Pacific Ry.

Management: OFFICERS: J. A. Shepherd, Pres.; J. L. Lancaster, Vice-Pres., New Orleans, La.; A. Robertson, Vice-Pres., St. Louis, Mo.; M. D. Cloyd, Sec. and Aud.; C. L. Wallace, Treas., New Orleans, La. DIRECTORS: C. L. Wallace, J. L. Lancaster, N. M. Leach, J. A. Shepherd, New Orleans, La.; A. Robertson H. M. Adams, A. J. Biard, J. G. Drew, St. Louis, Mo. Annual meeting, last Tuesday in January. GENERAL OFFICE, Whitney-Central Building, New Orleans, La.

Income Account, year ended June 30, 1916: Gross revenue, $84,964; operating expenses and taxes, $102,944; net operating revenues (deficit), $17,980; other income, $232,665; total net income, $214,685; fixed charges, etc., $214,685; balance, nil.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$12,906,698	$11,661,900	Capital stock	$300,000	$300,000
Working assets	486,211	22,023	Funded debt	11,750,000	11,750,000
Deferred debit items	13,527	982,169	Working liabilities	1,167,540	425,125
			Accrued liabilities	1,300	15,445
			Deferred credit items	206,990	74,210
			Profit and loss	80,766	101,312
Total	$13,408,436	$12,666,092	Total	$13,408,436	$12,666,092

Bonded Debt: (1) $6,071,000 Trans-Mississippi Terminal Co. first 5s. Dated July 1, 1914; due July 1, 1944. Interest paid Jan. and July 1 at 165 Broadway, New York. Coupon, $1,000. Authorized, $7,500,000. Entire issued amount pledged as security for No. 2. Callable at 105 and interest. Sinking fund of 1% of outstanding bonds payable annually. First lien on real estate previously owned by Trans-Mississippi Terminal Co. Guaranteed principal and interest by Texas & Pacific Ry. and the St. Louis, Iron Mountain and Southern Ry. Co.

(2) $4,250,000 Trans-Mississippi Terminal Co. three-year 6% notes. Dated Nov. 1, 1914; due Nov. 1, 1917; interest May and Nov. 1, at Equitable Trust Co., New York, trustee. Coupon, $1,000. Authorized, $4,250,000. Secured by deposit with trustee of entire issue described above, taken at 70. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and outstanding, $200,000. Par, $100. Owned equally by the Texas & Pacific Railway and the St. Louis, Iron Mountain & Southern Ry. Co. There is also outstanding $100,000 Trans-Mississippi Terminal Co. stock assumed. See above.

TREMONT & GULF RAILWAY

History: Incorporated under the laws of Louisiana, July, 1902. Road opened, in 1905. In April, 1906, the Shreveport, Jonesboro & Natchez R.R. was absorbed.

Location: Road extends from Tremont to Winnfield, La., 48.27 miles; Menefee to Rochelle, La., 24.48 miles; total, 72.75 miles; sidings, 10.13 miles. Equipment: Locomotives, 7; passenger cars, 4; combination car, 1; box cars, 141; flat cars, 172; service cars, 5.

Management: OFFICERS: J. S. Joyce, Pres., Chicago, Ill.; R. B. Fowler, Vice-Pres. and Gen. Mgr., Winnfield, La.; F. P. Stubbs, Jr., Sec., Monroe, La.; A. P. Tugwell, Treas.; J. B. Fick, Aud., Winnfield, La. DIRECTORS: R. B. Fowler, Chas. H. Morey, Manistee, Mich.; J. C. Theus, Monroe, La.; J. B. Fick, Winnfield, La.; F. P. Stubbs, Monroe, La.; Robert Layton, Chicago, Ill. Annual meeting, second Wednesday in February. OFFICE, Winnfield, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$302,890	$235,909	$235,656	$196,691	$193,591	$189,878
Maintenance of way....	59,072	52,455	54,385	57,323	78,402	69,491
Maintenance of equip..	49,246	34,223	35,815	28,385	20,835	19,968
All other oper. expenses	74,130	76,331	111,701	91,699	72,571	79,697
Net oper. revenues.	$120,442	$72,990	$33,755	$19,284	$21,783	$20,722
Other income	430	521	.....	.....	.....	1,242
Total net income..	$120,872	$73,421	$33,755	$19,284	$21,783	$21,964
Taxes	7,200	5,175	1,500	600	1,350	2,400
Fixed charges, etc.....	114,565	99,875	101,923	92,196	95,743	87,172
Deficit	$893	$31,629	$69,668	$73,512	$75,310	$67,608

Profit and Loss Account, year ended June 30, 1916: Delayed income credits, $4,357; donations, $3,990; miscellaneous credits, $1,617; debit balance carried to balance sheet, $277,849; total, $287,813. Contra: Debit balance at beginning of year, $286,855; debit balance transferred from income, $893; miscellaneous debits, $65; total, $287,813.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$1,873,231	$1,871,327	$1,895,425	$1,807,654	$1,689,759	$1,730,214
Working assets.....	77,003	62,718	58,807	73,361	65,562	42,213
Deferred debit items...	1,738,593	1,721,193	1,885,527	1,820,708	1,717,773	1,740,250
Profit and loss.....	277,849	286,855	536,769	313,932	339,380	246,002
Total	$3,966,676	$3,942,093	$4,376,528	$4,015,655	$3,812,424	$3,758.679
LIABILITIES:						
Capital stock.....	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt.....	1,550,756	1,553,781	1,560,106	1,556,900	1,550,000	1,550,000
Working liabilities.....	32,692	20,086	543,983	411,305	216,577	170,493
Accrd. liabilities not due	31,153	31,240	33,576	37,650	44,652	36,273
Deferred credit items..	120,052	122,140	27,838	9,800	1,195	1,913
Appropriated surplus..	232,023	214,846	211,025	.....	.....	.....
Total	$3,966,676	$3,942,093	$4,376,528	$4,015,655	$3,812,424	$3,758,679

Bonded Debt: $1,550,000 Tremont & Gulf Ry. first 5s; dated Feb. 1, 1908; due Feb. 1, 1948. Int. paid Feb. and Aug. 1, at company's office or agency, Chicago. Coupon, $1,000. Illinois Trust & Savings Bank, Chicago, trustee. Callable at 105 and interest, after Aug. 1, 1918. Authorized, $5,000,000. Unissued bonds issuable at rate of $30,000 per mile of road for improvements, equipment, etc. First lien on property except telephone lines. Interest paid without deduction for normal income tax. Rating, B.

Note: There were also outstanding, June 30, 1916, $756 Equip. Trusts, dated Sept. 22, 1913, to run for 36 months to be paid monthly. Authorized, $12,807. Secured on 1 locomotive.

Capital Stock: Auth., $5,000,000; outstanding, $2,000,000; par, $100.

TRINITY & BRAZOS VALLEY RAILWAY

History: Incorporated under laws of Texas, Oct. 17, 1902. First section of road, Fort Worth to Houston, opened Feb. 10, 1907. Entire line put in operation Jan. 1, 1908.

By agreement, Rock Island Company has taken a half interest, subject to the lien of the Colorado & Southern Ry. Co. mortgages, in the stock of the Trinity & Brazos Valley Ry. Co., acquired by the Colorado & Southern Ry. Co., and the latter company and the Chicago, Rock Island & Pacific Ry. Co. have agreed to advance to the Trinity and Brazos Valley Ry. Co., funds not otherwise provided for. The Chicago, Rock Island & Pacific Ry. Co. is by the same agreement, on the maturity of the Colorado & Southern refunding and extension mortgage, to receive and pay for one-half of the first mortgage bonds and other securities of the Trinity & Brazos Valley Ry., then subject thereto. The company owns one-quarter interest in the Houston Belt & Terminal Ry., and practically the entire stock of the Galveston Terminal Ry.

Receivership: On June 16, 1914, on petition of the Old Colony Trust Co., Boston, trustee of the first mortgage bonds, alleging that the company had defaulted interest on bonds due Jan. 1, 1914. The receivership is friendly.

Location: Road owned extends from Cleburne, to T. & B. V. Junc., near Houston, Texas, 235.5 miles; Teague to Waxahachie, Tex., 67.32 miles; total, 302.82 miles; sidings, 68.78 miles. Trackage, Houston Belt & Terminal Ry., T. & B. V. Junc. to Houston, Tex., 12.59 miles; total operated, 315.41 miles.

Equipment: Locomotives, 58; passenger cars, 26; freight cars: box, 1,460; flat, 227; stock (leased), 44; coal, 85; tank, 25; Rodger ballast, 96; total, 1,963; caboose and miscellaneous, 50.

Management: OFFICERS OF RECEIVERSHIP: J. W. Robins, Rec. Pres. and Gen. Mgr.; L. H. Atwell, Jr., Sec. and Aud.; G. A. Gandre, Treas., Houston, Tex.; J. W. Carnes, Supt., Teague, Tex. DIRECTORS: G. B. Harris, H. U. Mudge, Chicago, Ill.; J. S. Rice, J. A. Hulen, C. D. Golding, Houston, Tex.; W. G. Newby, L. H. McKee, Fort Worth, Tex.; J. W. Robins, Houston, Tex.; R. A. Ferris, Dallas, Tex. Annual meeting, Wednesday preceding second Thursday in November. GENERAL OFFICE, Houston, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$912,801	$980,033	$2,302,679	$2,835,818	$2,572,264
Operating expenses	1,043,455	989,107	2,386,502	2,651,120	2,350,149
Net operating revenues	*$130.654	*$9.074	*$83.823	$184,698	$222,115
Other income	75,175	86,121	4,231	561	428
Total net income	*$55,479	$77,047	*$79,592	$185.259	$222,543
Fixed charges, inc. taxes	1,197,441	1,187,113	1,417,525	1,413,646	1,385,342
Deficit	$1,252,920	$1,110,066	$1,497,117	$1,228,387	$1,162,799

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $9,418.272; debit balance transferred from income, $1,252,920; loss on retired road and equipment, $6,098; miscellaneous debits, $14,-442; total, $10.691,732. Contra: Miscellaneous credits, $3,359; debit balance carried to balance sheet, $10,688,373; total, $10,691,732.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$11,737,166	$11,792.529	$11,802.250	$11,621.719	$11,508.472
Working assets	455.463	193,840	634,338	770.890	445.967
Deferred debit items	246.625	224.045	70,096	150,834	98,656
Profit and loss	10,688,373	9,339,312	8.294,478	6,733,909	5,505,297
Total	$23,127,627	$21,549,726	$20,801,162	$19,277,352	$17,558,392
LIABILITIES:					
Capital stock	$304,000	$304.000	$304.000	$304.000	$304.000
Funded debt	17.081.406	17.070.156	17.000,156	15.246.932	14.430,304
Working liabilities	5,488.224	4,165.400	3,324.744	3,532.229	2,696.603
Accrued liabilities not due	30.881	10,170	36.616	34.606	35,564
Deferred credit items	223,116	.....	135,646	159,585	91,921
Total	$23,127,627	$21,549,726	$20,801,162	$19,277,352	$17,558,392

Bonded Debt: (1) $8,760,000 Trinity & Brazos Valley Ry. 1st 6s. Dated July 1, 1905; due July 1, 1935. Interest paid Jan. and July 1, in New York. Coupon, $1.000; principal may be registered. Authorized at rate of $30,000 per mile. The Colorado & Southern Ry. Co. owns all the outstanding bonds and has pledged them as collateral under its refunding and extension mortgage due May 1, 1935.

(2) Equipment Trust Certificates: $50.000, balance of $500.000, 1st 5s. Dated April 1, 1907; due $25.000 semi-annually to April 1, 1917. Interest paid April and Oct. 1, at Guaranty Trust Co., New York. Callable at 101 and interest upon 60 days' notice. Guaranteed jointly principal and interest by Colorado & Southern Ry. Co., and Chicago, Rock Island and Pacific Ry. Co. Latter company defaulted on its portion of prin. and int. whereupon Colo. & Southern met payments in full. Secured on 22 locomotives, 175 flat cars, 50 gondolas, and 8 caboose. Interest paid without deduction for normal income tax.

(3) $99.654, balance of $797,232, Pullman Co. 5% Lease Warrants; dated Feb. 11, 1907; due in semi-annual instalments to March 1, 1917. Interest paid May and Nov. 1, at Merchants' Loan & Trust Co., Chicago. Secured on 900 box cars; 10 passenger cars and 5 baggage and mail cars.

(4) Certificates of Indebtedness: There were also outstanding as of June 30, 1916, $7,986.741 Certificates of Indebtedness, issued at various dates, of which $7,389,728, 6% certificates, due July 1, 1935, and $597,013 are 4½% certificates due May 1, 1935.

Capital Stock: Authorized and issued, $304.000; par $100. All but nine shares owned by Colorado & Southern Ry. Co., and pledged under its refunding and extension mortgage.

TRONA RAILWAY

History: Incorporated under the laws of California, March 12, 1913. Road completed and operations commenced Sept. 6, 1914.

Location: Road extends from Trona to Searles, Cal., 30.76 miles; sidings, 2.32 miles. Connects American Trona Corp. plant at Searles Lake, with Searles Station on the Southern Pacific Co. Equipment: Locomotives, 2; passenger coach, 1; freight cars, 5; caboose, 2; total, 9.

Management: OFFICERS: J. A. Brown, Pres.; J. A. Bruton, Vice-Pres.; E. Gordon, Sec. and Treas., Los Angeles, Cal.; A. J. Klanet, Supt., Trona, Cal. DIRECTORS: J. A. Brown, J. A. Bruton, E. Gordon, Los Angeles, Cal. Annual meeting, third Monday in September. GENERAL OFFICE, 366 Pacific Electric Building, Los Angeles, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$52,858	$21.137
Operating expenses	29,740	18,698
Net earnings from operation	$23,107	$2.137
Fixed charges, etc.	38,415	32,042
Deficit	$15,308	$29,905

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$642,908	$595,800	Capital stock	$150,000	$150,000
Working assets	14,760	14,357	Bonded debt	$519,000	519,000
Deferred debit items	73,559	76,191	Working liabilities	101,606	46,149
Profit and loss	45,213	29,905	Accrued liabilities	3,486	.....
			Deferred debit items	2,348	1,104
Total	$776,440	$716,253	Total	$776,440	$716,253

Bonded Debt: $519,000 Trona Railway 1st 5s. Dated Nov. 1, 1914; due Nov. 1, 1944. Interest paid May and Nov. 1, at First Federal Trust Co., San Francisco. Coupon, $1,000. Authorized, $550,000. Callable at 105 and interest. Sinking fund of not less than 2% per annum of outstanding bonds, commences Jan. 1, 1920. A first lien on entire property. Guaranteed principal and interest by the American Trona Corp.

Capital Stock: Authorized, $200,000; outstanding, $150,000. Par, $100. The American Trona Corp. owns a majority of the outstanding stock. Secretary of company acts as TRANSFER AGENT AND REGISTRAR. No dividends paid.

TROY UNION RAILROAD

History: Incorporated under the laws of the State of New York, July 21, 1851. Road opened in 1854.

Location: Road extends from Madison St. to Hoosac St., and from Grand St. to Green Island Bridge, in Troy, N. Y., 2.03 miles; second track, 2 miles. Sidings, etc., 1.54 miles. Used by New York Central R.R., Delaware & Hudson Co., and Boston & Maine R.R., which share expenses proportionately.

Management: OFFICERS: A. H. Smith, Pres., New York; C. S. Sims, Vice-Pres., Albany, N. Y.; F. A. Harrington, Sec., Treas. and Gen. Mgr., Albany, N. Y. DIRECTORS: A. H. Smith, W. H. Newman, Ira A. Place, W. K. Vanderbilt, Jr., John Carstensen, L. F. Loree, W. H. Williams, New York; C. S. Sims, F. A. Harrington, Albany, N. Y.; J. P. O'Brien, Troy, N. Y.; W. J. Hobbs, J. H. Hustis, Boston, Mass. Annual meeting, first Monday in November. GENERAL OFFICE, Troy, N. Y.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$13,000	$14,124	$4.533	$4,108	$4,339
Operating expenses	1,858	.....	4,268	3,871	4,199
Net operating revenues	$11,142	$14,124	$265	$237	$140
Other income	41,788	35,277	36,553	37,905	32,692
Total net income	$52,930	$49,401	$36,818	$38,142	$32,832
Fixed charges, inc. taxes	45,642	35,128	36,818	38,142	32,832
Balance	$7,288	$14,273	.....	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,180,303	$1,177,820	$1,159,800	$1,085,920	$1,085,920
Working assets	25,959	21,329	505	.....	.....
Total	$1,206,262	$1,199,149	$1,160,305	$1,085,920	$1,085,920
LIABILITIES:					
Capital stock	$30,000	$30,000	$30,000	$30,000	$30,000
Funded debt	*95,982	*93,498	*75,478	.....	.....
Working liabilities	7,997	6,726	505	.....	.....
Deferred credit items	.....	2,130	.....	1,598	1,598
Profit and loss	1,072,283	1,066,795	1,054,322	1,054,322	1,054,322
Total	$1,206,262	$1,199,149	$1,160,305	$1,085,920	$1,085,920

* Non-negotiable debt to affiliated companies.

Capital Stock: Authorized and outstanding, $30,000. Par, $100. Owned as follows: New York Central R.R. Co., $15,000; Boston & Maine R.R. Co., $7,500, and Delaware & Hudson Co., $7,500.

TUCKERTON RAILROAD

History: Incorporated under New Jersey laws, July 8, 1860, and reorganized in 1880. Line of road now, Whiting Station to Tuckerton, N. J., 29 miles. Also operates, under a lease, the Philadelphia & Beach Haven R.R. from Manahawkin to Beach Haven, N. J., 12 miles; sidings, 3 miles. Equipment owned: Locomotives, 3; cars, 8.

Management: OFFICERS: Richard Ashhurst, Pres.; W. W. Pharo, Vice-Pres.; Wm. Selfridge, Treas., Philadelphia; T. P. Price, Sec.; John C. Price, Gen. Mgr., Tuckerton, N. J. DIRECTORS: Rich. Ashhurst, W. W. Pharo, H. C. Carlisle, Wm. Selfridge, Philadelphia; T. P. Price, J. C. Price, Tuckerton, N. J.; Edw. Browning, Camden, N. J.; Morris Rutherford, New York; K. H. Lanning, Trenton, N. J. Annual meeting, second Thursday in May, at Camden, N. J. OFFICE, Tuckerton, N. J.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$82,110	$76,994	$92,823	$90,844	$82,617	$80,218	$77,953
Maintenance of way	20,196	21,066		28,883	29,182		
Maintenance of equipment	4,645	7,129	75,026	4,191	8,751	64,762	60,329
All other operating expenses	39,080	38,898		39,443	34,064		
Net operating revenues	$18,189	$9,901	$17,797	$18,327	$10,620	$15,456	$17,624
Operating ratio	77.8%	87.1%	80.7%	79.8%	87.1%	80.8%	77.4%
Other income	976	2,205	.....	.....	.....	.....	.....
Total net income	$19,165	$12,106	$17,797	$18,327	$10,620	$15,456	$17,624
Taxes accrued	4,980	4,741	4,735	4,435	4,243	4,330	4,177
Fixed charges	5,300	5,300	5,000	5,000	5,000	4,985	5,993
Surplus	$8,885	$2,065	$8,062	$8,892	$1,377	$6,141	$7,454

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$688,586	$686,130	$692,536	$685,920	$675,494	$669,881
Working assets	28,458	29,178	25,676	24,049	19,027	24,092
Deferred debit items	4,200	4,500	4,800	5,100	5,400	5,700
Total	$721,244	$719,808	$723,012	$715,069	$699,921	$699,673
LIABILITIES:						
Capital stock	$552,242	$552,242	$552,242	$552,242	$552,242	$552,242
Funded debt	100,000	100,000	100,000	100,000	100,000	100,000
Working liabilities	4,591	3,532	710	4,945	4,767	5,895
Deferred credit items	.....	8,503	1,193	6,078	.....	.....
Profit and loss surplus	64,411	55,526	59,867	51,804	42,912	41,536
Total	$721,244	$719,808	$723,012	$715,069	$699,921	$699,673

Bonded Debt: $100,000 Tuckerton R.R. first 5s. Dated July 8, 1880; due July 8, 1910; extended to July 1, 1930, with interest at 5%. Interest Jan. and July 1, at Camden Safe Deposit & Trust Co., Camden, N. J. Coupon, $500 and $1,000. Subject to call, after July 1, 1920, at 105 and interest. First lien on entire property. Interest paid without deduction for normal income tax. Net Rating, Ba.

Capital Stock: Auth., $125,000 common and $500,000 preferred; outstanding, $106,868 common and $445,374 preferred. Par, $50. No dividends.

TUSCARORA VALLEY RAILROAD

History: Incorporated under laws of Pennsylvania, in 1891. Road opened February, 1893.

Location: Road extends from Port Royal to Blair's Mills, Pa., 27 miles. Equipment: Locomotives, 2; passenger cars, 4; freight cars, 21.

Management: OFFICERS: J. M. Blair, Pres., Blair's Mills, Pa.; H. C. Hower, Vice-Pres. and Gen. Mgr., Port Royal, Pa.; Wm. Hirtzler, Sec., Port Royal, Pa.; J. E. Robertson, Treas., Blair's Mills, Pa. DIRECTORS: J. M. Blair, J. E. Robertson, Elijah Hower, Blair's Mills, Pa.; Wm. Hirtzler, H. C. Hower, Port Royal, Pa. Annual meeting, second Monday in January. OFFICE, Port Royal, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$28,476	$26,979	$29,475	$36,910	$30,398	$27,800
Maintenance of way	6,430	8,978	7,472	7,747	6,525	6,013
Maintenance of equip	3,792	5,645	6,216	8,117	5,947	2,908
All other oper. expenses	10,421	10,841	13,630	14,587	11,633	10,938
Net income	*$8,561	$1,515	$2,157	$6,459	$6,293	$7,941
Taxes	273	(cr.) 35	379	535	375	362
Fixed charges	7,974	8,138	7,980	8,090	7,680	7,500
Surplus	$314	†$6,588	†$6,202	†$2,166	†$1,762	$79

* Includes $728 other income. † Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $314; debit balance carried to balance sheet. $12,766; total, $13,080. Contra: Debit balance at beginning of year, $13,004; loss on retired road and equipment, $76; total, $13,080.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$309,734	$310,243	$303,955	$305,318	$303,955	$299,911
Working assets	5,287	5,582	4,518	5,377	4,717	5,674
Profit and loss.....	12,766	13,004	6,097	.....	.....	372
Total	$327,787	$328,829	$314,570	$310,695	$308,672	$305,957
LIABILITIES:						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Funded debt	150,000	150,000	150,000	150,000	150,000	150,000
Working liabilities	27,600	28,692	13,941	10,200	7,400	5,957
Accr'd liabilities not due	187	137	629	393	260	.....
Profit and loss.....	.....	.....	.....	102	1,012	.....
Total	$327,787	$328,829	$314,570	$310,695	$308,672	$305,957

Bonded Debt: $150,000 Tuscarora Valley R.R. first 5s; dated July 1, 1897; due July 1, 1917. Int. paid Jan. and July 1, at Metropolitan Trust Co., New York, Trustee. Coupon, $1,000. First lien on entire property. No interest paid since July 1, 1913.

Capital Stock: Auth., $300,000; outstanding, $150,000. Par, $50.

TUSKEGEE RAILROAD

History: Incorporated under the laws of Alabama, Feb. 20, 1860. Reorganized, after sale in 1871, as a co-partnership, consisting of E. T. Varner, Mrs. L. Alexander, and Campbell & Wright, each owning one-third interest.

Location: Road extends from Chehaw to Tuskegee, Ala., 6.2 miles; sidings, 1.34 miles. Equipment: Locomotives, 2; cars, 2.

Management: OFFICERS: E. T. Varner, Pres., Treas., Gen. Mgr. and Pur. Agt.; W. W. Campbell, Vice-Pres., Tuskegee, Ala.; W. W. Campbell, Sec.; W. H. Eager, Supt., Tuskegee, Ala.; W. H. Smith, Aud., Atlanta, Ga. DIRECTORS: E. T. Varner, E. R. Alexander, L. V. Alexander, G. C. Wright, W. W. Campbell, Tuskegee, Ala.; J. C. Wright, Roanoke, Ala. Annual meeting in January. OFFICE, Tuskegee, Ala.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$24,155	$31,344	$33,909	$35,512	$35,787	$32,116
Maintenance of way...	2,573	3,863	2,837	3,525	2,327	2,745
Maintenance of equip..	2,523	2,950	7,308	3,820	2,304	1,331
All other oper. expenses	11,772	13,246	15,308	16,363	14,218	13,557
Net income	$7,287	$11,285	$8,456	$11,804	$16,938	$14,483
Taxes	1,850	1,965	1,810	1,693	1,789	1,654
Fixed charges	1,400	2,936	.....	.....	1,330	.....
Surplus	$4,037	$6,384	$6,646	$10,111	$13,819	$12,829
Dividends paid	3,000	6,000	.....	12,000	12,000	10,500
Balance	$1,037	$384	$6,646	*$1,889	$1,819	$2,329

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $1,037; credit balance at beginning of year, $29,173; total, $30,210. Contra: Surplus applied to sinking and other reserve funds, $2,000; credit balance carried to balance sheet, $28,210; total, $30,210.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$95,203	$97,172	$99,147	$97,551	$97,551	$99,151
Working assets	1,923	.....	.....	2,654	6,543	6,724
Deferred debit items...	6,083	8,975	7,000	6,000	4,000	.....
Total	$103,209	$106,147	$106,147	$106,205	$108,094	$105,875
LIABILITIES:						
Capital stock	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000
Working liabilities	.....	1,974	3,795	.....	.....	.....
Profit and loss.....	28,209	29,173	27,352	31,205	33,094	30,875
Total	$103,209	$106,147	$106,147	$106,205	$108,094	$105,875

Capital Stock: Authorized and outstanding, $75,000. Par, $100. Recent dividends as follows: 1909, 16%; 1910 and 1911, 14%; 1912 and 1913, 16%; 1914, 14%; 1915, 8%; 1916, 4%. No bonded debt.

TWIN BUTTES RAILROAD

History: Incorporated under the laws of Arizona, October, 1904. Completed in December, 1908.

Location: Road extends from Sahuarita to Twin Buttes, Ariz., 9 miles. Equipment: Locomotive, 1; car, 1.

Management: OFFICERS: P. C. Brannen, Pres. and Treas., Tucson, Ariz.; S. Hoff, Vice-Pres.; H. L. Bauzhof, Vice-Pres., Milwaukee, Wis.; John G. Baxter, Sec.; James E. Higgins, Gen. Mgr.; Geo. S. Hughes, Aud.; D. L. Stimson, Pur. Agt., Twin Buttes, Ariz. DIRECTORS: P. C. Brannen, J. G. Baxter, Tucson, Ariz.; W. A. Barber, Waldo, Wis.; R. M. Friend, J. H. Hackett, Milwaukee, Wis. Annual meeting, third Monday in January. GENERAL OFFICE, Tucson, Ariz.

Capital Stock: Authorized, $200,000; outstanding, $188,500. Par, $100. No bonded debt. No dividends paid.

TWIN MOUNTAIN & POTOMAC RAILROAD

History: Incorporated under the laws of West Virginia, May 24, 1911.

Location: Road extends from Keyser to Twin Mountain, W. Va., 26.6 miles; sidings, 0.9 miles. Gauge, 3 feet. Equipment: Locomotives, 2; passenger cars, 2; freight cars, 18; service cars, 2.

Management: OFFICERS AND DIRECTORS: H. L. Heintzelman, Pres.; J. M. Brownfield, Vice-Pres.; Kemble White, Sec.; R. T. Cunningham, Treas., Fairmont, W. Va.; E. A. Russell, Gen. Mgr., Keyser, W. Va. Annual meeting, second Wednesday in April. GENERAL OFFICE, Keyser, W. Va. CORPORATE OFFICE, Fairmont, W. Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$16,301	$18,321	$15,185	$4,426
Operating expenses	37,595	38,136	38,907	15,753
Net operating deficit	$21,294	$19,815	$23,722	$11,327
Other income	7,500	7,550	19,599	.....
Total net deficit	$13,794	$12,265	$4,123	$11,327
Fixed charges, inc. taxes	27,735	25,043	26,026	3,526
Final deficit	$41,529	$37,308	$30,149	$14,853

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$663,219	$675,825	$689,977	$698,639
Working assets	18,358	21,562	16,344	9,811
Deferred debit items	325,936	326,628	325,852	319,580
Profit and loss	125,177	83,648	46,340	14,853
Total	$1,132,690	$1,107,663	$1,078,513	$1,042,883
LIABILITIES:				
Capital stock	$500,000	$500,000	$500,000	$500,000
Funded debt	212,733	317,566	200,000	200,000
Working liabilities	419,957	289,027	378,513	342,883
Accrued liabilities not due	.....	1,000	.....	.....
Deferred credit items	.....	70	.....	.....
Total	$1,132,690	$1,107,663	$1,078,513	$1,042,883

Bonded Debt: Authorized, $500,000 Twin Mountain & Potomac R.R. 1st 20-year 5s; due 1941. Up to June 30, 1916, no bonds had been issued.

Capital Stock: (1) Authorized and outstanding, $400,000 6% cumulative preferred. Par, $100. Has preference as to assets and dividends.

(2) Authorized and outstanding, $100,000 common; par, $100.

Secretary of company acts as REGISTRAR. Stock is owned as follows: Mineral County, W. Va., $22,000 common, and Twin Mountains Orchard Co., $78,000 common and $400,000 preferred. No dividends paid.

UINTAH RAILWAY

History: Incorporated under laws of Colorado, Nov. 4, 1903. Road completed, Feb. 1, 1905.

Location: Road extends from Mack, Col., to Watson, Utah, 68.46 miles; sidings 3.67. Locomotives, 11; passenger cars, 4; freight cars, 87; miscellaneous cars, 3.

Management: OFFICERS: A. W. Sewall, Pres.; A. D. Andrews, Vice-Pres.; Ira Atkinson, Treas.; J. L. Rake, Sec.; F. A. Warren, Aud.; P. B. Steffen, Gen. Counsel, Philadelphia, Pa.; W. D. Halpin, Asst. Treas. and Asst. Sec.; M. W. Cooley, Gen. Mgr.; D. E. Falvey, Supt., Mack, Col. DIRECTORS: A. W. Sewall, Avery D. Andrews, J. L. Rake, Ira Atkinson, P. B. Steffen, Philadelphia, Pa. Annual meeting, fourth Wednesday in March. OFFICE, Mack, Col.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$421,588	$274,996	$288,248	$440,547	$408,699	$488,338
Maintenance of way	43,087	34,462	58,488	65,294	66,743	52,714
Maintenance of equip.	41,016	36,426	40,382	51,868	49,449	58,164
All other oper. expenses	168,167	153,306	166,494	185,527	221,859	245,638
Net oper. revenues.	$169,318	$50,802	$22,884	$137,858	$70,648	$131,822
Other income	2,827	3,112	1,813	1,769	435	7,359
Total net income	$172,145	$53,914	$24,697	$139,627	$71,083	$139,181
Taxes	13,227	13,791	14,649	22,781	20,525	15,800
Surplus	$158,918	$40,123	$10,048	$116,846	$50,558	$123,381

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $115,346; credit balance transferred from income, $158,918; total, $274,264. Contra: Dividend appropriations of surplus, $135,000; loss on retired road and equipment, $4,743; miscellaneous debits, $1,159; credit balance carried to balance sheet, $133,362; total, $115,346.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$2,025,263	$2,041,364	$2,058,757	$2,078,370	$2,099,749	$1,812,356
Working assets	141,795	96,402	106,952	113,690	146,528	178,405
Deferred debit items...	259,959	261,671	263,169	259,817	262,418	48,286
Total	$2,427,017	$2,399,437	$2,428,878	$2,451,877	$2,508,695	$2,039,047
LIABILITIES:						
Capital stock	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$1,750,000
Working liabilities	25,155	17,294	16,235	16,704	21,137	67,840
Accr'd liabilities not due	10,114	11,411	12,067	16,902	17,310	6,635
Deferred credit items..	8,386	5,386	3,467	6,000	58,478	52,112
Appropriated surplus ..	.....	.....	.....	.....	.....	.....
Profit and loss.....	133,362	115,346	147,109	162,271	161,770	162,460
Total	$2,427,017	$2,399,437	$2,428,878	$2,451,877	$2,508,695	$2,039,047

Capital Stock: Authorized and outstanding, $2,250,000. Par, $100. Practically entire issue is controlled by Barber Asphalt Paving Co., which is owned by the General Asphalt Co. Recent dividends as follows: 1908, 7½%; 1909, 7%; 1910, 3½%; none in 1911; 1912, 3½%; 1913, 7½%; 1914, 1¼%; 1915, 3%; 1916, 6%. No bonded debt.

UNADILLA VALLEY RAILWAY

History: Incorporated in New York, January 21, 1904. Reorganization of Unadilla Valley R.R.

Location: Bridgewater to New Berlin, N. Y., 19.14 miles, and about two miles of sidings. Equipment: Locomotives, 2; cars, 18.

Management: OFFICERS: Lewis R. Morris, Pres.; Wm. McNair, Vice-Pres.; Wirt Howe, Sec. and Treas., New York; H. A. Brome, Aud., New Berlin, N. Y. DIRECTORS: R. Floyd Clarke, Wirt Howe, G. F. Lawrence, Wm. G. Lyle, Wm. McNair, L. R. Morris. Annual meeting, first Wednesday in December. GENERAL OFFICE, New Berlin, N. Y. NEW YORK OFFICE, 27 Cedar St.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$56,554	$56,697	$60,070	$59,379	$58,223	$59,297	$56,472
Maintenance of way.....	9,458	11,193	11,697	14,600	11,982	12,260	11,781
Maintenance of equipment.....	5,005	4,562	4,400	6,839	6,701	6,923	7,095
All other operating expenses...	29,583	29,112	26,354	25,357	24,053	22,175	19,940
Net operating revenues...	$12,508	$11,830	$17,619	$12,583	$15,487	$17,939	$17,656
Operating ratio	77.9%	79.1%	70.6%	79%	72.9%	69.7%	68.7%
Taxes accrued	2,740	2,635	2,391	2,185	1,926	1,930	2,020
Fixed charges	8,420	8,000	8,000	8,000	8,000	10,803	8,000
Surplus	$1,348	$1,195	$7,228	$2,398	$5,561	$5,206	$7,636

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $57,945; credit balance transferred from income, $1,348; miscellaneous credits, $2,619; total, $61,912. Contra: Miscellaneous appropriations of surplus, $7,000; miscellaneous debits, $625; credit balance carried to balance sheet, $54,287; total, $61,912.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$440,314	$451,222	$448,891	$443,536	$423,047	$416,642
Working assets	35,452	46,746	45,964	47,826	34,149	37,866
Total	$475,766	$497,968	$494,855	$491,362	$457,196	$454,508
LIABILITIES:						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	200,000	200,000	200,000	200,000	200,000	200,000
Working liabilities	20,990	18,003	18,245	15,142	10,071	10,748
Accr'd liabilities not due	.....	.....	.....	4,025	.....	.....
Deferred credit items..	489	22,020	19,860	21,300	.....	2,045
Profit and loss surplus..	54,287	57,945	56,750	50,895	47,125	41,715
Total	$475,766	$497,968	$494,855	$491,362	$457,196	$454,508

Bonded Debt: $200,000 Unadilla Valley Ry. first 4s; dated Jan. 2, 1904; due Jan. 1, 1934; interest Jan. and July at Bankers Trust Co., New York. Callable at 110 and interest at company's option. First lien on entire property. Coupon, $250, $500 and $1,000. Interest paid without deduction for normal income tax. Net Rating, Ba.

Capital Stock: Outstanding, $200,000. Par, $100. No dividends.

UNION & GLENN SPRINGS RAILROAD

History: Incorporated under laws of South Carolina, March 1, 1899. Road opened in March, 1900.

Location: Road extends from Buffalo to Union, S. C., 4 miles; Union to Pride, S. C., 15.2 miles; total, 19.2 miles. Has traffic arrangement with Seaboard Air Line Ry. Equipment: Locomotives, 2; passenger cars, 3; freight cars, 12.

Management: OFFICERS: H. C. Fleitmann, Pres.; F. E. Whitman, Sec. and Treas., New York; E. E. Sanders, Supt.; D. E. Clement, Aud. and Pur. Agt., Union, S. C. DIRECTORS: Emslie Nicholson, O. F. Bennett, Union, S. C.; H. C. Fleitmann, F. E. Whitman, New York; William Elliott, Columbia, S. C. Annual meeting, March 21. GENERAL OFFICE, Union, S. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$62,953	$53,146	$50,731	$48,654	$44,020
Operating expenses	33,941	37,695	44,664	45,066	38,479
Net operating revenues	$29,012	$15,451	$6,067	$3,588	$5,541
Other income	513	.....	.....	.....	.....
Total net income	$29,525	$15,451	$6,067	$3,588	$5,541
Fixed charges, inc. taxes	7,456	17,226	7.561	7,222	2,833
Balance	$22,069	*$1,775	*$1,494	*$3,634	$2,708

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $3,297; miscellaneous appropriations of surplus, $102; credit balance carried to balance sheet, $18,670; total, $22,069. Contra: Credit balance transferred from income, $22,069; total, $22,069.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$489,166	$488,940	$899,038	$899,038	$895,150
Working assets	35,563	12,955	14,741	11,864	14,592
Accrued income not due	1,526	1,046	.....	.....	.....
Deferred debit items	.....	.....	.....	1,174	1,056
Profit and loss	.....	3,297	1,507	14	.....
Total	$526,255	$506,238	$915,286	$912,090	$910,798
LIABILITIES:					
Capital stock	$400,000	$400,000	$400,000	$400,000	$400,000
Funded debt	.....	.....	400,000	400,000	400,000
Working liabilities	107,145	105,746	115,286	110,176	105,142
Accrued liabilities not due	440	492	.....	1,914	1,946
Deferred credit items	.....	.....	.....	.....	.....
Profit and loss	18,670	.....	.....	.....	3,710
Total	$526,255	$506,238	$915,286	$912,090	$910,798

Bonded Debt: Company has issued $400,000 mortgage bonds. Dated Feb. 1, 1905; due Feb. 1, 1935, which are all held in treasury.

Capital Stock: Authorized and outstanding, $400,000. Par, $100. A dividends of 2½% was paid June 30, 1915.

UNION DEPOT COMPANY (OF COLUMBUS, OHIO)

History: Incorporated under Ohio laws, July 17, 1872; property opened in 1875, and reconstructed in 1897. Owns and operates a union station at Columbus, Ohio, which is used by all the roads entering the city, and they pay expenses, interest and sinking funds on bonds; payments being based on proportionate used by each. The company owns about 2.87 miles of tracks.

Management: OFFICERS: Benj. McKeen, Pres.; C. C. Corner, Sec. and Treas. DIRECTORS: A. H. Smith, H. A. Worcester, C. J. Brister, G. L. Peck, J. J. Turner, R. E. McCarty. OFFICE, Columbus, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$77,289	$73,012	$75,261	$71,019	$71,066	$73,407
Taxes accrued	17,357	13,128	15,560	12,812	13,115	15,656
Fixed charges	34,106	35,184	35,964	36,889	51,983	51,783
Surplus	$25,826	$24,700	$23,737	$21,318	$5,968	$5,968
Dividends paid	5,968	5,968	5,967	5,968	5,968	5,968
Other deductions	19,858	18,732	17,770	15,350	.....	.....

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$911,903	$911,903	$911,903	$911,903	$911,903	$911,903
Working assets	27,323	28,518	44,731	42,244	37,439	41,730
Deferred debit items	80,502	93,139	242,860	225,092	208,321	189,470
Total	$1,019,728	$1,033,560	$1,199,494	$1,179,238	$1,157,663	$1,143,103
LIABILITIES:						
Capital stock	$74,598	$74,598	$74,598	$74,598	$74,598	$74,598
Funded debt	628,000	645,000	838,000	838,000	838,000	838,000
Working liabilities	30,463	49,801	41,340	38,737	32,816	33,320
Accrd. liabilities not due	5,215	2,567	2,695	2,812	3,928	4,233
Deferred credit items	.....	.....	.....	.....	.....	.....
Appropriated surplus	281,452	261,594	242,861	225,091	208,321	192,952
Total	$1,019,728	$1,033,560	$1,199,494	$1,179,238	$1,157,663	$1,143,103

Bonded Debt: (1) $208,000 Union Depot Co., of Columbus, first 7s. Dated May 1, 1873; due May 1, 1923. Interest paid May and Nov. 1, at Union Trust Co., New York. Coupon, $1.000. First lien on entire property. The Pennsylvania Co. owns $51,000 of the issue. In addition, there are $166,000 in sinking fund. Underlie No. 2. Normal income tax deducted from interest.

Rating, A.

(2) $420,000 Union Depot Co., of Columbus, general 4½s. Dated July 1, 1896; due July 1, 1946. Interest paid Jan. and July 1, at Farmers' Loan & Trust Co., New York. Coupon, $1,000. Auth., $800,000. Follow No. 1 on same property and provide for their retirement. Sinking fund, $2,374 annually to purchase bonds and keep same alive in fund, interest on latter being added to fund. Now in fund, $44,000. Pennsylvania Co. owns $16,000 of this issue. Interest paid without deduction for normal income tax. Rating, Baa.

Capital Stock: Auth., $500,000; outstanding, $74,598. Par, $100. The Pittsburgh, Cincinnati, Chicago & St. Louis Ry. and the Cleveland, Cincinnati, Chicago & St. Louis Ry. each owns one-half of the outstanding stock. Dividends at rate of 8% per annum are paid.

UNION FREIGHT RAILROAD

History: Incorporated under Massachusetts laws in 1872. Owns 2.3 miles of road connecting the Boston & Maine R.R. with the New York, New Haven & Hartford, and the Boston & Albany R.R. at Boston. Sidings, 2.52 miles. Equipment: Locomotives, 6.

Management: OFFICERS: Fayette S. Curtis, Pres.; Austin W. Adams, Sec. and Treas.; E. R. Grovenor, Supt., Boston. DIRECTORS: Chas. F. Choate, Jr., Fayette S. Curtis, Geo. P. Gardner, Philip Dexter, Frank A. Farnham, Ernest M. Willis, Boston. Annual meeting, second Wednesday in January. OFFICE, South Station, Boston, Mass.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$162,780	$138,202	$137,418	$128,348	$113,892	$113,472	$126,186
Operating expenses and taxes	121,554	109,655	108,302	92,414	89,934	90,285	88,028
Net earnings	41,226	28,547	29,116	35,934	23,958	23,187	38,158
Total income	$41,890	$29,048	$29,760	$36,504	$24,438	$23,551	$38,490
Fixed charges	14,760	9,574	8,823	15,821	25,202	3,291	17,967
Dividends	20,090	20,090	20,090	20,090	20,090	20,090	21,000
Other deductions	7,000	.....	.....	.....	.....	.....	.....
Surplus for year	$40	*$616	$847	$593	$765	$170	$423

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$422,871	$437,999	$418,389	$417,555	$419,030	$420,505
Working assets	25,219	18,190	36,658	32,418	27,359	23,039
Total	$448,090	$456,189	$455,047	$449,973	$446,389	$443,544
LIABILITIES:						
Capital Stock	$287,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	60,000	60,000	60,000	60,000	60,000	60,000
Working liabilities	6,368	8,627	6,869	2,643	6,769	3,041
Accrd. liabilities not due	3,450	3,450	3,450	3,450	3,332	3,450
Deferred credit items	120	.....	32,454	32,454	.....	.....
Apropriated surplus	39,454	32,454	.....	.....	25,454	25,454
Profit and loss surplus	51,698	51,658	52,274	51,426	50,834	51,599
Total	$448,090	$456,189	$455,047	$449,973	$446,389	$443,544

Capital Stock: Auth., $500,000; outstanding, $287,000. Par, $100. Recent dividends as follows: 1898 and 1899, 6% each; 1900, 5½%; 1901, none; 1902, 12%; 1913 to 1916, inclusive, 7% per annum. No bonded debt.

UNION RAILROAD

History: Incorporated under Pennsylvania laws, July 2, 1894, and first opened in 1896. Owns entire capital stock of Monongahela Southern R.R. A majority of the stock is owned by the United States Steel Corporation.

Location: Line extends from North Bessemer, Pa., to Duquesne, Mifflin Junc. and Streets Run, Pa., 32.20 miles; total mileage, including yards and sidings, 221.29 miles.

Management: OFFICERS: J. H. Reed, Pres.; D. M. Clemson, Vice-Pres.; G. W. Kepler, Sec. and Treas.; Geo. E. Campbell, Aud., Pittsburgh, Pa.; F. R. McFeatters, Supt. DIRECTORS: W. W. Blackburn, D. M. Clemson, G. W. Kepler, D. G. Kerr, H. D. Williams, J. H. Reed, L. C. Bihler, Pittsburgh, Pa. Annual meeting, second Monday in January. OFFICE, Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Gross revenues	$5,501,591	$3,645,074	$4,077,366	$4,708,718	$4,396,450	$3,640,476
Maintenance of way	451,762	466,505	668,402	427,112	381,809	
Maintenance of equip.	1,172,695	1,112,349	1,196,472	1,097,295	991,135	2,802,746
All other oper. expenses	2,088,568	1,599,851	1,909,218	1,839,010	1,613,031	
Net oper. revenues	$1,788,566	$466,369	$303,274	$1,345,301	$1,410,475	$837,730
Operating ratio	67.5%	87.2%	92.6%	71.4%	68%	77%
Other income	517,073	186,022	461,526	614,320	517,373	391,635
Total net income	$2,305,639	$652,391	$764,800	$1,959,621	$1,927,848	$1,229,365
Taxes accrued	88,607	45,975	99,500	86,750	72,322	59,500
Fixed charges, etc	678,490	654,966	600,519	627,562	719,047	843,970
Surplus	$1,538,542	*$48,550	$64,781	$1,245,309	$1,136,473	$385,396
Dividends paid	.....	†	300,000	500,000	.....	.....
Balance	$1,538,542	*$48,550	*$235,219	$745,309	$1,136,473	$385,396

* Deficit. † Dividends paid from profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $2,192,079; credit balance transferred from income, $1,538,542; miscellaneous credits, $1,022; total, $3,731,643. Contra: Dividends appropriations of surplus, $600,000; loss on retired road and equipment, $4,097; credit balance carried to balance sheet, $3,127,546; total, $3,731,643.

Comparative Condensed Balance Sheet, as of June 30

	1916	1915	1914	1913	1912	1911
ASSETS:						
Property investment...	$15,951,495	$16,102,379	$16,939,247	$15,525,373	$13,934,397	$14,152,013
Working assets	2,247,828	1,436,200	1,095,216	1,992,160	1,273,694	1,003,810
Deferred debit items...	53,345	46,296	39,489	33,921	28,580	22,386
Total	$18,252,668	$17,584,875	$18,074,152	$17,551,454	$15,236,671	$15,178,209
LIABILITIES:						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	4,905,000	5,020,000	8,247,897	8,362,897	7,973,923	9,102,738
Working liabilities	4,641,299	4,869,255	1,110,997	1,040,881	855,494	817,742
Accrd. liabilities not due	180,766	166,139	182,164	116,022	161,350	141,049
Deferred credit items..	79,758	74,581	67,550	60,939	49,256	32,350
Appropriated surplus..	3,318,299	3,262,821	3,233,075	1,394,401	310,250	310,250
Profit and loss surplus.	3,127,546	2,192,079	3,232,469	4,576,314	3,886,398	2,774,080
Total	$18,252,668	$17,584,875	$18,074,152	$17,551,454	$15,236,671	$15,178,209

Bonded Debt: (1) $2,000,000 Union R.R. first 5s. Dated Sept. 1, 1896; due Sept. 1, 1946. Interest paid March and Sept. 1, at Fidelity Title & Trust Co., Pittsburgh, Pa. Coupon, $1,000. First lien on the railroad. Interest paid without deduction for normal income tax. Rating, Aa.

(2) $805,000 Duquesne Equipment first 5s. Due $115,000 each March 1, commencing 1914. Interest, March and Sept., at Home Trust Co., Hoboken, N. J. Coupon, $1,000. First lien on 5 locomotives, and 1,000 steel gondola cars. Interest paid without deduction for normal income tax. Rating, Aa.

(3) $1,200,000 Mifflin Equipment Trust first 5s. Dated Aug. 1, 1910; due $120,000 per annum, beginning Aug. 1, 1921. Interest Feb. and Aug. 1, at Home Trust Co., Hoboken, N. J. Coupon, $1,000. Principal may be registered. First lien on 15 locomotives and 1,000 steel gondola cars. Interest paid without deduction for normal income tax. Rating, Aa.

(4) $900,000 Munhall Equipment Trust first 5s. Dated June 1, 1912; due $75,000 per annum, beginning June 1, 1923. Interest June and Dec. 1, at Home Trust Co., Hoboken, N. J. Coupon, $1,000. Principal may be registered. First lien on 1,000 steel gondola cars. Interest paid without dedution for normal income tax. Rating, Aa.

Capital Stock: Authorized and outstanding, $2,000,000. Par, $50. All owned by the United States Steel Corporation. A dividend of 25% was paid for year 1904-5 and 10% for year 1906-7; in 1912-13, 25%; 1913-14, 15%; 1914-15, 50%; 1916, 30%.

UNION TERMINAL COMPANY (DALLAS)

History: Incorporated under laws o fTexas, March 16, 1912. Company owns a passenger terminal in the City of Dallas, for the following railroads which enter the city: Gulf, Colorado & Santa Fe, Missouri, Kansas & Texas Ry. of Texas, St. Louis Southwestern Railway of Texas, Houston & Texas Central R.R.; Texas & Pacific Ry.; Trinity & Brazos Valley Ry.; St. Louis, San Francisco & Texas Ry., and the Chicago, Rock Island & Gulf Ry. Real estate consists of 10.25 acres in the business district of Dallas. Terminal building covers about one and one-half city blocks, and has ten parallel tracks, with provision for eight additional tracks, with a capacity for accommodating thirty trains simultaneously. Total trackage owned, 9.6 miles main track, 2.8 miles depot track; and 3.1 miles of sidings. In addition, five miles will be leased from the user companies.

Management: OFFICERS: F. G. Pettibone, Pres., Galveston, Tex.; W. A. Webb, Vice-Pres., Dallas, Tex.; J. W. Everman, Vice-Pres., Tyler, Tex.; M. L. Buckner, Sec. and Treas.; A. S. Steirer, Aud., Dallas, Tex. DIRECTORS: F. G. Pettibone, J. H. Keefe, Galveston, Tex.; E. B. Cushing, G. R. Cottingham, J. W. Robins, L. H. Atwell, Jr., Houston, Tex.; C. N. Whitehead, W. C. Nixon, St. Louis, Mo.; J. H. Elliott, W. C. Connor, W. A. Webb, Dallas, Tex.; G. H. Schleyer, N. H. Lassiter, Fort Worth, Tex.; J. W. Everman, Tyler, Tex.; T. H. Beacom, El Reno, Okla.; J. L. Lancaster, New Orleans, La. Annual meeting, second Tuesday in March. GENERAL OFFICE, Dallas, Tex.

Bonded Debt: $5,000,000 Union Terminal Co. first 5s. Dated April 1, 1912; due April 1, 1942. Interest paid April and Oct. 1, at William Salomon & Co., New York, and Continental & Commercial Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000. Authorized, $5,000,000. Callable as a whole at 105 and interest on 60 days' notice, on and after April 1, 1922. First lien on all property of company. Additionally secured by assignment to the trustee of a 99-year operating agreement, under which each of the railways enumerated above agrees to pay its proportionate share of the interest and principal of the bonds. Under the terms of the operating agreement, if any company should default in payment due for principal and interest, the remaining companies agree to make good any defaulted payments. Upon a default by one of the companies, the Terminal Company shall have power to exclude the defaulting company from the use of the terminal facilities. Normal income tax deducted from interest. Rating, Aa.

Capital Stock: Authorized and outstanding, $48,000. Par, $100. All except directors' qualifying shares owned by eight companies mentioned above.

UNION TERMINAL RAILWAY

History: Incorporated under the laws of Missouri, November 22, 1901. Furnishes direct connection with the St. Joseph Stock Yards to all railroads entering St. Joseph.

Location: Road located in St. Joseph, Mo., 6.20 miles, and 8.78 miles of sidings; making total mileage of 15.02 miles.

Management: OFFICERS: L. F. Swift, Pres., Chicago; L. D. W. Van Vliet, Vice-Pres. and Gen. Mgr.; A. B. Swift, Vice-Pres.; J. E. Dolman, Sec.; I. A. Vant, Treas. DIRECTORS: L. F. Swift, H. M. Sloan, Chicago; A. B. Swift, L. D. W. Van Vliet, John D. Richardson, St. Joseph, Mo. Annual meeting, second Monday in January. GENERAL OFFICE, St. Joseph, Mo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$14,167	$8,206	$8,006	$6,099	$7,133
Operating expenses	22,274	17,942	20,161	18,099	13,879
Net operating deficit	$8,007	$9,736	$12,155	$12,000	$6,746
Other income	53,151	53,459	50,340	48,820	49,198
Total net income	$45,144	$43,723	$38,185	$36,820	$42,452
Fixed charges, inc. taxes	50,111	46,194	47,557	46,071	46,064
Deficit	$5,067	$2,471	$9,372	$9,251	$3,612

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$1,577,244	$1,569,591	$1,443,907	$1,425,334	$1,413,212
Working assets	37,761	57,502	51,571	45,548	40,301
Deferred debit items	7,961	4,344	663	24,641	5,136
Total	$1,622,966	$1,631,437	$1,496,141	$1,495,523	$1,458,649
LIABILITIES:					
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000
Working liabilities	946,210	949,678	808,480	797,310	752,055
Accrued liabilities not due	1,343	1,343	.....	.....	.....
Deferred credit items	123	59	2,425	2,493	1,622
Profit and loss	175,290	180,357	185,236	195,720	204,972
Total	$1,622,966	$1,631,437	$1,496,141	$1,495,523	$1,458,649

Capital Stock: Authorized and outstanding, $500,000. Par, $100. No bonded debt. No dividends paid.

UNION TRANSPORTATION COMPANY

History: Incorporated under the laws of New Jersey, July 17, 1888. Leased to the Pemberton & Hightstown R.R. for 3 years from July 31, 1896, and from year to year thereafter until terminated by six months' notice, from either party. Rental, $1,750 per annum and cost of maintenance. The Pemberton & Hightstown R.R. has consolidated with the Philadelphia & Long Branch R.R. and the Kinkora & New Lisbon R.R. on Feb. 24, 1915, forming the Pennsylvania & Atlantic R.R., which is controlled by the Pennsylvania R.R.

Located: Leased road extends from Pemberton to Hightstown, N. J., 24.37 miles; sidings, 3.07 miles. Equipment: Locomotives, 3; passenger car, 1; milk cars, 4; combination, 3; others, 5; total, 13.

Management: OFFICERS: F. S. Gaskill, Pres. and Pur. Agt.; G. L. Shinn, Vice-Pres., New Egypt, N. J.; J. Holmes, Treas.; W. H. Davis, Sec., New Egypt, N. J.; W. Burtis, Aud., Gen. Mgr. and Supt., New Egypt, N. J. DIRECTORS: F. S. Gaskill, G. L. Shinn, W. Cottrell, J. H. Woodward, Joel Wainwright, T. B. Gaskill, New Egypt, N. J.; Jos. Holmes, Thos. Meirs, W. E. Cox, Geo. B. Holmes, New Egypt, N. J.; Geo. H. Woodward, W. L. Wilbur, H. Borden. Annual meeting, second Thursday in April. GENERAL OFFICE, New Egypt, N. J.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$85,068	$79,328	$80,952	$81,844	$79,398
Operating expenses	70,290	68,869	70,902	76,808	74,286
Net operating revenues	$14,778	$10,459	$10,050	$5,036	$5,112
Other income	4,719	4,413	2,369	2,454	2,223
Total net income	$19,497	$14,872	$12,419	$7,490	$7,335
Fixed charges, inc. taxes	14,839	14,729	11,491	12,619	15,733
Balance	$4,653	$2,143	$928	*$5,129	*$8,398

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$34,795	$36,120	$34,809	$43,962	$45,749
Working assets	39,985	36,002	37,089	34,417	36,390
Total	$74,780	$72,122	$71,898	$78,379	$82,139
LIABILITIES:					
Capital stock	$20,250	$20,250	$20,250	$20,250	$20,250
Working liabilities	14,000	16,000	18,000	16,168	19,534
Appropriated surplus	.....	.....	.....	31,084	24,228
Profit and loss	40,530	35,872	33,648	10,877	18,127
Total	$74,780	$72,122	$71,898	$78,379	$82,139

Capital Stock: Auth., $23,000; outstanding, $20,050. Par, $50. No dividends. Dividends of 5% paid each year, 1908 to 1916.

UNITED VERDE & PACIFIC RAILWAY

History: Incorporated under laws of Arizona, March 20, 1894. Line of road owned: Jerome Junc. to Jerome, Ariz., 26.26 miles; sidings, 3.43 miles. Entire capital stock is owned by the United Verde Copper Co. Equipment owned: Locomotives, 7; passenger and freight cars, 146.

Management: OFFICERS: Wm. A. Clark, Pres.; James A. Macdonald, Vice-Pres. and Treas., New York; W. L. Clark, 2nd Vice-Pres. and Pur. Agt., Jerome, Ariz.; Chas. W. Clark, Sec. and Gen. Mgr. DIRECTORS: Chas. W. Clark, Wm. A. Clark, James A. Macdonald, New York; W. L. Clark, Jerome, Ariz.; L. Anderson, Prescott, Ariz. Annual meeting, second Monday in March, at Jerome, Ariz. OFFICE, 20 Exchange Place, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$110,205	$169,373	$222,003	$232,134	$215,898	$302,645	$275,842
Operating expenses	104,397	195,663	219,800	229,337	232,417	256,340	239,946
Net operating revenues	$5,808	*$26,290	$2,203	$2,797	*$16,519	$46,305	$35,896
Other income	18,360	20,833	21,362	21,337	21,436	22,331	19,176
Total net income	$24,168	*$5,457	$23,565	$24,134	$4,917	$68,636	$55,072
Fixed charges, including taxes.	7,777	16,924	23,143	24,794	22,477	21,699	22,332
Surplus	$16,391	*$22,381	$422	*$660	*$17,560	$46,937	$32,740
Dividends paid	.....	.....	.....	50,000	80,000	135,000	30,000
Balance	$16,391	*$22,381	$422	*$50,660	*$97,560	*$88,063	$2,740

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $402,742; credit balance transferred from income, $16,391; profit on road equipment sold, $688; unrefundable overcharges, $76; miscellaneous credits, $916; total, $420,813. Contra: Miscellaneous credits, $916; total, $420,813. Contra: Miscellaneous debits, $2,076; credit balance carried to balance sheet, $418,737; total, $420,813.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$611,396	$727,584	$831,642	$907,448	$996,855	$1,072,360
Working assets	109,450	181,117	201,171	124,410	92,503	111,803
Accrued income not due	5,898	5,697	5,973	5,973	5,973	5,973
Deferred debit items	243	251	574	837	664	803
Total	$726,987	$914,649	$1,039,360	$1,038,668	$1,090,995	$1,190,939
LIABILITIES:						
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Funded debt	.....	200,000	300,000	300,000	300,000	300,000
Working liabilities	2,655	7,997	11,826	11,448	13,596	18,455
Accrd. liabilities not due	2,453	2,435	2,789	2,832	1,992	1,478
Deferred credit items	3,142	1,475	567	873	1,167	456
Profit and loss surplus.	418,737	402,742	424,178	423,515	474,240	570,550
Total	$726,987	$914,649	$1,039,360	$1,038,668	$1,090,995	$1,190,939

Capital Stock: Authorized and outstanding, $300.000. Par, $100. Nearly all owned by United Verde Copper Co. Dividends of 41 2/3% in 1905-6; 33 1/3% in 1906-7; 40% in 1907-8; 10% each in 1908-9 and 1909-10; 45% in 1910-11; 26 2/3% in 1911-12; 16 2/3% in 1912-13. None since.

UPPER MERION & PLYMOUTH RAILROAD

History: Incorporated under the laws of Pennsylvania, July 9, 1907, to build a road from Ivy Rock to Swedeland, Pa.

Location: Road in operation extends from Mill Road to Swedeland, Pa., 1.62 miles; leased, 6.46 miles; sidings, 0.08 mile; second track, 0.34 mile; total mileage operated, 8.50 miles. Equipment: Locomotives, 3; cars, 18.

Management: OFFICERS: R. G. Wood, Pres.; J. R. Jones, Vice-Pres. and Treas.; W. W. Lukens, Sec.; A. D. Wood, Pur. Agt.; A. M. Harry, Compt., Philadelphia, Pa.; N. L. Moon, Supt., Conshohocken, Pa. DIRECTORS: R. G. Wood, J. R. Jones, W. W. Lukens, Ledyard Heckscher. Stevens Heckscher, C. B. Wood, Howard Wood, Jr., Philadelphia. Annual meeting, last Wednesday in January. GENERAL OFFICE, Widener Building, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$80,773	$39,542	$50,786	$78,488	$51,544
Operating expenses	51,840	24,648	30,972	42,446	22,288
Net operating revenues	$28,933	$14,894	$19,814	$36,042	$29,256
Other income	1,015	135	573	297	232
Total net income	$29,948	$15,029	$20,387	$36,339	$29,488
Fixed charges, inc. taxes	2,040	1,905	2,206	1,904	385
Balance	$27,908	$13,124	$18,181	$34,435	$29,103

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $16,573; credit balance transferred from income, $27,908; total, $44,481. Contra: Dividend appropriation of surplus, $25,000; credit balance carried to balance sheet, $19,481; total, $44,481.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$254,043	$250,148	$293,645	$251,091	$254,286
Working assets	55,703	56,690	25,069	75,942	61,813
Total	$309,746	$306,838	$318,714	$327,033	$316,099
LIABILITIES:					
Capital stock	$290,000	$290,000	$290,000	$290,000	$290,000
Appropriated surplus	265	265	265	1,765	265
Profit and loss	19,481	16,573	28,449	35,268	25,834
Total	$309,746	$306,838	$318,714	$327,033	$316,099

Capital Stock: Auth., $400,000; issued. $290,000, of which $40,000 has been purchased and placed in treasury. Par, $50. No bonded debt. Dividends of 10% each were paid in 1913, 1914, 1915 and 1916.

VALDOSTA, FORT GAINES & MONTGOMERY RAILWAY

History: Incorporated under the laws of Georgia, March 1, 1911, as the Moultrie, Ft. Gaines & Western R.R. Co. Adopted present title. Jan. 22, 1912. Controls through stock ownership the Valdosta, Moultrie & Western R.R., and proposes to build an extension of that line from Moultrie to Montgomery, Ala., about 188 miles, and for that purpose to buy all the capital stocks, rights and real estate of the Montgomery Eastern Ry. Company.

Management: OFFICERS: Frank Roberts, Pres. and Gen. Mgr.; W. L. Roberts, Sec. and Treas., Valdosta, Ga. GENERAL OFFICE, Valdosta, Ga.

Bonded Debt: $4,600,000 Valdosta, Fort Gaines & Montgomery Ry. first 5s. Dated Feb. 1, 1912; due Feb. 1, 1952. Interest paid Feb. and Aug. 1 at Guaranty Trust Co., New York, and its agency in London and in Paris. Coupon, $100. Authorized, $4,600,000. Callable at 106 and interest. First lien on entire property.

Capital Stock: Authorized, $2,300,000. Par, $100.

VALLEY RAILROAD

History: Incorporated under the laws of Pennsylvania, April 25, 1901. Leases the Kinzua Hemlock Railroad. Kinzua Hemlock Railroad was incorporated under the laws of Pennsylvania, June 12, 1890. Is leased indefinitely from Dec. 12. 1904 at nominal rental of $1 per annum, to the Valley R.R. Road extends from Camp Halsey to Westline, Pa., 7.91 miles; sidings, 1.14 miles.

Location: Road extends from Day Junc. to Westline, Pa., 1 mile; main line to timber track, 1 mile; Camp Halsey to Kusheque, Pa., 1.5 miles; leased Westline to Camp Halsey, Pa., 7.91 miles; total operated, 11.41 miles. Sidings, owned. 0.5 miles; leased, 1.14 miles. Equipment: Locomotives, 3; passenger cars, 2; freight cars, 30.

Management: OFFICERS: Edmund L. Day, Pres.; F. A. McGill, Sec.; L. J. Bartlett, Treas. and Aud.; W. J. Buffington, Gen. Supt., Westline, Pa. DIRECTORS: F. L. Day, W. J. Buffington, H. B. Day, L. J. Bartlett, F. A. McGill, Westline, Pa. Annual meeting, in January. GENERAL OFFICE, Westline, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$19,523	$14,275	$10,911	$10,054	$10,743
Operating expenses	21,441	16,437	16,492	17,009	17,518
Net operating deficit	$1,918	$2,162	$5,581	$6,955	$6,775
Fixed charges, inc. taxes	226	148	150	170	210
Deficit	$2,144	$2,310	$5,731	$7,125	$6,985

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property Investment	$24,019	$22,219	$22,978	$24,205	$24,281
Working assets	3,074	1,774	2,379	2,227	2,224
Profit and loss	67,255	65,111	62,801	57,070	49,945
Total	$94,348	$89,104	$88,158	$83,502	$76,450
LIABILITIES:					
Capital stock	$14,400	$14,400	$15,000	$15,000	$15,000
Working liabilities	79,723	74,427	73,158	68,502	61,242
Accrued liabilities not due	225	277	.....	.....	208
Total	$94,348	$89,104	$88,158	$83,502	$76,450

Capital Stock: Authorized, $15,000; outstanding, $14,400. Par, $100. No bonded debt.

VICTORIA, FISHER & WESTERN RAILROAD

History: Incorporated under the laws of Louisiana, Nov. 5, 1902. Road completed in 1903.

Location: Victoria to Cain, La., and branches, 56 miles. Equipment: Locomotives, 6; cars, 133.

Management: OFFICERS: O. W. Fisher, Pres., Seattle, Wash.; W. B. Pettibone, Vice-Pres., Hannibal, Mo.; P. A. Bloomer, Sec. and Gen. Mgr., Fisher, La.; J. H. Vanlandingham, Gen. Aud., Fisher, La. DIRECTORS: G. W. Dulany, W. B. Pettibone, Hannibal, Mo.; J. B. White, Kansas City, Mo.; O. W. Fisher, W. W. Warren, Seattle, Wash.; P. A. Bloomer, Fisher, La. Annual meeting, second Saturday in January. GENERAL OFFICE, Fisher, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$148,825	$138,093	$139,473	$151,877	$82,296
Operating expenses	138,549	146,260	111,783	140,456	76,160
Net operating revenues	$10,276	*$8,167	$27,690	$11,421	$6,136
Fixed charges, inc. taxes	7,244	5,195	5,340	3,018	3,404
Balance	$3,032	*$13,362	$22,350	$8,403	$2,732

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$332,488	$333,782	$358,117	$338,032	$364,433
Working assets	8,847	13,045	1,591	831	2,752
Deferred debit items	2	.....	.....	.....	.....
Total	$341,337	$346,827	$359,708	$338,863	$367,185
LIABILITIES:					
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000
Working liabilities	14,504	23,026	22,546	24,051	60,806
Profit and loss	26,833	23,801	37,162	14,812	6,379
Total	$341,337	$346,827	$359,708	$338,863	$367,185

Capital Stock: Authorized and outstanding, $300,000. Par, $100. No bonded debt. No dividends paid.

VIRGINIA & KENTUCKY RAILWAY

History: Incorporated under the laws of Virginia as the Gladeville R.R.; Feb. 20, 1892. Name changed as above, April 2, 1902.

Location: Road extends from Norton to Wise, Va., 4.2 miles. Equipment: 1 locomotive and 1 car.

Management: OFFICERS: E. F. Masterson, Pres.; N. P. Bigelow, Vice-Pres.; John P. Boyle, Treas., Chicago; F. M. McClure, Sec., Aud., Gen. Mgr., Supt. and Pur. Agt., Wise, Va. DIRECTORS: N. P. Bigelow, J. P. Boyle, W. J. Calhoun, T. J. Prendergast, W. A. Flanigan, E. F. Masterson, L. T. Walker, Chicago; E. W. McClure, F. M. McClure, Wise, Va. Annual meeting, May 1. OFFICE, Wise, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$8,691	$19,994	$10,718	$12,866	$13,728	$13,241
Maintenance of way	1,093	2,198	1,099	1,662	2,156	1,490
Maintenance of equip.	467	2,688	486	1,293	184	534
All other oper. expenses	6,450	9,221	9,257	10,225	9,258	8,277
Net oper. revenues	$681	*$4,113	*$124	*$414	$2,130	$2,940
Other income	350	66	67	67	70	108
Total net income	$1,031	*$4,047	*$57	*$347	$2,200	$3,048
Taxes	664	745	913	609	700	606
Fixed charges	5,317	5,545	3,363	3,479	3,234	3,616
Surplus	*$4,950	*$10,337	*$4,333	*$4,435	*$1,734	*$1,174

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $24,026; debit balance transferred from income, $4,950; total, $28,976. Contra: Debit balance carried to balance sheet, $28,976.

Bonded Debt: $35,500 Virginia & Kentucky Ry. 1st 6s. Dated July 1, 1903; due July 1, 1913. Interest Jan. and July 1, at Chicago Title & Trust Co., Chicago, Trustee. Denomination, $500. Authorized, $40,000. First lien on entire property.

Capital Stock: Authorized, $8,000,000; outstanding, $119,100; par, $100.

VIRGINIA & TRUCKEE RAILWAY

History: Incorporated under laws of Nevada, June 24, 1905, succeeding the Virginia & Truckee R.R. Line of road operated, Reno to Virginia, Nev., and Carson City to Minden, Nev., 67½ miles; sidings, 18.07 miles. Equipment owned: Locomotives, 10; cars, 71.

Management: OFFICERS: Ogden Mills, Pres., New York; A. M. Ardery, Vice-Pres. & Gen. Mgr.; E. B. Yerington, Sec. and Aud., Carson City, Nev.; Agency Bank of California, Treas., Virginia City, Nev.; G. A. Tyrrell, Pur. Agt., Carson City, Nev. DIRECTORS: A. M. Ardery, Geo. T. Mills, E. B. Yerington, H. L. Griffiths, Carson City, Nev.; John F. Cannon, San Francisco, Cal.; J. W. Eckley, W. E. Sharon, Virginia City, Nev.; Ogden Mills, New York; James Newlands, Jr., San Francisco, Cal. Annual meeting, second Tuesday in May. OFFICE, Carson City, Nev.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$287,963	$261,488	$270,654	$299,808	$309,972	$301,323	$297,286
Maintenance of way	60,232	57,365	58,432	58,010	60,335		
Maintenance of equipment	32,521	30,443	34,667	33,300	40,246	213,382	185,403
All other operating expenses	145,942	132,204	113,149	121,002	118,206		
Net operating revenues	$49,268	$41,476	$64,406	$86,996	$91,185	$87,941	$111,883
Other income	3,001	2,879	2,644	2,483	.....	8,120	.....
Total net income	$52,269	$44,355	$67,050	$89,479	$91,185	$95,061	$111,883
Fixed charges, including taxes.	27,467	24,535	27,446	27,024	28,816	27,704	24,719
Surplus	$24,802	$20,820	$39,604	$62,454	$62,369	$67,357	$87,094
Dividends paid	*	*	25,000	50,000	50,000	50,000	50,000
Balance	$24,802	$20,820	$14,604	$12,454	$12,369	$17,357	$37,094

* Dividends paid out of profit and loss.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $24,802; miscellaneous credits, $3,434; debit balance carried to balance sheet, $438,748; total, $466,984. Contra: Debit balance at beginning of year, $349,456; dividend appropriation of surplus, $75,000; miscellaneous debits, $43,528; total, $466,984.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,380,570	$4,394,880	$4,406,825	$4,419,130	$4,416,616	$4,433,132
Working assets	200,755	255,664	235,244	190,194	205,313	196,604
Deferred debit items	.....	.....	.....	60	.....	111
Profit and loss deficit	438,748	349,456	357,931	390,616	378,071	370,153
Total	$5,020,073	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
LIABILITIES:						
Capital stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Unadjusted credits	20,073	.....	.....	.....	.....	.....
Total	$5,020,073	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000

Capital Stock: Auth. and issued, $5,000,000. Par, $100. Dividends of 3% were paid in 1904-5; 1% each in years 1906 to 1908, Inc., 1¾% in 1909; 1% each in 1910 and 1911; 1912, 1%; 1913, 1%; 1914 and 1915, ½%; 1916, 1½%.

VIRGINIA SOUTHERN RAILROAD

History: Incorporated under laws of Virginia, March 10, 1902. Road completed, March 1, 1905.

Location: Road extends from Sugar Grove to Fairwood, Va., 12 miles. Equipment: Locomotives, 2; car, 1.

Management: OFFICERS: J. C. Campbell, Pres., Marion, Va.; C. W. Amsler, Vice-Pres., Clarion, Pa.; L. A. Amsler, Treas., Marion, Va.; C. H. Miller, Sec., Fairwood, Va. DIRECTORS: J. C. Campbell, L. A. Amsler, B. F. Buchanan, B. S. Charlton, Marion, Va.; C. H. Miller, Fairwood, Va.; C. W. Amsler, Clarion, Pa. Annual meeting, third Saturday in July. OFFICE, Marion, Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$35,397	$34,679	$44,331	$43,551	$31,398	$28,202
Maintenance of way	4,273	4,741	5,487	7,702	7,281	5,867
Maintenance of equip	2,826	3,222	3,576	2,275	2,135	2,809
All other oper. expenses	10,340	11,007	12,690	12,346	11,285	12,553
Net Income	$17,958	$15,709	$22,578	$21,228	$10,697	$6,973
Taxes	1,807	.....	1,841	1,731	1,627	1,610
Fixed charges	13,156	7,646	6,572	6,861	3,727	5,912
Surplus	$2,995	$8,063	$14,165	$12,636	$5,343	$549

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$145,127	$146,026	$146,927	$147,827	$148,727	$148,776
Working assets	5,781	8,584	17,107	7,255	8,694	3,493
Total	$150,908	$154,610	$164,034	$155,082	$157,421	$152,269

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
Funded debt	18,000	25,000	30,000	35,000	40,000	45,000
Working liabilities	76,082	75,779	75,766	75,859	85,834	81,023
Profit and loss surplus..	31,826	28,831	33,268	19,223	6,587	1,246
Total	$150,908	$154,610	$164,034	$155,082	$157,421	$152,269

Note: Working liabilities include $75,000 second 5s held by construction contractor's assigns.

Bonded Debt: $18,000 Virginia Southern R.R. 1st 5s. Dated March 4, 1904; due $5.000 each March 1, from 1915 to 1920, inclusive. Interest paid Mar. and Sept. 1 at Susquehanna Trust & Safe Deposit Co., Williamsport. Pa., Trustee. Coupon, $1,000. First lien on entire property. Normal income tax deducted from interest.

Capital Stock: Authorized, $100,000; paid in $25,000. Par, $100. No dividends.

WABASH, CHESTER & WESTERN RAILROAD

History: Incorporated under laws of Illinois, Feb. 20, 1878, successor to the Iron Mountain, Chester & Eastern Ry.

Receivership: On July 15, 1914, J. Fred Gilster of Chester, Ill., was appointed receiver by Judge Bernreuter in the Circuit Court at Chester, Ill., in the foreclosure proceedings brought by Edwards Whitaker and St. Louis Union Trust Co., the mortgage trustee. Taxes and bond interest are in default, the interest due Jan. 1, 1914, on the $300,000 1st mortgage bonds remaining unpaid as well as the interest for 20 years past on the $390,000 1st consolidated 5s.

Location: Road extends from Menard to Mt. Vernon, Ill., with branches, 64.83 miles; sidings, 7.27 miles. Equipment: Locomotives, 5; cars, 87.

Management: OFFICERS: J. F. Gilster, Receiver and Treas.; C. B. Cole, Pres., Gen. Mgr. and Pur. Agt.; H. C. Cole, Vice-Pres. and Sec.; C. G. Randall, Aud.; W. Bryden, Supt., Chester, Ill. DIRECTORS: C. B. Cole, H. C. Cole, H. C. Horner, J. J. Morrison, Chester, Ill.; A. B. Cole, St. Louis. Annual meeting, first Wednesday in March. OFFICE, Chester, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$122.299	$114,454	$130,336	$117,360	$119,392	$134,022
Maintenance of way...	37,708	33,906	44,859	44,123	36,723	40,054
Maintenance of equip..	19,857	19,122	20,405	24.256	24.370	21,914
All other oper. expenses	54,821	48,130	55,686	52,902	58,354	51,013
Net oper. revenues.	$9,913	$13,296	$9,386	*$3,921	*$55	$21,041
Other income	39	1	140	225	412	25
Total net income...	$9,952	$13,297	$9,526	*$3,696	$357	$21,066
Taxes	9,583	8,780	8.988	7,057	6,839	6,635
Fixed charges	41,282	43,154	50,175	52,458	46,251	48,397
Surplus	*$40,913	*$38,637	*$49,637	*$63,211	*$52,733	*$33,966

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $571.957. Contra: Debit balance at beginning of year, $529,906; debit balance transferred from income, $40,913; miscellaneous debits, $1,138; total, $571,957.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$1,978.721	$1,980,309	$1,984.262	$1,987,676	$1,985.033	$1,969,844
Working assets	16,991	13,911	5,946	7,488	6,443	6,081
Deferred debit items...	.....	167	679	1,427	1,280	.....
Profit and loss deficit...	571,957	529,906	516,813	467,091	403,877	351,148
Total	$2,567,669	$2,524,293	$2,507,700	$2,463,682	$2,396,633	$2,327,073
LIABILITIES:						
Capital stock	$1,250.000	$1,250,000	$1,250.000	$1,250.000	$1,250.000	$1,250,000
Funded debt	*1,221	.....	690.000	690.000	690,000	690,000
Working liailities	1,291,938	1,259.004	536.062	509,411	451,491	387,073
Accr'd liabilities not due	23,966	14,744	8.878	.....	.....	.....
Deferred credit items..	544	545	22,760	14,271	5,142	.....
Total	$2,567,669	$2,524,293	$2,507,700	$2,463,682	$2,396,633	$2,327,073

* No unmatured funded debt reported. The $1,221 matured through failure to pay interest.

Bonded Debt: (1) $300,000 Wabash, Chester & Western R.R. 1st 5s. Dated July 1, 1888; due July 1, 1918. Interest Jan. and July 1, at National Bank of Commerce, New York. Coupon, $1,000. National Bank of Commerce, St. Louis, Mo., Trustee. Callable at par and interest. First lien on 42.33 miles of road extending from Menard to Tamaroa, Ill. Interest in default since Jan. 1, 1914.

(2) $390,000 Wabash, Chester & Western R.R. 1st consolidated 5s. Dated Jan. 1, 1893; due Jan. 1, 1928. Interest paid Jan. and July 1, at National Bank of Commerce, New York. Coupon, $1,000. St. Louis Union Trust Co., St. Louis, Trustee. Authorized issue, $1,000,000. Secured on entire property of company subject to No. 1. Interest in default for over 20 years.

Capital Stock: Authorized and outstanding, $1,250,000. Par, $100. TRANSFER AGENT AND REGISTRAR: H. C. Cole, Chester, Ill. No dividends.

WARREN & OUACHITA VALLEY RAILWAY

History: Incorporated under the laws of Arkansas, March 7, 1899.

Location: Road extends from Warren to Banks, Ark., 16 miles; sidings, 2 miles. Equipment: Locomotives, 2; passenger cars, 3; freight car, 1.

Management: OFFICERS: Fred Wyman, Pres., Davenport, Ia.; J. W. Embree, Vice-Pres., Chicago; C. J. Mansfield, Sec.; O. O. Axley, Treas.; W. S. Hobbs, Gen. Mgr.; O. W. Wheless, Aud., Warren, Ark. DIRECTORS: Fred Wyman, Davenport, Ia.; J. W. Embree, Chicago; C. J. Mansfield, O. O. Axley, J. K. Hodge, S. A. Holt, J. L. Leslie, Warren, Ark.; G. F. Lindsey, Duluth, Minn. Annual meeting, first Monday after March 7th. GENERAL OFFICE, Warren, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$86,400	$51,627
Operating expenses	38,521	40,818
Net operating revenues	$47,879	$10,809
Other income	6,531	10,459
Total net income	$54,410	$21,268
Fixed charges, inc. taxes	7,329	6,839
Surplus	$47,081	$14,429

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $10,770; credit balance transferred from Income, $15,481; miscellaneous credits, $33; total, $26,284. Contra: Dividend appropriation of surplus, *$15,800; credit balance carried to balance sheet, $10,484; total, $26,284.

* In addition to $316,000 paid from income.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property Investment	$292,702	$294,182	Capital stock	$316,000	$316,000
Working assets	35,689	33,870	Working liabilities	3,379	2,775
Deferred debit items	1,472	1,493	Profit and loss	10,484	10,770
Total	$329,863	$329,545	Total	$329,863	$329,545

Capital Stock: Authorized, $500,000; outstanding, $316,000. Par, $100. No bonded debt. Dividends paid: 1908, 5%; 1909 and 1910, 6% each; 1911, 13%; 1912, 10%; 1913, 8%; 1914, 7%; 1915, 5%; 1916, 15%. Payments semi-annually, Jan. and July 1. Secretary of company acts as TRANSFER AGENT AND REGISTRAR.

WARREN, JOHNSVILLE & SALINE RIVER RAILROAD

History: Incorporated under the laws of Arkansas, May 29, 1905, for 50 years.

Location: Road extends from Warren to Hermitage, Ark., 15.60 miles; extension to Johnsville, Ark., 4.30 miles; total, 19.90 miles. Sidings, 1.15 miles. Equipment: Locomotives, 4; freight cars, 63; service cars, 5.

Management: OFFICERS: S. H. Fullerton, Pres., East St. Louis, Ill.; J. L. Jamison, Vice-Pres. and Gen. Mgr., Warren, Ark.; Frank Goepel, Treas.; R. W. Fullerton, Sec.; V. R. McKinney, Auditor, Warren, Ark.; C. W. Holderbaum, Supt., Warren, Ark. DIRECTORS: S. H. Fullerton, R. W. Fullerton, East St. Louis, Ill.; J. L. Jamison, D. R. Bradham, F. L. Timmons, Warren, Ark. Annual meeting, second Tuesday in June. GENERAL OFFICE, Murphy Building, East St. Louis, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$50,038	$39,273	$30,280	$91,101	$55,015	$63,657
Maintenance of way	8,373	10,391	8,366	9,909	8,802	6,570
Maintenance of equip.	5,712	5,733	7,046	10,370	7,421	10,688
All other oper. expenses	21,359	19,283	15,943	23,059	20,818	21,838
Net oper. revenues	$14,594	$3,866	*$1,075	$47,763	$17,974	$24,561
Other income	2,517	5,647	6,176	6,252	5,762	4,796
Total net income	$17,111	$9,513	$5,101	$54,015	$23,736	$29,357
Taxes	1,263	1,327	1,277	1,302	1,241	1,020
Fixed charges	19,404	19,293	19,137	19,000	19,000	19,252
Surplus	*$3,556	*$11,107	*$15,313	$33,773	$3,495	$9,085

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $20,391; delayed Income credits, $18,961; miscellaneous credits, $1,000; debit balance carried to balance sheet, $11,767; total, $52,119. Contra: Debit balance transferred from Income, $3,556; delayed income debits, $48,563; total, $52,119.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$220,408	$221,064	$215,815	$218,195	$195,841	$182,936
Working assets	8,394	26,277	32,918	38,198	13,414	15,950
Deferred debit items	20,250	29,250	38,326	47,646	69,185	67,342
Profit and loss	11,767	.....	.....	.....	.....	.....
Total	$260,819	$276,591	$287,059	$304,039	$278,440	$266,228

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	200,000	200,000	200,000	200,000	200,000	200,000
Working liabilities	6,175	1,674	841	4,715	12,630	2,026
Accr'd liabilities not due	3,033	3,033	4,746	2,500	3,000	3,050
Deferred credit items	1,611	1,493	.....	.....	.....	1,968
Profit and loss surplus	.....	20,391	31,472	46,824	12,810	9,184
Total	$260,819	$276,591	$287,059	$304,039	$278,440	$266,228

Bonded Debt: $200,000 Warren, Johnsville & Saline River R.R. 1st 5s. Dated Oct. 1, 1908; due Oct. 1, 1918. Interest paid April and Oct. 1, at Third National Bank, St. Louis. Coupon, $1,000. Frank Goepel, St. Louis, Mo., Trustee. Callable at 105. First lien on entire property. Interest payable without deduction for normal income tax.

Capital Stock: Authorized, $200,000; outstanding, $50,000. Par, $100.

WASHINGTON & CHOCTAW RAILWAY

History: Incorporated under the laws of Alabama, April, 1904. Road completed Nov. 15, 1910.

Location: Road extends from Yellow Pine to Rayton, Ala., 24 miles; sidings, 2 miles. Connects at Yellow Pine with Mobile & Ohio Railroad. Equipment: Locomotives, 2.

Management: OFFICERS: Geo. T. Baker, Pres., Davenport, Ia.; S. H. Bollinger, Vice-Pres., Shreveport, La.; J. W. Gilchrist, Treas., Davenport, Ia.; M. Banker, Gen. Mgr.; B. E. Gordy, Supt., Yellow Pine, Ala. DIRECTORS: Geo. T. Baker, J. W. Gilchrist, Davenport, Ia.; S. H. Bolinger, Shreveport, La.; M. Banker, Yellow Pine, Ala. Annual meeting, February 10. GENERAL OFFICE, Yellow Pine, Ala.

Capital Stock: Authorized, $700,000; outstanding, $200,000. Par, $100. No bonded debt. No dividends paid.

WASHINGTON, IDAHO & MONTANA RAILWAY

History: Incorporated under laws of Maine, Mar. 9, 1905, and road first opened in 1906. Line of road operated, Lairds, Wash., to Purdue, Idaho, 49.37 miles; sidings, 16.86 miles. Equipment owned: Locomotives, 5; passenger and freight cars, 306. Controlled by Inland Improvement Co.

Management: OFFICERS: F. H. Thatcher, Pres., Winona, Minn.; F. E. Weyerhaeuser, Vice-Pres., St. Paul; F. S. Bell, Treas., Winona, Minn.; C. R. Musser, Sec., Muscatine, Ia.; R. F. Ricker, Aud.; A. W. Laird, Gen. Mgr., Potlatch, Idaho. DIRECTORS: F. H. Thatcher, Winona, Minn.; F. E. Weyerhaeuser, St. Paul, Minn.; C. A. Weyerhaeuser, R. D. Musser, Little Falls, Minn.; Wm. Musser, Iowa City, Ia. Annual meeting in August, at Augusta, Maine. GENERAL OFFICE, Potlatch, Idaho.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$336,163	$300,325	$402,388	$457,327	$363,479	$405,228	$426,070
Maintenance of way	103,088	91,980	69,009	67,448	50,928		
Maintenance of equip	52,551	56,747	46,689	46,812	56,380	255,976	196,319
All other oper. expenses	102,436	98,492	118,403	128,187	120,662		
Net operating revenues	$78,088	$63,106	$168,287	$214,880	$135,509	$149,252	$229,751
Operating ratio	76.77%	82.3%	58%	52.6%	62.8%	63.2%	46.1%
Other income	3,812	1,124	1,593	165	190	135	.....
Total net income	$81,900	$54,230	$169,880	$215,045	$135,699	$149,387	$229,751
Taxes accrued	8,932	13,750	9,616	7,274	10,732	12,629	7,621
Fixed charges, inc. taxes	45,324	*43,224	42,824	33,661	35,117	44,913	47,286
Surplus	$27,644	†$2,744	$117,440	$174,110	$79,850	$91,845	$174,844

* Does not include taxes. † Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $527,756; credit balance transferred from income, $27,644; miscellaneous credits, $263; total, $555,663. Contra: Dividend appropriations of surplus, $60,000; miscellaneous debits, $521; credit balance carried to balance sheet, $495,142; total, $555,663.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,208,216	$2,249,786	$2,261,948	$2,243,311	$2,223,086	$2,256,056
Working assets	55,704	45,409	60,880	46,988	52,822	58,896
Total	$2,263,920	$2,295,195	$2,322,828	$2,290,299	$2,275,908	$2,314,952
LIABILITIES:						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Working liabilities	763,709	761,237	725,830	750,686	906,289	1,025,514
Accr'd liabilities not due	5,069	6,202	4,492	3,906	4,338	4,062
Profit and loss surplus	495,142	527,756	592,506	535,707	365,281	285,376
Total	$2,263,920	$2,295,195	$2,322,828	$2,290,299	$2,275,908	$2,314,952

Capital Stock: Auth. and outstanding, $1,000,000. Par, $100. TRANSFER AGENT, F. S. Bell, Treas., Winona, Minn. Dividend in 1914, 6%. None in 1915. 6% in 1916. The Inland Improvement Co. owns 99½% of the capital stock.

WASHINGTON, POTOMAC & CHESAPEAKE RAILROAD

History: Incorporated under laws of Maryland, in March, 1910, a reorganiatzion of Washington, Potomac & Chesapeake R.R. Co.

Location: Road extends from Brandywine to Mechanicsvile, Md., 21 miles; in District of Columbia, 2.2 miles; total, 23.2 miles. Equipment: 1 locomotive and 3 cars.

Management: OFFICERS: H. W. Watson, Pres.; W. S. Roney, Vice-Pres.; R. E. Poe, Vice-Pres.; P. O. Kirschman, Sec. and Treas., Philadelphia, Pa.; W. W. Early, Gen. Mgr., Brandywine, Md. DIRECTORS: H. W. Watson, W. S. Roney, A. B. Roney, P. O. Kirschmann, Philadelphia; J. J. Poe, Kemp Bartlett, W. B. Duke, Baltimore, Md.; W. W. Early, Brandywine, Md.; G. H. Poe, Balt., Md. Annual meeting, third Thursday in March. GENERAL OFFICE, 418 Widener Building, Philadelphia, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$24,443	$24,881	$30,113	$31,098	$33,633	$41,896
Maintenance of way	4,780	8,987	19,138*	11,731	16,166	28,351
Maintenance of equip.	2,445	2,738	1,323	1,535	1,279	771
All other oper. expenses	15,930	16,145	17,179	17,832	16,790	17,783
Net oper. revenues.	$1,288	*$2,989	*$7,527	.....	$398	*$5,009
Other income	542	456	446	311	311	.....
Total net income.	$1,830	*$2,533	*$7,081	$311	$709	*$5,009
Taxes	1,825	1,811	1,753	1,815	1,668	1,221
Fixed charges	7,742	7,299	6,923	6,990	7,093	5,277
Surplus	*$7,737	*$11,643	*$15,757	*$8,494	*$8,051	*$11,507

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $5,270; debit balance carried to balance sheet, $50,846; total, $56,566. Contra: Debit balance at beginning of year, $48,829; debit balance transferred from income, $7,737; total, $56,566.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$615,183	$615,451	$615,087	$610,859	$605,326
Working assets	1,983	7,931	4,696	568	6,950
Profit and loss deficit	50,846	48,829	37,186	21,430	12,936
Total	$668,012	$672,211	$656,969	$632,857	$625,212
LIABILITIES:					
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	100,000	100,000	100,000	100,000	100,000
Working liabilities	67,179	71,378	56,136	32,024	24,379
Accrued liabilities not due	833	833	833	833	833
Total	$668,012	$672,211	$656,969	$632,857	$625,212

Bonded Debt: $100,000 Washington, Potomac & Chesapeake Ry. first 5s. Dated 1910; due 1940. Interest paid May and Nov. in Philadelphia. Bucks County Trust Co., Doylestown, Pa., Trustee. Coupon, $1,000, $500 and $100. Authorized, $2,000,000. A first lien on property. No bonds have actually been issued under this mortgage, but an interim certificate for $100,000 has been issued to W. H. Watson, the president of the company. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $2,000,000; outstanding, $500,000. Par, $100.

WASHINGTON RUN RAILROAD

History: Incorporated under the laws of Pennsylvania, April 25, 1895. Road opened, January 9, 1900.

Location: Road extends from Layton to Star Junction, Pa., 4 miles; sidings, etc., 3 miles. Equipment: Locomotive, 1; cars, 3.

Management: OFFICERS: W. Harry Brown, Pres., Pittsburgh; M. M. Cochran, Vice-Pres. and Gen. Mgr.; J. H. Price, Sec. and Treas., Dawson, Pa. DIRECTORS: Sarah B. Cochran, N. A. Rist, M. E. Strawn, M. M. Cochran, Dawson, Pa.; W. H. Brown, A. J. Wurtz, Pittsburgh; J. M. Core, Uniontown, Pa.; Alex. C. Sherrard, W. J. Sherrard, Vanderbilt, Pa. Annual meeting, first Saturday in January. GENERAL OFFICE, Dawson, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$58,632	$44,266	$44,262	$56,673	$53,913
Operating expenses	36,469	32,684	33,258	34,294	32,003
Net operating revenues	$22,163	$11,582	$11,004	$22,379	$21,910
Other income	301	612	1,536	2,192	1,712
Total net income	$22,464	$12,194	$12,540	$24,572	$23,622
Fixed charges, inc. taxes	1,953	3,036	2,169	2,227	2,134
Net income	$20,511	$9,158	$10,371	$22,344	$21,488
Other deductions	18,000	9,158	15,000	21,000	21,000
Balance	$2,511	.....	*$4,629	$1,344	$488

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$210,480	$211,023	$211,566	$212,109	$212,652
Working assets	21,556	22,525	20,088	24,336	20,932
Total	$232,036	$233,548	$231,654	$236,445	$233,584
LIABILITIES:					
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000
Working liabilities	1,625	7,390	4,045	4,208	2,691
Accrued liabilities not due	1,651	1,651	1,430	1,430	1,430
Deferred credit items	2,912	1,170	.....	.....	.....
Profit and loss	75,843	73,337	76,179	80,807	79,463
Total	$232,036	$233,548	$231,654	$236,445	$233,584

Capital Stock: Authorized and outstanding, $150,000. Par, $50. No bonded debt. A dividend of 10% was paid for year ended June 30, 1909; 12% in 1910; 17% in 1911; 14% each 1912 and 1913; 10% in 1914; 8% in 1915; 12% in 1916. Payments, semi-annually, Jan. and July.

WASHINGTON TERMINAL COMPANY

History: Incorporated under Acts of Congress, February 12, 1901, and February 28, 1903. Controlled through stock ownership by Baltimore & Ohio and Philadelphia, Baltimore & Washington roads, equally.

Location: Owns union stations in Washington, D. C., with terminals and approaches embracing 52.59 miles of track.

Management: OFFICERS: Samuel Rea, Pres.; Oscar G. Murray and W. W. Atterbury, Vice-Pres.; C. W. Woolford, Sec.; E. M. Devereux, Treas. DIRECTORS: Oscar W. Murray, Daniel Willard, Samuel Rea, G. E. Hamilton, W. W. Atterbury, Geo. D. Dixon, A. J. County. OFFICE, Washington, D. C.

Income Account, Year Ended June 30, 1916

Non-operating revenues	$1,613,689
Taxes	72,188
Fixed charges	1,332,687
Balance	$208,814
Dividend	170,080
Surplus	$38,734

Condensed Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Property investment	$16,120,485	Capital stock	$4,252,000
Current assets	1,128,810	Funded debt	12,000.000
Deferred assets	150	Current liabilities	1,031,945
Unadjusted debits	294,177	Unadjusted credits	28,314
		Profit and loss	231,363
Total	$17,543,622	Total	$17,543,622

Bonded Debt: Washington Terminal Co. first mortgage gold 3½s and 4s. Auth., $12,000,000; outstanding, $10,000,000 3½s; $2,000,000 4s. Dated Feb. 1, 1905; due Feb. 1, 1945. Interest paid at New York and Washington. Coupon, $1,000. Registerable as to principal or fully registerable. Registered, $1,000 and multiples. Guar. jointly and sevarally as to prin. and int. by endorsement of the Baltimore & Ohio Co. and the Philadelphia, Baltimore & Washington R.R. Co. First lien on all property of the company. Legal for S. B. in R. I. Listed on New York Stock Exchange. Interest payable without deduction for normal income tax. Net Rating, Aaa.

Capital Stock: Auth., $5,000,000; outstanding, $4,252.000. Par, $100. Owned equally by Baltimore & Ohio and Philadelphia, Baltimore & Washington (Penna. system). Dividends: 1908, 2%; 1909 to date, 4% per annum. Payments, Jan. and July 1.

WASHINGTON WESTERN RAILWAY

History: Incorporated under the laws of Washington, August, 1912.

Location: Road extends from Woodruff to Machias, Wash., 11.12 miles. Equipment: Locomotive, 1; freight cars, 7.

Management: OFFICERS: B. W. Maguire, Pres., Rockford, Ill.; J. M. Harnett, Vice-Pres. and Treas.; G. B. Moore, Sec. and Gen. Mgr.; J. A. Herrick, Aud., Three Lakes, Wash. DIRECTORS: B. W. Maguire, A. M. Maguire, B. M. Coleman, Rockford. Ill.; J. M. Harnett, G. B. Moore, Three Lakes, Wash. Annual meeting, third Thursday in July. GENERAL OFFICE, Three Lakes, Wash.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$29,787	$26,135	$40,138	$30,403
Operating expenses	23,206	19,559	28,666	28,946
Net operating revenues	$6,581	$6,576	$11,472	$1,457
Fixed charges, inc. taxes	1,632	1,611	2,006	1,033
Balance	$4,949	$4,963	$9,466	$424

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $14,852; credit balance transferred from income, $4,949; total, $19,801. Contra: Dividend appropriations of surplus, $12,500; credit balance carried to balance sheet, $7,301; total, $19,801.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$256,003	$256,251	$255,902	$250,746
Working assets	2,873	9,422	4,974	9,049
Accrued income not due	.....	.....	.....	.....
Deferred debit items	.....	.....	.....	54
Total	$258,876	$265,673	$260,876	$259,849
LIABILITIES:				
Capital stock	$250,000	$250,000	$250,000	$250,000
Working liabilities	126	78	987	8,245
Accrued liabilities not due	780	743	.....	.....
Deferred credit items	669	.....	.....	1,000
Profit and loss	7,301	14,852	9,889	424
Total	$258,876	$265,673	$260,876	$259,849

Capital Stock: Authorized and outstanding, $250,000. Par, $100. No bonded debt. Secretary of company acts as TRANSFER AGENT. Dividend of 5% in 1916.

WATAUGA & YADKIN RIVER RAILROAD

History: Incorporated under the laws of North Carolina, March 6, 1905, successor to Yadkin River R.R. Has under construction a line from Grandin to Lenvir and from Darby to Boone, N. C., 35.61 miles; Elkville to Grandin, N. C., and No. Wilkesboro to Darby, 29.2 miles were completed to Oct. 1, 1915; sidings, 2.33 miles.

Receivership: On Oct. 12, 1914, upon application of the preferred stockholders, and various creditors, Judge Boyd of the U. S. District Court, appointed as receiver of this company, and the affiliated Grandin Lumber Co., W. J. Grandin, the president of both.

Equipment: Locomotives, 2; passenger cars, 3; freight cars, 23; service cars, 8.

Management: OFFICERS: W. J. Grandin, Pres. and Receiver, Grandin, N. C.; M. K. McMullin, Vice-Pres.; R. T. Rossell, Sec., Pittsburgh, Pa.; W. W. Beatty, Treas., Grandin, N. C.; H. C. Landon, Gen. Mgr., North Wilkesboro, N. C.; Geo. L. Hadlock, Aud., Grandin, N. C. DIRECTORS: M. K. McMullin, J. H. Reed, Pittsburgh, Pa.; W. W. Beatty, W. J. Grandin, Grandin, N. C.; H. G. Landon, North Wilkesboro, N. C. Annual meeting, first Monday in June. GENERAL OFFICE, Grandin, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$26,893	$22,652	$21,909
Operating expenses	42,295	44,483	21,075
Net operating revenues	* $15,402	* $21,831	$834
Fixed charges, inc. taxes	28,646	27,482	26,332
Balance	* $44,048	* $49,313	* $25,498

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$3,867,780	$3,797,687	$3,759,926
Working assets	27,927	65,300	76,288
Deferred debit items	.....	3	.....
Profit and loss	118,858	74,810	25,498
Total	$4,014,565	$3,937,800	$3,861,712
LIABILITIES:			
Capital stock	$3,164,100	$3,138,600	$3,129,600
Funded debt	27,000	.....	.....
Government grants	22,000	22,000	22,000
Working liabilities	800,136	774,176	708,335
Accrued liabilities not due	689	1,890	635
Deferred credit items	640	1,134	1,142
Total	$4,014,565	$3,937,800	$3,861,712

Capital Stock: Authorized, $3,500,000; outstanding, $3,164,100. Par, $100. No bonded debt, but company has outstanding $682,930 short-term indebtedness. TRANSFER AGENT, J. E. Dysart, Grandin, N. C.

WATERTOWN & SIOUX FALLS RAILWAY

History: Incorporated June 24, 1916, under the laws of South Dakota. Successor to South Dakota Central Ry. Co., sold at foreclosure June 28, 1916. The Watertown & Sioux Falls Ry. Co. commenced the operation of its property July 1, 1916. Entire capital stock owned by the Great Northern Ry. Co.

Location: Road extends from Sioux Falls, to Watertown, S. D., 103 miles. Equipment: Locomotives, 8; cars, 74.

Management: OFFICERS: C. O. Kalman, Pres., J. M. Gruber, Vice-Pres.; W. P. Kenney, Vice-Pres.; L. E. Katzenbach, Sec. and Treas.; G. R. Martin, Compt. DIRECTORS: F. R. Aikens, Ralph Budd, C. O. Kalman, E. C. Lindley, Otto M. Nelson, R. P. Sherer, A. D. Thompson. Annual meeting, second Monday in July. OFFICE, St. Paul, Minn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$372,363	$329,642	$335,371	$303,131	$197,146
Operating expenses	273,540	233,540	243,030	191,231	147,659
Net operating revenues	$98,823	$96,102	$92,341	$111,900	$49,487
Other income	216	.....	.....	.....	.....
Total net income	$99,039	$96,102	$92,341	$111,900	$49,487
Fixed charges, inc. taxes	89,007	84,843	85,795	79,928	71,443
Balance	$10,032	$11,259	$6,546	$31,972	*$21,956

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $617,040; credit balance transferred from income, $10,032; donations, $2,271,700; total, $2,898,772. Contra: Stock discount extinguished through surplus, $450,225; debt discount extinguished through surplus, $188,000; loss on retired road and equipment, $2,198,160; miscellaneous debts, $62,387; total, $2,898,772.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1915	1914	1913	1912
Property investment	$3,780,956	$3,673,712	$3,646,966	$3,647,035
Working assets	64,133	64,431	250,769	80,917
Deferred debit items	608	369	.....	.....
Total	$3,845,697	$3,738,512	$3,897,735	$3,727,952
LIABILITIES:				
Capital stock	$2,130,900	$2,130,900	$2,130,900	$2,130,900
Funded debt	845,000	820,000	830,000	840,000
Working liabilities	199,000	139,626	285,583	124,230
Accrued liabilities not due	45,242	3,980	6,434	7,896
Deferred credit items	8,515	.....	.....	.....
Profit and loss	617,040	644,006	644,818	624,926
Total	$3,845,697	$3,738,512	$3,897,735	$3,727,952

Note: Above balance sheet is that of old company. No figures available for 1916. New company has no bonded debt.

Capital Stock: Authorized $1,500,000; outstanding, $1,100,000; par, $100. All owned by Great Northern Ry. Company.

WAUPACA-GREEN BAY RAILWAY

History: Incorporated under the laws of Wisconsin, Jan. 14, 1907. Road opened Jan. 24, 1908.

Location: Road extends from Scandinavia to Waupaca, Wis., 9.85 miles; sidings, 1.34 miles. Equipment: Locomotive, 1; cars, 2.

Management: OFFICERS: John Gordon, Pres.; A. M. Penney, Vice-Pres. and Gen. Mgr.; I. P. Lord, Sec., Waupaca, Wis.; F. B. Seymour, Treas.; J. C. Thurman, Gen. Aud., Green Bay, Wis. DIRECTORS: John Gordon, Ely A. Peterson, A. M. Penney, A. G. Nelson, I. P. Lord, C. E. Holman, Waupaca, Wis.; J. P. Thurman, Green Bay, Wis. Annual meeting, second Tuesday in February at Waupaca, Wis. GENERAL OFFICE, Green Bay, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$22,855	$24,637	$22,024
Operating expenses	14,536	20,221	22,790
Net operating revenues	$8,319	$4,416	* $766
Other income	114	62	.....
Total net income	$8,433	$4,478	* $766
Fixed charges, inc. taxes	6,657	6,691	6,877
Balance	$1,776	* $2,213	* $17,643

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$137,300	$137,438	$137,900
Working assets	778	1,550	722
Profit and loss	4,105	5,707	1,363
Total	$142,183	$144,695	$139,985
LIABILITIES:			
Capital stock	$61,400	$61,400	$61,400
Funded debt	69,000	69,000	66,000
Working liabilities	11,783	12,570	12,585
Accrued liabilities not due	.....	1,725	.....
Total	$142,183	$144,695	$139,985

Bonded Debt: $75,000 Waupaca-Green Bay Ry. first 5s. Dated July 1, 1913; due July 1, 1933. Interest paid Jan. and July 1 at Waupaca, Wis. Coupon, $1,000. Authorized, $75,000. Issued to retire $60,000, dated July 1, 1907, and for improvements. Callable on any interest date. First lien on entire property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $150,000; outstanding, $61,400. Par, $100. No dividends.

WAYCROSS & WESTERN RAILROAD

History: Incorporated under Georgia laws, Feb. 19, 1912.

Location: Road extends from Waycross to Milltown, Ga., 44.5 miles; sidings, 2.25 miles. Equipment: Locomotives, 2; passenger cars, 2; freight cars, 14.

Management: OFFICERS: Alex. K. Sessoms, Pres., Waycross, Ga.; J. G. Sessoms, Vice-Pres.; L. S. Price, Jr., Sec., Treas. and Aud.; C. M. Raybon, Supt., Waycross, Ga. DIRECTORS: A. K. Sessoms, J. G. Sessoms, R. B. Sessoms, M. L. Bunn, P. N. Harley, W. E. Sirmans, C. M. Sweat, Waycross, Ga.; W. S. Miller, R. L. Patten, Middletown, Ga.; H. D. Bunn, Fairfax, Ga. Annual meeting, second Wednesday in September. GENERAL OFFICE, Waycross, Ga.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913
Gross revenues	$46,943	$27,223	$35,738	$17,862
Operating expenses	30,603	37,163	24,583	10,796
Net operating revenues	$16,340	* $9,940	$11,155	$7,066
Other income	336	.....	751	.....
Total net income	$16,676	* $9,940	$11,906	$7,066
Fixed charges including taxes	24,111	19,755	19,964	918
Balance	* $7,435	* $29,695	* $8,058	$6,148

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$434,963	$428,040	$389,187	$585
Working assets	9,994	4,718	264,188	6,854
Deferred debit items	291,937	294,187	.....	.....
Profit and loss	39,260	31,605	1,910	.....
Total	$776,154	$758,550	$655,285	$7,438
LIABILITIES:				
Capital stock	$420,000	$420,000	$350,000	.....
Funded debt	316,250	314,000	300,000	.....
Working liabilities	38,691	23,602	5,285	$1,290
Accrued liabilities not due	1,213	948	.....	.....
Profit and loss	.....	.....	.....	6,148
Total	$776,154	$758,550	$655,285	$7,438

Bonded Debt: $384,000 Waycross & Western R.R. first 5s. Dated Aug. 1, 1913; due Aug. 1, 1943. Interest paid Feb. and Aug. 1, at Savannah Trust Co., Savannah, Ga. Coupon, $1,000. Authorized, $710,000. Callable after five years at par and interest. First lien on all property of company. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $710,000; outstanding, $420,000. Par, $1,000. No dividends paid.

WELLINGTON & POWELLVILLE RAILROAD

History: Incorporated under laws of North Carolina, Oct. 20, 1893, successor to the Cashie & Roanoke R.R. Co.

Location: Road extends from Windsor to Ahoskie, N. C., 22 miles. Gauge, 3 feet. Equipment: Locomotives, 3; passenger cars, 4; freight cars, 53.

Management: OFFICERS: Horton Corwin, Jr., Pres., Treas. and Pur. Agt.; W. D. Pruden, Sec.; R. C. Holland, Aud., Edentown, N. C.; W. M. Corwin, Supt., Ahoskie, N. C. DIRECTORS: Elizabeth Branning Baker, Horton Corwin, Jr., W. D. Pruden, A. T. Baker, Edenton, N. C.; Mrs. F. V. S. Chapin, Detroit, Mich.; Ed. F. Branning, New York; Edward Shryver, Cincinnati, O. Annual meeting, last Saturday in Jan. GENERAL OFFICE, Edenton, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$54,770	$45,151	$42,281	$42,405	$46,997
Operating expenses	45,690	44,311	34,679	36,549	44,159
Net operating revenues	$9,080	$840	$7,602	$5,856	$2,838
Fixed charges, inc. taxes	5,924	5,635	5,577	5,200	596
Balance	$3,156	$4,795	$2,025	$656	$2,242

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$215,282	$217,867	$213,697	$208,706
Working assets	3,831	1,843	8,752	9,422
Profit and loss	.....	4,795	.....	.....
Total	$219,113	$224,505	$222,449	$218,128

LIABILITIES:	1916	1915	1914	1913
Capital stock	$90,000	$90,000	$90,000	$90,000
Working liabilities	92,082	95,835	93,779	91,483
Appropriated surplus	33,875	38,670	38,670	.....
Profit and loss	3,156	.....	.....	36,645
Total	$219,113	$224,505	$222,449	$218,128

Capital Stock: Authorized, $300,000; outstanding, $90,000; par, $100. No bonded debt. No dividends.

WENATCHEE VALLEY & NORTHERN RAILWAY

History: Incorporated under the laws of Iowa in 1908, to build a railroad from Leavenworth north to Lake Wenatchee, Wash. Completed January 1, 1916, 18 miles.

Equipment: Locomotives, 3; freight cars, 24.

Management: OFFICERS: L. Lamb, Pres.; G. E. Lamb, Vice-Pres., Clinton, Ia.; F. C. Riggs, Vice-Pres., Leavenworth, Wash.; C. B. Mills, Sec., Minneapolis, Minn. DIRECTORS: E. A. Schultz, Clinton, Ia.; C. B. Mills, Minneapolis, Minn.; F. C. Riggs, Leavenworth, Wash. Annual meeting, in January. GENERAL OFFICE, Clinton, Ia.

Capital Stock: Authorized and outstanding, $300,000. Par, $100. No bonded debt.

WEST VIRGINIA NORTHERN RAILROAD

History: Incorporated under the laws of West Virginia, July 5, 1899.

Location: Road extends from Tunnelton to Kingwood, W. Va., 10.97 miles; sidings, 1.21 miles. Equipment, leased: Locomotives, 2; car, 1.

Management: OFFICERS: Henry Haust, Pres. and Gen. Mgr., Tunnelton, W. Va.; C. E. Sprout, Vice-Pres., Williamsport, Pa.; J. H. Weaver, Treas.; J. E. Wilkinson, Sec. and Asst. Treas.; Stewart Frazer, Aud., Philadelphia. DIRECTORS: J. H. Weaver, J. E. Wilkinson, Philadelphia; P. J. Crogan, Kingwood, W. Va.; C. E. Sprout, Williamsport, Pa.; Henry Haust, Tunnelton, W. Va. Annual meeting, third Wednesday in May at Kingwood, W. Va. PHILADELPHIA OFFICE, Land Title Building.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$46,566	$36,620	$36,208	$31,267	$24,817
Operating expenses	36,725	35,747	33,432	33,704	37,366
Net operating revenues	$9,841	$873	$2,776	*$2,437	*$12,549
Fixed charges, inc. taxes	20,848	18,911	18,767	17,484	17,577
Balance	*$11,007	*$18,038	$15,991	*$19,921	*$30,126

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$109,610	$109,210	$109,210	$109,210	$109,206
Working assets	72,078	68,927	50,943	56,185	96,413
Deferred debit items	11,145	209	.....	.....	.....
Profit and loss	215,552	204,545	186,508	170,517	150,595
Total	$408,385	$382,891	$346,661	$335,912	$356,214
LIABILITIES:					
Capital stock	$50,000	$50,000	$50,000	$50,000	$50,000
Funded debt	.....	.....	50,000	50,000	50,000
Working liabilities	*358,385	*332,891	246,661	235,912	256,214
Total	$408,385	$382,891	$346,661	$335,912	$356,214

* Includes $50,000 funded debt matured and unpaid.

Bonded Debt: $50,000 West Virginia Northern R.R. 1st 6s. Dated July 1, 1894; due July 1, 1914. Interest paid Jan. and July 1, at Philadelphia, Pa. First lien on entire line. Normal income tax deducted from interest.

Capital Stock: Authorized and outstanding, $50,000. Par, $50.

WESTERN ALLEGHENY RAILROAD

History: Incorporated under the laws of Pennsylvania, April 2, 1902.

Location: Road extends from West Pittsburgh, Pa., to Brady's Bend, 47.89 miles; branches, 3.02 miles. Sidings, etc., 14.69 miles. Equipment: Locomotives, 9; cars, 47.

Management: OFFICERS: A. C. Robinson, Pres.; A. R. Hamilton, Vice-Pres.; G. E. Nagel, Sec. and Treas.; H. T. Taylor, Aud., Pittsburgh, Pa.; G. M. Hughes, Gen. Mgr. and Pur. Agt., Kaylor, Pa. DIRECTORS: A. C. Robinson, A. R. Hamilton, G. D. Packer, C. A. Anderson, A. J. Kelly, Jr., E. R. Baldinger, J. E. Mitchell, Pittsburgh, Pa.; C. E. Dinkey, Braddock, Pa. Annual meeting, second Monday in January. GENERAL OFFICE, 503 Commonwealth Building, Kaylor, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$272,953	$206,290	$163,788	$127,182	$157,637
Operating expenses	193,692	185,490	163,194	136,606	151,427
Net operating revenues	$79,261	$20,800	$594	*$9,424	$6,210
Other income	9,361	12,716	.....	426	.....
Total net income	$88,622	$33,516	$594	*$8,998	$6,210
Fixed charges, inc. taxes	79,139	73,700	76,444	65,451	49,809
Balance	$9,483	$40,184	*$75,850	*$74,449	*$43,599

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $217,282; loss on retired road and equipment, $64,769; miscellaneous debits, $98,035; total, $380,086. Contra: Credit balance transferred from income, $9,483; unrefundable overcharges, $28; miscellaneous credits, $20,558; debit balance carried to balance sheet, $350,017; total, $380,086.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$2,549,753	$2,707,104	$2,687,052	$2,672,624	$2,673,944
Working assets	59,298	45,265	48,050	66,712	43,980
Accrued income not due	2,700	2,198	.....	.....	.....
Deferred debit items	6,558	12,079	14,462	4,464	.....
Profit and loss	350,017	217,282	176,610	88,388	13,939
Total	$2,968,326	$2,983,928	$2,926,174	$2,832,188	$2,731,863
LIABILITIES:					
Capital stock	$1,511,100	$1,511,100	$1,511,100	$1,511,100	$1,511,100
Funded debt	1,500	79,066	1,500	108,555	1,146,009
Working liabilities	1,371,422	1,390,125	1,410,083	1,206,735	68,957
Accrued liabilities not due	3,069	1,969	3,202	5,798	5,797
Deferred credit items	81,235	1,668	289	.....	.....
Total	$2,968,326	$2,983,928	$2,926,174	$2,832,188	$2,751,863

Capital Stock: Authorized, $1,600,000; outstanding, $1,511,100. Par, $50. All owned by North Penn. Coal Co. No dividends. No bonded debt.

WHARTON & NORTHERN RAILROAD

History: Incorporated under laws of New Jersey, Dec. 7, 1905; a consolidation of the Morris County Connecting R.R. and Port Oram R.R.

Location: Road extends from Wharton, N. J., to Oreland; Wharton to Green Pond Junc., and Wharton to Green Lake, 20.64 miles. Equipment: Locomotives, 2; cars, 4.

Management: OFFICERS: H. S. Morris, Pres. and Treas.; J. B. Lippincott, Vice-Pres.; H. C. Wenner, Sec., Philadelphia; G. A. Dorman, Aud.; P. E. Stryker, Pur. Agt. and Supt., Wharton, N. J. DIRECTORS: H. S. Morris, J. B. Lippincott, A. A. Jackson, J. W. Lippincott, H. C. Wenner, G. L. Bishop, Jr., Philadelphia; P. E. Stryker, Wharton, N. J. Annual meeting, in June. GENERAL OFFICE, Wharton, N. J.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$46,960	$46,203	$45,354	$46,198	$54,916
Operating expenses	35,964	32,501	41,105	36,730	41,668
Net operating revenues	$10,996	$13,702	$4,249	$9,468	$13,248
Fixed charges, inc. taxes	26,087	26,990	26,227	29,129	28,954
Deficit	$15,091	$13,287	$21,978	$19,661	$15,706

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$505,748	$506,195	$506,760	$505,261	$512,821
Working assets	35,303	31,566	24,456	22,883	38,544
Profit and loss	507,933	492,842	479,555	460,427	420,758
Total	$1,048,984	$1,030,603	$1,010,771	$988,571	$972,123
LIABILITIES:					
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	300,000	300,000	300,000	305,848	300,000
Working liabilities	80,484	230,603	210,771	182,723	161,094
Accrued liabilities not due	168,500				11,029
Total	$1,048,984	$1,030,603	$1,010,771	$988,571	$972,123

Bonded Debt: $300,000 Morris County R.R. 1st 6s. Dated Sept. 1, 1886; due Sept. 1, 1925. Interest paid May and Sept. 1. Denomination, $1,000. First lien on entire property. Bonds held by estate of Joseph Wharton.

Capital Stock: Authorized and outstanding, $500,000. Par, $100. No dividends paid.

WHITE DEER & LOGANTON RAILWAY

History: Incorporated under the laws of Pennsylvania, April 17, 1906. Road built in 1907. Leases White Deer Valley R.R. from 1907 at annual rental of $1,200. Lease expired May 31, 1916. Railroad was sold to White Deer Lumber Co. June 30, 1916.

Location: Road owned extends from Duncan to Loganton, Pa., 8.8 miles; leased, Duncan to White Deer, Pa., 15.60 miles; total operated, 24.4 miles. Gauge, 3 feet. Equipment: Locomotives, 2; passenger cars, 4; freight cars, 11.

Management: OFFICERS: Charles Steele, Pres. and Gen. Mgr.; Harry Steele, Vice-Pres., Treas. and Pur. Agt.; S. D. Young, Sec.; Geo. T. McCorkill, Aud., Sunbury, Pa.; W. S. Rhoads, Supt., White Deer, Pa. DIRECTORS: Charles Steele, Harry Steele, Sarah D. Young, Geo. T. McCorkill, Sunbury, Pa.; R. F. Whitmer, Philadelphia, Pa.; Elmer Crissman, Dewart, Pa.; W. S. Rhoades, White Deer, Pa. Annual meeting, first Monday in January. GENERAL OFFICE, Sunbury, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$7.242	$8,148	$8,227	$8,833	$8,638
Operating expenses	7,130	8,450	9,867	12,594	12,860
Net operating revenues	$112	*$302	*$1,640	*$3,761	*$4,222
Other income	3,300	4,700	4,800	4,800	7,800
Total net income	$3,412	$4,398	$3,160	$1,039	$3,578
Fixed charges, inc. taxes	3,207	3,305	3,309	3,301	3,259
Net income	$205	$1,093	*$149	*$2,262	*$319

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	*	$20,951	$70,951	$70,951	$70,951
Working assets	$21,914	1,666	758	1,373	4,161
Profit and loss	48,567	48,772	.....	.....	.....
Total	$70,481	$71,389	$71,709	$72,324	$75,112
LIABILITIES:					
Capital stock	$20,000	$20,000	$20,000	$20,000	$20,000
Funded debt	50.000	50,000	50,000	50,000	50,000
Working liabilities	481	1,389	1,574	2,040	1,566
Profit and loss	.....	.....	135	284	3,546
Total	$70,481	$71,389	$71,709	$72,324	$75,112

* Railroad was sold to White Deer Lumber Co. June 30, 1916.

Bonded Debt: $50,000 White Deer & Loganton Railway 1st 4s. Dated Jan. 1, 1907; due Jan. 1, 1927; interest paid Jan. and July 1, at Sunbury Trust & Safe Deposit Co., Sunbury, Pa. Callable. First lien on property. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $100,000; outstanding, $20,000. Par, $50. A dividend of 5% was paid out of undivided profits on Jan. 6, 1913. None since.

WHITE OAK RAILWAY

History: Incorporated under the laws of West Virginia, May 23, 1905, and acquired the railroads of the Price Hill Fuel Company and the Stuart Colliery Company. The property of the company is leased to the Chesapeake & Ohio Railway Company and Virginian Railway Company jointly for five years from December 1, 1912.

Location: Road extends from Oak Hill to Bishop, W. Va., 1.14 miles; Carlisle to Lochgelly, W. Va., 6.87 miles; Price Hill Junc. to Price Hill, W. Va., 2.33 miles; total, 10.34 miles. Sidings, 8.68 miles. Total track, 19.02 miles.

Management: OFFICERS: Robert H. Gross, Pres.; H. N. Sweet, Vice-Pres., Boston; F. W. B. Dowst, Sec. and Treas., Macdonald, W. Va.; Geo. W. Benton, Aud., Boston, Mass.; M. C. Moore, Pur. Agt.; S. A. Scott, Gen. Mgr., Macdonald, W. Va. DIRECTORS: Junius Beebe, H. N. Sweet, R. H. Gross, A. C. Burnham, F. W. Payne, Boston. Annual meeting, second Wednesday in June. OFFICE, Macdonald, W. Va.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$27,420	$26,353	$26,124	$14,429	$22,059	$25,163
Taxes	232	193	122	768	1,154	5,280
Fixed charges	25,829	24,922	24,777	24,514	31,301	27,941
Surplus	$1,359	$1,238	$1,225	*$10,853	*$10,396	*$8,058

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$289,161	$389,079	$389,059	$389,059	$623,353	$625,166
Working assets	41,252	40,222	3,097	5,246	23,334	8,250
Deferred debit items	479	390	.....	22	33	112
Profit and loss deficit	254,595	255,954	257,192	258,204	41,862	31,526
Total	$585,487	$685,645	$649,348	$652,531	$688,582	$665,054

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Funded debt	135,000	135,000	135,000	135,000	135,000	135,000
Working liabilities	298,227	298,366	264,337	267,123	301,394	276,752
Accr'd liabilities not due	.....	.....	.....	.....	1,155	2,628
Deferred credit items..	2,260	2,279	11	408	1,033	674
Total	$585,487	$685,645	$649,348	$652,531	$688,582	$665,054

Bonded Debt: $135,000 White Oak Railway 1st 5s. Dated Sept. 1, 1905; due Sept. 1, 1925. Interest paid Mar. and Sept. 1, at Kanawha Banking & Trust Co., Charleston, W. Va., Trustee. Coupon, $500. Prin. may be registered. Authorized, $150,000. Callable at any time at 105 and interest. First lien on 6.6 miles of road, Carlisle to Stuart, W. Va.

Capital Stock: Authorized and outstanding, $250,000. Par, $100. A dividend of 5% was paid in 1909. None since.

WHITE SULPHUR SPRINGS & YELLOWSTONE PARK RAILROAD

History: Incorporated under Montana laws, June 16, 1910. Connects at Ringling with Chicago, Milwaukee & St. Paul Ry.

Location: Road extends from White Sulphur Springs to Ringling, Mont., 22.95 miles. Sidings, 4.19 miles. Equipment: 2 locomotives, 2 cars.

Management: OFFICERS: John Ringling, Pres. and Gen. Mgr., Chicago; M. S. Gunn, Vice-Pres., Helena, Mont.; R. M. Calkins, Jr., Treas. and Sec., White Sulphur Springs, Mont.; G. J. Bunting, Gen. Aud., Chicago; A. J. Nicholson, Supt. and Pur. Agt., White Sulphur Springs, Mont. DIRECTORS: John Ringling, Chas. C. Wilson, F. M. Loomis, J. L. Horsley, C. E. Bentley, Chicago, Ill.; M. S. Gunn, Helena, Mont.; R. M. Calkins, Jr., White Sulphur Springs, Mont. Annual meeting, second Monday in July. GENERAL OFFICE, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	*1911
Gross revenues	$43,843	$37,027	$40,182	$38,432	$38,702	$14,862
Maintenance of way...	1,870	2,464	2,052	2,387	4,421	1,768
Maintenance of equip..	4,510	1,613	1,451	531	904	404
All other oper. expenses	14,499	14.066	13,574	16,305	15,191	6,975
Net oper. revenues.	$22,964	$18,884	$23,105	$19,209	$18,206	$5,715
Taxes	1,137	780	920	1,080	867	900
Fixed charges	6,192	1,064	1,862	4,256	950	658
Surplus	$15,635	$17,040	$20,323	$13,873	$16,389	$4,157
Dividends paid	†	20,206	10,500	13,500	10,500	.....
Balance	$15,635	(def.) $3,166	$9,823	$373	$5,889	$4,157

† Dividend paid from profit and loss in 1916 (see below). * Six months.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $7,419; credit balance transferred from income, $15,635; unrefundable overcharges, $26; total, $23,080. Contra: Dividend appropriations of surplus, $15,000; credit balance carried to balance sheet, $7,796; loss on retired road and equipment, $284; total, $23,080.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$343,854	$338,851	$263,642	$262.992	$260,404	$212,063
Working assets	19,324	13,661	67,232	57,640	57,433	99,205
Deferred debit items...	3,588	5,061	.....	3,634	.....	3,524
Total	$366,766	$357,573	$330,874	$324,266	$317,837	$314,792
LIABILITIES:						
Capital stock	$326,629	$326,629	$300,000	$300,000	$300,000	$300,000
Working liabilities	7,688	8,083	9,862	12,779	6,028	9,570
Accr'd liabilities not due	552	442	.....	.....	403	900
Deferred credit items..	11,869	2,778	.....	397	798	165
Appropriated surplus ..	12,222	12,222	10,016	10,016	10,016	.....
Profit and loss surplus.	7,796	7,419	10,996	1,173	592	4,157
Total	$366,766	$357,573	$330,874	$324,266	$317,837	$314,792

Capital Stock: Authorized and outstanding, $300,000. Par, $100. Paid in 1912, 3½% dividend; 1913, 4½%; 1914, 3½%; 1915, 6¼%; 5% in 1916. No bonded debt.

THE WICHITA UNION TERMINAL RAILWAY COMPANY

History: Incorporated under laws of Kansas, March 27, 1911, to construct and operate passenger and freight terminals at Wichita, Kans. The terminal properties are to be used by the Atchison, Topeka & Santa Fe, Chicago, Rock Island & Pacific, St. Louis & San Francisco R.R., and the Kansas City, Mexico & Orient Ry., each company owning one-fourth of the outstanding capital stock.

Management: OFFICERS: Vacancy, Pres.; E. L. Copeland, Sec. and Treas.; E. H. Bunnell, Aud., Topeka, Kans. DIRECTORS: W. R. Smith, Paul E. Walker, Topeka, Kans.; E. D. Levy, Springfield, Mo.; R. R. Vermillion, Wichita, Kans.; John A. Eaton, Kansas City, Mo.; T. H. Beasom, El Reno, Oklahoma; Chas. A. Smyth, Wichita, Kans. Annual meeting, first Monday in April, at Wichita, Kans. GENERAL OFFICE, Topeka, Kans.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$1,999,828	$2,007,399	$1,985,496
Working assets	343,580	337,816	380,271
Accrued income not due	*	*	17,240
Deferred debit items	92,735	94,016	95,296
Profit and loss deficit	.....	1,683	403
Total	$2,436,143	$2,440,914	$2,478,706
LIABILITIES:			
Capital stock	$100,000	$100,000	$100,000
Funded debt	2,300,000	2,300,000	2,300,000
Working liabilities	8,158	12,929	61,456
Accrued liabilities not due	27,985	27,985	17,250
Total	$2,436,143	$2,440,914	$2,478,706

* Included in "working assets."

Bonded Debt: $2,300,000 Wichita Union Terminal Ry. first gold 4½s. Dated Nov. 1, 1911; due Nov. 1, 1941. Int. May and Nov. 1, at office of W. A. Read & Co., New York and London, England. Coupon, $1,000. Principal may be registered: exchangeable for fully registered bonds, which are reconvertible. Subject to call as a whole or on any interest date after May 1, 1921, at 108½ and int. Under the terms of an operating agreement, which is for 999 years, each of the proprietary companies agrees to pay, when due, one-quarter of the amount represented by then outstanding First Mortgage 4½% bonds, and to pay as due its proper proportion of the accrued bond interest. Should one or more fail to make the proper payments of the agreement, the remaining companies are obliged to make up the deficiency. Secured by first lien on entire property of company, including about 19 acres of land located within the city limits. The operating agreement is also pledged as part security. Listed on New York Stock Exchange. Interest payable without deduction for normal income tax. Rating, Baa.

Capital Stock: Auth. and outstanding, $100,000. Par, $100. All owned by the proprietary companies named above.

WILKES-BARRE CONNECTING RAILWAY

History: This road was organized to construct a line of railroad of approximately 7 miles, to make direct connection between the Pennsylvania R.R. and the lines of the Delaware & Hudson Co., near Wilkes-Barre, Pa., which companies jointly own the entire stock. The company began operations March 29, 1915.

Location: Buttonwood, Pa., to Hudson, Pa., 6.65 miles; sidings, etc., 9.20 miles; total mileage operated, 15.85 miles.

Management: OFFICERS: J. T. Toney, Pres., Scranton, Pa.; A. J. County, Vice-Pres., Philadelphia, Pa.; C. S. Sims, Vice-Pres., Albany, N. Y.; W. H. Williams, Vice-Pres., New York; F. M. Olyphant, Sec.; C. A. Walker, Treas. DIRECTORS: L. F. Loree, W. H. Williams, New York; A. J. County, Henry Tatnall, W. W. Atterbury, W. H. Myers, Philadelphia, Pa.; C. S. Sims, Albany, N. Y.

Income Account, year ended June 30, 1916: Rental income, $39,333; fixed charges and taxes, $40,704; deficit, $771.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$2,379,328	$2,318,672	Capital stock	$182,600	$100,000
Working assets	145,111	38,035	Working liabilities	2,333,872	2,256,343
Deferred debit items	426	55	Accrued liabilities not due	484	.....
Profit and loss	352	.....	Deferred credit items	8,261	.....
			Profit and loss	.....	419
Total	$2,525,217	$2,356,762	Total	$2,525,217	$2,356,762

Capital Stock: Outstanding, $182,600. Owned jointly by Delaware & Hudson Co. and Penn. R.R.

WILLIAMSPORT & NORTH BRANCH RAILROAD

History: Incorporated in Pennsylvania, Sept. 1, 1882. Reorganization of Muncy Creek R.R.

Location: Line of road owned, 44.40 miles, Hall's to Satterfield, Pa., and branch. Leased, Eagles Mere R.R., 9.58 miles. Bernice Branch, 1.6 miles. Total operated, 55.58 miles. Equipment: Locomotives, 7; passenger and freight cars, 107.

Management: OFFICERS: S. D. Townsend, Pres. and Gen. Mgr.; H. H. Farrier, Vice-Pres.; F. W. Corcoran, Sec. and Treas. DIRECTORS: S. D. and D. K. Townsend, L. R. Parker, H. A. Knipe, F. W. Corcoran, H. H. Farrier. Annual meeting, third Wednesday in May. OFFICE, Hughesville, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$152,631	$137,725	$137,048	$130,508	$137,842	$134,632	$140,408
Maintenance of way	30,360	.....	25,673	21,316	22,181	19,610	19,521
Maintenance of equipment	9,749	.....	25,707	18,153	14,227	13,021	14,083
All other operating expenses	64,260	110,069	60,040	55,581	59,078	61,354	61,984
Net operating revenues	$48,262	$27,656	$25,628	$35,458	$42,356	$40,647	$44,820
Other income	133	.....	.....	404	.....	.....	5,323
Total net income	$48,395	$27,656	$25,628	$35,862	$42,356	$40,647	$50,143
Fixed charges, inc. taxes	44,082	44,647	44,990	45,761	41,354	41,469	41,004
Surplus	$4,313	*$16,991	*$19,362	*$9,899	$1,002	*$822	$9,139

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $137,255; credit balance transferred from income, $4,313; profit on road and equipment sold, $336; total, $141,904. Contra: Loss on retired road and equipment, $8,134; miscellaneous debits, $2,500; credit balance carried to balance sheet, $131,270; total, $141,904.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,053,435	$2,067,059	$2,063,388	$2,078,212	$2,089,610	$2,095,034
Working assets	63,306	49,025	54,885	57,879	60,321	46,750
Deferred debit items	20,525	20,525	20,534	20,681	20,560	21,080
Total	$2,137,266	$2,136,609	$2,138,807	$2,156,772	$2,170,491	$2,162,864
LIABILITIES:						
Capital stock	$1,324,662	$1,324,662	$1,324,662	$1,325,362	$1,325,362	$1,325,362
Funded debt	564,800	569,800	545,000	560,500	560,500	575,500
Working liabilities	94,328	75,009	108,179	91,432	96,282	82,931
Accr'd liabilities not due	19,206	16,552	.....	.....	480	480
Deferred credit items	.....	19,331	5,679	6,654	6,654	7,243
Appropriated surplus	.....	.....	.....	.....	.....	6,507
Profit and loss surplus	131,270	137,255	155,287	172,824	181,213	164,841
Total	$2,137,266	$2,136,609	$2,138,807	$2,156,772	$2,170,491	$2,162,864

Bonded Debt: (1) $545,000 Williamsport & North Branch R.R. first 4½s; dated July 1, 1901; due July 1, 1931; int. Jan. and July, at Fidelity Trust Co., Philadelphia. Coupon, $1,000. Authorized, $750,000. First lien on entire mileage owned. Net Rating, B.

(2) $100,000 Eagles Mere R.R. first 5s; dated Oct. 1, 1912; due Oct. 1, 1942; int. paid April and Oct., at Belmont Trust Co., Philadelphia. Coupon, $50, $100 and $500. First lien on 10 miles, Sonestown to Eagles Mere Park, Pa. This road is leased to Williamsport & North Branch R.R. for 99 years, at rental of $5,000 per year, equalling interest on these bonds. Rating, Baa.

Equipment Trusts: There are outstanding, $16,000 6% equipment bonds, maturing $3,000 annually for seven years, and $1,000 the eighth year. Coupon, $500 and $1,000. First lien on new equipment costing $25,000. Also $800 Series E 6% outstanding. Secured on 1 car.

Capital Stock: Auth., $2,000,000; outstanding, $400,000 preferred and $923,250 common. Par, $100. Also $1,412 debenture stock authorized and outstanding. No dividends.

WILMINGTON RAILWAY BRIDGE COMPANY

History: Incorporated under the laws of North Carolina June 23, 1866. Jointly owned and operated by Seaboard Air Line Ry. and Atlantic Coast Line R.R. companies.

Location: Railway and bridge between Hilton and Meare's Bluff, N. C., 2.4 miles.

Management: OFFICERS: G. B. Elliott, Pres., Wilmington, N. C.; R. L. Nutt, Sec. and Treas., Portsmouth, Va. DIRECTORS: G. B. Elliott, J. F. Post, F. R. Kenly, Lyman Delano, Wilmington, D. C.; W. J. Harahan, Norfolk, Va.; L. R. Watts, Portsmouth, Va. Annual meeting, second Tuesday in December. GENERAL OFFICE, Wilmington, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Rental income	$10,850	$10,850	$10,850	$10,850	$10,850
Fixed charges, inc. taxes	10,850	10,850	10,850	10,850	10,850

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$257,000	$257,000	$257,000	$257,000	$257,000
Working assets	2,713	2,713	2,713	2,713	2,713
Total	$259,713	$259,713	$259,713	$259,713	$259,713
LIABILITIES:					
Capital stock	$40,000	$40,000	$40,000	$40,000	$40,000
Funded debt	217,000	217,000	217,000	217,000	217,000
Accrued liabilities not due	2,713	2,713	2,713	2,713	2,713
Total	$259,713	$259,713	$259,713	$259,713	$259,713

Bonded Debt: $217,000 Wilmington Railway Bridge Co. 1st cons. 5s. Dated April 1, 1893; due April 1. 1943; interest paid April and Oct. 1, at Safe Deposit & Trust Co., Baltimore. Coupon, $1,000. Authorized, $250,000. First lien on entire property of the company. Guaranteed principal and interest jointly by Seaboard Air Line Ry. and Atlantic Coast Line R.R. companies. Normal income tax deducted from interest. Rating, Aa.

Capital Stock: Authorized and outstanding, $40,000. Par, $100. Owned jointly by companies mentioned above.

WINFIELD RAILROAD

History: Incorporated under the laws of Pennsylvania, September 25, 1900.

Location: Road extends from West Winfield to Denny's Mills, Pa., 0.8 mile; leased: Penna. R.R. Winfield Junc. to West Winfield, Pa., 8.3 miles; Butler Junc. to Winfield Junc., Pa., 3.9 miles; total operated, 13 miles. Equipment: Locomotives, 2; combination car, 1.

Management: OFFICERS: S. B. Smith, Pres. and Gen. Mgr.; B. C. McKee, Vice-Pres.; F. C. McKee, Sec. and Treas., Pittsburg, Pa. DIRECTORS: S. B. Smith, W. E. Camahan, W. D. Hamilton, R. J. Cleland, T. E. Camahan, B. C. McKee, F. C. McKee, Pittsburgh, Pa. Annual meeting, second Tuesday in January. GENERAL OFFICE: Second National Bank Building, Pittsburg.

Income Account, Year, Ended June 30

	1916
Gross revenues	$78,333
Operating expenses	57,421
Net operating revenues	$20,912
Other income	107
Total net income	$21,019
Fixed charges, including taxes	11,262
Surplus	$9,757

Condensed Balance Sheet, as of June 30

ASSETS:	1916	LIABILITIES:	1916
Property investment	$35,571	Capital stock	$10,000
Working assets	17,700	Working liabilities	5,222
		Accrued liabilities not due	5,527
		Profit and loss	37,522
Total	$53,271	Total	$53,271

Capital Stock: Authorized and outstanding, $10,000. Par, $100. No bonded debt.

WINIFREDE RAILROAD

History: Incorporated under the laws of West Virginia, November 16, 1881. Road opened in 1882.

Location: Road extends from Winifrede Junc. to Winifrede, W. Va., 7.43 miles. Sidings, etc., 3 miles. Equipment: Locomotives, 3; cars, 261.

Management: OFFICERS: J. J. Sullivan, Jr., Pres.; S. F. Houston, Vice-Pres.; Ralph G. Wilson, Sec., Philadelphia; Frank B. Stewart, Treas. and Gen. Mgr.; J. G. O'Callaghan, Aud.; F. D. Barron, Supt., Winifrede, W. Va. DIRECTORS: J. J. Sullivan, Jr., A. E. Kennedy, Samuel F. Houston, John A. McCarthy, C. C. Savage, R. W. Meirs, R. G. Wilson, Philadelphia; Frank B. Stewart, Winifrede, W. Va. Annual meeting, second Wednesday in January. GENERAL OFFICE: Winifrede, W. Va.

Capital Stock: Auth., $200,000; outstanding, $150,000. Par, $100. No bonded debt. Recent dividends as follows: 1905, 6%; 1906 and 1907, 5% each.

WINONA BRIDGE RAILWAY

History: Incorporated under laws of Minnesota, July 10, 1890, road being opened in September, 1891. Company owns bridge between Winona, Minn., and Buffalo, Wis., which is leased until September 1, 1935, to the Chicago, Burlington & Quincy R.R. and Green Bay & Western R.R. Companies. Own 1.03 miles of track.

Management: OFFICERS: W. W. Baldwin, Pres., Burlington, Ia.; F. B. Seymour, Vice-Pres., Green Bay, Wis.; H. W. Weiss, Sec.; T. S. Howland, Treas., Chicago. DIRECTORS: T. S. Howland, C. I. Sturgis, Chicago; W. W. Baldwin, Burlington, Ia.; F. B. Seymour, J. C. Thurman, Green Bay, Wis. Annual meeting, first Wednesday in June. OFFICE, 547 West Jackson Boulevard, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Rental income	$48,065	$44,443	$44,498	$44,756	$37,183	$27,806	$37,802
Fixed charges, including taxes.	39,203	22,770	20,848	21,788	21,342	21,201	21,128
Surplus	$8,862	$21,673	$23,650	$22,968	$15,841	$6,605	$16,674

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $141,067; credit balance transferred from income, $8,862; total, $149,929. Contra: Credit balance carried to balance sheet, $149,929.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ..	$791,343	$791,343	$791,343	$791,343	$791,343	$790,593
Working assets	56,127	134,201	112,981	88,663	65,792	51,978
Total	$847,470	$925,544	$904,324	$880,006	$857,135	$842,571
LIABILITIES:						
Capital stock	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
Funded debt	280,000	384,000	384,000	384,000	384,000	384,000
Working liabilities	274	477	920	262	360	1,636
Deferred credit items..	5,600	.....	10	.....	.....	.....
Appropriated surplus ..	11,667	.....	.....	.....	.....	.....
Profit and loss surplus.	149,929	141,067	119,394	95,744	72,775	56,935
Total	$847,470	$925,544	$904,324	$880,006	$857,135	$842,571

Bonded Debt: $280,000 Winona Bridge Ry. first gold 5s. Dated Sept. 1, 1890; due Sept. 1, 1915, extended to Sept. 1, 1935. Int. March and Sept. 1, at 547 West Jackson Boulevard, Chicago, and office of C. B. & Q. R.R., 32 Nassau Street, New York. Coupon, $1,000. Principal may be registered. Sinking fund of $14,000 per annum to retire bonds at maturity. First lien on entire property. Normal income tax deducted from interest.

Rating, Baa.

Capital Stock: Authorized and outstanding, $400,000. Par, $100. All owned by the lessees.

WINSTON-SALEM SOUTHBOUND RAILWAY COMPANY

History: Incorporated under the laws of North Carolina, January 31, 1905. Road was completely opened in March, 1911. It is operated independently but is jointly controlled by the Norfolk & Western Ry. and the Atlantic Coast Line R.R., these latter companies being equal owners of the capital stock.

Location: Main line extends from Winston-Salem to Wadesboro, N. C., 92 miles, with trackage rights; miles of second track, 3.02; sidings, 19.45 miles; making the total operated June 30, 1916, 93.79 miles. Equipment owned: Locomotives, 7; passenger and freight cars, 195.

Management: OFFICERS: H. E. Fries, Pres., Winston-Salem, N. C.; J. R. Kenly, Vice-Pres.; J. F. Post, Treas.; W. H. Johnson, Gen. Supt.; H. C. Prince, Gen. Aud., Wilmington, N. C.; H. F. Wilkinson, Sec., Roanoke, Va. DIRECTORS: H. E. Fries, Winston-Salem, N. C.; L. E. Johnson, N. D. Maher, Roanoke, Va.; J. I. Doran, Philadelphia, Pa.; Geo. P. Elliott, Philadelphia, Pa.; J. R. Kenly, Wilmington, N. C. Annual meeting in October. OFFICE, Winston-Salem, N. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$609,994	$461,089	$515,855	$438,711	$344,683	$52,139
Maintenance of way...	61,038	67,642	50,788	50,872	60,158	
Maintenance of equip..	46,925	39,418	36,665	25,072	16,770	44,176
All other oper. expenses	201,281	195,438	197,189	166,448	145,297	
Net oper. revenues.	$300,740	$158,591	$231,214	$196,319	$122,458	$7,963
Operating ratio	50.7%	65.6%	55.18%	55%	62%	.....
Other income	24,693	30,111	27,219	14,629	20,299	1,913
Total net income...	$325,433	$188,702	$258,433	$210,948	$142,757	$9,876
Taxes accrued	24,015	22,777	21,938	21,187	244,956	4,880
Fixed chgs., inc. taxes..	†289,184	†278,768	268,050	250,514		
Balance	$12,234	*$112,843	*$31,558	*$60,760	*$102,799	$84.756

* Deficit. † Does not include taxes.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $12,234; miscellaneous credits, $14; debit balance carried to balance sheet, $405,616; total, $417,894. Contra: Debit balance at beginning of year, $410,081; loss on retired road and equipment, $1,930; miscellaneous debits, $5,884; total, $417,894.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$5,611,594	$5,563,870	$5,469,250	$5,394,119	$5,093,048	$4,662,872
Working assets	153,202	85,561	162,434	151,839	218,006	348,004
Accrued income not due	.....	.....	.....	.....	.....	6
Deferred debit items...	412,121	417,056	322,725	330,085	336,720	343,185
Profit and loss deficit..	405,646	410,081	297,237	267,252	199,491	91,758
Total	$6,582,563	$6,476,568	$6,251,246	$6,143,295	$5,847,265	$5,445,825
LIABILITIES:						
Capital stock	$125,000	$125,000	$125,000	$125,000	$125,000	$125,000
Funded debt	6,185,000	6,120,000	5,000,000	5,000,000	5,000,000	5,000,000
Working liabilities	203,732	147,793	1,085,180	989,369	704,450	310,205
Accrd. liabilities not due	62,587	78,525	38,471	26,638	14,041	10,000
Deferred credit items..	2,762	5,250	2,995	2,288	3,744	620
Total	$6,582,563	$6,476,568	$6,251,246	$6,143,295	$5,847,265	$5,445,825

Bonded Debt: $5,000,000 Winston-Salem Southbound Ry. first 4s. Dated July 1, 1910; due July 1, 1960. Int. Jan. and July 1, at United States Trust Co., New York. Coupon and reg., $1,000; interchangeable. Guar. prin. and int., jointly and severally, by Atlantic Coast Line R.R. and Norfolk & Western Ry., each of these companies owning one-half of the stock. First lien, 89 miles from Winston-Salem to Wadesboro, N. C., and on equipment. Legal for Savings Banks in Fla., Mich., Minn., N. H., R. I. Listed on New York Stock Exchange. Interest payable without deduction for normal income tax. Net Rating, Aa.

Capital Stock: Auth., $3,000,000; outstanding, $125,000. Par, $100. The Norfolk & Western Ry. and the Atlantic Coast Line R.R. each owns one-half of the stock issue. No dividends.

WISCASSET, WATERVILLE & FARMINGTON RAILWAY

History: Incorporated under the laws of Maine, January, 1907, successor to the Wiscasset, Waterville & Farmington R.R., sold under foreclosure December 4, 1906.

Location: Road extends from Albion to Wiscasset, Me., 43.50 miles; branches and spurs, 2.25 miles; total, 45.75 miles; sidings, etc., 1.50 miles. Gauge, 3 feet. Equipment: Locomotives, 6; passenger cars, 5; freight cars, 91; service cars, 6.

Management: OFFICERS AND DIRECTORS: Mrs. C. C. Peck, Pres.; F. C. Peck, Vice-Pres., Wiscasset, Me.; W. D. Patterson, Treas., Wiscasset, Me.; N. L. Basset, Clerk, Augusta, Me.; S. J. Sewall, Gen. Mgr., Wiscasset, Me. Annual meeting, third Wednesday in October. GENERAL OFFICE, Wiscasset, Me.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	$64,705	$72,571	$76,518
Operating expenses	64,051	66,734	70,834
Net operating revenues	$654	$5,837	$5,684
Other income	853	876	300
Total net income	$1,507	$6,713	$5,984
Fixed charges, including taxes	638	697	615
Balance	$869	$6,016	$5,369

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914
Property investment	$307,926	$308,266	$307,866
Working assets	26,135	23,939	17,908
Total	$334,061	$332,205	$325,774
LIABILITIES:			
Capital stock	$300,000	$300,000	$300,000
Working liabilities	1,774	787	371
Profit and loss	32,287	31,418	25,403
Total	$334,061	$332,205	$325,774

Capital Stock: Authorized and outstanding, $200,000 preferred and $100,000 common. No bonded debt. No dividends paid.

WISCONSIN & MICHIGAN RAILWAY

History: Incorporated under laws of Wisconsin, October 26, 1893. First section of road was opened in January, 1895. On January 26, 1910, the Michigan lines of this road were sold to John Marsch of Chicago for $67,990, being amount of taxes with interest due that State to date.

Judge Charles A. MacDonald on January 15, 1912, at Chicago, appointed Frank McKey receiver in Illinois, and by supplemental proceeding in Federal Court at Milwaukee, S. N. Harrison was appointed receiver of the property, effective February 1, 1912.

Location: Road extends from Peshtigo Harbor, Wis., to Iron Mountain, Mich., 76.3 miles; Twin Creek to Sycamore, Wis., 11.4 miles; Willow to end of track, 1.9 miles; Everett, Mich., to Coastine, Wis., 31.8 miles; other branches, 6.7 miles; total, 128.1 miles. Trackage over C. M. & St. P. Ry. Bagley Junc., Wis., to Menominee, Mich., 8.5 miles. Total track operated, 136.6 miles. Sidings, 31.08 miles. Equipment: Locomotive, 6; cars, passenger, 3; freight and company cars, 325.

Management: OFFICERS: S. N. Harrison, Rec.; Emil Marsch, Vice-Pres., Peshtigo, Wis.; John Marsch, Sec.; Nicolas Marsch, Treas., Chicago; M. F. Schulze, Aud.; W. H. Wright, Supt., Peshtigo, Wis. DIRECTORS: John Marsch, Emil Marsch, N. Marsch, Peshtigo, Wis.; L. E. Hardings, Chicago, Ill. Annual meeting, second Tuesday in January, at Marinette, Wis. OFFICE: Peshtigo, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$149,312	$122,641	$122,921	$115,270	$145,782	$187,905
Maintenance of way	23,790	23,637	30,500	24,825	33,550	31,418
Maintenance of equip	28,960	25,295	31,094	29,188	24,600	38,261
All other oper. expenses	64,115	56,271	61,873	60,313	80,140	103,719
Net oper. revenues	$32,447	$17,438	*$546	$944	$7,492	$14,507
Other income	11,529	9,719	17,487	20,218	16,259	16,785
Total net income	$43,976	$27,157	$16,941	$21,162	$23,751	$31,292
Taxes	7,071	7,760	7,822	8,169	11,456	15,083
Fixed charges	9,866	8,530	7,493	7,368	70,251	119,173
Surplus	$27,039	$10,867	$1,626	$5,625	*$57,956	*$102,964

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ..	$4,893,572	$4,898,070	$5,064,989	$5,184,048	$4,876,163	$4,177,848
Working assets	439,012	436,111	628,744	626,243	793,184	779,884
Deferred debit items...	565,404	560,471	541,839	436,245	433,188	1,166,180
Profit and loss deficit..	210,413	237,453	248,228	249,765	255,790	148,670
Total	$6,108,401	$6,132,105	$6,483,800	$6,496,301	$6,358,325	$6,272,582
LIABILITIES:						
Capital stock	$1,488,200	$1,488,200	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Funded debt	3,518,245	3,518,245	3,868,245	3,868,245	3,868,245	3,868,245
Working liabilities	927,908	952,416	943,207	955,708	976,181	887,002
Accrued liab. not due..	10,727	10,726	10,728	10,728	13,899	16,735
Deferred credit items..	163,321	162,518	161,620	161,620	.....	.....
Total	$6,108,401	$6,132,105	$6,483,800	$6,496,301	$6,358,325	$6,272,582

Bonded Debt: (1) $951,000 Wisconsin & Michigan Railway 1st 5s. Dated Jan. 1, 1895; due Jan. 1, 1945. Interest Jan. and July. Metropolitan Trust Co., New York, Trustee. Closed mortgage. First lien on line from Peshtigo Harbor, Wis., to Faithorn Junc., Mich., 55.2 miles, and from Hammond, Mich., to end of line, 1.45 miles. Rating, B.

(2) $1,450,000 Wisconsin & Michigan Railway general 4s. Dated Feb. 1, 1905; due July 1, 1945. No interest has been paid. Coupon, $1,000. Equitable Trust Co., Chicago, Trustee. Authorized, $3,000,000, of which $1,800,000 issuable to reimburse company for expenditures, for betterments, etc. $1,200,000 are reserved to retire the outstanding first 5s and $20,000 are issuable per mile of single track above 80 miles, July 1, 1914, with $10,000 per mile second track. First lien on road from Peshtigo Harbor, Wis., to Cundy, Mich., 73.38 miles, and a lien on all other property of company. Subject to No. 1.

(3) $1,117,245 Wisconsin & Michigan Ry. income 5s. Dated July 1, 1909; due July 1, 1959. No further details obtainable.

Capital Stock: Auth., $1,500,000; outstanding, $1,488,200. Par, $100. TRANSFER AGENT, Equitable Trust Co., Chicago. REGISTRAR, Metropolitan Trust Co., New York.

WISCONSIN & NORTHERN RAILROAD

History: Incorporated under the laws of Wisconsin, May 28, 1906, to build a line from Menasha, Wis., to McKeever, Mich., and branch to Antigo, Wis.

Location: Road extends from Shawano to Van Ostrand, Wis., and branches, 59.62 miles. Equipment: Locomotives, 4; passenger cars, 2; freight cars, 75.

Management: OFFICERS: J. S. Jones, Pres.; S. A. Cook, Treas.; C. H. Hartley, Sec. and Gen. Mgr., Oshkosh, Wis. DIRECTORS: J. S. Jones, Chicago; M. J. Wallrich, Shawano, Wis.; M. D. Keith, Crandon, Wis.; W. M. Bray, Oshkosh, Wis.; S. A. Cook, Neenah, Wis.; E. H. Steiger, Oshkosh, Wis.; F. D. Lake, Menasha, Wis. Annual meeting, first Tuesday in October. GENERAL OFFICE, Oshkosh, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$94,788	$85,132	$92,817	$107,337	$86,294	$75,305
Maintenance of way...	26,337	21,782	21,384	15,711	8,419	5,117
Maintenance of equip..	11,524	12,095	9,131	8,370	9,561	4,301
All other oper. expenses	47,720	33,669	36,249	33,383	30,945	28,879
Net oper. revenues.	$9,207	$17,566	$26,053	$49,873	$37,369	$37,008
Taxes	6,304	6,682	6,498	5,932	5,719	5,857
Fixed charges	20,043	15,584	18,098	20,300	152	4,693
Surplus	*$17,140	*$4,700	$1,457	$23,641	$31,498	$26,458

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment...	$2,164,325	$1,869,283	$1,730,969	$1,703,855	$1,668,844	$1,620,344
Working assets	68,256	58,346	37,682	60,303	69,016	54,388
Deferred debit items...	.....	1,391	1,973	1,589	1,308	1,357
Total	$2,232,581	$1,929,020	$1,770,624	$1,765,747	$1,739,178	$1,676,089
LIABILITIES:						
Capital Stock	$1,496,118	$1,414,632	$1,339,900	$1,339,900	$1,339,900	$1,339,900
Working liabilities	606,846	376,339	295,245	290,110	287,452	254,390
Accrd. liabilities not due	.....	.....	7,730	9,778	9,509	10,979
Deferred debit items...	23,708	15,000	.....	.....	.....	.....
Profit and loss surplus.	105,909	123,049	127,749	125,959	102,317	70,820
Total	$2,232,581	$1,929,020	$1,770,624	$1,765,747	$1,739,178	$1,676,089

Bonded Debt: Authorized, $10,000,000 Wisconsin & Northern R.R. first 5s. None issued. Dated April 22, 1907; due July 1, 1932. Interest paid Jan. and July, at Oshkosh, Wis. Coupon, $1,000. United States Trust Co., New York, and Edward W. Sheldon, trustees. No sinking fund. Of these bonds $7,000,000 are issuable to provide for construction and equipment of 234 miles of road, and the balance is reserved for additional road at $15,000 per mile, and for new equipment, terminal facilities, etc. None issued to date.

Capital Stock: Authorized, $1,500,000; outstanding, $1,496,118. Par, $100. No dividends. TRANSFER AGENT AND REGISTRAR, secretary of company.

WOOD RIVER BRANCH RAILROAD

History: Incorporated under the laws of Rhode Island, July 8, 1872. Road opened, July 1, 1874.

Location: Road extends from Wood River Junc. to Hope Valley, R. I., 5.7 miles; sidings, 0.93 mile. Equipment: Locomotive, 1; cars, 3.

Management: OFFICERS: Ralph C. Watrous, Pres.; Nath'l W. Smith, Sec., Providence, R. I.; S. R. Richmond, Treas.; A. J. Christopher, Supt., Hope Valley, R. I. DIRECTORS: Nath'l W. Smith, Frank W. Mattison, Ralph C. Watrous, F. E. Richmond, 2d., Providence, R. I.; Jesse H. Metcalf. Annual meeting, second Tuesday in October, at Richardson, Treas., Hope Valley, R. I.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$13,480	$12,719	$15,709	$16,086	$15,617	$15,485
Maintenance of way	3,813	3,339	4,011	3,778	2,932	2,573
Maintenance of equip.	2,575	3,582	1,370	2,172	1,236	1,277
All other oper. expenses	8,623	8,394	8,375	8,292	9,410	8,577
Net oper. revenues.	*$1,531	*$2,596	$1,953	$1,884	$2,039	$3,058
Other income	51	55	47	37	24	29
Total net income	*$1,480	*$2,541	$2,000	$1,881	$2,063	$3,087
Taxes	764	746	.....	807	562	562
Fixed charges	4,145	7,260	3,832	3,107	3,348	3,347
Deficit	$6,389	$10,547	$1,832	$2,033	$1,847	$822

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$128,368	$132,634	$130,512	$130,632	$130,752	$130,872
Working assets	4,296	4,285	8,153	4,493	6,629	8,305
Profit and loss deficit.	15,253	8,864	.....	.....	.....	.....
Total	$147,917	$145,783	$138,665	$135,125	$137,381	$139,187
LIABILITIES:						
Capital Stock	$60,000	$60,000	$60,000	$60,000	$60,000	$60,000
Funded debt	61,000	64,500	60,000	60,000	60,000	60,000
Working liabilities	15,036	11,674	14,720	7,047	8,257	8,099
Accrd. liabilities not due	293	281	262	1,161	175	328
Deferred credit items.	11,588	9,328	.....	.....	.....	.....
Profit and loss surplus.	.....	.....	3,683	6,917	8,949	10,760
Total	$147,917	$145,783	$138,665	$135,125	$137,381	$139,187

Bonded Debt: $56,500 Wood River Branch R.R. first 5½s. Dated July 1, 1909; due July 1, 1924. Interest paid Jan. and July 1, at First National Bank, Hopkinton, R. I. Coupon, $500. Authorized and issued, $60,000. $3,500 held in treasury. First lien on entire property.

Note: There were also $4,500 equipment notes outstanding June 30, 1916.

Capital Stock: Authorized, $250,000; outstanding, $60,000. Par, $100. TRANSFER AGENT AND REGISTRAR, S. R. Richardson, Treas., Hope Valley, R. I.

WOODSTOCK & BLOCTON RAILWAY

History: Incorporated under the laws of Alabama and took over part of the Birmingham Southern R.R. Owned jointly by the Louisville & Nashville R.R., the Alabama Great Southern R.R., and operated by the latter company for the account of joint proprietors.

Location: Road extends from Woodstock to Blocton, Ala., 8.01 miles; sidings, 10.38 miles.

Management: OFFICERS: A. G. Smith, Pres.; T. E. Brooks, Vice-Pres.; W. J. Edwards, Sec., Birmingham, Ala.; Charles Patton, Treas.; A. H. Plant, Aud.; H. Baker, Gen. Mgr., Cincinnati, O. DIRECTORS: A. G. Smith, T. E. Brooks, W. J. Edwards, L. Sevier, Birmingham, Ala.; G. W. Jones, Montgomery, Ala. Annual meeting, second Wednesday in October. GENERAL OFFICE, Birmingham.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Rental income	$19,720	$19,475	$19,410	$18,513	$18,236
Fixed charges, including taxes	7,720	7,475	7,410	6,513	6,236
Balance	$12,000	$12,000	$12,000	$12,000	$12,000

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$288,353	$278,226	$277,238	$268,868	$268,868
Working assets	20,106	18,446	22,837	22,614	25,270
Preferred debit items	3,712	6,833	6,908	4,349	3,870
Total	$312,171	$303,555	$306,983	$295,831	$298,008

LIABILITIES:	1916	1915	1914	1913	1912
Capital stock	$240,000	$240,000	$240,000	$240,000	$240,000
Working liabilities	71,292	62,593	65,963	54,951	57,096
Accrued liabilities not due	879	962	946	880	912
Deferred credit items	.....	.....	74	.....	.....
Total	$312,171	$303,555	$306,983	$295,831	$298,008

Capital Stock: Authorized and outstanding, $240,000; par, $100. All owned by Louisville & Nashville R.R. Co. and Alabama Great Southern R.R. Co., one-half each. Dividends of 5% were paid in 1914, 1915 and 1916.

WOODSTOCK RAILWAY

History: Incorporated under laws of Vermont, July 1, 1890, as successor to the Woodstock R.R. Line of road operated, Woodstock to White River Junction, 15 miles. Equipment owned: Locomotives, 3; cars, 9.

Management: OFFICERS: Richard Billings, Pres.; S. E. Kilner, Vice-Pres.; C. H. Furber, Treas. and Clerk; C. H. Leonard, Gen. Mgr.; H. C. Cushing, Aud. DIRECTORS: Franklin S. Billings, F. B. Wood, H. C. Cushing, F. H. Dillingham, Woodstock, Vt.; C. H. Leonard, White River June., Vt.; Sam'l E. Kilner, John French, Richard Billings, New York. Annual meeting, second Wednesday in September. OFFICE, Woodstock, Vt.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$52,251	$51,968	$52,668	$55,616	$54,720	$52,380	$52,420
Net operating income	13,445	10,845	9,302	19,508	15,056	17,027	17,050
Other income	.....	.....	.....	.....	.....	606	150
Total net income	$13,445	$10,845	$9,302	$19,508	$15,056	$17,633	$17,200
Fixed charges, including taxes.	5,661	3,929	3,224	7,236	1,664	1,614	1,632
Surplus	$7,784	$6,916	$6,078	$12,272	$13,392	$16,019	$15,588
Dividends paid	.....	3,750	12,500	12,500	12,500	12,500	27,500
Balance	$7,784	$3,166	*$6,422	*$228	$892	$3,519	*$11,912

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$277,949	$278,599	$282,510	$282,510	$280,553	$281,306
Working assets	12,195	8,561	5,445	5,713	10,187	29,692
Total	$290,144	$287,160	$287,955	$282,223	$290,740	$310,998
LIABILITIES:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Accrued liab. not due	.....	4,800	5,500	.....	5,000	.....
Deferred credit items	.....	.....	3,261	2,608	.....	.....
Profit and loss surplus.	40,144	32,360	29,194	35,615	34,740	60,998
Total	$290,144	$287,160	$287,955	$282,223	$290,740	$310,998

Capital Stock: Authorized and outstanding, $250,000; par, $100. Dividends paid in recent years as follows: 1898 to 1902, inc., 3% per annum; 1903, 4%; 1904 and 1905, 3% each; 1906, 4.99%; 1907, 5%; 1908, 10%; 1909, 5%; 1910, 11%; 1911, 1912, 1913 and 1914, 5% each; 1915, 1½%; none in 1916.

WOODWORTH & LOUISIANA CENTRAL RAILWAY

History: Incorporated under the laws of Louisiana, December 8, 1900. Road opened in 1904. Operated as a part of the Shreveport, Alexandria & Southwestern System.

Location: Road extends from Woodworth to La Morie, La., 6 miles, standard gauge.

Management: OFFICERS: R. A. Long, Pres.; F. J. Bannister, Vice-Pres.; R. S. Davis, 2nd, Vice-Pres. and Gen. Mgr.; R. T. Demsey, Sec.; P. C. Rickey, Compt., Kansas City, Mo.; J. H. Kenneson, Treas. and Supt., Woodworth, La.; J. W. Bolton, Alexandria, La.; S. T. Woodring, Lake Charles, La. Annual meeting, third Tuesday in January. GENERAL OFFICE, Woodworth, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$43,684	$47,472	$43,184	$46,032	$36,947
Operating expenses	41,288	40,758	43,081	36,154	35,806
Net operating revenues	$2,396	$6,714	$101	$9,878	$1,141
Other income	2	2	.....	43	84
Total net income	$2,398	$6,716	$101	$9,921	$1,225
Fixed charges, including taxes	7,794	6,995	6,553	6,394	6,606
Net income	*$5,396	*$279	*$6,452	$3,527	$5,381

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Delayed income credits, $16,985; total, $16,985. Contra: Debit balance at beginning of year, $8,407; debit balance transferred from income, $5,396; credit balance carried to balance sheet, $3,182; total, $16,985.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$37,494	$83,487	$80,791	$83,648	$87,105
Working assets	3,790	3,732	80,828	52,475	7,381
Profit and loss	.....	8,407	10,546	1,617	5,144
Total	$41,284	$95,626	$172,165	$137,740	$99,630
LIABILITIES:					
Capital stock	$25,000	$25,000	$25,000	$25,000	$25,000
Working liabilities	13,102	70,264	147,165	112,503	69,117
Accrued liabilities not due	.....	.....	.....	.....	330
Deferred credit items	.....	362	.....	237	5,183
Profit and loss	3,182	.....	.....	.....	.....
Total	$41,284	$95,626	$172,165	$137,740	$99,630

Capital Stock: Authorized and outstanding, $25,000. Par, $100. No bonded debt; no dividends paid.

WYOMING & MISSOURI RIVER RAILROAD

History: Incorporated under the laws of Wyoming, June 14, 1895. Road opened February, 1899.

Location: Road extends from Aladdin, Wyo., to Belle Fourche, S. D., 18 miles. Equipment: Locomotive, 1; cars, 2.

Management: OFFICERS: M. S. Kemmerer, Pres., Mauch Chunk, Pa.; D. W. Hickey, Vice-Pres. and Gen. Mgr., Aladdin, Wyo.; J. L. Kemmerer, Sec. and Treas., New York. DIRECTORS: M. S. Hickey, Aladdin, Wyo.; M. S. Kemmerer, Mauch Chunk, Pa.; J. L. Kemmerer, W. E. Decker, New York, N. Y. Annual meeting, first Tuesday in November. GENERAL OFFICE, Aladdin, Wyo.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$13,900	$10,532	$11,204	$9,060	$20,314
Operating expenses	16,909	18,058	16,793	18,461	22,756
Net operating deficit	$3,009	$7,526	$5,589	$9,401	$2,442
Fixed charges, including taxes	1,792	1,458	1,346	1,772	1,168
Deficit	$4,801	$8,984	$6,935	$11,173	$3,610

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$192,518	$192,546	$192,757	$193,632	$192,581
Working assets	14,125	15,058	17,354	18,382	19,322
Deferred debit items	320,000	320,000	320,000	320,000	320,000
Profit and loss	20,396	15,595	6,611	.....	.....
Total	$547,039	$543,199	$536,722	$532,014	$531,903
LIABILITIES:					
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000
Working liabilities	47,039	43,199	36,722	31,690	20,406
Profit and loss	.....	.....	.....	324	11,497
Total	$547,039	$543,199	$536,722	$532,014	$531,903

Capital Stock: Authorized and outstanding, $500,000; paid in, $180,000. Par, $100. No bonded debt.

YOSEMITE VALLEY RAILROAD

History: Incorporated under California laws, December 19, 1902, road being opened in May, 1907. Line of road: Merced to El Portal, Cal., 79.17 miles; 9.33 miles of sidings. Equipment owned: Locomotives, 6; passenger and freight cars, 201.

Management: OFFICERS: F. G. Drum, Pres., San Francisco; H. L. Tevis, Vice-Pres.; Thomas Turner, Treas., San Francisco; J. H. Ellis, Sec.; O. W. Lehmer, Supt., Merced, Cal. DIRECTORS: F. G. Drum, Harry Tevis, W. H. Crocker, John S. Drum, Fred T. Elsey, Phoebe M. Rideout, Thomas Turner, San Francisco, Cal. Annual meeting, first Tuesday in April. GENERAL OFFICE, Merced, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$429,397	$323,215	$273,880	$278,354	$270,479	$206,138	$238,562
Maintenance of way	47,545	57,604	37,956	30,896	32,936		
Maintenance of equipment	32,514	28,667	28,656	21,239	20,234	116,448	116,152
All other operating expenses	87,633	105,561	73,202	75,468	68,262		
Net operating revenues	$261,705	$131,383	$134,066	$150,751	$149,027	$89,690	$122,410
Other income	1,655	1,060	1,087	1,004	138	.....	.....
Total	$263,360	$132,443	$135,153	$151,755	$149,165	$89,690	$122,410
Charges	†174,699	171,861	232,041	252,029	239,500	233,684	231,530
Balance	$88,661	*$39,418	*$96,888	*$100,274	$90,334	$143,994	$109,120

* Deficit. † Includes taxes.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $88,661; profit on road and equipment sold, $233; debit balance carried to balance sheet, $412,700; total, $501,594. Contra: Debit balance at beginning of year, $496,605; loss on retired road and equipment, $4,989; total, $501,594.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ..	$9,326,915	$9,299,570	$9,319,368	$9,270,348	$9,182,686	$9,162,304
Working assets	84,534	977,753	981,095	2,147,744	3,011,997	2,991,024
Deferred debit items...	8,460	11,183	11,564	11,039	1,254	3,012
Profit and loss deficit.:.	412,700	496,605	446,794	718,414	.....	.....
Total	$9,832,609	$10,785,111	$10,758,821	$12,147,545	$12,195,937	$12,156,340
LIABILITIES:						
Capital stock	$4,747,350	$5,658,850	$5,658,850	$5,250,000	$5,250,000	$5,250,000
Funded debt	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Working liabilities	72,613	115,784	88,643	1,888,759	1,692,192	1,564.706
Accrued liab. not due..	6,798	5,408	6,159	5,174	3,425	4,606
Deferred credit items..	5,848	5,069	5,169	3,612	3,581	984
Profit and loss surplus.	.....	.....	.....	.....	246,739	336,044
Total	$9,832,609	$10,785,111	$10,758,821	$12,147,545	$12,195,937	$12,156,340

Bonded Debt: (1) $3,000,000 Yosemite Valley first sinking fund gold 5s. Dated Dec. 30, 1905; due Jan. 1, 1936. Int. Jan. and July 1, at Mercantile Trust Co., San Francisco. Coupon, $1,000. Principal may be registered. A sinking fund is provided, sufficient to retire 40% of the issue at maturity, the payments called for being as follows: 1911 to 1915, ½% annually of the bonds outstanding; 1916 to 1920, 1% annually; 1921 to 1930, 2% annually; 1931 to 1935, 2½% annually. This sinking fund is to be invested in the bonds of this issue or other interest-bearing securities approved by the trustees, but the bonds cannot be compulsorily retired before maturity. First lien on entire property. Rating, Ba.

(2) $2,000,000 Yosemite Valley R.R. second 5s. Dated Aug. 31, 1907; due Jan. 1, 1936. Int. Jan. and July 1. The entire issue of these bonds is held in company's treasury. Lien on entire property, subject to the first 5s.

Capital Stock: Auth., $5,000,000; outstanding, $4,088,500; premium on capital stock, $658,850. Par, $100. No dividends. TRANSFER OFFICE: 354 Pine Street, San Francisco, Cal.

YREKA RAILROAD

History: Incorporated under laws of California, May 28, 1888. Road opened in 1889.

Location: Road extends from Montague to Yreka, Cal., 7.5 miles. Equipment: Passenger cars, 4; freight, 2. Locomotives, 2.

Management: OFFICERS: Geo. W. Scott, Pres.; H. B. Smith, Vice-Pres.; Bert C. Scott, Sec.; Crocker National Bank, Treas., San Francisco; F. A. Reiser, Gen. Mgr. and Supt., Yreka, Cal. DIRECTORS: Bert C. Scott, Geo. W. Scott, H. B. Smith, San Francisco; J. R. Tapscott, F. C. Wadsworth, Yreka, Cal. Annual meeting, July 15. GENERAL OFFICE, Crocker Building, San Francisco, Cal.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$19,267	$22,552	$23,681	$26,006	$30,167	$26,208
Maintenance of way...	4,684	4,133	7,021	3,769	5,701	5,303
Maintenance of equip...	3,824	4,490	2,412	2,703	2,609	1,225
All other oper. expenses	9,281	12,951	14,498	12,129	12,655	11,926
Net income	$1,478	$978	*$250	$7,405	$9,202	$7,754
Taxes	1,202	1,271	1,466	1,114	1,023	655
Fixed charges	1,873	2,024	2,100	2,094	2,516	3,277
Surplus	*$1,597	*$2,317	*$3,816	$4,197	$5,663	$3,880

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment ...	$107,923	$108,904	$109,122	$109,077	$107,993	$130,877
Working assets	27,947	35,784	12,633	13,498	15,188	13,091
Deferred debit items...	23,869	.....	23,869	23,869	23,869	23,869
Total	$159,739	$144,688	$145,624	$146,444	$147,050	$167,837
LIABILITIES:						
Capital stock	$90,200	$100,000	$100,000	$100,000	$100,000	$100,000
Working liabilities	64,567	38,119	36,738	33,740	38,544	42,312
Profit and loss surplus.	4,972	6,569	8,886	12,704	8,506	25,525
Total	$159,739	$144,688	$145,624	$146,444	$147,050	$167,837

Capital Stock: Authorized, $100,000; outstanding, $90,200; in treasury, $9,800. Par, $25. No dividends and no bonded debt.

ZANESVILLE TERMINAL RAILROAD

History: Incorporated under the laws of Ohio, April 7, 1902; successor to the Zanesville Terminal Ry., sold under foreclosure, March 22, 1902. Controlled by Cleveland, Akron & Cincinnati Ry. Co. and the Zanesville and Western Ry. Co.

Location: Road extends from Muskingum to Spangler, O., 1.6 miles; Market Street to Belt line, 0.2 mile; Zanesville, Spangler to West Zanesville, 2.60 miles; total, 4.40 miles; sidings, 3.82 miles.

Management: OFFICERS: Vacancy, Pres.; A. H. Smith, Vice-Pres.; Dwight W. Pardee, Sec.; Milton S. Barger, Treas., New York; J. B. Wagner, Aud., Toledo, O. DIRECTORS: E. B. Taylor, G. L. Peck, Pittsburgh; A. H. Smith, New York; F. B. Sheldon, J. F. Stone, R. E. McCarthy, Columbus, O.; J. M. Geer, Cleveland, O. Annual meeting, first Monday in March. GENERAL OFFICE, Columbus, O.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Rental income	$6,998	$8,168	$1,438	$11,544	$9,463
Fixed charges, inc. taxes	2,468	2,072	2,263	3,396	2,250
Net income	$4,530	$6,096	*$825	$8,158	$7,213

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$316,542	$316,542	$311,004	$311,004	$301,081
Working assets	26,788	21,655	17,213	14,912	25,629
Deferred debit items	46	9	1,359	4,875	1,956
Total	$343,376	$338,206	$329,576	$330,791	$328,666
LIABILITIES:					
Capital stock	$300,000	$300,000	$300,000	$300,000	$300,000
Working liabilities	2,290	1,166	2,345	2,267	2,634
Deferred credit items	2,944	3,713	.....	.....	1,977
Profit and loss	38,142	33,327	27,231	28,524	24,047
Total	$343,376	$338,206	$329,576	$330,791	$328,666

Capital Stock: Authorized and outstanding, $300,000; par, $100. No bonded debt. Dividend of 8% paid in 1909; 2% in 1910; none since.

ZWOLLE & EASTERN RAILWAY

History: Incorporated under the laws of Louisiana, Sept. 1, 1904.

Location: Road extends from Beck to Sanderson, La., 23 miles; sidings, 7.00 miles. Equipment: Locomotives, 4; cars, 97.

Management: OFFICERS: J. W. Ferguson, Pres., St. Louis, Mo.; N. P. Sanderson, Vice-Pres., Texarkana, Ark.; J. P. Towery, Sec. and Treas., Shreveport, La.; T. C. Webb, Aud.; P. T. Sanderson, Gen. Mgr., Supt. and Pur. Agt., Zwolle, La. DIRECTORS: J. W. Ferguson, St. Louis, Mo.; J. P. Towery, Shreveport, La.; P. T. Sanderson, Zwolle, La.; N. P. Sanderson, Texarkana, Ark.; J. W. Reynolds, Houston, Tex. Annual meeting, second Monday in June. OFFICE, Zwolle, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$42,344	$68,637	$72,970	$50,376	$39,138	$61,807
Maintenance of way	25,817	19,714	22,253	19,903	9,484	14,805
Maintenance of equip.	11,210	10,874	8,882	9,459	4,842	4,893
All other oper. expenses	21,494	33,883	31,963	21,848	14,338	18,414
Net income	*$16,177	$4,166	$9,872	*$934	$9,474	$23,695
Other income	484	1,021	1,318	877	672	.....
Total net income	*$15,693	$5,187	$11,190	*$57	$10,146	$23,695
Taxes	3,814	.....	.....	.....	.....	.....
Deficit for year	$19,507	.....	.....	.....	.....	.....

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$176,100	$147,931	$154,964	$175,673	$133,321	$129,375
Working assets	609	7,444	12,791	6,733	10,403	10,321
Total	$176,709	$155,375	$167,755	$182,406	$143,724	$139,696
LIABILITIES:						
Capital stock	$20,000	$20,000	$20,000	$20,000	$20,000	$20,000
Working liabilities	69,544	29,700	46,397	39,967	4,439	7,704
Profit and loss	87,165	105,675	101,358	122,439	119,285	111,992
Total	$176,709	$155,375	$167,755	$182,406	$143,724	$139,696

Capital Stock: Authorized and outstanding, $20,000. Par, $100. Dividends of 130% paid in fiscal year 1910-11; 20% in 1911-12. None since. No bonded debt.

SUPPLEMENTARY

Statements received too late for classification in regular order

THE ANN ARBOR RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

History: Successor through reorganization in 1895 of Toledo, Ann Arbor & North Michigan Railway.

Control: In June, 1905, the Detroit, Toledo & Ironton Railway acquired a controlling interest in the Ann Arbor R.R., through purchase of $3,001,000 preferred and $2,190,000 common, but in November, 1910, as a result of the bankruptcy of the Detroit, Toledo & Ironton, these securities, together with $5,000,000 of the latter road's General Lien 4% bonds, were sold at auction for $2,500,000, and acquired by a syndicate headed by Newman Erb. In January, 1911, a holding corporation, known as the Ann Arbor Company, was formed under Delaware laws with an authorized capital of $4,000,000 preferred and $3,250,000 common, to acquire the stock of the Ann Arbor R.R., exchanging share for share. At last reports, $3,001,000 preferred and $2,190,000 common had been so acquired.

Location: Line of road owned, Toledo, O., to Frankfort, Mich., 291.9 miles; trackage rights over Lake Shore & Michigan Southern, Toledo to Alexis, 8.9 miles. Total mileage on which earnings apply, 291.9 miles. Company also operates car ferries on Lake Michigan in connection with its rail lines, extending from Frankfort to Manitowoc, Kewaunee, Menominee, and Manistique, making connections with Chicago, Milwaukee & St. Paul, Chicago & Northwestern, and Canadian Pacific systems. At Manistique connection is made with the Manistique & Lake Superior R.R., which operates a line from Manistique on Lake Michigan to Shingleton and Doty near Lake Superior, forty-five miles in all. The entire capital stock of the latter was acquired by the Ann Arbor R.R. in April, 1911, but the road is separately operated. The operated lines of the Ann Arbor R.R. are entirely in the State of Michigan. Population of Michigan in 1890, 2,093,889; in 1900, 2,420,982; in 1910, 2,810,173.

Management: OFFICERS: Newman Erb, Pres.; W. M. Wadden, Vice-Pres. and Treas.; J. S. Bache, Vice-Pres.; A. W. Towsley, Vice-Pres. and Mgr.; H. B. Blanchard, Sec. DIRECTORS: A. W. Towsley, Newman Erb, Emory S. Lyon, W. M. Wadden, F. K. Curtis, W. J. Wollman, Frederick Hertenstein, H. I. Miller, J. S. Bache. Annual meeting, third Saturday in September, at Durand, Mich. MAIN OFFICE: Toledo, O. NEW YORK OFFICE: 42 Broadway. STOCK TRANSFER AGENT: Empire Trust Co., New York.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	12.93%	13.32%	10.48%	11.25%	17.70%	19.08%	15.39%	16.55%	18.7%	16.0%
Products of Animals.....	1.67	2.04	1.98	1.93	1.65	2.00	1.71	1.99	2.3	2.3
Products of Mines.....	42.48	49.56	45.04	39.69	38.82	41.87	41.31	45.41	44.0	44.6
Products of Forests.....	22.67	17.50	22.52	23.48	21.48	18.32	18.79	13.07	12.9	14.0
Manufactures.....	13.07	12.13	13.26	15.63	13.03	18.73	22.80	13.88	12.3	16.6
Merchandise and Miscel...	7.18	5.45	6.72	8.02	7.82			9.10	9.8	6.5

Total revenue tonnage in 1909, 1,614,810 tons; in 1910, 1,737,184 tons; in 1911, 1,775,291 tons; in 1912, 1,945,977 tons; in 1913, 1,977,900 tons; 2,046,652 in 1914; 1,959,268 tons in 1915; 2,416,101 tons in 1916.

The chief items of tonnage are coal and coke, which aggregated 707,066 tons in 1915 and 878,218 tons in 1916. The traffic is, however, well diversified, manufactures and merchandise amounting to over 20% of the total.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	296	....	46	35	2,114	72%	71,954	992,424	416	$1.59	2.03c	.53c
1908.....	296	....	52	35	2,114	69	80,568	939,373	444	1.53	1.94	.47
1909.....	296	....	56	37	2,076	67	84,181	844,880	419	1.42	1.78	.45
1910.....	292	....	59	40	2,800	68	91,984	857,223	463	1.64	1.74	.50
1911.....	292	....	51	39	2,558	68	98,622	800,968	437	1.70	1.70	.57
1912.....	292	....	45	38	2,995	70	88,480	942,006	447	1.46	1.72	.52
1913.....	292	....	46	41	2,890	67	103,218	957,423	480	1.50	1.82	.50
1914.....	301	....	44	40	2,822	67	98,532	923,618	501	1.66	1.81	.51
1915.....	295	....	44	40	2,587	71	87,647	924,546	496	1.78	2.04	.59
1916.....	296	....	43	40	2,292	72	93,237	1,117,023	608	1.90	1.94	.52
10-Year Average	295	....	49	38	2,525	69%	89,842	935,348	471	$1.62	1.85c	.52c

Yard tracks and sidings, 112.67 miles.

In addition to above equipment, company owns four car ferries which operate on Lake Michigan. It is also now operating motor-cars for local passenger traffic, this new service having been introduced in May, 1911. Above density and traffic figures do not cover the motor-car operation until 1913. A portion of above equipment is covered by equipment trusts.

Comment: During the year ended June 30, 1916, the Ann Arbor Railroad reported an unusual increase both in its freight density and average train load. Passenger density was also much greater than in the previous year. Although average passenger and freight rates declined, the train mile earnings showed substantial improvement.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	$7,374	$864	$976	$1,840	$2,943	$2,591	$2,684	$463	$2,221	$946	57%	$1,275	.....
1908	6,361	647	1,174	1,821	2,826	1,714	2,045	461	1,584	1,380	13	204	.....
1909	5,864	861	655	1,516	2,529	1,819	2,162	500	1,662	1,587	5	75	.....
1910	6,357	1,022	844	1,866	2,582	1,909	2,158	507	1,651	1,342	19	309	.....
1911	6,589	888	841	1,729	2,732	2,128	2,309	575	1,734	1,175	32	559	.....
1912	7,193	815	811	1,626	3,188	2,379	2,550	575	1,975	1,360	31	615	.....
1913	7,098	1,011	887	1,898	3,016	2,184	2,376	572	1,804	1,272	29	532	.....
1914	6,964	819	878	1,697	3,137	2,130	2,226	545	1,681	1,412	16	269	.....
1915	7,834	833	1,066	1,899	3,681	2,254	2,386	486	1,900	1,558	18	342	.....
1916	9,060	817	1,404	2,221	3,956	2,883	3,019	540	2,479	1,466	41	1,013	.....
10-Year Average	$7,069	$858	$954	$1,812	$3,059	$2,198	$2,392	$522	$1,870	$1,350	28%	$520	.....

Note: Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916, the "balance for charges" (per mile) was $2,479; fixed charges consumed $1,466, leaving $1,013, a "margin of safety" of 41%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$2,681,856	$2,310,333	$2,096,072	$2,063,752	$2,299,246	$2,090,254	$2,026,654
Maintenance of way	241,835	245,682	246,509	295,141	238,040	259,444	298,306
Maintenance of equipment	415,727	314,401	264,313	259,188	236,678	245,415	246,453
All other operating expenses	1,170,907	1,085,796	944,203	880,754	1,131,271	964,332	955,545
Net operating revenues	$853,387	$664,454	$641,047	$628,669	$693,257	$621,063	$526,350
Operating ratio	68.2%	71.2%	69.4%	69.5%	69.9%	70.3%	74%
Other income	40,357	39,322	29,029	65,236	51,225	52,837	72,775
Total net income	$893,744	$703,776	$670,076	$693,905	$744,472	$673,900	$599,125
Taxes accrued	159,764	143,460	164,050	167,159	167,827	167,827	147,967
Balance for charges	$733,980	$560,316	$506,026	$526,746	$576,645	$506,073	$451,158
Fixed charges	433,920	459,559	425,032	371,403	396,361	342,928	366,863
Surplus	$300,060	$100,757	$80,994	$155,343	$180,284	$163,145	$84,295
Earned on stock:							
Preferred	7.50%	2.52%	2.02%	3.88%	4.51%	4.08%	2.12%

Note: Other income includes income from joint facilities, interest on investments, balances, etc. Fixed charges include hire of equipment debit, interest on debt, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,340,658; credit balance transferred from income, $300,060; profit on road and equipment sold, $7,146; unrefundable overcharges, $10,000; miscellaneous credits, $7,837; total, $1,665,701. Contra: Debt discount extinguished through surplus, $36,717; loss on retired road and equipment, $123,617; miscellaneous debits, $11,293; credit balance at end of year, $1,494,075; total, $1,665,701.

Comment: The year ended June 30, 1916, was the best ever reported by the Ann Arbor Railroad. Both gross and net operating figures reached new high totals, and although fixed charges increased slightly, the final surplus carried over was three times as great as that of the previous year, and equalled 7½% on the outstanding preferred stock.

Public Utilities

If you are interested in any way in the securities of Gas, Electric Light, Electric Traction, Telephone and Telegraph or Power Companies, the "Public Utilities and Industrials" Edition of "MOODY'S ANALYSES OF INVESTMENTS" will prove indispensable. This whole field is covered in the same comprehensive and accurate way that Steam Railroads are covered in the Railroad Edition. In fact, the two volumes constitute a complete Service for the Banker and Investor. Separately, the editions sell at $15 each; in combination, they are supplied at $25, when ordered in advance.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$24,493	51%	$23,649	49%	.....	$48,142	$22	$48,120	6 %	.....	.....	.....	.....	.....	.....
1908	24,493	51	23,649	49	.....	48,142	22	48,120	4.1	.....	.....	.....	.....	.....	.....
1909	24,493	51	23,885	49	.....	48,378	22	48,356	4.9	.....	.....	.....	.....	.....	.....
1910	24,829	48	26,521	52	.....	51,350	22	51,328	4.2	.....	.....	.....	.....	.....	.....
1911	24,829	43	33,818	57	.....	58,647	Nom.	58,647	4	.....	.....	.....	.....	.....	.....
1912	24,829	43	33,804	57	.....	58,633	"	58,633	4.3	.....	.....	.....	.....	.....	.....
1913	24,829	43	33,726	57	.....	58,555	"	58,555	4.1	.....	.....	.....	.....	.....	.....
1914	24,086	42	33,307	58	.....	57,393	.....	57,393	3.9	.....	.....	.....	.....	.....	.....
1915	24,576	42	33,598	58	.....	58,174	.....	58,174	4.1	.....	.....	.....	.....	.....	.....
1916	24,493	43	32,984	57	.....	57,477	.....	57,477	5.3	.....	.....	.....	.....	.....	.....
10-Year Average	$24,595	46%	$29,894	54%	.....	$54,489	$9	$54,480	4.4%	.....	.....	.....	.....	.....	.....

Note: The above table is based on the average mileage directly operated for each year. There are no lease rentals and investments are nominal. The "Net Income on Net Capital" is the percentage of total net income shown on the outstanding capitalization (at par), before deducting taxes.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$18,718,679	$18,709,876	$18,835,590	$18,518,567	$18,176,545	$17,540,766	$16,117,722
Working assets	653,364	574,884	631,839	588,406	594,829	578,586	646,138
Deferred debit items	127,256	159,705	63,375	90,779	405,497	1,031,062	339,082
Total	$19,499,299	$19,444,465	$19,530,804	$19,197,752	$19,176,871	$19,150,414	$17,102,942
Liabilities:							
Capital stock	$7,250,000	$7,250,000	$7,250,000	$7,250,000	$7,250,000	$7,250,000	$7,250,000
Funded debt	9,763,458	9,912,210	10,025,500	9,848,000	9,605,000	9,761,000	7,744,108
Working liabilities	715,045	826,478	870,340	602,875	565,713	482,117	575,642
Accrued liabilities not due	124,142	99,526	87,643	63,963	67,136	81,205	62,533
Deferred credit items	19,484	15,593	.....	.....	25	7,022	7,000
Appropriated surplus	133,095	.....	.....	.....	.....	.....	.....
Profit and loss surplus	1,494,075	1,340,658	1,297,321	1,432,914	1,688,997	1,569,070	1,463,659
Total	$19,499,299	$19,444,465	$19,530,804	$19,197,752	$19,176,871	$19,150,414	$17,102,942

Note: The "property investment" includes $1,500,000 of the company's own bonds (which, however, are pledged for $750,000 of notes); and the stock interests in the Manistique & Lake Superior R.R. (carried at a nominal sum) and stock of the Menominee & St. Paul R.R. Working assets include the cash items.

Comment: There was a further moderate decrease in the outstanding funded debt of the Ann Arbor Railroad during the fiscal year ended June 30, 1916. The property is rather heavily capitalized, but in recent years has been reporting a very fair net income on net capital. During the past year this percentage reached 5.3%.

TABLE D—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Ann Arbor R. R. first 4s	Q–J	Jl 1995	(1st) 292	$24,000	$1,870	$946	49%	Good	High	Baa.
2. Ann Arbor R. R. imp. 5s	M&N	My 1941	(2d) 292	5,138	(see text)	.....	29%	"	Fair	B.
3. Ann Arbor 3 yr. 6% notes	M&N	My 1919	(see text)	.....	$921	152	29%	"	"	B.
4. Ann Arbor equip. 5s	Var.	1917–21	"	.....		500*	29%	"	Good	A.

* Includes maturing principal.

Note: "Average income available" is the average net income available per mile for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $7,000,000. Dated July 1, 1895; due July 1, 1995. Int. quar., Jan., at Metropolitan Trust Co., New York. Coupon, $1,000; prin. may be registered. First lien, 291.90 miles, Toledo, O., to Frankfort, Mich.; also on terminals, car ferries, etc. Underlie No. 2, which are deposited under No. 3 (below). Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $10,000,000; outstanding, $1,500,000. Dated May 1, 1911; due May 1, 1941. Int., May and Nov., in New York. Coupon, $1,000; prin. may be registered; reg., $1,000 and multiples. C. & R. interchangeable. Callable at 105. Second lien, following No. 1 on same property, and by first lien on certain equipment. The whole amount so far issued has been deposited as collateral under No. 3 (below).

3. Auth., $1,000,000; outstanding, $750,000. Dated May 1, 1916; due May 1, 1919. Int. at Empire Trust Co., New York. Coupon, $1,000; prin. may be registered. Secured by deposit of $1,500,000 of No. 2. Callable at 101 on any int. date on 60 days' notice. Normal income tax deducted from interest.

4. Series A, authorized, $660,000 5s; now outstanding, $198,000; dated Nov. 1, 1909; due, $33,000 each May and Nov. 1 to Nov. 1, 1919. Int. payable May and Nov. 1, at Bankers' Trust Co., New York. Coupon, $1,000. First lien on 500 steel gondola cars and 300 steel underframe box cars, total cash cost being $826,880.

Series B, authorized, $600,000 5s; now outstanding, $240,000; dated Jan. 1, 1911; due $30,000 each Jan. and July 1 to Jan. 1, 1921. Int. payable Jan. and July 1, at Empire Trust Co., New York. Coupon, $1,000. First lien on 13 locomotives, 1 parlor car, 2 passenger coaches, 100 steel box and refrigerator cars, etc., total cash cost being $853,407. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Ann Arbor R.R. preferred ..... 5% non-cumulative. Par $100. Outstanding, $4,000,000.	None	$13,513	$520	$676*	.....	Mod.	Poor	C.
Ann Arbor R.R. common stock ..... Outstanding, $3,250,000. Par $100.	"	10,980	.....	.....	.....	Small	"	D.

* For 5% but none paid.

Note: "Average income available" on stock issues is the average surplus, after deducting all fixed and other charges, for the ten years ending June 30, 1916. "Dividend requirement" is the requirement, at the current rate, on the present amount outstanding. For Key to Stock Ratings, see pages 21 to 23.

Note: Auth., $4,000,000 preferred and $3,250,000 common. The Ann Arbor Company owns $3,001,000 preferred and $2,190,000 common stock. Transfer Agent: Empire Trust Co., New York. Both issues listed on the New York Stock Exchange.

(Company Controlled by Ann Arbor Railroad.)

MANISTIQUE & LAKE SUPERIOR RAILROAD

History: Incorporated in Michigan, July 23, 1909, succeeding to Manistique & Northern R.R. Operates line from Manistique through Shingleton and Doty, Mich., connecting the Ann Arbor car ferry at the former place with the Duluth, South Shore & Atlantic near Lake Superior.

Line of Road: Manistique to Doty, 41 miles; branch to Doyle's, Mich., 22.40 miles; total, 63.40 miles; sidings, 12.41 miles. Equipment: 7 locomotives; 317 passenger and freight cars.

Management: Officers: A. W. Towsley, Pres. and Gen. Mgr.; Newman Erb, Vice-Pres.; H. B. Blanchard, Sec. and Treas., 42 Broadway, New York. Directors: Newman Erb, W. J. Wollman, J. S. Bache, A. W. Towsley, S. Hundrie, Office: Manistique, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$118,471	$132,909	$168,019	$138,588	$116,903	$95,861	$82,831
Net operating revenue	20,386	26,267	31,496	31,614	39,851	35,111	26,188
Total net income	21,348	27,138	31,727	32,290	41,786	40,293	26,240
Interest, taxes, etc.	11,492	25,634	24,054	35,768	38,826	39,404	23,963
Balance.	9,856	1,504	7,673	*3,478	2,960	889	2,277

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $27,743; credit balance transferred from income, $9,856; delayed income credits, $2,871; total, $40,470. Contra: Credit balance carried to balance sheet, $40,470.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$1,473,976	$1,376,426	$1,378,373	$1,371,617	$1,365,301	$1,462,310
Working assets	87,289	76,500	60,903	65,674	86,145	71,349
Deferred debit items	1,791	1,776	56	668	59	50
Total.	$1,563,056	$1,454,702	$1,439,332	$1,437,959	$1,451,505	$1,533,709
Liabilities:						
Capital stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Funded debt	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Working liabilities	45,379	47,182	32,781	39,460	16,728	101,998
Accrued liabilities not due	3,600	3,300	3,828	3,720	31,220	28,049
Deferred credit items	23,607	26,477	26,484	27,817	36,227	50,495
Profit and loss surplus	40,470	27,743	26,239	16,962	17,330	3,167
Total.	$1,563,056	$1,454,702	$1,439,332	$1,437,959	$1,451,505	$1,533,709

Bonded Debt: $1,100,000 non-cumulative income 4s. Dated Aug. 1, 1909; due Sept. 1, 1934. Int. paid, if earned, Mar. and Sept. 1, at Union Trust Co., Detroit. Reg., $1,000. A first lien on entire property of forty-five miles, with equipment, etc. Callable at 102½ and int. Authorized, $1,300,000. Normal income tax deducted from interest. Net Rating, B.

Note: The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

Capital Stock: Authorized and issued, $250,000. Par, $100. All owned by Ann Arbor Railroad Company.

DENVER & SALT LAKE RAILROAD

History: Incorporated under the laws of Colorado, Dec. 13, 1912, and on May 1, 1913, acquired the properties of the Denver, Northwestern & Pacific Ry. The company owns the entire capital stock of the Northwestern Terminal Ry., which had been leased for 99 years to the old Denver, Northwestern & Pacific.

Location: Line of road: Utah June. to Craig, Colo., 252.35 miles. Leased Denver to Utah June., Colo., 3.11 miles. Sidings owned and leased, 56.09 miles.

Default: On May 1, 1916, the first mortgage interest was defaulted and a reorganization plan was in preparation providing for the building of the long proposed tunnel through the Continental Divide, this outlet being necessary to the successful operation of the property. Report by expert McKenna advised construction of new 17-mile cutoff, including the 4-mile tunnel, at a cost of $2,952,000 and a total expenditure of $5,266,821 for all purposes to make possible economical operations. If this is done in the next two years, the following year, it is estimated, should show with a coal traffic of 1,026,000 tons gross earnings of $2,225,697 and net income, after taxes, of $824,000, increasing to $957,000 and $1,104,000 in the next two years.

Management: OFFICERS: L. C. Phipps, Chairman; Chas. Boettcher, Pres.; W. E. Morse, Vice-Pres. and Gen. Mgr.; Wm. Wadden, Vice-Pres.; W. E. Pearson, Treas.; Gerald Hughes, Sec. DIRECTORS: W. E. Pearson, F. G. Moffat, Gerald Hughes, Geo. H. Burr, Lawrence C. Phipps, Chas. H. Boetteher, Wm. Wadden. Annual meeting, first Monday in January. OFFICES: 115 Broadway, New York, and Denver, Colo.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	.....	1.94%	1.66%	2.24%	2.04%	1.52%	1.45%	.99%
Products of Animals	.....	.....	.....	7.24	6.90	4.42	6.64	5.89	3.62	3.60
Products of Mines	.....	.....	.....	65.42	70.12	81.88	78.03	76.86	87.27	87.29
Products of Forests	.....	.....	.....	14.04	9.49	5.77	8.00	9.10	4.59	4.90
Manufactures	.....	.....	.....	9.05	7.58	3.59	2.73	3.66	1.20	1.43
Merchandise and Miscel	.....	.....	.....	2.31	4.25	2.10	2.56	2.97	1.87	1.79

Total revenue freight tonnage in 1910, 338,400 tons; in 1911, 397,063 tons; in 1912, 470,539 tons; in 1913, 425,429 tons; in 1914, 450,781 tons; in 1915, 728,859 tons; in 1916, 899,087 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1909	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1910	215	....	20	20	507	60%	45,817	157,023	154	$2.35	3.42c	1.76c
1911	215	....	42	20	521	64	44,605	239,333	219	1.79	3.26	1.31
1912	215	....	42	20	513	71	39,010	377,014	279	2.53	3.11	1.05
1913	215	....	44	20	534	70	38,791	284,424	272	2.71	3.56	1.18
1914	238	....	44	24	1,441	89	41,989	295,514	276	2.87	3.38	1.16
1915	255	....	42	24	1,421	75	33,263	497,831	303	2.69	3.79	.97
1916	255	....	50	24	1,357	78	34,498	633,691	357	2.91	3.69	.92
7-Year Average	230	....	41	23	899	72%	39,710	354,976	266	$2.55	3.46c	1.19c

Note: Figures cover the Denver, Northwestern & Pacific Ry. Co. prior to 1913.

Comment: The Denver & Salt Lake property has made substantial progress in building up its freight density during the past few years, and its train load is also now far heavier than in the earlier years. But the volume of business has not as yet reached a point where operations can be profitably carried on. Average freight rates have tended to decline as the traffic has been built up, and it is unlikely that the company will reach a profitable basis until the proposed extensions and improvements are completed.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910	$4,530	$831	$714	$1,545	$2,010	$975	$1,072	$147	$925	$2,817	.....	$1,892*	.....
1911	4,857	719	818	1,537	1,912	1,408	1,755	168	1,587	2,926	.....	1,339*	.....
1912	5,570	784	901	1,685	2,431	1,454	1,571	192	1,379	2,470	.....	1,091*	.....
1913	5,335	936	966	1,902	2,231	1,202	1,344	197	1,147	829	28%	318	.....
1914	5,107	942	850	1,792	2,061	1,254	1,533	153	1,380	1,428	.....	48*	.....
1915	6,427	785	1,101	1,886	2,530	2,011	2,355	377	1,978	2,021	.....	43*	.....
1916	7,426	877	1,537	2,414	2,949	2,063	2,244	355	1,889	2,218	.....	329*	.....
7-Year Average	$5,607	$839	$984	$1,823	$2,303	$1,481	$1,696	$227	$1,469	$2,101	.....	$632*	.....

* Deficit.

Note: Figures include the data covering the Denver, Northwestern & Pacific Ry. Co., prior to May, 1, 1913.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,893,583	$1,638,942	$1,215,362	$1,146,918	$1,197,596	$1,044,258	$973,873
Maintenance of way	223,655	200,109	224,175	201,250	168,592	154,667	178,639
Maintenance of equipment	391,965	280,765	202,190	207,739	193,778	175,825	153,540
All other operating expenses	752,061	645,251	490,447	479,680	522,654	411,129	432,200
Net operating revenues	$525,902	$512,817	$298,550	$258,249	$312,572	$302,637	$209,494
Operating ratio	72.23%	68.69%	75.44%	77.49%	73.90%	71.02%	78.49%
Other income	46,221	87,560	66,404	30,685	25,193	74,715	21,000
Total net income	572,123	600,377	$364,954	$288,934	$337,765	$377,352	$230,494
Taxes accrued	90,503	96,043	36,587	42,262	41,220	36,184	31,500
Balance for charges	481,620	504,334	$328,367	$246,672	$296,545	$341,168	$198,994
Fixed charges	565,532	515,338	339,807	178,299	530,987	628,994	605,577
Deficit after charges	$83,912	$11,004	$11,440	†$68,373	$234,442	$287,826	$406,583

Note: Above figures prior to 1914 are those of old company. † Surplus.

Profit and Loss Account, year ended June 30, 1916: Unrefundable overcharges, $916; miscellaneous credits, $648; debit balance carried to balance sheet, $186,437; total, $188,001. Contra: Debit balance, June 30, 1915, $98,689; debit balance transferred from income, $83,912; loss on retired road and equipment, $3,100; miscellaneous debits, $2,300; total, $188,001.

Comment: While the Denver & Salt Lake reported a substantial improvement in its gross business during the year ended June 30, 1916, the operating costs were very high and the final balance was far below the fixed charge requirements. The company has defaulted on its first mortgage bonds and a plan of reorganization is under advisement. This plan involves the construction of a seventeen mile cut-off, which, it is claimed, will substantially reduce the operating costs and increase the earning power of the company; thus enabling it to cover its fixed charges without difficulty.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1911	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1912	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1913	$16,512	48%	$50,707	52%	$9,570	$106,789	$931	$105,858	1.3%	.....	.....	.....	.....	.....	.....
1914	46,482	47	53,091	53	9,140	108,713	3,501	105,212	1.5	.....	.....	.....	.....	.....	.....
1915	137,255	73	51,459	27	8,538	197,252	90,346	106,906	2.2	.....	.....	.....	.....	.....	.....
1916	137,255	72	52,714	28	8,510	198,479	89,961	108,518	2.1	.....	.....	.....	.....	.....	.....
4-Year Average	$91,876	64%	$51,993	36%	$8,939	$152,808	$46,185	$106,623	1.6%	.....	.....	.....	.....	.....	.....

Note: Above table is based on the average mileage directly operated whether owned or leased. Securities owned is based on securities held unpledged, including company's own issues. Stock outstanding includes treasury stock.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913
Property investment	$22,891,875	$22,934,745	$21,770,064	$20,249,437
Working assets	23,294,480	23,535,744	1,323,072	863,448
Deferred debit items	2,878,274	2,655,201	1,488,432	217,872
Accrued income not due	.....	402	1,755	.....
Profit and loss deficit	186,437	98,689	106,521	17,233
Total	$49,251,066	$49,224,781	$24,689,844	$21,347,990
LIABILITIES:				
Capital stock	$35,000,000	$35,000,000	$11,062,800	$10,000,000
Funded debt	13,441,990	13,121,920	12,635,694	10,902,000
Working liabilities	616,998	764,864	827,474	265,990
Accrued liabilities not due	172,225	238,708	114,109	61,908
Deferred credit items	19,853	99,289	49,767	118,092
Total	$49,251,066	$49,224,781	$24,689,844	$21,347,990

Comment: As the Denver & Salt Lake Railroad will doubtless soon undergo reorganization, the balance sheet as of June 30, 1916, has little current significance. It is clear that the fixed charges of the company are entirely too high, and a radical reduction will undoubtedly be necessary.

TABLE D.—Bond Record and Ratings (Based on 7-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Den. & Salt Lake first mtge. bonds	M&N	My 1943	(1st) 252	$39,000	$1,469	$1,854*	.....	Fair	.....	Ca.
2. Den. & Salt Lake equip. 5s	M&S	Var.	(equip.)	.....		61	.....	"	.....	B.
3. Den. & Salt Lake adj. 5s	seetext	My 1943	(2d) 252	8,000	.....	.....	.....	Small	.....	C.

* In default.

Note: Average income available is the annual average surplus per mile for the seven years ended June 30, 1916, after deducting taxes. Interest requirements are the current requirements. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $35,000,000; outstanding, $9,800,220. Dated May 1, 1913; due May 1, 1943. Int. paid at Bankers' Trust Co., New York. Coupon, $100 and multiplies; reg., $1,000, etc.; C. & R. interchangeable. Callable at 105 on 90 days' notice. Of the bonds now outstanding, $3,639,220 bear fixed interest at 5%, $1,734,000 receive 1% the first year, and $4,427,000 receive 3% the first three years, increasing 1% annually until the full rate of 5% is received. First lien on the entire property, and further secured by pledge of the entire capital stock of the Northwestern Terminal R.R. Interest paid without deduction for normal income tax. May, 1916, interest in default. Holders of 92% of outstanding bonds agreed in 1915 to deposit May and Nov., 1915, interest coupons, taking in payment thereof additional bonds at 75 and interest. Protective Committee, H. Waldeck, Chm.; B. W. Jones, Sec.; 16 Wall Street, New York. Rating, B.

2. Outstanding $313,000 equipment trust 5s. Dated March 1, 1913; due $25,000 s.a. to March 1, 1917, and $24,000 s.a. thereafter to March 1, 1923. Int. paid at Empire Trust Co., New York. Coupon, $1,000; prin. may be registered. Original amount, $488,000. First lien on equipment costing, $650,282. Interest paid without deduction for normal income tax. Rating, Ba.

3. Auth. and outstanding, $2,000,000. Dated May 1, 1913; due May 1, 1943. Int. paid, if earned, on May and Nov. 1, in New York. Follows No. 1 on same property.

There are also outstanding $58,500 5% equipment trust notes due s.a. to Sept., 1917; $119,000 5% equipment 5% notes due s.a. to Oct., 1920, and $96,000 equipment 6% notes due s.a. to July 1, 1922.

Capital Stock: Auth., $35,000,000; outstanding, $12,182,500. Par, $100. The entire stock is held in a Voting Trust expiring in 1918.

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COMPANY CONTROLLED BY DENVER & SALT LAKE RAILROAD

NORTHWESTERN TERMINAL RAILWAY

History: Incorporated under laws of Colorado, August 1, 1904. The company owns extensive terminal properties at Denver, Colo., embracing about 100 acres of land in the railroad section of the city. Company's terminals are used by the Denver & Salt Lake R.R., which owns the entire capital stock, and leases the property for 50 years at rental equaling interest on bonds, expenses and taxes. Operates, 7.32 miles of track.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$152,899	$121,975	$119,878	$112,351	$116,835	$123,062
Taxes	41,646	22,050	6,071	10,927	8,831	8,812
Fixed charges	†117,549	118,993	106,284	101,424	101,250	101,250
Surplus	*$6,294	$19,070	$5,663	.....	$6,754	$13,000
Dividends paid	.....	.....	.....	.....	.....	38,783
Balance	*$6.294	$19,070	$5,663	.....	$6,754	*$25,783

* Deficit. † Includes $2,547 operating expenses.

Profit and Loss Account, year ended June 30, 1916: Debit balance carried to balance sheet, $588,400. Contra: Debit balance at beginning of year, $573,693; debit balance transferred from income, $6,294; loss on retired road and equipment, $8,413; total, $588,400.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$4,701,940	$4,708,425	$4,694,427	$4,506,112	$4,504,786	$4,433,881
Working assets	54,549	12,543	32,929	194,344	199,827	210,307
Deferred debit items	.....	45,175	.....	.....	.....	.....
Profit and loss deficit	588,400	573,693	512,966	426,841	426,841	433,595
Total	$5,344,889	$5,339,836	$5,240,322	$5,157,297	$5,131,454	$5,077,783
LIABILITIES:						
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	2,167,000	2,167,000	2,126,000	2,054,660	2,025,000	2,025,000
Working liabilities	177,889	172,836	114,322	102,637	106,454	52,783
Total	$5,344,889	$5,339,836	$5,240,322	$5,157,297	$5,131,454	$5,077,783

Bonded Debt: $2,167,000 Northwestern Terminal Ry. first 5s. Dated July 1, 1906; due July 1, 1926. Int. Jan. and July, at Bankers' Trust Co., New York. Coupon, $1,000; prin. may be registered. Callable at 102½ and interest. A first lien on entire property. These bonds were formerly guaranteed as to both principal and interest, by the Denver, Northwestern & Pacific Ry., but the guaranty was not assumed by the present Denver & Salt Lake R.R. Interest paid without deduction for normal income tax. Rating, B.

Capital Stock: Authorized and outstanding, $3,000,000. All owned by Denver & Salt Lake Railroad Co.

GEORGIA & FLORIDA RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past nine years. For Definitions and Key to Ratings, see pages 19-26.

History: Incorporated in Georgia in 1906; in 1907, acquired by purchase the lines of the Augusta & Florida Ry., the Millen & Southwestern R.R., the Atlantic & Gulf Short Line R.R., the Douglas, Augusta & Gulf Ry., the Nashville & Sparks R.R., and the Valdosta Southern Ry. In 1911 the Sparks Western Ry. was purchased.

Location: By construction of connecting links, etc., the company has formed a continuous line of about 350 miles from Keysville, near Augusta, Ga., to Madison, Fla., with branches to Millen, Moultrie, and Sparks, Ga., etc. Extensions proposed and under construction will carry the road northward through Augusta to Columbia, S. C., making about 400 miles in all. The company also owns terminal property in Augusta, Ga., and owns the entire capital stock of the Georgia & Florida Terminal Co., and guarantees the bonds of the latter under lease.

Receivership: On March 29, 1915, Judge Hammond in the Superior Court at Augusta, Ga., upon petition of the Baltimore Trust Co., Trustee, for the first 5s, appointed J. M. Wilkinson, H. R. Warfield, and W. R. Sullivan, receivers for the property.

Management: OFFICERS: R. Lancaster Williams, Pres.; Franklin Q. Brown, Vice-Pres.; E. L. Bemiss, Vice-Pres.; J. M. Wilkinson, Vice-Pres.; B. W. Duer, Vice-Pres.; M. L. Grossman, Sec.; M. T. Solomon, Asst. Sec.; T. G. Tinsley, Treas. DIRECTORS: J. M. Ashley, Franklin Q. Brown, Frank R. Durden, J. M. Wilkinson, Thos. Barrett, Jr., H. C. Huffer, Jr., R. L. Williams, Jesse Thompson, W. R. Sullivan, B. W. Duer, W. O. Donovan, L. M. Williams, E. L. Bemiss, T. Adams. Annual meeting, second Tuesday in November. PRINCIPAL OFFICE: Augusta, Ga.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	8.45%	8.14%	8.90%	12.79%	.....	.....	18.69%	27.4%	20.94%
Products of Animals	.....	.64	.47	.71	.85	.....	.....	1.13	1.2	1.58
Products of Mines	.....	2.30	4.07	4.95	4.69	.....	.....	6.05	7.6	5.60
Products of Forests	.....	71.02	68.61	60.29	50.92	.....	.....	39.10	27.4	39.98
Manufactures	.....	14.90	15.86	21.24	25.94	.....	.....	29.45	32.9	26.95
Miscellaneous	.....	2.67	2.75	3.91	4.81	.....	.....	5.58	3.5	4.95

Total revenue tonnage, 1908, 268,710 tons; 1909, 327,269 tons; 1910, 357,368 tons; 1911, 373,663 tons; 1912, 452,687 tons; 1913, 511,752 tons; 483,729 tons in 1914; 386,266 in 1915; 421,257 in 1916. Tonnage classification not furnished in 1912 and 1913.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	227	....	17	16	166	63%	15,146	22,712	.....	$ .90	2.84c	3.87c
1909	247	....	18	21	646	66	16,772	32,866	.....	1.01	2.88	3.09
1910	273	....	28	24	609	61	23,975	51,354	.....	1.01	2.75	2.26
1911	332	....	29	33	609	59	30,050	73,993	.....	1.00	2.57	1.70
1912	352	....	37	30	596	64	26,470	99,830	116	1.00	2.63	1.46
1913	352	....	35	30	568	65	27,142	116,787	155	1.19	2.53	1.32
1914	350	....	35	29	644	64	27,513	101,097	87	1.21	2.61	1.55
1915	350	....	30	27	589	69	19,682	91,564	97	1.12	2.48	1.47
1916	349	....	30	27	575	70	19,537	103,865	97	1.18	2.68	1.46
9-Year Average	315	....	29	26	556	65%	22,921	77,119	.....	$1.07	2.66c	2.02c

Yard tracks and sidings, 41.69 miles.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$1,408	$223	$231	$454	$732	$222	$239	$51	$188	$63	66%	$125	.....
1909	1,775	215	257	502	811	432	510	58	452	370	18	82	.....
1910	1,909	254	90	344	1,150	415	485	65	420	94	78	326	.....
1911	2,123	256	287	543	1,176	404	727	81	646	551	15	95	.....
1912	2,274	398	328	726	1,331	217	221	111	110	1,127	.....	1,017*	.....
1913	2,365	435	351	786	1,298	281	520	113	407	1,553	.....	1,146*	.....
1914	2,432	446	403	849	1,257	326	347	121	226	1,544	.....	1,318*	.....
1915	1,949	449	436	885	1,135	71*	62*	119	181*	1,638	.....	1,819*	.....
1916	2,112	509	415	924	1,056	132	154	103	51	1,648	.....	1,597*	.....
9-Year Average	$2,039	$357	$311	$668	$1,108	$263	$349	$91	$258	$954	.....	$696*	.....

* Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$737,166	$681,602	$851,131	$832,689	$800,541	$704,936
Maintenance of way	177,810	157,298	156,049	153,078	140,142	84,917
Maintenance of equipment	144,765	152,444	140,893	123,578	114,827	95,512
All other operat. expenses	368,542	397,181	439,798	456,997	470,296	390,708
Net operating revs...	$46,049	*$25,321	$114,391	$99,036	$75,276	$133,799
Operating ratio	93.75%	103.65%	86.5%	88.1%	91%	81%
Other income	7,636	3,568	7,101	83,987	1,220	107,828
Total net income	$53,685	*$21,753	$121,492	$183,023	$76,496	$241,627
Taxes accrued	35,877	41,800	42,400	39,701	39,146	26,782
Balance for charges..	*$17,808	*$63,553	$79,092	$143,322	$37,350	$214,845
Fixed charges	575,216	573,005	540,289	546,556	385,627	183,123
Surplus over charges....	*$557,408	*$636,558	*$461,197	*$403,234	*$345,277	$31,722

* Deficit.

Note: The fixed charges include interest on bonds and on equipment notes, rentals, hire of equipment, etc. Prior to 1911 the interest on the first mortgage bonds of the company was charged to construction.

Profit and Loss Account, year ended June 30, 1916: Profit on road and equipment sold, $333; unrefundable overcharges, $278; miscellaneous credits, $9,235; debit balance carried to balance sheet, $2,416,440; total, $2,426,286. Contra: Debit balance at beginning of year, $1,838,230; debit balance transferred from income, $557,408; loss on retired road and equipment, $27,915; miscellaneous debits, $2,733; total, $2,426,286.

Comment: Although this company reported a slight improvement in its volume of business during 1916, the outlook is not very reassuring. A heavy deficit was reported after allowing for fixed charges. A very drastic reorganization will be necessary to give this company any future whatever.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent. *	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907.....	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908.....	$11,585	50%	$11,917	50%	.....	$23,502	.....	$23,502	1 %	.....	.....	.....	.....	.....	.....
1909.....	28,100	61	18,000	39	.....	46,100	.....	46,100	1	.....	.....	.....	.....	.....	.....
1910.....	30,690	61	20,758	39	.....	51,448	.....	51,448	.9	.....	.....	.....	.....	.....	.....
1911.....	26,352	60	18,400	40	.....	44,752	.....	44,752	1.6	.....	.....	.....	.....	.....	.....
1912.....	24,960	50	24,466	50	.....	49,426	.....	49,426	.4	.....	.....	.....	.....	.....	.....
1913.....	24,960	51	24,232	49	.....	49,192	.....	49,192	1.1	.....	.....	.....	.....	.....	.....
1914.....	25,000	50	24,507	50	.....	49,507	.....	49,507	.7	.....	.....	.....	.....	.....	.....
1915.....	25,000	51	24,344	49	$1,772	51,116	$157	50,959	.....	.....	.....	.....	.....	.....	.....
1916.....	25,072	50	24,934	50	1,590	51,596	158	51,438	.3	.....	.....	.....	.....	.....	.....
9-Year Average ..	$24,635	54%	$21,284	46%	$374	$46,293	$35	$46,258	.....	.....	.....	.....	.....	.....	.....

* Based on joint facility rents and rents paid for leased roads.

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Millen & Southwestern 5s...	A&O	Ap 1955	(1st) 53	$4,000	$258	$30	88%	High	Good	B.
2. Georgia & Florida Ry. first 5s	M&N	N 1956	(see text)	17,390	228	800	.....	Fair	"	Da.
3. Georgia & Florida Ry. 20-year 6s.....	seetext	F 1932	"	6,200		346	.....	"	"	D.
4. Georgia & Florida Term 6s..	J&J	Jl 1930	Term	.....		30	.....	.....	.....	C.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $800,000; outstanding, $212,000 (closed). Dated April 1, 1905; due April 1, 1955. Int. paid at Hanover National Bank, New York. Coupon, $1,000. First lien on 53 miles, Millen to Vidalia, Ga. Interest paid without deduction for normal income tax.

2. Auth., $12,000,000; outstanding, $5,610,000. Dated Aug. 15, 1907; due Nov. 1, 1956. Int. paid at Columbia Trust Co., New York, and at Baltimore Trust Co., Baltimore. Coupon, $500 and $1,000; prin. may be registered. First lien on 269.60 miles, as follows: Keysville, Ga., to Madison, Fla., 216.70 miles; Douglas Junc. to Barrows Bluff, Ga., 18.80 miles; Nashville to Kingwood, Ga., 31.90 miles; Sparks to Adel, Ga., 2.20 miles; second lien on 53 miles from Millen to Vidalia, Ga., following No. 1. Underlies No. 3. Interest paid without deduction for normal income tax. Holders were urged in 1915 to deposit coupons maturing Nov. 1, 1913, to May, 1916, in exchange for 5% notes, secured by deposit of coupons. In case of default coupons were to be returned. Protective Committee: F. T. Brown, Chm.; W. R. Sullivan, Sec., 31 Pine Street, New York. Depository: Baltimore Trust Co., Baltimore.

3. Auth. and outstanding, $2,000,000. Dated Feb. 1, 1912; due Feb. 1, 1932. Int. paid at New York, if earned; payments Feb. and Aug. 1. Interest payment from 1913 to 1922 may be paid in cash or scrip as directors may determine. Coupon, $500 and $1,000. Callable as whole at par and int., including scrip obligations and interest, on 60 days' notice. Direct lien on entire line of road of company (about 322.60 miles) described in No. 1 and No. 2. These bonds were underwritten at 52. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $200,000. Dated July 1, 1910; due July 1, 1930. Int. paid at Fidelity Trust Co., Baltimore. Coupon, $1,000. Prin. and int. guar. by endorsement by Georgia & Florida Ry. Co., which owns entire stock. First lien on terminal property at Augusta and Valdosta. Callable at 103. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $3,500,000 preferred and $5,250,000 common. Par, $100. Preferred is 4% non-cumulative and entitled to 2% additional after 4% has been paid on common. Transfer Agent: Baltimore Trust Co.

GEORGIA AND FLORIDA TERMINAL COMPANY

Company Controlled by Georgia & Florida Railway Co.

History: Incorporated under laws of Georgia, June 27, 1910, to develop and operate terminal property at Augusta and Valdosta, Ga., in the interest of the Georgia & Florida Railway Co. Property is leased for 20 years to Georgia & Florida Ry., rental being $12,000 per annum, and lessee to pay taxes, insurance, etc.

Management: Officers: Harry R. Warfield, Pres.; L. M. Williams, Vice-Pres.; J. H. Conley, Sec. and Treas. Directors: Harry R. Warfield, James E. Harper, Geo. R. Lombard, W. H. Barrett, L. M. Williams. Office: Augusta, Ga.

Bonded Debt: $200,000 Georgia & Florida Terminal Co. first 6s. Dated July 1, 1910; due July 1, 1930. Int. paid Jan. and July 1, at Fidelity Trust Co., Baltimore. Coupon, $1,000. Guar. prin. and int. by Georgia & Florida Ry. First lien on entire property. Tax-free clause.

Capital Stock: Authorized and issued, $10,000. Par, $100. All owned by Georgia & Florida Ry.

GREEN BAY & WESTERN RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated June 5, 1896, under Wisconsin laws, as successor to the Green Bay, Winona & St. Paul Ry.

Location: Directly operated lines consist of 229.70 miles, as follows: Green Bay to East Winona, Wis, 212.5 miles; Onalaska to La Crosse, Wis., 6.5 miles; Plover to Stevens Point, Wis., 6 miles; Scandinavia to Iola, 4.70 miles. Company also has interest in lease of bridge across Mississippi River, giving it entrance into Winona, Minn. Population of Wisconsin, in 1890, 1,686,880; in 1900, 2,069,042; in 1910, 2,333,860.

Controlled Lines: In addition to its directly operated lines, the Green Bay & Western R.R. Co. is affiliated in interest with the Ahnapee & Western Ry., and the Kewaunee, Green Bay & Western R.R. (See these companies on pages following this analysis.)

Management: OFFICERS: J. A. Jordan, Pres.; Edgar Palmer, Vice-Pres.; Chas. W. Cox, Sec. and Treas.; J. C. Thurman, Gen. Aud.; F. B. Seymour, Gen. Mgr. DIRECTORS: C. Ledyard Blair, C. W. Cox, Wm. J. Wilson, J. A. Jordan, Edgar Palmer, H. R. Taylor, F. B. Seymour. MAIN OFFICE: Green Bay, Wis. NEW YORK OFFICE: 40 Wall Street.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	34.72%	27.46%	30.65%	34.36%	33.63%	36.96%	29.36%	31.05%	28.4%	24.4%
Products of Animals.....	3.47	3.76	4.09	3.53	3.80	3.24	3.35	3.66	4.2	4.6
Products of Mines.....	18.92	35.26	27.64	29.51	31.88	31.26	35.91	31.29	35.9	41.0
Products of Forests.....	21.18	10.49	11.05	8.74	9.48	11.60	12.02	13.46	9.7	9.7
Manufactures.....	6.54	12.42	15.98	15.67	13.67	9.56	12.01	12.93	13.5	12.7
Merchandise and Miscel...	15.17	10.61	10.59	8.19	7.54	7.38	7.35	7.61	8.3	7.6

Total revenue tonnage in 1907, 394,010 tons; in 1908, 381,152 tons; in 1909, 328,200 tons; in 1910, 395,868 tons; in 1911, 426,090 tons; in 1912, 501,378 tons; in 1913, 527,218 tons; in 1914, 547,069 tons; in 1915, 536,809 tons; in 1916, 607,386 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	225	....	22	25	777	73%	23,012	171,087	137	$1.53	2.48c	1.22c
1908.....	225	....	23	26	772	66	25,069	155,900	122	1.41	2.72	1.14
1909.....	248	....	22	27	765	64	24,595	126,144	112	1.38	2.66	1.19
1910.....	248	....	23	27	735	65	24,137	159,496	138	1.43	2.63	1.00
1911.....	248	....	23	27	835	65	25,039	152,297	126	1.44	2.65	1.09
1912.....	248	....	23	28	832	68	25,790	183,610	149	1.61	2.64	1.09
1913.....	248	....	25	28	836	68	26,291	202,413	161	1.66	2.64	1.02
1914.....	248	....	26	28	844	68	27,705	199,963	155	1.68	2.65	1.07
1915.....	250	....	28	30	852	67	27,547	178,297	144	1.70	2.72	1.15
1916.....	253	....	28	31	980	68	26,533	202,191	154	1.73	2.76	1.09
10-Year Average	244	....	24	28	823	67%	25,572	173,140	140	$1.56	2.66c	1.11c

Yard track and sidings, June 30, 1916, 40.37 miles.

Comment: The Green Bay & Western property made a very satisfactory exhibit for the year ended June 30, 1916. Freight density rose substantially and the average freight train load was also higher than usual. The tonnage of the property is quite well diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenue.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$2,839	$616	$248	$864	$912	$1,063	$1,197	$96	$1,101	$16	99%	$1,085	$689
1908.....	2,673	501	447	951	906	816	940	110	830	72	91	758	844
1909.....	2,345	424	387	811	828	706	797	103	694	52	93	642	731
1910.....	2,458	411	324	735	870	853	977	99	878	71	92	807	696
1911.....	2,576	483	321	804	971	801	960	110	850	67	92	783	766
1912.....	2,924	592	345	937	1,002	985	1,121	112	1,009	78	92	931	766
1913.....	3,056	580	372	952	1,071	1,033	1,185	123	1,062	87	92	975	978
1914.....	3,131	633	450	1,083	1,019	1,029	1,163	147	1,016	87	91	929	801
1915.....	3,080	589	499	1,088	1,038	954	1,257	166	1,091	129	89	962	830
1916.....	3,226	597	487	1,084	1,088	1,054	1,616	180	1,436	98	93	1,338	786
10-Year Average	$2,831	$543	$388	$931	$971	$929	$1,121	$125	$996	$75	92%	$921	$789

Note: Above table is based on average mileage operated for each year. "Margin of Safety" is the proportion of surplus left over after deducting fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$816,119	$770,063	$776,377	$757,994	$725,277	$638,786	$609,693
Maintenance of way	150,960	147,181	157,000	143,794	146,795	119,796	101,810
Maintenance of equipment	123,210	124,690	111,538	92,313	85,487	79,547	80,452
All other operating expenses	275,179	259,541	252,757	265,592	248,510	240,854	215,806
Net operating revenues	$266,770	$238,651	$255,082	$256,295	$244,485	$198,589	$211,625
Operating ratio	67.31%	69.01%	67.14%	66.19%	66.29%	68.91%	65.29%
Other income	142,053	75,647	33,316	37,671	33,569	39,403	30,559
Total net income	$408,823	$314,298	$288,398	$293,966	$278,054	$237,992	$242,184
Taxes accrued	45,514	41,564	36,362	30,530	27,806	27,261	24,627
Balance for charges	$363,309	$272,734	$252,036	$263,436	$250,248	$210,731	$217,557
Fixed charges	24,712	32,132	21,620	21,580	19,456	16,524	17,446
Surplus over charges	$338,597	$240,602	$230,416	$241,856	$230,792	$194,207	$200,111
Dividends	198,750	207,500	198,750	242,500	190,000	190,000	172,500
Other deductions	81,400	28,000	27,000	26,000	.....	.....	.....
Balance	$58,447	$5,102	$4,666	*$26,644	$40,792	$4,207	$27,611

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $273,760; credit balance transferred from income account, $58,447; miscellaneous credits, $3,400; total, $335,607. Contra: Delayed income debits, $1,168; credit balance at close of the year, $334,439; total, $335,607.

Comment: Gross and net revenues ranged at better figures in 1916 than for many years past, and income from other sources was nearly double that of the previous year. As a result, the balance carried forward for dividends reached an exceptionally heavy total. The credit of the property was substantially improved during the year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Class A Debenture Dividend. Amt. per Mile.	Class A Debenture Dividend. Rate.	Class B Debenture Dividend. Amt. per mile.	Class B Debenture Dividend. Rate.
1907	$44,889	100%	.....	...	.....	$44,889	$432	$44,457	2.7%	$555	5%	$133	5%	.....	.....
1908	44,889	100	.....	...	.....	44,889	424	44,465	2.1	555	5	133	5	156	½%
1909	40,726	100	.....	...	.....	40,726	384	40,342	2.0	504	5	121	5	106	3/10
1910	40,726	100	.....	...	.....	40,726	393	40,333	2.4	504	5	121	5	71	¼
1911	40,726	100	.....	...	.....	40,726	393	40,333	2.4	504	5	121	5	141	½
1912	40,726	100	.....	...	.....	40,726	393	40,333	2.8	504	5	121	5	141	½
1913	40,726	100	.....	...	.....	40,726	393	40,333	2.9	504	5	121	5	353	1¼
1914	40,726	100	.....	...	.....	40,726	575	40,151	2.9	504	5	121	5	176	⅝
1915	40,400	100	.....	...	.....	40,400	583	39,817	3.2	500	5	120	5	210	¾
1916	39,921	100	.....	...	.....	39,921	581	39,340	4.1	494	5	119	5	173	⅝
10-Year Average	$41,446	100%	.....	...	.....	$41,446	$455	$40,991	2.7%	$513	5%	$123	5%	153	½%

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911	1910
Property investment	$10,213,747	$10,126,443	$10,087,077	$10,016,048	$9,944,040	$9,954,484	$10,073,926
Working assets	441,007	381,261	388,004	436,863	440,334	386,353	382,383
Deferred debit items	15,474	14,541	3,471	2,669	20,254	100	100
Total	$10,670,228	$10,522,245	$10,478,552	$10,455,580	$10,404,628	$10,340,937	$10,456,409
Liabilities:							
Capital stock	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Debenture stock	7,600,000	7,600,000	7,600,000	7,600,000	7,600,000	7,600,000	7,600,000
Working liabilities	66,622	65,026	69,054	69,905	48,166	46,219	43,111
Deferred credit items	6,767	2,459	5,552	12,491	6,000	6,730	129,517
Appropriated surplus	162,400	81,000	53,000	26,000	.....	.....	.....
Profit and loss surplus	334,439	273,760	250,946	247,184	250,462	187,988	183,781
Total	$10,670,228	$10,522,245	$10,478,552	$10,455,580	$10,404,628	$10,340,937	$10,456,409

Comment: There were no capital changes on the Green Bay & Western property during the year ended June 30, 1916. The property carries no bonded debt, and although as measured on the mileage basis, the stock and debenture capitalization is high, it will be noted that in recent years the company has shown an improving net income on net capitalization. At the present time the credit position of the company appears to be strong.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Green Bay & Western R.R. Class A Debentures.	5% Feb.	$2,371	$921	$119	87%	High	High	A.
2. Green Bay & Western R.R. Stock	5% Feb.	9,881	802	494	38%	Fair	Fair	Ba.
3. Green Bay & Western R.R. Class B Debentures.	See text	27,669	308	272*	10%	Mod.	"	B.*

For Key to Ratings, see page 21. * For 1%.

Note: There are no bonds on the property, and the position of the two debenture issues and the stock is as follows:

The net earnings, above taxes, rentals, hire of equipment items, etc., are to be applied as follows: (1) 2½% on Class A debentures (outstanding, $600,000); (2) 2½% on common stock (outstanding, $2,500,000); (3) Class A debentures and stock to share *pro rata* on surplus up to 2½% more per annum, making 5% in all; (4) further surplus earnings to be distributed to holders of Class B debentures (outstanding, $7,000,000). The payments are all to be non-cumulative. No mortgage is to be placed on the property without the consent of 75% of the holders of the stock. Class A debentures hold first preference as to assets, common stock holds second preference, and Class B debentures are entitled to any remaining balance. Both Class A and common have received 5% regularly since 1904. Class B received ½% in 1911 and in 1912; and 1¼% in 1913; ¾% in 1914; ¾% in 1915; ⅞% in 1916; 1% in 1917. Transfer Agents, Winthrop & Co., 40 Wall Street, New York. Debentures listed on New York Stock Exchange. Denomination of debentures, coupon, $1,000; of stock, $100 per share.

RAILROADS CONTROLLED BY OR IN INTEREST OF GREEN BAY & WESTERN RAILROAD

AHNAPEE & WESTERN RAILWAY

History: Incorporated August 18, 1890, under Wisconsin laws. Line of road, Casco Junc. to Sturgeon Bay, Wis., 34 miles. Connects with Kewaunee, Green Bay & Western R.R. at Casco Junc., forming part of the Green Bay & Western system.

Management: Officers: J. A. Jordan, Pres.; Edgar Palmer, Vice-Pres.; C. W. Cox, Sec. and Treas. Annual meeting, second Thursday in March. Office: Green Bay, Wis. Main Office: Green Bay, Wis.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenue	$111,393	$117,646	$118,526	$101,632	$97,857	$95,540
Operating expenses	66,493	78,455	63,415	63,892	72,227	64,914
Net operating revs.	$44,500	$39,191	$55,111	$37,740	$25,630	$30,626
Other income	3,348	4,467	2,286	2,236	1,784	1,695
Total net income	$47,848	$43,658	$57,397	$39,976	$27,414	$32,321
Taxes	6,332	5,963	5,270	4,369	3,720	2,789
Fixed charges	28,610	34,040	31,948	26,622	24,940	24,305
Surplus	$12,906	$3,655	$20,179	$8,985	*$1,246	$5,227

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $109,197; credit balance transferred from income, $12,906; total, $122,103. Contra: Surplus appropriated for investment in physical property, $40,700; credit balance carried to balance sheet, $81,403; total, $122,103.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$967,300	$916,361	$887,461	$876,235	$867,897	$863,750
Working assets	36,987	75,488	103,669	100,703	92,582	89,871
Deferred debit items	1,495	891	4,328	81	697	.....
Total	$1,005,782	$992,740	$995,458	$977,019	$961,176	$953,621
Liabilities:						
Capital stock	$439,500	$439,500	$439,500	$439,500	$439,500	$439,500
Funded debt	425,000	425,000	425,000	425,000	425,000	425,000
Working liabilities	12,096	11,960	17,172	11,134	9,701	8,669
Deferred credit items	40,700	.....	161	7,938	3,000	.....
Accrued liabilities not due	7,083	7,083	.....	.....	.....	.....
Appropriated surplus	.....	.....	.....	.....	.....	.....
Profit and loss surplus	81,403	109,197	113,625	93,447	83,975	80,452
Total	$1,005,782	$992,740	$995,458	$977,019	$961,176	$953,621

Bonded Debt: $425,000 Ahnapee & Western Ry. first gold 5s; dated Sept. 1, 1906 due Sept. 1, 1936. Interest paid Mar. and Sept., at Winthrop & Co., New York. Coupon, 1,000. First lien on entire property owned, consisting of 34 miles from Casco Junc. to Sturgeon Bay, Wis. Interest paid without deduction for normal income tax.

Net Rating, B.

Capital Stock: Auth., $500,000; outstanding, $439,500. Par, $100. No dividends paid.

MISSISSIPPI RIVER & BONNE TERRE RAILWAY

History: Incorporated in Missouri, May, 1888. In July, 1912, acquired the San Francois County Electric Ry. Controlled by St. Joseph Lead Co. through stock ownership.

Location: Owns 64 miles of road, of which 46½ miles is from Riverside to Doe Run, Mo., and 29.67 miles of sidings.

Management: OFFICERS: Clinton H. Crane, Pres.; E. C. Smith, Vice-Pres.; F. H. Dearing, Sec. and Treas. DIRECTORS: Hugh N. Camp, Jr., E. C. Smith, Clinton, H. Crane, Dan'l K. Catlin, Max Kotamy, Firmin Desloge, I. H. Cornell. Annual meeting, first Friday in May. OFFICE: Bonne Terre, Mo. NEW YORK OFFICE: 61 Broadway.

Tonnage: Year ended June 30, 1915, total tons carried, 2,011,507, of which 96.5% was products of mines; 1916, 2,441,979 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	53	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	53	....	21	10	1,105	85%	66,790	648,568	306	$3.42	2.01c	1.95c
1909	53	....	21	12	1,102	81	77,631	492,684	260	3.09	2.05	2.06
1910	65	....	20	12	1,198	80	56,879	583,464	288	3.32	2.90	1.77
1911	65	....	22	12	1,193	80	55,313	417,772	240	3.50	2.86	2.49
1912	65	....	22	12	1,190	77	50,679	367,970	232	3.37	2.82	2.41
1913	65	....	22	12	1,185	79	54,764	413,881	232	3.12	2.82	2.28
1914	71	....	22	12	1,184	79	61,162	297,156	205	3.71	1.99	2.55
1915	64	....	21	12	1,130	82	63,660	315,511	192	3.75	1.98	2.82
1916	64	....	19	12	1,017	83	77,141	422,673	223	4.07	1.92	2.60
9-Year Average	62*	....	21	12	1,145	81%	62,669	439,964	242	$3.48	2.37c	2.33c

* 10-year average.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	$14,871	$1,787	$1,643	$3,430	$5,619	$5,822	$6,453	$195	$6,258	$815	89%	$5,443	$2,830
1909	12,954	1,517	2,170	3,687	5,590	3,677	4,182	206	3,976	784	80	3,192	2,830
1910	12,934	1,485	1,716	3,201	5,192	4,541	5,068	217	4,851	1,161	76	3,690	2,308
1911	12,585	1,575	1,633	3,208	5,027	4,350	5,010	280	4,730	1,015	79	3,715	2,885
1912	11,609	1,396	1,474	2,870	4,987	3,752	5,638	285	5,353	2,175	59	3,178	2,654
1913	11,956	1,326	1,568	2,894	4,865	4,197	6,756	292	6,464	3,066	53	3,398	2,307
1914	9,565	927	1,314	2,241	3,505	3,819	6,004	290	5,714	2,389	58	3,325	.....
1915	10,839	863	1,120	1,983	3,654	5,202	7,259	341	6,918	2,142	69	4,776	.....
1916	13,202	964	2,549	3,513	4,084	5,605	7,568	349	7,219	2,261	69	4,958	2,109
9-Year Average	$12,279	$1,316	$1,687	$3,003	$4,724	$4,552	$5,993	$273	$5,720	$1,756	70%	$3,964	$1,991

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$844,940	$693,452	$679,111	$777,118	$754,609	$818,015	$840,742
Maintenance of way	61,727	55,244	65,848	86,205	90,589	102,371	96,568
Maintenance of equipment	163,141	71,655	93,262	101,906	95,804	106,124	111,581
All other operating expenses	261,356	233,834	248,831	316,231	425,990	326,732	337,468
Net operating revenues	$358,716	$332,719	$271,170	$272,776	$242,226	$282,788	$295,125
Operating ratio	57.55%	52%	60%	64.9%	67.9%	65.4%	64.9%
Other income	125,607	131,878	155,105	166,373	129,248	42,822	34,314
Total net income	$484,323	$464,597	$426,275	$439,149	$371,476	$325,610	$329,439
Taxes accrued	22,278	21,796	20,533	18,993	18,524	18,193	14,135
Balance for charges	$462,045	$442,801	$405,742	$420,156	$352,952	$307,417	$315,304
Fixed charges	144,728	137,100	169,708	199,243	141,858	66,019	75,434
Surplus over charges	$317,317	$305,701	$236,034	$220,913	$211,094	$241,398	$239,870
Dividends paid	*135,000	.....	.....	150,000	172,000	187,500	150,000
Balance	$182,317	$305,701	$236,034	$70,913	$38,594	$53,898	$89,870
Earned on stock	10.57%	10.19%	7.53%	7.7%	7%	8.04%	8%

* Paid out of profit and loss account.

Note: Fixed charges include interest and discount on funded debt.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915, $432,667; credit balance transferred from income, $317,317; profit on road and equipment sold, $1,320; miscellaneous credits, $61; total, $751,365. Contra: Dividend appropriations, $135,000; loss on retired road and equipment, $4,960; miscellaneous debits, $1,011; credit balance carried to balance sheet, $610,394; total, $751,365.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$5,990,916	$5,996,840	$6,109,286	$3,800,557	$3,801,422	$3,744,822
Working assets	352,303	219,157	399,229			
Deferred debit items.....	7,512	60,440	158,315	3,369,639	3,214,087	691,785
Accrued income not due..	31,320	31,250	31,250			
Total	$6,382,051	$6,307,687	$6,698,080	$7,170,196	$7,015,509	$4,436,607
LIABILITIES:						
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$2,500,000
Funded debt	2,500,000	2,650,000	2,778,900	2,850,000	2,950,000	420,000
Working liabilities	79,962	64,163	429,449	1,081,132		
Accrued liabilities not due	42,250	45,764	47,872	48,686	979,071	969,216
Deferred credit items....	149,445	115,093	83,723	57,715		
Appropriated surplus	.....	.....	.....	.....		
Profit and loss surplus...	610,394	432,667	358,136	132,663	86,438	547,391
Total	$6,382,051	$6,307,687	$6,698,080	$7,170,196	$7,015,509	$4,436,607

TABLE D.—Bond Record and Ratings (Based on 9-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING.		Net Rating.
								Security.	Salability.	
1. Mississippi River & Bonne Terre first 5s.....	A&O	O 1931	(1st) 65	$38,460	$5,720	$1,950,	66%	Good	Fair	Baa.[1]

Note: "Average income available" is the average net income available per mile for interest charges, after deducting taxes for the nine years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Auth. and outstanding, $2,500,000. Dated Oct. 2, 1911; due Oct. 1, 1931. Int. paid at St. Louis, Mo. Callable at 105 and int., on 90 days' notice. Sinking fund: $25,000 annually for first five years and $50,000 annually thereafter to be used for purchase of these bonds at not over 105 and int. Bonds so purchased to be kept alive. First lien on entire property of the company (64.56 miles). Further secured by deposit of a 5% note of the St. Joseph Lead Co., which company agrees that no mortgages shall be placed on its property during the life of these bonds without securing this note equally and ratably with all bonds secured under such mortgage. Legal for Savings Banks in Conn., Maine, N. H., N. J., Vt. Interest payable without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $3,000,000. Par, $100. Dividends: 1901 to 1910, inclusive, 6% per annum; 1911, 7½%; 1912, 6%; 1913, 5%; none in 1914 and 1915; 4½% in 1916. A stock dividend of $500,000 was paid in 1911, raising the issue from $2,500,000 to $3,000,000. All owned by the St. Joseph Lead Co.

MISSOURI, KANSAS & TEXAS RAILWAY COMPANY

NOTE: The analysis is based on official documents of the Company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

History: Incorporated May 20, 1896, as a consolidation of the original Missouri, Kansas & Texas Ry. (formed in 1879), with the Missouri, Kansas & Eastern Ry., the Southwestern Mineral Ry., and the St. Louis & Kansas City Ry. Afterwards a number of other lines were acquired or merged, including the Kansas City & Pacific, the Missouri, Kansas & Northwestern, the Missouri, Kansas & Oklahoma, etc. In June, 1910, nearly all the capital stock of the Texas Central Ry. was acquired, and in 1911 the control of the Wichita Falls & Northwestern Ry. and the Wichita Falls & Southern Ry. were acquired; these properties now being directly merged as a part of the system. In October, 1912, the entire capital stock of the Beaumont & Great Northern R.R. was purchased and the property was afterwards directly merged, and its bonded debt assumed.

Location: The directly operated lines of the Missouri, Kansas & Texas Ry. consisted, June 30, 1916, of 3,865.04 miles, classified as follows (including trackage rights): M. K. & T. Ry. Co. lines, 1,744.38 miles; M. K. & T. Ry. of Texas lines, 1,293.78 miles; lines leased by M. K. & T. Ry. of Texas, 498.20 miles; Wichita Falls lines, 328.68 miles. Divided by States, the mileage was as follows: In Missouri, 542.58 miles; in Kansas, 494.24 miles; in Oklahoma, 1,036.27 miles; in Texas, 1,772.69 miles; in Louisiana, 19.29 miles. Population of above States (excepting Louisiana) in 1890, 6,403,637; in 1900, 8,024,201; in 1910, 10,543,981.

Reorganization: In October, 1915, the entire property with the exception of the Wichita Falls Lines went into the hands of receivers. A complete plan of reorganization, looking to the scaling down of fixed charges, was pending in January, 1917. It is understood that this plan contemplates the elimination of many of the branch lines of the system. Full details regarding this new plan will be furnished to our subscribers as soon as the same is published.

Management: OFFICERS: C. E. Schaff, Rec.; Frank Trumbull, Chairman; C. E. Schaff, Pres.; C. N. Whitehead, Vice-Pres.; C. Haile, Vice-Pres.; W. A. Webb, Vice-Pres.; E. F. Broomhall, Sec.; Frank Johnson, Treas. DIRECTORS: Frank Trumbull, Edward S. Rea, Harry S. Black, Stuyvesant Fish, Frank P. Frazier, Walter S. Crandell, C. E. Schaff, Horace E. Andrews, Frank H. Davis, W. W. Brown, E. A. Faust, L. B. Franklin, A. J. Miller, D. W. Mulvane, Geo. W. Simmons, E. R. Tinker. Annual meeting, Thursday following first Monday in April. GENERAL OFFICES: St. Louis, Mo., and Parsons, Kan. NEW YORK OFFICE: 61 Broadway.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	23.55%	18.78%	19.36%	19.14%	21.04%	23.65%	23.91%	22.24%	24.67%	22.47%
Products of Animals.....	8.43	8.47	7.50	6.74	5.95	5.78	6.26	5.78	4.84	4.60
Products of Mines.....	30.88	34.46	34.63	36.23	36.64	42.47	37.63	39.13	42.64	40.61
Products of Forests.....	9.68	9.10	9.74	9.14	8.63	6.80	8.79	8.99	7.76	8.00
M'f's, Mdse., etc.....	27.46	29.19	28.77	28.72	27.74	21.30	23.41	23.86	20.09	24.32

Total revenue tonnage, year ended June 30, 1900, 3,936,957 tons; 1909, 7,357,089 tons; 1910, 7,486,840 tons; 1911, 8,165,406 tons; 1912, 8,722,847 tons; 8,874,462 tons in 1913; 9,121,554 tons in 1914; 10,135,040 tons in 1915; 10,158,487 tons in 1916.

The freight tonnage on this system is unusually well diversified; the largest single class of freight is coal, which in 1913 amounted to 1,900,233 tons; 1,970,983 tons in 1914; 1,570,573 tons in 1915; 1,507,878 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	3,072	....	505	357	19,766	70%	90,169	556,571	225	$1.99	2.27c	1.08c
1908.....	3,072	....	537	363	23,372	67	101,084	496,138	220	1.86	2.04	1.01
1909.....	3,072	....	541	366	22,972	66	113,341	526,732	234	2.03	2.00	1.04
1910.....	3,072	....	541	406	23,485	64	117,673	528,021	216	1.93	2.13	1.05
1911.....	3,377	....	622	482	26,186	63	115,803	475,570	225	2.05	2.28	1.13
1912.....	3,398	....	628	478	26,010	64	102,755	493,108	241	1.98	2.35	1.08
1913.....	3,677	....	682	493	26,872	64	109,065	497,766	243	2.11	2.34	1.14
1914.....	3,825	105	656	511	26,798	64	105,635	483,838	268	2.10	2.25	1.09
1915.....	3,865	120	668	507	26,280	68	92,748	585,703	310	2.24	2.26	.99
1916.....	3,865	67	677	452	25,731	67	96,847	562,264	323	2.31	2.22	1.00
10-Year Average	3,430	29	606	442	24,247	59%	104,512	520,591	251	$2.06	2.21c	1.06c

Yard tracks and sidings, 1,127.05 miles.

Comment: The Missouri, Kansas & Texas did not succeed in maintaining its freight density at the usual high level in 1916, and the passenger business also remained at about the figures of the previous year. The average freight train load, however, was much better than in earlier years and train mile earnings averaged well. As usual the freight tonnage of the company was well diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$8,523	$1,129	$949	$2,078	$3,537	$2,908	$2,966	$139	$2,827	$1,628	41%	$1,199	$169
1908.....	7,579	1,012	989	2,001	3,347	2,231	2,322	224	2,098	1,695	19	403	169
1909.....	8,236	1,097	1,100	2,197	3,554	2,485	2,544	315	2,229	1,782	20	447	169
1910.....	8,646	1,333	1,078	2,411	3,835	2,400	2,501	330	2,171	1,832	16	339	169
1911.....	8,607	1,155	1,051	2,206	3,898	2,503	2,631	298	2,333	1,807	23	526	149
1912.....	8,293	1,215	1,102	2,317	3,922	2,054	2,148	312	1,836	1,831	....	5	151
1913.....	8,797	1,261	1,115	2,376	3,827	2,594	2,775	350	2,425	1,795	26	630	141
1914.....	8,240	1,196	1,028	2,224	3,716	2,300	2,357	392	1,965	1,824	7	141	68
1915.....	8,512	1,165	1,185	2,350	3,593	2,569	2,626	344	2,282	1,900	17	382	.....
1916.....	8,402	1,743	1,517	3,260	3,414	1,728	1,833	427	1,404	1,890	....	486*	.....
10-Year Average	$8,384	$1,231	$1,111	$2,342	$3,665	$2,377	$2,470	$313	$2,157	$1,798	16%	$359	$119

Note: Above table is based on average mileage directly operated for each year. Margin of safety is proportion of surplus left over, after deducting all fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$32,474,485	$32,898,759	$31,521,188	$32,346,258	$28,186,719	$29,065,293	$26,559,346
Maintenance of way	6,734,992	4,502,567	4,574,726	4,637,748	4,129,256	3,900,643	4,095,793
Maintenance of equipment	5,864,189	4,579,464	3,934,119	4,100,819	3,745,233	3,550,393	3,310,795
All other operating expenses	13,195,164	13,885,561	14,213,274	14,069,845	13,366,686	13,162,083	11,791,232
Net operating revenues	$6,680,140	$9,931,167	$8,799,069	$9,537,846	$6,945,544	$8,452,174	$7,361,526
Operating ratio	79.4%	66.9%	72.09%	70.5%	75.2%	70.9%	72.2%
Other income	405,972	214,834	217,279	666,611	356,395	431,693	309,642
Total net income	$7,086,112	$10,146,001	$9,016,348	$10,204,457	$7,301,939	$8,883,867	$7,671,168
Taxes accrued	1,651,597	1,327,871	1,499,521	1,287,903	1,060,181	1,005,649	1,012,918
Balance for charges	$5,434,515	$8,818,130	$7,516,827	$8,916,554	$6,241,758	$7,878,218	$6,658,250
Fixed charges	7,306,978	7,343,145	6,977,600*	6,599,569	6,224,590	6,104,512	5,616,787
Surplus over charges	*$1,872,463	$1,474,985	$539,227	$2,316,985	$17,168	$1,773,706	$1,041,463
Dividends paid	.....	.....	261,429	521,052	521,635	521,020	520,000
Appropriations	954	.....	.....	.....	.....	.....	.....
Balance	*$1,873,417	$1,474,985	$277,798	$1,795,933	*$504,467	$1,252,686	$521,463
Earned on stock: Preferred	.....	11.35%	4.15%	17.82%	.13%	13.64%	8.01%
Common	.....	1.51%	.03%	2.84%	.....	1.98%	.82%

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $6,408,081; donations, $16,244; miscellaneous credits, $76,437; profit on road and equipment sold, $25 (reverse entry); total, $6,500,737. Contra: Debit balance transferred from income, $1,873,417; dividend appropriations of surplus, $934; surplus appropriated for investment in physical property, $28,775; stock discount extinguished through surplus, $5,320; debt discount extinguished through surplus, $13,613; miscellaneous appropriations of surplus, $49,500; loss on retired road and equipment, $399,532; delayed income debits, $1,906; miscellaneous debits, $22,717; credit balance carried to balance sheet, $4,105,023; total, $6,500,737.

Comment: During the year ended June 30, 1916, the gross revenues of the Missouri, Kansas & Texas property remained practically stationary, and as sharp increases occurred in the maintenance cost, the total net revenues were far below the figures of 1915. The final balance available for charges was 40% below the normal figure, and a very serious deficit was reported.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$26,114	42%	$35,256	58%	$3,115	$64,485	$1,081	$63,404	4.7%	$169	2%	.....	.....	84%	.....
1908	26,114	42	36,529	58	3,303	65,946	2,063	63,883	3.9	169	4	.....	.....	86	.....
1909	26,114	42	36,226	58	3,453	65,793	Nom.	65,793	4	169	4	.....	.....	60	.....
1910	24,837	40	38,362	60	4,570	67,769	$458	67,311	3.9	169	4	.....	.....	61	.....
1911	22,604	40	37,499	60	3,922	64,025	725	63,300	4.2	149	4	.....	.....	50	.....
1912	22,452	31	45,098	69	3,400	70,959	.202	70,757	3	151	4	.....	.....	72	.....
1913	20,758	35	38,284	65	3,077	62,119	167	61,952	4.5	141	4	.....	.....	.....	.....
1914	19,955	35	36,806	65	2,739	59,500	173	59,327	4	68	4	.....	.....	78	.....
1915	19,747	35	36,841	65	2,850	59,438	$1	59,354	4.4	.....	.....	.....	.....	.....	.....
1916	19,748	35	36,660*	65	3,466	59,874	$1	59,790	3	.....	.....	.....	.....	.....	.....
10-Year Average	$22,844	38%	$37,756	62%	$3,390	$63,990	$504	$63,486	3.9%	$119	3%	.....	.....	70%	.....

* Excludes $30,292,000 consolidated mortgage bonds pledged and $2,749,000 general mortgage bonds held in sinking fund.

Note: Above table is based on the average mileage operated for each year. Bonds outstanding do not include those held in treasury.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$262,942,146	$260,843,297	$256,852,683	$248,936,120	$233,416,262	$207,922,763
Working assets	9,056,631	6,162,931	8,082,503	9,238,758	6,521,781	5,899,223
Deferred debit items	550,284	827,062	573,494	2,001,374	1,247,458	1,483,612
Accrued income not due	.....	.....	.....	15,202	110,000	.....
Total	$272,549,061	$267,833,290	$265,508,680	$260,191,454	$241,295,501	$215,305,598

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$76,327,000	$76,326,900	$76,326,000	$76,325,700	$76,335,500	$76,334,600
Funded debt	174,730,400	173,341,500	171,613,500	167,788,991	153,763,500	126,635,000
Working liabilities	13,157,755	7,972,029	9,054,853	7,362,084	3,142,585	3,226,209
Accrued liabilities not due	2,362,918	1,948,546	1,576,066	1,513,489	1,388,337	1,393,328
Deferred credit items....	1,865,965	1,836,235	305,528	193,446	167,136	179,005
Appropriated surplus	4,105,023	6,408,080	1,800,276	1,784,597	1,769,057	1,753,824
Profit and loss surplus...			4,832,457	5,223,147	4,729,386	5,783,632
Total	$272,549,061	$267,833,290	$265,508,680	$260,191,454	$241,295,501	$215,305,598

Note: The securities owned by the company and deposited as collateral amounted on June 30, 1916, to $68,235,400 of which $49,677,500 consisted of bonds and $18,557,900 of stocks. Those not so deposited amounted to $512,998. The funded debt for 1916 as shown above includes $30,292,000 bonds held by company and $2,749,000 in sinking fund.

Comment: As the Missouri, Kansas & Texas property is shortly to be reorganized, the old capitalization figures have not much current significance. The weakness of the property has been its heavy capitalization, and very high fixed charges. In the proposed reorganization these charges will have to be cut down very seriously, and a great deal of new capital supplied.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Missouri, Ks. & Texas first 4s.....	J&D	Je 1990	(1st) 1,583 (and coll.)	$25,300	$2,157	$410	80%	High	Very high	Baa.
2. Missouri, Ks. & Texas second 4s.....	F&A	Je 1990	(2d) 1,583 (and coll.)	12,500		207	78%	Fair	"	B.
3. Missouri, Ks. & Texas first Exten. 5s.....	M&N	N 1944	(1st) 166	20,000		40	78%	"	"	Caa.
4. Missouri, Ks. & Eastern first 5s.....	A&O	Ap 1942	(1st) 162	24,700		52	78%	"	"	B.
5. Missouri, Ks. & Eastern second 5s.....	A&O	Ap 1942	(2d) 162	.....	1,747	1	78%	"	High	B.
6. M. K. & Texas St. Louis Div. refund. 4s.....	A&O	Ap 2001	(3d) 162 (& Bge.)	11,900		20	78%	"	Very high	Ca.
7. M. K. & Texas of Texas first 5s.....	M&S	S 1942	(1st) 225	20,000		59	78%	"	"	Baa.
8. Kansas City & Pcf. first 4s.	F&A	Ag 1990	(1st) 128	19,230		26	79%	"	"	Ba.
9. Dallas & Waco first 5s.....	M&N	N 1940	(1st) 66	20,000		17	79%	"	"	B.
10. Booneville R. R. Bdge. first 4s.....	M&N	N 1951	(1st) Bdge.	.....		10	79%	"	"	Baa.
11. Sherman, S'port & So. first 5s.....	J&D	Je 1943	(1st) 182	9,230	1,368	21	79%	"	"	Caa.
12. Miss. Ks. & Okla. first 5s..	M&N	My 1942	(1st) 271	20,000		71	79%	"	"	Baa.
13. Texas & Okla. first 5s.....	M&S	S 1943	(1st) 119	20,000		27	79%	"	"	Caa.
14. So'west. Coal & Imp. first 6s	J&J	Jl 1929	(1st on coll.)	.....		12	79%	"	High	Caa.
15. Missouri, Ks. & Texas first refunding 4s.....	M&S	S 2004	(term & col.)	(text)		103	79%	"	Very high	B.
16. Missouri, Ks. & Texas gen. s. f. 4½s.....	J&J	Ja 1936	(see text)	"		121	50%	Mod.	"	Caa.
17. Missouri, Ks. & Texas cons. 5s.....	A&O	Ap 1940	"	.....		(text)	50%	"	High	Caa.
18. Missouri, K. & T. 5% notes	M&N	(see text)	(coll.)	.....		245	50%	"	"	B.
19. Texas Cent. R. R. first 4s & 5s.....	A&O	Ap 1923	(1st) 309	6,472		27	50%	"	Fair	Ba.
20. Wichita Falls & N. W. Ry. first 5s.....	J&J	Ja 1939	(1st) 154	14,000		28	50%	"	"	Baa.
21. Wichita Falls & N. W. Pan. Han. Div. first 5s.....	J&J	Ja 1925	(1st) 57	.....	1,081	12	50%	"	"	Ba.
22. Wichita Falls & So. first 5s.	J&J	Ja 1938	(1st) 52	14,000		11	50%	"	"	Ca.
23. Wichita Falls & N. W. first ref. 5s.....	J&J	Ja 1940	(1st) 168 (and gen.)	.....		38	50%	"	"	Ba.
24. Beaumont & Gt. No., 1st 5s	J&J	Jl 1939	(1st) 48	.....		12	50%	"	"	B.
25. Equipment 5s.....	J&D	1917-23	.....	.....		23	50%	Good	"	Baa.
26. San Ant.B.& Term.6%notes	A&O	Ap 1919	Term.	.....		20	50%	Fair	.....	A.

For Key to Bond Ratings, see pages 19 to 21.

Note: Although, as based on average earnings, the Factor of Safety on nearly all the issues of the Missouri, Kansas & Texas system is high, yet the recent decline in the company's credit and the present receivership point to a radical scaling down of the fixed charges. It has, therefore, been necessary to give relatively low ratings to even those issues which clearly cover property of great intrinsic worth. Many of the issues are now temporarily in default. For current facts, consult our Special Service.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $40,000,000; outstanding, $39,999,500. Dated June 1, 1890; due June 1, 1990. Int. paid at company's office, 61 Broadway, New York. Coupon $500 and $1,000. First lien on 1,114.16 miles, as follows: Hannibal, Mo., to Texas State line, 571.87 miles; Parsons to Junction City, Kas., 157.51 miles; Holden, Mo., to Paola, Kas., 53.59 miles; Atoka to Lehigh, Oklahoma, 8.73 miles; McAlester to Osage Coal Mines, Oklahoma, 4.61 miles; and (in Texas) Texas State line to Gainesville, 45.68 miles; Ft. Worth to Taylor, 160.25 miles; Denison to Mineola, 104.83 miles; Echo to Belton, 7.09 miles; a first collateral lien on 468.10 miles including $2,000,000 of the Sherman, Shreveport & Southern First Mortgage 5s of 1943 (No. 11), out of a total issue of $3,689,000 (closed mortgage), of which $1,689,000 are held by the public, covering 181.72 miles; also a lien on the rights of the M., K. & T. Ry. Co. to land grants in Oklahoma, covering 3,110,400 acres; further secured by deposit with trustee of all but $10,000 of the entire capital stock ($10,152,500) of the M., K. & T. Ry. of Texas. Underlie Nos. 2, 16 and 17. Coupon $500 and $1,000. Legal for Savings Banks in Cal., Me., Minn., Mo. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest. Dec., 1916, interest deferred. Protective Committee: Wm. C. Osborn, Chairman; P. G. Tomlinson, Sec., 45 Wall Street, New York. United States Trust Co., Depository.

2. Auth. and outstanding, $20,000,000. Dated June 1, 1890; due June 1, 1990. Int. paid at company's office, 61 Broadway, New York. Second lien on 1,114.16 miles, following No. 1; second collateral lien on 468.10 miles (following No. 1), and second lien on the securities covered by first lien by No. 1. Underlie Nos. 16 and 17. Coupon, $500 and $1,000. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest. Defaulted, Feb., 1916. Protective Committee: E. G. Merrill, Chairman; G. K. B. Wade, Sec., 80 Broadway, New York. Union Trust Co., Depository.

3. Auth., $20,000 per mile; outstanding, $3,253,000 (closed). Dated Nov. 1, 1894; due Nov. 1, 1944. Int. paid at company's office, 61 Broadway, New York. Coupon, $1,000. First lien, 166 miles of road, as follows: From Cherokee Junc. (Labette) to Mineral, Kan., 17 miles; Kansas City Junc. to Holden, Mo., 32.90 miles; Walker to Eldorado Springs, Mo., 14 miles; Moran to Iola, Kan., 15.20 miles; Mineral, Kan., to Joplin, Mo., 28.80 miles; extension to Krebs Branch, 16.80 miles; and branches aggregating 38.45 miles. Underlie Nos. 15, 16 and 17 with provision by No. 15 to retire. Coupon, $1,000. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Defaulted, Nov., 1915. Protective Committee: J. W. Platten, Chairman; C. H. Murphy, Sec., 55 Cedar Street, New York. United States Mortgage & Trust Co., Depository.

4. Auth. and outstanding, $4,000,000. Dated April 1, 1892; due April 1, 1942. Int. paid at company's office, 61 Broadway, New York. Coupon, $1,000. First lien from Franklin Junction to Texas Junction, Mo., 161.7 miles; also on lease of Booneville Bridge R.R. and other leases. Underlie Nos. 5, 6, 16 and 17, with provision by No. 6 to retire at maturity. Legal for S. B. in Me., Minn. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Oct., 1916, interest deferred. Protective Committee: J. W. Stedman, Chairman; Geo. E. Warren, Sec., 60 Broadway, New York. Columbia Trust Co., Depository.

5. Auth., $500,000; outstanding, $58,000 (closed). Dated April 1, 1892; due April 1, 1942. Int. paid at company's office, 61 Broadway, New York. Coupon, $1,000. Second lien on 161.7 miles following No. 4. Convertible into No. 6 at the rate of 3 of this issue for 4 of No. 6. Underlie Nos. 6, 16 and 17, with provision by No. 6 to retire. Oct., 1916, interest deferred. Interest paid without deduction for normal income tax.

6. Auth., $6,000,000; outstanding, $1,924,000. Dated April 1, 1901; due April 1, 2001. Int. paid at company's office, 61 Broadway, New York. Coupon, $1,000. Third lien on 161.7 miles, following Nos. 4 and 5. Underlie Nos. 16 and 17. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Defaulted, April, 1916. Protective Committee: E. S. Marston, Chairman; A. V. Heely, Sec., 22 William Street, New York. Farmers' Loan & Trust Co., Depository.

7. Auth., $10,000,000; outstanding, $4,505,000. Dated Aug. 1, 1892; due Sept. 1, 1942. Int. paid at company's office, 61 Broadway, New York. Coupon, $1,000. Guar. prin. and int. by the M., K. & T. Ry. by endorsement. First lien on 224.84 miles of road, as follows: Boggy Tank to Houston, Tex., 84 miles; Lockhart to Smithville, 37 miles; Denison to Sherman, 10.62 miles; San Marcos to San Antonio and San Marcos extension, 48.10 miles; Granger to Austin, 45.40 miles. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Sept., 1916, interest deferred. Protective Committee: J. S. Bache, Chairman; E. P. Goetz, Sec., 42 Broadway, New York. Empire Trust Co., Depository.

8. Auth. and outstanding, $2,500,000. Dated, Aug. 1, 1890; due Aug. 1, 1990. Int. paid at M., K. & T. office, 61 Broadway, New York. Int. guar. by endorsement by the M., K. & T. Ry., now assumed. First lien, Paola, Kan., to Stevens, Okla., 128 miles. Underlie Nos. 16 and 17. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000. Aug., 1916, interest deferred. Protective Committee: E. C. Delafield, Chairman; J. C. Traphagen, Sec., 46 Wall Street, New York. Franklin Trust Co., Depository.

9. Auth., $2,000,000; outstanding, $1,340,000 (closed). Dated Nov. 1, 1890; due Nov. 1, 1940. Int. paid at M., K. & T. office, 61 Broadway, New York. Guar., prin. and int. by the M., K. & T. by endorsement. First lien, Dallas to Hillsboro, Tex., 65.58 miles. Coupon, $1,000. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Nov., 1916, interest deferred.

10. Auth. and outstanding, $947,000. Dated Nov. 1, 1901; due Nov. 1, 1951. Int. paid at M., K. & T. office, 61 Broadway, New York. Guar. prin. and int. by M., K. & T. Ry. by endorsement. Sinking fund, $10,000 per annum. First lien on bridge across Missouri River from Booneville to Franklin, Mo., together with all appurtenances. No. 17 provides for retirement. Listed on New York Stock Exchange. Normal income tax deducted from interest. Coupon, $1,000. May, 1916 interest deferred. Protective Committee: Robt. Struthers, Jr., Chairman; E. W. Judd, Sec., 37 Wall Street, New York. Metropolitan Trust Co., Depository.

11. Auth., $6,000,000; outstanding, $1,689,000 (closed). Dated June 1, 1893; due June 1, 1943. Int. paid at M., K. & T. office, 61 Broadway, New York. Guar. prin. and int. by the M., K. & T. Ry. by endorsement and now assumed. First lien, McKinney to Wascom, Tex., 181.72 miles. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000. Defaulted, Dec., 1915. Protective Committee: R. W. Leigh, Chairman; J. S. Dale, Sec., 52 William Street, New York. Columbia Trust Co., Depository.

12. Auth., $20,000 per mile; outstanding, $5,468,000 (closed). Dated May 1, 1902; due May 1, 1942. Int. paid at M., K. & T. office, 61 Broadway, New York. Guar. prin. and int. by M., K. & T. Ry. by endorsement and now assumed. First lien, Oklahoma City to Stevens, 168.45 miles; Fallis to Oklahoma City, 22.93 miles; Osage Junction to Verdark, Okla., 79.64 miles; total, 270.74 miles. Underlie Nos. 15, 16 and 17, with provision by No. 15 to retire. Coupon, $1,000. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Nov., 1916, interest deferred. Protective Committee: J. W. Platten, Chairman; C. H. Murphey, Sec., 55 Cedar Street, New York. U. S. Mortgage & Trust Co., Depository.

REFERENCE NOTES ON BOND ISSUES (Continued)

13. Auth., $2,500,000; outstanding, $2,347,000 (closed). Dated Sept. 1, 1903; due Sept. 1, 1943. Int. paid at M., K. & T. office, 61 Broadway, New York. Guar. prin. and int. by M., K. & T. Ry. by endorsement and now assumed. First lien, Oklahoma City to Colgate, Okla., 118.65 miles. Underlie Nos. 15, 16 and 17, with provision by No. 15 to retire. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Coupon, $1,000. Defaulted, Mar., 1916. Protective Committee: F. N. B. Close, Chairman; P. D. Bogue, Sec., 16 Wall Street, New York. Bankers Trust Co., Depository.

14. Auth., $1,000,000; outstanding, $743,000 (closed). Dated July 1, 1889; due July 1, 1929. Int. paid at M., K. & T. office, 61 Broadway, New York. Guar. prin. and int. by M., K. & T. Ry. by endorsement and now assumed. First lien on coal land leases in Oklahoma, and on about 2,350 acres of coal land owned in Cherokee Co., Kan., together with plant and equipment; also secured by deposit of all of the capital stock and all the Denison & Washita Valley Ry. Co. 1st 6s of 1929 covering 20 miles of road. Normal income tax deducted from interest Coupon, $1,000. Defaulted, Jan., 1916.

15. Auth., $40,000,000; outstanding, $9,992,000. Dated Sept. 1, 1904; due Sept. 1, 2004. Int. paid at company's office, 61 Broadway, New York. First lien on terminal property, etc., in Parsons, Kas., and Sedalia, Mo., and upon equipment, which together have an estimated value of $24,380,000. A second lien on 576.40 miles, as follows: 166 miles, following No. 3; 270.74 miles, following No. 12; 118.65 miles, following No. 13; 4.87 miles, following the first lien of the Denison & Washita Valley 1st 6s, all of the latter being deposited under No. 14, and upon 16.14 miles of branches and spurs following No. 16. Underlie No. 16, except as to 16.14 miles, and No. 17, which provides for retirement. Of those outstanding, $448,000 are pledged under No. 17. Coupon, $1,000. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax. Defaulted, Mar., 1916. Protective Committee: A. J. Hemphill, Chairman; W. C. Cox, Sec., 140 Broadway, New York. Guaranty Trust Co., Depository.

16. Auth., $20,000,000; outstanding, $10,421,000 (closed). Dated Jan. 1, 1906; due Jan. 1, 1936. Int. paid at company's office, New York. Sinking fund, 2% of outstanding bonds, yearly, to retire at par or better. First lien on 16.14 miles of branches and spurs; second lien on 128 miles following No. 8; also second lien on equipment and on terminal property, etc., at Sedalia, Mo., and Parsons, Kas., together having an estimated value of $24,380,000, following No. 15; third lien on 1,348.46 miles, as follows: 788.20 miles of road not in Texas, following No. 1; 166 miles, following No. 3; 270.74 miles, following No. 12; 118.65 miles, following No. 13; and 4.87 miles covered by first lien of the Denison & Washita Valley 6s of 1929 and 1933; all of which latter are deposited under No. 14; a third collateral lien on 468.10 miles, following No. 1; a third collateral lien on practically the entire capital stock of the M., K. & T. Ry. of Tex., following No. 1 and No. 2; comprising the line from Texas State Line to Gainesville, 45.58 miles; Ft. Worth to Taylor, 162.11 miles; Denison to Mineola, 102.59 miles, and Echo to Belton, 7.12 miles; fourth lien on 170.43 miles, following No. 4. Secured by collateral lien on stocks of various companies, including practically all the stock of the Booneville R.R. Bg. Co., and upon stock of other bridge, depot and terminal companies. Underlie No. 17, which provides for retirement. Coupon, $1,000. Listed on New York, London and Amsterdam Stock Exchanges. Interest paid without deduction for normal income tax. Defaulted, Jan., 1916. Protective Committee: Otto T. Bannard, Chairman; H. W. Morse, Sec., 26 Broad Street, New York. New York Trust Co., Depository.

17. Auth., $125,000,000; issued, $30,292,000, of which $25,825,000 are deposited under No. 18 and balance under bills payable. Dated April 1, 1910; due April 1, 1940. Int. paid at New York. Callable at 102½ and int. on or after April 1, 1915. First collateral lien on 9.82 miles, Egan to Cleburne, Texas, being a first lien by deposit, with the Trustee, on the entire issue ($150,000) of Dallas, Cleburne & Southwestern 1st 5s, which cover said mileage; third lien on 144.14 miles, viz.: on 128 miles, following No. 8, and on 16.14 miles, following Nos. 15 and 16; also a third lien on equipment and on terminal property at Sedalia, Mo., and Parsons, Kas., following Nos. 15 and 16; fourth collateral lien on the 317.50 miles, following No. 16; a fifth lien on 170.43 miles, following No. 16; a first lien by deposit with the Trustee of the following securities: $2,662,300 common and $1,305,000 preferred stock of the Texas Central R.R. Co., $350,000 Denison, Bonham & New Orleans R.R. Co. 1st 5s of 1935; $1,999,300 capital stock Wichita Falls & Northwestern Ry. Co.; $9,300 Dallas, Cleburne & Southwestern Ry. Co. stock, $9,800 Joplin Union Depot Co. stock, $99,100 Missouri, Kansas & Texas Terminal Co. of St. Louis stock; $448,000 Missouri, Kansas & Texas 1st & Refunding 4s, $6,830,000 M., K. & T. Gen. 4½s; $4,776,000 M. K. & T. Terminal Co. of St. Louis 1st 5s; $24,100 capital stock Denison, Bonham & New Orleans Ry. Co.; a lien upon the securities covered by No. 16, but subject thereto. None yet in hands of public. Interest paid without deduction for normal income tax.

18. Auth., $25,000,000; outstanding, $19,000,000. Dated May 1, 1913; maturity May 1, 1915; extended to May 1, 1916. Int. paid at New York. Secured by a first collateral lien on $25,825,000 (par value) of No. 17 (above). Coupon, $1,000. Interest paid without deduction for normal income tax. Prin. and int. in default. Protective Committee: W. V. King, Chairman; C. A. Austin, Sec., 60 Broadway, New York. Central Trust Co., Depository.

19. Auth., $2,000,000; outstanding, $1,850,000 5s, $150,000 4s. Dated April 1, 1893; due April 1, 1923. Interest paid at M., K. & T. office, 61 Broadway, New York. Callable at 110 and int. on four weeks' notice. First lien on 308.72 miles of road, as follows: From Waco to Rotan Texas, 268.02 miles; and from De Leon to Cross Plains, Texas, 40.70 miles. Coupon, $1,000. Legal for S. B. in Texas and Mo. Interest paid without deduction for normal income tax.

20. Auth., $2,300,000; outstanding, $2,142,000. Dated Jan. 1, 1909; due Jan. 1, 1939; int. paid at First Trust & Savings Bank, Chicago, and Equitable Trust Co., New York. Coupon, $1,000. Callable at 105 on 60 days' notice. First lien or first collateral on 154 miles from Oklahoma-Texas State line to Elk City, Okla., with branches, etc. Underlies Nos. 21 and 23 with provision by latter for retirement. Interest paid without deduction for normal income tax.

21. Auth., $900,000; outstanding, $843,000. Dated Jan. 1, 1910; due Jan. 1, 1925; int. paid at First Trust & Savings Bank, Chicago. Coupon, $1,000. First lien on 57 miles, Altus, Okla., to Wellington, Tex.; second lien or second collateral lien on 154 miles, following No. 20. Sinking fund, ½ of 1% per annum to redeem bonds at not over 105 and interest. Underlie No. 23 which provides for retirement. Interest paid without deduction for normal income tax.

22. Auth., $780,000; outstanding, $729,000. Dated Jan. 1, 1908; due Jan. 1, 1938; int. paid at Equitable Trust Co., New York and First Trust & Savings Bank, Chicago. Coupon, $1,000. First lien, 52 miles, South Junc. to New Castle Tex, Guar. prin. and int. by W. F. & N. W. Ry. Sinking fund, ½ of 1% per annum, to purchase bonds, at not over 103 and int. Interest paid without deduction for normal income tax. July, 1916. interest deferred. Protective Committee: Robt. Elliott, Chairman; B. F. Taylor, Sec., 105 So. La Salle Street, Chicago. First Trust & Savings Bank, Chicago, Depository.

23. Auth., $10,000,000; outstanding, $3,000,000. Dated July 1, 1911; due Jan. 1, 1940; int. paid at M., K. & T. office, 61 Broadway, New York. First lien on 168 miles, and also follows Nos. 20 to 22. Coupon, $1,000. Interest paid without deduction for normal income tax. Protective Committee: Elisha Walker, Chairman; G. N. Lindsay, Sec., 25 Broad Street, New York.

REFERENCE NOTES ON BOND ISSUES (Continued)

24. Auth. and outstanding, $883,000. Dated July 1, 1909; due July 1, 1939; int. paid Jan. and July. Coupon, $1,000. Auth., at $20,000 per mile. First lien on entire property. Callable at 102½ and int. on 90 days' notice. Guar. prin. and int. by M., K. & T. Ry., and now assumed. Interest paid without deduction for normal income tax.

25. 10-Year Serial Equipment 5s. Auth., $1,900,000; now outstanding, $1,235,000. Dated June 2, 1913; due $95,000 each June and Dec. 1, to Dec. 1, 1923. Coupon, $1,000. First lien on 40 locomotives, 1,000 box cars and 31 steel cars for baggage and passenger service; all costing $2,376,941. Interest paid without deduction for normal income tax.

Series A Equipment 5s. Auth., $680,000; outstanding, $510,000. Dated July 15, 1914; due $35,000 each Jan. and July 15 to July, 1924. Normal income tax deducted from interest.

26. Auth., $1,750,000; outstanding, $1,220,000. Dated Apr. 1, 1916; due Apr. 1, 1919. Int. paid in St. Louis and New York. Coupon, $1,000. Callable at 102 the first year, 101 the second year and par thereafter. Guaranteed prin. and int. by receiver of M., K. & T. Ry. First lien on terminal property in San Antonio. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Missouri, Kansas & Texas Ry. preferred ..... 4% non-cumulative. Par $100. Outstanding, $13,000,000.	See text	$3,364	$359	.....	.....	Good	High	Ca.
Missouri, Kansas & Texas Ry. common ..... Par $100. Outstanding, $63,300,300.	.....	16,380	.....	.....	.....	Fair	"	Daa.

For Key to Stock Ratings, see page 21.

Note: Auth., and issued, $13,000,000 preferred and $63,300,300 common; par, $100. Dividends on preferred 4% per annum from May, 1906, to Nov., 1914, inclusive. None since. Transfer Office: 61 Broadway. Listed on New York, London and Amsterdam Stock Exchanges.

THE MISSOURI PACIFIC RAILWAY COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: The original Missouri Pacific Railway Co. was incorporated Oct. 21, 1876, as successor to the Pacific Railroad Co. of Missouri, which was sold under foreclosure. On Aug. 11, 1880, the company was consolidated with the St. Louis & Lexington R.R., the Kansas City & Eastern R.R., the Lexington & Southern R.R., the St. Louis, Kansas & Arizona R.R., the Missouri River R.R., and the Leavenworth, Atchison & Northwestern R.R., under the name of "The Missouri Pacific Railway Co."

The present Missouri Pacific Railway Co. was incorporated Aug. 9, 1909, under the laws of Missouri; Kansas and Nebraska, as a consolidation of the Missouri Pacific Ry. Co., the Kansas & Colorado Pacific Ry., the Central Branch Ry., the Rooks County R.R., the Nevada & Minden Ry., the Kansas & Southwestern Ry., the Leroy & Caney Valley Air Line R.R. and other properties. The company owns practically the entire capital stock of the St. Louis, Iron Mountain & Southern Ry., and in 1911 acquired the entire stock of the Boonville, St. Louis & Southern Ry.

Location: The directly operated lines of the Missouri Pacific system on June 30, 1916, consisted of 7,484.31 miles, classified as follows: Owned by Missouri Pacific Ry., 3,780.55 miles; owned by St. Louis, Iron Mountain & Southern Ry., 3,181.62 miles; leased lines and trackage rights, 522.64 miles. Divided by States, the mileage owned in the system was as follows: Missouri, 1,447.59 miles; Kansas, 2,353.57 miles; Nebraska, 371.37 miles; Colorado, 152.12 miles; Illinois, 194.20 miles; Arkansas, 1,709.18 miles; Oklahoma, 161.62 miles; Louisiana, 572.52 miles. Population of States named in 1890, 11,719,339; in 1900, 14,096,280; in 1910, 17,502,105.

Reorganization and Receivership: In June, 1915, a comprehensive plan for the readjustment of the capitalization of the company was proposed, and in September receivers were appointed for the property. Full details regarding the plan of reorganization shortly to be adopted will be found on the following pages.

Management: Officers: B. F. Bush, Pres., Chairman and Receiver; J. R. Stephens, Asst. to Pres.; A. Robertson, Vice-Pres.; J. M. Johnson, Vice-Pres.; J. G. Drew, Vice-Pres.; O. B. Huntsman, Vice-Pres.; Finley J. Shepard, Vice-Pres.; H. L. Utter, Sec. and Treas. Directors: B. F. Bush, N. F. Brady, Newcomb Carlton, E. A. Faust, A. J. Hemphill, Wm. H. Lee, Cornelius Vanderbilt, C. M. Weld, W. H. Williams, E. L. Marston, R. Lancaster Williams, Finley J. Shepard, J. T. Milliken. Annual meeting, second Tuesday in March. Main Office, St. Louis Mo. New York Office, 120 Broadway.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	23%	20.2%	18.8%	16.9%	18.7%	16.3%	17.3%	17.4%	21.2%	15.7%
Products of Animals.....		5.3	5.1	4.4	4.1	4.4	4.2	4.0	3.7	3.5
Products of Mines.....	77	20.3	20.2	18.2	31.1	35.4	36.2	35.6	34.9	38.9
Products of Forests.....		19.2	18.5	20.4	22.1	21.2	21.9	22.3	19.3	20.2
M'f's, Mdse. and Miscel....		35.0	37.4	40.1	24.0	22.7	20.4	20.7	20.9	21.7

Total revenue tonnage year ended June 30, 1909, 17,664,133 tons; 1910, 20,190,884 tons; 1911, 19,485,422 tons; 1912, 20,139,122 tons; 23,310,266 tons in 1913; 23,280,733 tons in 1914; 22,873,663 tons in 1915; 26,178,652 tons in 1916.

The freight business on this system is well diversified. The largest single class of tonnage is bituminous coal, which amounted to 4,724,828 tons in 1913; 4,819,403 tons in 1914; 4,656,098 tons in 1915; 5,723,170 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	6,375	67	1,068	693	42,129	71%	67,851	702,095	309	$1.87	2.24c	.79c
1908.....	6,479	69	1,053	630	46,936	71	69,821	612,811	285	1.81	1.92	.79
1909.....	6,489	79	1,041	617	44,940	72	68,719	629,707	275	1.85	1.98	.78
1910.....	6,775	110	1,095	651	44,202	72	67,867	693,217	294	1.97	2.20	.81
1911.....	7,235	171	1,100	667	43,052	70	67,496	607,127	291	1.98	2.23	.86
1912.....	7,231	259	1,160	707	47,313	73	64,048	663,051	333	2.07	2.30	.82
1913.....	7,257	266	1,153	698	46,446	74	69,190	781,095	373	2.28	2.32	.81
1914.....	7,285	269	1,195	695	45,847	74	75,344	755,693	389	2.27	2.03	.80
1915.....	7,285	269	1,194	767	45,263	75	67,625	779,548	417	2.35	2.00	.77
1916.....	7,341	271	1,115	749	44,410	75	68,376	856,384	443	2.53	2.16	.77
10-Year Average	6,975	183	1,117	687	45,054	73%	68,634	708,073	341	$2.10	2.14c	.80c

Yard tracks and sidings, 2,085 miles.

Comment: During the year ended June 30, 1916, the operating exhibit of the Missouri Pacific system reflected substantial improvement in both freight density and train load. The train mile earnings also advanced moderately as compared with the previous year.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$7,639	$926	$1,098	$2,024	$3,076	$2,539	$3,054	$233	$2,821	$1,614	43%	$1,207	$613
1908.....	6,827	1,026	846	1,872	3,011	1,944	2,387	254	2,133	1,674	22	459	299
1909.....	7,148	1,079	1,085	2,164	3,064	1,920	2,181	264	1,917	1,753	9	164	.....
1910.....	7,826	1,181	1,135	2,316	3,226	2,284	2,563	281	2,282	1,875	18	407	.....
1911.....	7,295	1,241	1,146	2,387	3,602	1,306	1,555	274	1,281	1,950	.....	669*	.....
1912.....	7,537	1,198	1,151	2,349	3,360	1,828	2,121	310	1,811	2,085	.....	274*	.....
1913.....	8,565	1,276	1,359	2,635	3,524	2,406	2,732	319	2,413	2,198	9	215	.....
1914.....	8,208	1,172	1,407	2,579	3,340	2,289	2,614	345	2,269	2,259	.....	10	.....
1915.....	7,990	1,118	1,478	2,596	3,246	2,148	2,294	350	1,944	2,114	.....	170*	.....
1916.....	8,761	1,442	1,901	3,343	3,234	2,184	2,374	389	1,985	2,168	.....	183*	.....
10-Year Average	$7,780	$1,166	$1,261	$2,427	$3,268	$2,085	$2,387	$302	$2,085	$1,989	5%	$116	$91

* Deficit.

Note: Above table is based on the combined average mileage operated, of both the Missouri Pacific Railway and the St. Louis, Iron Mountain & Southern Railway.

Comparative Income Account (Entire System), Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$64,313,257	$58,165,739	$59,793,900	$62,155,506	$54,503,250	$52,776,592
Maintenance of way...	10,588,677	8,141,892	8,536,046	9,263,360	8,664,769	8,984,132
Maintenance of equip..	13,956,176	10,769,047	10,252,256	9,860,188	8,321,787	8,283,521
All other oper. expenses	23,739,163	23,648,731	24,334,071	25,575,449	24,414,889	26,148,365
Net oper. revenues.	$16,029,241	$15,606,069	$16,671,527	$17,456,509	$13,101,805	$9,360,574
Operating ratio	75%	73.2%	72.1%	71.9%	75.7%	82.1%
Other income	1,397,349	1,103,175	2,374,415	2,370,595	2,237,460	1,809,558
Total net income...	$17,426,590	$16,709,244	$19,045,942	$19,827,104	$15,339,265	$11,170,132
Taxes accrued	2,852,480	2,552,429	2,513,432	2,314,349	2,243,380	1,983,789
Balance for charges	$14,574,110	$14,156,815	$17,532,510	$17,512,755	$13,095,885	$9,186,343
Fixed charges	15,914,333	15,397,361	16,457,818	15,950,021	15,075,876	14,418,882
Balance	* $1,340,223	* $1,240,546	$74,692	$1,562,734	*$1,979,991	*$5,232,539
Dividends paid	.....	.....	.....	.....	.....	.....
Surplus	*$1,340,223	*$1,240,546	$74,692	†$1,562,734	*$1,979,991	*$5,232,539
Earned on stock.....	.....	.....	0.09%	1.88%	.....	.....

* Deficit. † Surplus.

Note: The above income account embraces the combined operations of the Missouri & Pacific Ry. Co. and the St. Louis, Iron Mountain & Southern Ry. Co. Fixed charges include interest, rentals, hire of equipment, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance June 30, 1915, $1,765,139; profit on road and equipment sold, $1,166; unrefundable overcharges, $12,503; donations, $27,393; miscellaneous credits, $49,351; debit

balance carried to balance sheet, $1,589,142; total, $3,444,694: Contra: Debit balance transferred from income, $1,340,223; surplus appropriated for investment in physical property, $27,393; debit discount extinguished through surplus, $41,934; loss on retired road and equipment, $959,231; delayed income debits, $26,393; miscellaneous debits, $1,049,520; total, $3,444,694.

Comment: There was considerable improvement in the gross operating revenues of the Missouri Pacific Railway during 1916, but the maintenance expenses were greatly increased by the Receiver, and the final balance available for fixed charges was only moderately greater than in the previous year.

The company is now about to complete its reorganization and the fixed charges will be radically reduced.

Comparative Income Account of St. Louis, Iron Mountain & So. Ry., Years Ended June 30

	1916	1915	1914	1913	1912	1911
Average miles operated	3,555	3,365	3,365	3,338	3,314	3,315
Gross revenues	$32,752,901	$29,862,039	$33,171,860	$34,136,598	$30,102,115	$28,567,821
Maintenance of way	5,740,705	4,350,094	4,435,665	5,448,933	4,636,178	4,409,367
Maintenance of equip	6,810,831	5,426,065	5,278,115	5,006,518	4,094,409	4,011,483
All other oper. expenses	10,888,349	11,084,347	11,632,511	12,212,161	11,456,400	12,160,206
Net oper. revenues	$9,313,016	$9,001,533	$11,825,569	$11,468,986	$9,915,128	$7,986,765
Other income	1,173,353	902,561	520,538	515,946	566,544	503,310
Total net income	$10,486,369	$9,904,094	$12,346,107	$11,984,932	$10,481,672	$8,490,075
Taxes accrued	1,558,492	1,338,666	1,343,253	1,188,638	1,132,422	1,005,780
Fixed charges	8,889,851	8,487,657	8,223,065	7,827,608	7,226,673	6,665,719
Balance	$38,026	$77,771	$2,779,789	$2,968,686	$2,122,577	$818,576
Dividends	.....	.....	1,775,649	1,775,649	1,775,649	.....
Surplus	$38,026	$77,771	$1,004,140	$1,193,037	$346,928	$818,576
Earned on St. L., I. M. & So. stock	0.1%	0.2%	6.3%	6.7%	4.8%	1.8%

Note: Practically all the stock of the St. Louis, Iron Mountain & Southern Railway is deposited under the Missouri Pacific 40-year 4s.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income account, $38,026; unrefundable overcharges, $6,080; donations, $14,991; miscellaneous credits, $41,707; debit balance carried to balance sheet, $1,637,848; total, $1,738,652. Contra: Debit balance June 30, 1915, $303,033; surplus appropriated for investment in physical property, $114,992; debt discount extinguished through surplus, $4,385; loss on retired road and equipment, $367,776; delayed income debits, $26,393; miscellaneous debits, $1,022,073; total, $1,738,652.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole. (Inc. I. M. S.)		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$12,206	27%	$33,517	73%	$592	$46,315	$14,548	$31,767	9.6%	.....	.....	$613	5%	.....	49%
1908	12,312	26	34,596	74	659	47,567	17,451	30,116	7.9	.....	.....	299	2½	.....	35
1909	12,291	27	33,646	73	1,352	47,288	16,483	30,805	7	.....	.....	.....	.....	.....	.....
1910	12,288	24	38,245	76	Nom.	50,533	12,769	37,764	6.8	.....	.....	.....	.....	.....	.....
1911	11,507	22	40,325	78	"	51,832	16,952	34,870	4.4	.....	.....	.....	.....	.....	.....
1912	11,539	22	41,785	78	"	53,324	16,910	36,414	5.8	.....	.....	.....	.....	.....	.....
1913	11,472	21	41,661	79	"	53,133	16,172	36,961	7.4	.....	.....	.....	.....	.....	.....
1914	11,428	21	41,875	79	"	53,303	16,560	36,743	7.1	.....	.....	.....	.....	.....	.....
1915	11,428	21	41,824	79	"	53,252	17,065	36,187	6.3	.....	.....	.....	.....	.....	.....
1916	11,341	22	41,278	78	"	52,619	16,937	35,682	6.7	.....	.....	.....	.....	.....	.....
10-Year Average	$11,781	23%	$38,875	77%	$260	$50,916	$16,185	$34,731	6.9%	.....	.....	.....	.....	.....	.....

Note: Above table is based on average mileage operated of entire system and the bond column includes the outstanding bonds of the St. Louis, Iron Mountain & Southern R.R.

Comment: Under the pending plan for the reorganization of the property the above capitalization figures will be radically changed, and therefore past comparisons have not value to present holders of the company's securities.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$297,967,577	$298,476,373	$297,797,931	$296,233,421	$303,759,851	$292,880,388
Working assets	10,731,940	10,151,886	9,168,643	12,760,278	15,665,877	17,937,552
Deferred debit items	2,426,709	838,528	1,299,945	1,806,386	4,597,227	7,846,186
Accrued income not due	.....	.....	.....	662,227	230,833	143,333
Profit and loss deficit	1,466,174	.....	.....	.....	.....	.....
Total	$312,592,300	$309,466,787	$308,266,519	$311,462,312	$324,253,788	$318,807,459

LIABILITIES:	1916	1915	1914	1913	1912	1911
Capital stock	$83,251,085	$83,251,085	$83,251,085	$83,251,085	$83,251,085	$83,251,085
Funded debt	213,230,000	214,036,000	212,843,000	213,829,000	226,107,000	217,282,000
Working liabilities	12,213,872	7,622,261	6,384,930	5,488,956	5,187,472	6,490,782
Accrued liab. not due..	2,093,406	2,093,912	2,093,329	2,079,298	2,086,961	2,038,915
Deferred credit items..	1,791,536	395,357	113,929	215,984	496,771	596,424
Appropriated surplus ..	12,401	.....	.....	.....	.....	.....
Profit and loss surplus.	.....	2,068,172	3,580,246	6,597,989	6,494,499	9,148,253
Total	$312,592,300	$309,466,787	$308,266,519	$311,462,312	$324,253,788	$318,807,459

Note: The book value of all securities owned on June 30, 1916, was $168,996,882, and the par value $194,358,929. All are deposited as collateral for bonds and notes except $13,428,480 (book value). Above balance sheet is that of the Missouri Pacific Railway only, and does not include the St. Louis, Iron Mountain & Southern bonds.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. Pacific R. R. of Mo. first 4s	F&A	Ag 1938	(1st) 285	$24,640		$38	95%	Very high	Very high	Aaa.
2. Pacific R. R. of Mo. second 5s	J&J	Jl 1938	(2d) 285	9,000		18	95%	"	"	Aaa.
3. Pacific R. R. of Mo. St. L. R. Est. 5s	M&N	My 1938	(1st) Realty	.....	$2,100	8	95%	"	High	Aaa.
4. Pacific R. R. of Mo. Caron Bch. first 4½s	A&O	O 1938	(1st) 13	18,250		2	95%	High	"	Aaa.
5. Missouri Pcf. Ry. third 4s	M&N	Jl 1938	(see text)	13,000		26	95%	"	Very high	Aaa.
6. Missouri Pcf. Lexington Div. first 5s	F&A	Ag 1920	(1st) 57	11,818		5	95%	"	High	Text
7. Missouri Pcf. consol. 6s	M&N	N 1920	(see text)	13,142		110	86%	"	Very high	"
8. Missouri Pcf. coll. tr. 5s	M&S	Ja 1917	(coll) 1,114	12,835	2,003	96	86%	"	"	"
9. Missouri Pcf. first coll. 5s	F&A	Ag 1920	(coll) 674	14,280		70	86%	"	"	"
10. Kans. & Col. Pcf. first ref. 6s.	F&A	F 1938	(see text)	2,730		30	79%	"	High	"
11. Boonville, St. L. & So. first 5s	F&A	Ag 1951	(1st) 44	9,000		4	79%	"	"	"
12. Kans. City N. W. R. R. first 5s	J&J	Ja 1933	(1st) 162	6,262		9	79%	"	"	"
13. Leroy & Caney Valley Air Line first 5s	J&J	Jl 1926	(1st) 52	10,000	1,727	4	79%	"	"	"
14. Central Branch Ry. first 4s.	F&A	F 1919	(1st) 288	12,000		17	79%	"	"	"
15. St. Louis, Iron Mt. & So. gen. consol. & land gnt. 5s	A&O	Ap 1931	(1st) 1,500 (and coll.)	27,900		300	79%	"	Very high	Aa.
16. St. Louis & Iron Mt. unifying and ref. 4s	J&J	Jl 1929	(see text)	15,000		170	73%	"	"	Baa.
17. St. Louis, Iron Mt. River & Gulf div. first 4s	M&N	My 1933	(1st) 771 (and coll.)	44,500		191	73%	"	"	Baa.
18. Little Rock Junc. Ry. first con. 6s	A&O	Ap 1916	(1st) 2	.....	1,363	5	73%	"	Good	Text
19. Little Rock & Hot Springs Western first 4s	J&J	Jl 1939	(1st) 57	20,000		5	73%	"	"	Baa.
20. Pine Bluff & West. first 5s.	A&O	O 1923	(1st) 44	20,000		8	73%	"	"	Ba.
21. Missouri Pcf. 40-yr. coll. 4s.	M&S	Mr 1945	(I. M. Stk)	.....		210	25%	Fair	High	Text
22. Cent. Branch Union Pcf. first 4s	J&D	Je 1948	(1st) 100	25,000		18	25%	"	"	"
23. Verd Val. Ind. & W. first 5s.	M&S	Mr 1926	(1st) 89	9,000		7	25%	"	"	A.
24. St.L.I.M. & So. first & ref. 6s.	sectext	J 1952	(see text)	(see text)	984	40	25%	"	"	Text
25. Mo. Pcf. Ry. first & ref. 5s.	M&S	S 1959	"	.....		200	25%	"	"	"
26. Mo. Pcf. equip. trusts	Var.	Var.	"	.....		20	25%	Good	"	A.
27. St. L. I. M. & So. car trusts	"	"	"	.....		23	25%	"	"	A.
28. Mo. Pcf. 1-year notes 6%	J&D	Je 1917	"	.....		210	25%	"	"	Text

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1915. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

Above figures are those ended June 30, 1915. When reorganized, bond table will be rearranged in accordance with position of new issues. For current news, consult our Investors Service.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $7,000,000; outstanding, $6,996,000. Dated Aug. 1, 1868; extended at 4% Aug. 1, 1888; due Aug. 1, 1938. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. First lien, 284.74 miles, St. Louis to Kansas City. Underlie Nos. 2, 5, 7 and 25, with provision by latter for retirement. Coupon, $1,000. These bonds remain undisturbed in the plan. Legal for Savings Banks in Me., Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

REFERENCE NOTES ON BOND ISSUES (Continued)

2. Auth., $3,000,000; outstanding, $2,573,000 (closed). Dated July 1, 1871; extended July 1, 1891, at 4%; due July 1, 1938. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. Second lien, 284.74 miles, following No. 1. Underlie Nos. 5, 7, and 25, with provision by latter for retirement. Coupon, $1,000. These bonds remain undisturbed in the plan. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $800,000. Dated May 1, 1872; extended at 5% May 1, 1892; due May 1, 1938. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. First lien on extensive realty in St. Louis, Mo. Coupon, $500 and $1,000. These bonds remain undisturbed in the plan. Interest paid without deduction for normal income tax.

4. Auth., $500,000; outstanding, $237,500; in treasury, $7,500 (closed). Dated Oct. 1, 1873; extended at 4½% Oct. 1, 1893; due Oct. 1, 1938. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. First lien, 12.55 miles, Kirkwood to Carondelet, Mo. These bonds remain undisturbed in the plan. Legal for S. B. in Me., Mo. Normal income tax deducted from interest. Coupon, $500 and $1,000.

5. Auth., $4,500,000; outstanding, $3,828,000 (closed). Dated Nov. 1, 1876; extended at 4% Nov. 1, 1906; due July 1, 1938. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. Second lien on 12.55 miles, following No. 4, and on St. Louis real estate following No. 3; third lien on 284.74 miles, following No. 2. Coupon, $1,000. These bonds remain undisturbed in the plan. Listed on New York Stock Exchange. Normal income tax deducted from interest.

6. Auth. and outstanding, $650,000. Dated Oct. 1, 1880; due Aug. 1, 1920. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. First lien, 56.95 miles, Lexington to Sedalia, Mo. Coupon, $500. These bonds offered 100% in new 5% preferred stock.

7. Auth., $30,000,000; outstanding, $14,904,000 (closed). Dated Nov. 1, 1880; due Nov. 1, 1920. Int. paid at Bankers' Trust Co., New York. Assumed by (new) Mo. P. Ry. First lien, 781.38 miles, as follows: Kansas City, Mo., to Atchison, Kan., 46.37 miles; Central Br. Junc. to Louisville, Neb., 148.65 miles; Pleasant Hill to Joplin, Mo., 132.69 miles; Jefferson City to Bagnell, Mo., 45.04 miles; Jefferson City to Eton, 146.74 miles; Talmage to Crete, Neb., 58.18 miles; Lincoln Br. Junc. to Lincoln, 33.92 miles; Paola to LeRoy, Kans., 61.23, and various branches; also second lien on 56.95 miles, following No. 6; third lien on 12.55 miles, following No. 5; also third lien on realty in St. Louis, following No. 5; fourth lien on 284.74 miles, following No. 5. These bonds offered 110% in new refunding 5s.

8. Auth., $15,000,000; outstanding, $14,375,000 (closed). Dated Jan. 1, 1887; due Jan. 1, 1917. Int. paid at Bankers' Trust Co., New York. Assumed by (new) Mo. P. Ry. First collateral lien on 1,113.78 miles, by deposit of seven issues of first mortgage bonds of a par value of $17,215,000, covering property as follows: Ft. Scott to Kiowa, Kan., 243.50 miles; Eldorado to McPherson, Kans., 62.40 miles; West Wichita to Hutchinson, 46.47 miles; Hutchinson to Geneseo, Kan., 40.10 miles; West line of Rush County to Col. State line, 138.52 miles; Chetopa to Larned, Kan., 273.04 miles; Olcott to Iuka, Kan., 20.09 miles; Salina to Marquette, Kan., 25.68 miles; Marquette to West line of Rush County, 100.23 miles; Kansas State line to Pueblo, Col., 152.12 miles; and various smaller branches. These bonds offered 100% in new refunding 5s, maturing Jan. 1, 1923.

9. Auth., $10,000,000; outstanding, $9,636,000 (closed). Dated Aug. 1, 1890; due Aug. 1, 1920. Int. paid at Bankers' Trust Co., New York. Assumed by (new) Mo. P. Ry. First collateral lien on 673.93 miles, by deposit with trustee of nineteen first mortgage issues of a par value of $12,045,000, and covering various lines, branches and connecting links of the general system in Mo., Kan., Neb., etc. These bonds offered 100% in new refunding 5s, maturing Aug. 1, 1926.

10. Auth., $50,000,000; outstanding, $3,972,000 (closed; see No. 26). Dated Feb. 1, 1908; due Feb. 1, 1938. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. Second lien on 89.06 miles, following No. 23; second collateral lien on 941.57 miles, following No. 8; second collateral lien on 425.48 miles, following No. 9. These bonds offered 100% in new 5% preferred stock.

11. Auth. and outstanding, $500,000. Dated Aug. 1, 1911; due Aug. 1, 1951. Int. paid in New York. Callable at 107½ on sixty days' notice. Guar. prin. and int. by Mo. P. Ry., which leases the road until 2009 at $25,000 per annum. First lien, 43.95 miles, Boonville to Versailles, Mo. These bonds offered 100% in new 5% preferred stock.

12. Auth., $4,016,000; outstanding, $1,024,000 (closed). Dated Jan. 1, 1894; due Jan. 1, 1933. Int. paid at Bankers' Trust Co., New York. Callable at 105 and int. Assumed by Mo. P. Ry. First lien, 161.65 miles, as follows: Kansas City to Seneca, Knns., 117.12 miles; Menanger Junc. to Leavenworth, 11.61 miles; Axtell Junc. to Virginia, Neb., 32.92 miles. These bonds offered 100% in new 5% preferred stock.

13. Auth., $10,000 per mile; outstanding, $520,000 (closed). Dated July 1, 1886; due July 1, 1926. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. First lien, 51.78 miles, Roper to Peru Junc., Kans. These bonds offered 100% in new 5% preferred stock.

14. Auth. and outstanding, $3,459,000. Dated Oct. 2, 1899; due Feb. 1, 1919. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. First lien, 288 miles, Atchison to Leonora, Kans., and branches. These bonds offered 100% in new general mortgage 4s.

15. Auth., $45,000,000; outstanding, $43,162,000. Dated Mar. 15, 1881; due April 1, 1931. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Sinking fund from land sales retires bonds at 110; not callable. Of amount issued, $5,984,000 are guar. prin. and int. by Mo. P. Ry., by endorsement. First lien on 1,500.27 miles, as follows: St. Louis, Mo., to Texarkana, Tex., 490.19 miles; Bismarck to Belmont, Mo., 120.30 miles; Poplar Bluff to Bird Point, Mo., 70.77 miles; Knobel to Helena, Ark., 140.14 miles; Bald Knob to Bridge Junc., Ark., 88.15 miles; Little Rock to Arkansas City, 114.27 miles; McGehee, Ark., to Alexandria, La., 189.85 miles; Trippe Junc. to Warren, Ark., 49.40 miles; Guerdon to Eldorado, 66.13 miles; various short lines and branches, 171.06 miles; also a first collateral lien on stock of Arkansas Central R.R., covering 41.80 miles, Ft. Smith to Paris, Okla. Also first lien on remaining acreage of land grant. Underlie Nos. 16 and 24, with provision by latter to retire. Legal for S. B. in Me., Mo. The bonds remain undisturbed in the plan. Listed on New York Stock Exchange. Normal income tax deducted from interest.

16. Auth., $40,000,000; outstanding, $30,551,000. Dated July 1, 1899; due July 1, 1929. Int. paid at Bankers' Trust Co., New York. First lien on 608.96 miles, as follows: Argenta to Van Buren Junc., Ark., 157.72 miles; El Dorado, Ark., to Vidalia, La., 159.83 miles; Hope to Nashville, Ark., 25.61 miles; Smithton to Pike City, 33.01 miles, Luna to Crossett, 50.93 miles; Van Buren Junc. to Coffeyville, Okla., 162.42 miles; various spurs and branches, 19.44 miles; second lien on 1,429.69 miles covered by No. 15, being all the mileage covered by the latter except 70.58 miles from Helena to Clarendon, and from Pine City to Brinkley, Ark. Also a first collateral lien on $2,913,200 Wabash first and refunding 4s of 1956, $23,703,000 Texas & Pacific second income 5s of 2000, $2,826,200 preferred and $2,826,000 common stock of Wabash R.R., and other collateral. As the company did not participate in the

REFERENCE NOTES ON BOND ISSUES (Continued)

Wabash reorganization, its holdings in the old company have been written off. Underlie No. 24. Coupon and reg., $1,000. These bonds remain undisturbed in the plan. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

17. Auth., $50,000,000; outstanding, $34,548,000. Dated May 1, 1903; due May 1, 1933. Int. paid at Bankers' Trust Co., New York. Direct first lien on 771.62 miles, including the following: White River Junc., Mo., to Arkansas State line, 148.09 miles; and to Carthage, Mo., 91.24 miles; McGehee to New Latour, Ark., 81.64 miles; Ark.-La. State line to Clayton Junc., La., 102.50 miles; East St. Louis to Thebes, Ill., 119.26 miles; Gorham to Zeigler, Ill., 31.19 miles; Crane to Springfield, Mo., 35.24 miles, and various links and branches. Also a first collateral lien on 18.59 miles in and near Memphis, being a first lien on entire issue of Union Railway of Memphis first mortgage bonds. Also secured by first collateral lien on $1,000,000 Western Coal & Mining Co. first mortgage bonds, $229,500 Coal Belt Electric Ry. stock. Underlie No. 24. Coupon and reg., $1,000. These bonds remain undisturbed in the plan. Legal for S. B. in Maine and Mo. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

18. Auth., $445,000; outstanding, $435,000. Dated April 1, 1891; due April 1, 1916. Int. paid at Bankers' Trust Co., New York. Int. guar. by St. Louis, Iron Mtn. & Southern Ry. First lien on Arkansas River bridge and approaches at Little Rock, Ark. Coupon, $1,000. These bonds offered 100% in refunding 5s, due 1923.

19. Auth., $20,000 per mile; outstanding, $1,140,000. Dated July 1, 1899; due July 1, 1939. Int. paid at St. Louis Union Trust Co., St. Louis, Mo. Assumed by St. Louis, Iron Mtn. & Southern Ry. First lien, 57 miles, Little Rock to Hot Springs, Ark. Coupon, $1,000. Legal for S. B. in Maine and Mo. These bonds remain undisturbed in the plan. Interest paid without deduction for normal income tax.

20. Auth., $1,200,000; outstanding, $880,000. Dated Oct. 1, 1903; due Oct. 1, 1923. Int. paid in New York and St. Louis. Callable at 105 after Oct. 1, 1913, on six months' notice. Assumed by St. Louis, Iron Mtn. & So. Ry. First lien, 44.23 miles, Pine Bluff to Benton, Ark. Underlie No. 24, which provides for retirement. Coupon, $1,000. These bonds remain undisturbed in the plan. Legal for S. B. in Maine and Mo. Interest paid without deduction for normal income tax.

21. Auth., $50,000,000; outstanding, $37,255,000. Dated Mar. 1, 1905; due Mar. 1, 1945. Int. paid at Bankers' Trust Co., New York. Callable at 102½ and int. on three months' notice. Secured by deposit with trustee of $37,255,000 out of a total of $44,396,573 stock of St. Louis, Iron Mtn. & Southern Ry. These bonds offered 100% in new 5% preferred stock. Coupon and reg., $500 and $1,000.

22. Auth. and outstanding, $2,500,000. Dated June 30, 1898; due June 1, 1948. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. First lien on 100 miles, from Atchison to Waterville, Kan. Underlie No. 25, which provide for retirement. Coupon and reg., $1,000. These bonds offered 100% in 4% general mortgage bonds.

23. Auth., $10,000 per mile; outstanding, $806,000 (closed). Dated Feb. 1, 1886; due Mar. 1, 1926. Int. paid at Bankers' Trust Co., New York. Assumed by Mo. P. Ry. First lien, 84.49 miles, including line from Le Roy to Deering, Kan., and Yates Center branch. Coupon, $1,000. These bonds remain undisturbed in the plan. Legal for S. B. in Me., Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest.

24. Auth., $200,000,000. Dated July 1, 1912; due July 1, 1952. Int. paid at Union Trust Co., New York. Cover entire Iron Mountain system, and provide for all prior liens. Amount outstanding, June 30, 1915, $29,425,000, of which $25,000,000 are held as collateral under No. 28. These bonds offered 105% in new refunding 5s.

25. Auth., $150,000,000; outstanding, $29,806,000 Series A. Int. paid at Bankers' Trust Co., New York. Callable on and after Sept. 1, 1917, at 110 and int. Series A are convertible into stock at par at any time from Sept. 1, 1912, to Sept. 1, 1932. Dated Sept. 1, 1909; due Sept. 1, 1959. The issue is secured by direct first lien on 165.23 miles of road in Mo., Kans. and Neb., including lines to Warsaw, Carthage, Sedalia, Omaha, etc. It is a direct second lien on 1,806.07 miles, following No. 7, on 781.38 miles, No. 8 on 172.21 miles, No. 9 on 248.45 miles, No. 13 on 51.78 miles, No. 12 on 16.55 miles, No. 22 on 100 miles, No. 14 on 288.19 miles, and No. 16 on 2.41 miles. Also a direct third lien on 1,513.06 miles, following No. 6 on 56.95 miles, No. 8 on 941.57 miles, No. 9 on 425.48 miles, and No. 24 on 89.06 miles. Also a direct fourth mortgage on 12.55 miles covered by first lien by No. 4, and on the St. Louis real estate covered by first lien by No. 3. Also a direct fifth mortgage on 284.74 miles covered by first lien by No. 1. Also a first collateral lien on $16,715,000 of No. 10 and $2,985,000 of No. 12. Further secured on trackage rights, leases, terminal interests, etc. These bonds offered 100% in new 5% preferred stock.

26. In several series. Series "1," 5s; dated May 1, 1907; due $335,000 each May 1 to May 1, 1917; original amount, $3,350,000; now outstanding, $335,000. Interest paid May and Nov. 1 at Columbia Trust Co., New York. First lien on equipment originally costing $3,750,500. Coupon and reg., $1,000. Series "2," 5s; dated Nov. 1, 1911; due $147,000 each May and Nov. to Nov. 1, 1921 ;original amount, $2,940,000; now outstanding, $1,470,000. Interest paid May and Nov. 1, at Central Trust Co., New York. First lien on equipment originally costing $3,275,540. Coupon, $1,000. Series "3," 5s; dated Dec. 1, 1914; due serially to Dec. 1, 1924. Original issue, $280,000; now outstanding, $224,000. Interest paid June and Dec. 1. Interest paid without deduction for normal income tax, except on Series "3." Issues maturing prior to June 30, 1918, to be paid in cash under plan.

27. In several series. Series "V" car trust 5s; dated June 1, 1913; due $44,000 each June to 1919 and $45,000 thereafter to June 1, 1922; original amount, $399,000; now outstanding, $267,000. Int. paid quarterly March 1 at Townsend Whelen & Co., Philadelphia. First lien on equipment costing over $743,000. Coupon, $1,000. Series "1," equipment 5s; dated June 1, 1907; due $366,000 each June 1 to June 1, 1917; original amount, $3,660,000; now outstanding, $366,000. Int. paid quarterly, March, at Bankers' Trust Co., New York. First lien on equipment costing, $4,063,500. Coupon and reg., $1,000. Series "2," equipment 5s; dated Nov. 1, 1911; due $145,000 each May and Nov. 1 to Nov. 1, 1921; original amount, $2,900,000; now outstanding, $1,450,000. Int. paid May and Nov. 1, at 165 Broadway, New York. Callable on 60 days' notice. First lien on equipment costing $3,235,736. Coupon, $1,000. Series "3," equipment 5s; dated March 1, 1914; due $25,000 each March and Sept. 1 to Sept. 1, 1923; original amount, $472,000; now outstanding, $347,000. Int. paid Mar. and Sept. 1, at Philadelphia Trust, Safe Deposit & Ins. Co. First lien on equipment costing $524,264. Coupon, $1,000. Series "4," equipment 5s; dated Dec. 1, 1914; due $20,000 each June and Dec. 1 to Dec. 1, 1924; issued $380,000; now outstanding, $320,000. Int. paid June and Dec. 1 at New York and Philadelphia. First lien on equipment costing $454,196. Coupon, $1,000. Market: New York. Issues maturing prior to June 30, 1918, to be paid in cash under plan.

28. Auth. and outstanding, $24,845,000; dated June 1, 1911; due June 1, 1915; extended to June 1, 1917. Int. paid at Union Trust Co., New York. Callable at par on sixty days' notice. Secured by deposit with trustee of $25,000,000 of No. 24; $1,972,000 of No. 25, $1,070,000 St. Louis, Iron Mountain & Southern stock, $9,800,000 preferred and $15,000,000 common stock of Denver & Rio Grande R.R.; $828,380 notes of Texas & Pacific Ry., and other minor collateral. Collateral is subject to substitution under certain limitations. Company does not assume payment of income tax. To be paid off in cash under plan.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Missouri Pacific Ry. stock ..... Outstanding, $83,251,085. Par $100. Full voting-power.	None since 1908	$11,428	$235	.....	.....	Mod.	High	Text

For Key to Stock-Ratings, see page 21-23.

Note: Auth., $240,000,000; outstanding, $83,251,085, of which $410,000 is in treasury and $138,500 held as stock liability against outstanding securities of constituents companies. Dividends have been paid as follows: 1880, 3%; 1881, 6%; 1882, 6½%; 1883 to 1887, 7% per annum; 1888, 3½%; 1889 to 1890, 4% each; 1891, 3%; 1901, 2½%; 1902 to July, 1907, 5% per annum; Jan., 1908, 2½ % in stock; none since. Plan: Under the reorganization plan, a like amount of new stock will be issued to old holders on payment of $50 per share assessment, each holder receiving also par in new general mortgage bonds for his assessment. Transfer Office, 165 Broadway, New York. Listed on New York and Amsterdam Stock Exchanges.

Plan of Reorganization: The proposed plan, as modified, involves an assessment of $50 per share on the stock. The securities to be disturbed and the bases of exchange are as follows:

Existing Securities Amount	Will Receive in.... New First and Refunding Mortgage 5% Bonds Per Cent.	Amount	New General Mortgage 4% Bonds Per Cent.	Amount	New 5% Preferred Stock or 5% Income Bonds Per Cent.	Amount
$14,904,000 Missouri Pac. Consolidated First 6s...	110	$16,394,400				
14,375,000 Missouri Pac. Col. Trust 5s of 1917*	100	14,375,000				
9,636,000 Missouri Pac. col. 5s of 1920†.....	100	9,636,000				
37,255,000 Missouri Pacific Gold Loan 4s.....	...	.....	..	.....	100	$37,255,000
29,806,000 Missouri Pacific First and Ref. 5s....	...	.....	..	.....	100	29,806,000
650,000 Missouri Pac. Lexington Div. First 5s	...	.....	..	.....	100	650,000
3,972,000 Kansas & Colorado Pacific 6s.....	...	.....	..	.....	100	3,972,000
3,459,000 Central Branch 4s‡	...	.....	50	1,729,500	50	1,729,500
2,500,000 Central Branch Union Pacific 4s‡....	...	.....	50	1,250,000	50	1,250,000
520,000 Leroy and Caney Valley First 5s.....	...	.....	..	.....	100	520,000
1,024,000 Kansas City Northwestern 5s.....	...	.....	..	.....	100	1,024,000
500,000 Boonville, St. Louis and Southern 5s.	...	.....	..	.....	100	500,000
4,175,000 Iron Mountain First and Refunding 6s	105	4,383,750				
393,000 Little Rock June. First Cons. 6s, guaranteed by Iron Mountain Co.*.....	100	393,000				
1,741,000 Texas and Pacific Notes endorsed by Iron Mountain Company.....	100	1,741,000				
82,839,585 Missouri Pac. Stock outstanding (s. note)	...	.....	50	41,419,792		
45,135 Iron Mount. Co. Stock outstanding..	...	.....	..	.....	100	45,135
Total		$46,923,150		$44,399,292		$76,751,635

* Holders of Missouri Pacific Trust 5s of 1917 and Little Rock Junction 6s were offered the option of taking first and refunding 5s maturing in 1923 instead of those maturing in 1965.

† Holders of Missouri Pacific 5s of 1920 were offered the option of taking first and refunding 5s maturing in 1926 instead of those maturing in 1965.

‡ Holders of Central Branch 4s and Central Branch Union Pacific 4s were offered the option of taking 100% in new general mortgage 4s instead of 50% in these bonds and 50% in preferred stock.

For further details regarding the plan, consult our Supplementary Service.

The Missouri Pacific Company's Extended Six Per Cent Notes maturing June 1, 1917, and any unextended notes of said issue, together aggregating $24,845,000, are to be paid in cash, and provision is also to be made for the payment of the $2,270,000 of equipment obligations of the Missouri Pacific & Iron Mountain Companies maturing before June 30, 1918.

Note: The holders of stock in the Missouri Pacific Company are entitled to receive $82,839,585 (100%) of common stock in the new company, as well as the $41,419,792 (50%) general mortgage bonds above mentioned of the new company, upon surrender of their existing stock and payment in cash of $50 per share of existing stock.

NEW ORLEANS, TEXAS & MEXICO RAILWAY COMPANY

History: Chartered in Louisiana, Feb. 29, 1916, as the successor to the New Orleans, Texas & Mexico Railroad Co., sold under foreclosure on Nov. 15, 1915. Possession was taken on Mar. 1, 1916. The company then acquired in fee all of the lines operating in the State of Louisiana and all of the securities of its subsidiary lines:

The St. Louis, Brownsville & Mexico Ry. Co.—Operating 548.18 miles of line in the State of Texas, of which 502.24 miles is owned, and 45.94 miles trackage rights.

The Beaumont, Sour Lake & Western Ry. Co.—Operating 118.75 miles of line in the State of Texas, of which 84.29 miles is owned and 34.46 miles trackage rights.

The Orange & Northwestern Railroad Co.—Operating 61.55 miles (all owned) in the State of Texas.

The company also acquired the lease of the Louisiana Southern Railway operating 65.31 miles in the State of Louisiana.

Location: Total mileage operated on June 30, 1916, comprised 191.22 miles as follows: Lines owned, anchorage to De Quincey, La., 137.47 miles; Eunice, La., to Crowley, La., 22.37 miles; Erwinville, La., to Mix, La., 12.88 miles; trackage rights, 18.50 miles. In addition to this directly operated mileage, company controls the St. Louis, Brownsville & Mexico Ry., 548.18 miles; Beaumont, Sour Lake & Western Ry., 118.75 miles, and Orange & Northwestern R.R., 61.55 miles, which are separately operated, and the Louisiana Southern, 65.31 miles, operated under lease. Total length of system, 985.01 miles. Under an arrangement (effective June 1, 1916), all of this company's traffic into and out of New Orleans is handled by the Yazoo & Mississippi Valley Ry. Co., this company retaining all initial line rights in New Orleans.

Equipment: Locomotives, 40; passenger cars, 28; freight cars, box 486, tank 73, flat 500, refrigerators 982, other 183, total 2,224; service cars, 344. Total engines and cars, 2,636. 1 transfer steamer.

Management: OFFICERS: Frank Andrews, Chairman; J. S. Pyeatt, Pres., Houston, Tex.; G. H. Walker, Vice-Pres., St. Louis, Mo.; M. W. Terry, Vice-Pres., New York; J. D. O'Keefe, Vice-Pres.; H. G. Dufour, Sec., New Orleans, La.; J. H. Lauderdale, Treas., Houston, Tex., C. A. Kearney, Asst. Sec. and Asst. Treas., New York. DIRECTORS: Stedman Buttrick, Boston, Mass.; Alonzo Potter, Henry Sanderson, Lorenzo Semple, Geo. E. Warren, Carl A. deGersdorff, M. W. Terry, Elisha Walker, Willard V. King, New York City; G. H. Walker, John F. Shepley, St. Louis, Mo.; Alexander Berger, Maryton, Va.; J. D. O'Keefe, New Orleans, La.; Frank Andrews and J. S. Pyeatt, Houston, Tex. MAIN OFFICE, Houston, Tex. NEW YORK OFFICE, 61 Broadway.

Comparative Consolidated Income Account, Years Ended June 30

	1916	1915
Gross revenues	$5,044,295	$4,468,565
Operating expenses	4,014,732	3,675,717
Net operating revenues	$1,029,563	$792,848
Operating ratio	76.48%	82.26%
Other income	47,689	49,019
Total net income	$1,077,252	$841,867
Taxes accrued	158,152	114,680
Balance for charges	$919,100	$727,187
Fixed charges	819,430	783,601
Surplus	$99,670	*$56,414

* Deficit.

Note: Above income account is the consolidated statement of the entire system including lines separately operated.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$33,441,925	$37,417,478	$35,121,648	$33,949,851	$33,279,551	$30,541,740
Working assets	2,541,562	3,936,300	4,587,798	3,130,122	536,293	369,799
Accrued income not due	477,118	.....	211,580	178,170	145,267	158,451
Deferred debit items	814,144	45,139	529,519	151,815	1,148,539	931,542
Profit and loss deficit	.....	2,401,446	1,723,057	1,091,294	502,982	.....
Total	$37,274,749	$43,800,363	$42,173,602	$38,501,252	$35,612,632	$32,001,542
LIABILITIES:						
Capital stock	$15,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	21,550,312	37,672,815	32,179,408	30,470,491	29,559,879	27,508,101
Working liabilities	426,722	3,556,164	7,402,140	5,495,005	3,528,458	1,938,599
Accrued liab. not due	43,183	544,092	572,570	515,120	501,610	526,232
Deferred credit items	123,092	27,292	19,484	20,636	22,685	28,610
Profit and loss surplus	131,440	.....	.....	.....	.....	.....
Total	$37,274,749	$43,800,363	$42,173,602	$38,501,252	$35,612,632	$32,001,542

Note: Figures as above prior to 1916 are of old company.

TABLE D—Bond Record and Ratings (Based on 2 Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
1. New Orl. Tex. & Mex. Ry. first 6s	J&D	O 1925	(1st) 174 (col.) 645	$7,167	$1,788	$382	79%	Large	Good	Baa.
2. New Orl. Tex. & Mex. R. R. equip. 5s	M&S	1917-23	Equip.	.....	1,406	277*	80%	"	"	Baa.
3. New Orl. Tex. & Mex. Ry. inc. 5s	Text	O 1935	Not mtge.	.....	1,129	.....	.....	Fair	"	B.

For Reference Notes on Bond Issues, see next page.

* Includes maturing principal.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $15,000,000; outstanding, $5,870,000. Series A; in treasury, $130,000. Int. paid at Columbia Trust Company, New York. Coupon, $100, $500 and $1,000; reg., $1,000 and $10,000; coupon and reg., interchangeable. Callable at 105 on 60 days' notice. First lien on 173.51 miles as follows: Anchorage to De Quincy, La., 138.26 miles; Eunice to Cowley, La., 22.37 miles, and Erwinville to Mix, La., 12.88 miles. First collateral lien on 645.47 miles as follows: On the 84.29 miles of the Beaumont, Sour Lake & Western Ry. as follows: Beaumont to Houston, Texas, 82.79 miles, and Grayburg to Sour Lake, Texas, 1.50 miles. On the 499.63 miles of the St. Louis, Brownsville & Mexico Railroad as follows: Algoa to Brownsville, Tex., 343.14 miles; Harlingen to Sam Fordyce, Tex., 55.44 miles; Buckeye to Collegeport, Tex., 16.90 miles; Bloomington to Port O'Connor, Tex., 38.58 miles; Heyser to Austwell, Tex., 16.88; Bloomington to Victoria, Tex., 13.56 miles; San Juan to Edinburg, Tex., 7.89 miles; Brownsville to Rio Grande Station, Tex., 1.79 miles; Rio Grande Jct. to Slinkert, Tex., 5.45 miles; on the 61.55 miles of the Orange & Northwestern Railroad from Orange to Newton, Tex. Also secured on 101 miles of trackage rights and certain lands owned in Louisiana. Listed on New York Stock Exchange. Normal income tax deducted from interest.

2. Outstanding, $784,000 equipment 5s, Series B, dated Sept. 15, 1911, maturing $56,000 each, on March 15 and Sept. 15, to Sept. 15, 1923, inclusive. Interest paid March 15 and Sept. 15, at Guaranty Trust Co., New York, N. Y. Coupon, $1,000. First lien on 1,000 refrigerator cars, 250 flat cars and 4 gas-electric motor cars, costing, $1,493,167. Original issue, $1,344,000. Interest payable without deduction for normal income tax.

3. Auth., $25,000,000; outstanding, $12,964,300 Series A; in treasury, $2,193,700. Int. payable April and Oct. at Guaranty Trust Company, New York, when earned and non-cumulative. Coupon, $100, $500 and $1,000; prin. may be registered. Callable at par on 60 days' notice. Not a mortgage but should mortgage indebtedness be increased over $15,000,000 under the first mortgage these bonds will be equally secured therewith. Listed on New York Stock Exchange. Normal income tax deducted from interest.

Capital Stock: Auth. and outstanding, $15,000,000; par, $100. REGISTRAR, American Exchange National Bank of New York. TRANSFER AGENT, Columbia Trust Co. of New York. The entire issue of capital stock has been deposited for not exceeding five years with Willard V. King, L. A. McMillan and Chas. H. Sabin, as voting trustees. Voting trust certificates listed on New York Stock Exchange.

BEAUMONT, SOUR LAKE & WESTERN RAILWAY COMPANY

History: Incorporated Aug. 13, 1903, under the laws of Texas as the Beaumont, Sour Lake & Port Arthur Traction Co. Amended and name changed to present title, June 30, 1904, and amendment changing route of road dated Feb. 17, 1906. Duration of charter, fifty years. Road first opened June 19, 1907. Company owns 25% of the capital stock of the Houston Belt and Terminal Railway Co.

Location: Total mileage operated, 118.75 miles as follows: Main line from Beaumont to Houston, Tex., 82.79 miles; Sour Lake branch, Grayburg to Sour Lake, 1.50 miles; trackage rights, 34.46 miles.

Management: OFFICERS: J. S. Pyeatt, Pres., Houston, Texas; G. H. Walker, Vice-Pres., St. Louis, Mo.; J. H. Lauderdale, Sec. and Treas.; J. W. McCullough, Auditor, Houston, Texas. DIRECTORS: Carl A. deGersdorff, New York; Stedman Buttrick, Boston, Mass.; C. H. Walker, St. Louis; J. S. Pyeatt, Frank Andrews, John H. Kirby, Houston, Texas; P. A. Heisig, B. R. Norwell and J. F. Keith, Beaumont, Texas. GENERAL OFFICE, Houston, Texas.

Bonded Debt: $2,057,824 Beaumont, Sour Lake & Western 6s, dated May 1, 1910, due May 1, 1940. Int. semi-annually, May 1 and Nov. 1, at New York Trust Co., New York, N. Y. Issue limited to $10,000,000 at any one time outstanding. All owned by New Orleans, Texas & Mexico Railroad Company and pledged under that company's first mortgage.

Capital Stock: Auth., $300,000; outstanding, $85,000. Par, $100. All owned by New Orleans, Texas & Mexico R.R. Co. (except nine directors' shares) and pledged under that company's first mortgage.

THE ORANGE & NORTHWESTERN RAILROAD COMPANY

History: Chartered January 14, 1901, under the laws of Texas; road opened to Buna and South Orange January 1, 1902, to Newton, Tex., about February 1, 1906.

Location: Orange to Newton, Tex., 61.55 miles.

Management: OFFICERS: L. Miller, Pres., Orange, Tex.; J. S. Pyeatt, Vice-Pres., Houston, Tex.; J. O. Sims Sec., Treas. and Aud., Orange, Tex. DIRECTORS: J. S. Pyeatt, Frank Andrews, R. J. Baker, J. A. Brown, J. H. Lauderdale, J. W. McCullough, Houston, Tex.; L. Miller, Orange, Tex.

Bonded Debt: $1,066,947 Orange & Northwestern R.R. first 6s, dated May 1, 1910; due May 1, 1940. All owned by New Orleans, Texas & Mexico Railroad Co., and pledged under that company's first mortgage.

Capital Stock: Authorized, $400,000; outstanding, $35,000; par, $500. All owned by New Orleans, Texas & Mexico Railroad Co. (except 7 directors' shares) and pledged under that company's first mortgage.

LOUISIANA SOUTHERN RAILWAY COMPANY

History: Chartered February 1, 1897, under the laws of Louisiana, as successor to the New Orleans & Southern R.R. Co., whose property was sold under foreclosure on October 26, 1896. Leased to New Orleans, Texas & Mexico R. R. Co., on July 7, 1911, under lease dated February 1, 1911, for period of twelve years, expiring February 1, 1923, by the terms of which the lessee operates the property for account of the owners, with no obligation to itself.

Mileage Operated, June 30, 1916: 65.31 miles; New Orleans to Bohemia, La., 49.96 miles; Poydras, La., to Shell Beach, 15.35 miles.

Income Account, year ended June 30, 1916: Railway operating income, $21,275.18; other income, $112; gross income, $21,387.18; deductions, $13,994.47; surplus, $7,392.71.

General Balance Sheet, June 30, 1916 (Lessee account): Current liabilities, $15,819.91; deferred liabilities, $4,271.66; unadjusted credits, $5,002.56; profit and loss, $7,392.71; total liabilities, $36,094.13. Contra: Cash, $4,013.17; other current assets, $27,100.98; deferred assets, $4,971.61; unadjusted debits, $8.37; total assets, $36,094.13.

Bonded Debt: $250,000 Louisiana Southern Ry. first 5s. Dated March 1, 1897; due March 1, 1950. Interest paid Mar. and Sept. 1, at Robt. Winthrop & Co., New York. Coupon, $500. Callable at 105. First lien on entire property.

Capital Stock: Authorized and outstanding, $300,000. Par, $100.

ST. LOUIS, BROWNSVILLE & MEXICO RAILWAY

History: Incorporated under Texas laws, January 5, 1903, to construct line in Texas, etc. Lines now owned and operated consist of 548.18 miles, including 45.94 miles of trackage rights, extending from Brownsville, Texas, to Algoa, and various branches. Sidings, 124.71 miles. Company also owns an interest in Houston Belt & Terminal Ry., Brownsville & Matamoras Bridge Co. and Gulf Coast Realty Co.

Equipment: Locomotives, 51; cars: passenger coaches, 21, combination 6, baggage and mail 12, baggage 4, total passenger, 43; freight: box 1,015, flat 95, stock 226, tank 59, refrigerator 26; total, 1,421; service 59; total cars, 1,523. Cars and engines, 1,574.

Management: OFFICERS: Frank Andrews, Chairman; J. S. Pyeatt, Pres.; A. T. Perkins, Vice-Pres.; R. J. Kleberg, Vice-Pres.; M. Eckert, Sec. and Treas. DIRECTORS: C. A. deGersdorff, A. T. Perkins, G. H. Walker, Frank Andrews, J. S. Pyeatt, J. A. Brown, R. J. Kleberg, P. R. Austin, C. M. Armstrong.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$2,606,446	$2,291,738	$2,660,633	$2,930,692	$2,399,793	$1,907,360	$1,612,214
Net earnings	733,179	601,670	552,689	588,032	676,885	447,587	361,360
Total net income	771,683	772,101	560,898	597,993	696,200	534,822	379,834
Fixed charges	363,528	*†1,212,783	1,156,873	1,125,724	958,090	834,825	599,205
Balance	$408,155	*$440,682	*$595,975	*$527,730	*$261,890	*$300,004	*$219,871

* Deficit. † Includes taxes.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $408,155; unrefundable overcharges, $353; donations, $4,415; miscellaneous credits, $2,708,076; total, $3,120,999. Contra: Debit balance at beginning of year, $2,040,369; dividend appropriation of surplus, $408,155; surplus appropriated for investment in physical property, $4,219; debt discount extinguished through surplus, $21,748; loss on retired road and equipment, $16,873; delayed income debits, $195,744; miscellaneous debits, $201,691; credit balance carried to balance sheet, $232,200; total, $3,120,999.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$15,701,075	$15,798,427	$13,623,171	$12,868,110	$12,047,476	$11,958,342
Working assets	766,891	845,517	981,555	954,708	443,642	482,572
Deferred debit items	160,515	217,861	158,978	131,599	98,147	215,112
Profit and loss	.....	2,040,369	1,611,709	1,019,706	493,671	231,408
Total	$16,628,481	$18,902,174	$16,375,213	$14,974,123	$13,082,936	$12,887,434
LIABILITIES:						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	14,548,342	14,818,342	12,852,106	12,179,106	11,427,000	10,362,869
Working liabilities	625,214	3,398,965	2,860,560	2,168,237	1,042,570	1,724,268
Accrued liab. not due	310,330	153,771	137,406	117,320	85,855	129,440
Deferred credit items	408,176	31,096	25,141	9,460	27,511	170,857
Co-operate surplus	4,219	.....	.....	.....	.....	.....
Profit and loss	232,200	.....	.....	.....	.....	.....
Total	$16,628,481	$18,902,174	$16,375,213	$14,974,123	$13,082,936	$12,887,434

Bonded Debt: Auth., $25,000,000; issued, $12,913,342 first 6s. Dated Dec. 1, 1909; due Dec. 1, 1939. Interest paid June and Dec., at St. Louis-Union Trust Co. First lien on entire road owned. The entire outstanding issue is deposited under the New Orleans, Texas & Mexico first 6s.

There are also outstanding, $995,000 6% Receivers' Certificates, all owned by the New Orleans, Texas & Mexico Ry., and $640,000 6% receivers' equipment notes, due $80,000 each June 1 to June 1, 1924. Interest paid June and Dec. 1, at Guaranty Trust Co., New York. Further secured on 800 box cars, 20 locomotives, 20 tank cars, 5 mail and baggage cars, 10 passenger coaches.

Capital Stock: Auth., $3,850,000; outstanding, $500,000. Par, $100. All owned by New Orleans, Texas & Mexico Ry. Co. and deposited under latter company's first mortgage 6s.

PERE MARQUETTE RAILROAD COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Michigan and Indiana, December 11, 1907, as a consolidation of the old Pere Marquette Railroad and the Pere Marquette Railroad of Indiana, the new company assuming all obligations of the old corporation. The first Pere Marquette R.R. (of Michigan) was itself a consolidation in November, 1899, of the Chicago & West Michigan Ry., the Detroit, Grand Rapids & Western R.R., and the Flint & Pere Marquette R.R. In July, 1904, the Cincinnati, Hamilton & Dayton Ry. acquired a majority of the common stock and nearly all of the preferred stock, and subsequently leased the property for 999 years. In December, 1905, however, the directors of the C., H. & D. Ry. voted to annul the lease and in January, 1906, the Court authorized the cancellation of the same. In the meantime the old company had gone into the hands of receivers, and in December, 1907, the new company took possession, as stated above.

Location: The directly operated lines of the Pere Marquette Ry. consisted on June 30, 1916, of 2,248.75 miles, embracing a system radiating mainly throughout the State of Michigan. Through the lease of the lines of the Lake Erie & Detroit River Ry., the system gains entrance into London, Ont. Population of State of Michigan in 1890, 2,093,889; in 1900, 2,420,982; in 1910, 2,810,173.

Note: In February, 1911, the Cincinnati, Hamilton & Dayton Ry. sold to J. P. Morgan & Co. its entire stock holdings in the Pere Marquette. Since then the interest on the 6% debenture bonds has been defaulted, but the coupons on the refunding 4% bonds of the company issued in 1905 (which were guaranteed by the C., H. & D. Ry.) were paid by the Bankers' Trust Co. to January, 1914, in order to protect the rights and liens under the mortgage.

Reorganization: In April, 1912, receivers were appointed for the property and under date of October 30, 1916, a plan of reorganization was proposed which has since been announced as operative. This plan provided for the following new securities:

First mortgage bonds, maturing July 1, 1956, to be issued in two series of which $21,976,000 are Series A 5s, and $8,479,000 are Series B 4s.

Prior preference 5% cumulative stock of which $11,200,000 is to be purchased by a syndicate.

Five per cent. cumulative preferred stock of which $12,429,000 is to be issued in exchange or partial exchange for existing securities.

Common stock to the amount of $45,046,000, of which $19,370,600 is to be issued in exchange or partial exchange for existing securities and $25,675,400 for purchase by syndicate.

The exchange of old securities is to be made on the following plan.

(1) Flint & Pere Marquette R.R. first 6s received for each $1,000 bond, $1,237 in Series A first 5s.

(2) Flint & Pere Marquette first 4s received for each $1,000 bond, $1,115 in Series A first 5s.

(3) Flint & Pere Marquette, Toledo Division first 5s, received for each $1,000 bond, $1,132 in Series A first 5s.

(4) Flint & Pere Marquette Port Huron Division first 5s received $764 in new preferred stock and $382, in new common stock, for each $1,000 bond.

(5) Flint & Pere Marquette first consol. 5s received $641 in Series A first 5s and $500 in Series B first 4s for each $1,000 bond.

(6) Chicago & West Michigan Railway first 5s received $1,136 in Series A first 5s.

(7) Chicago & North Michigan R.R. first 5s received $380 in preferred stock trust certificates and $761 in common stock trust certificates.

(8) Detroit, Grand Rapids & Western R.R. first consolidated 4s received for each $1,000 bond, $115 in Series A first 5s and $1,000 in Series B first 4s.

(9) Saginaw, Tuscola & Huron R.R. first 4s received for each $1,000 bond, $101 in Series A first 5s and $1,000 in Series B first 4s.

(10) Grand Rapids, Belding & Saginaw R.R. first 5s received for each $1,000 bond $1,150 in new common stock.

(11) Pere Marquette R.R. of Indiana first 4s received for each $1,000 bond $112 in Series A first 5s and $1,000 in Series B first 4s.

(12) Pere Marquette R.R. Consolidated 4s received for each $1,000 bond $1,104 in new preferred stock.

(13) Pere Marquette refunding 4s received for each $1,000 bond $1,104 in new common stock.

In addition to the above the unpaid coupons on Flint & Pere Marquette first 6s., Flint & Pere Marquette first 4s and Detroit Grand Rapids & Western R.R. consolidated 4s, due April 1, 1912 are provided for at par in Series A 5% first mortgage bonds. The coupon detached and maturing July 1, 1912, Jan. 1, 1913, July 1, 1913 and Jan. 1, 1914 on the refunding 4s are provided for in common stock at par.

The purchase committee offers on the terms described below to the depositors of divisional bonds, consolidated mortgage bonds, refunding bonds, collateral trust bonds, debentures, first preferred stock, second preferred stock, and common stock of the old company, the opportunity to acquire $11,200,000 5% prior preference stock, and $22,400,000 common stock at the following rate:

$1,000 par value prior preference stock and $2,000 parvalue common stock for the sum of $975 in cash.

Management (old company): OFFICERS: D. E. Waters, Paul H. King, Receivers; Frank H. Alfred, Gen. Mgr.; J. L. Cramer, Compt.; E. N. Weller, Treas. DIRECTORS: W. R. Roach, F. W. Stevens, E. V. R. Thayer, S. L. Merriam, F. H. Prince, W H. Porter, Frank W. Blair, Samuel M. Felton, Dudley E. Waters, A. E. Sleeper, W. L. Clements, B. F. Davis, W. A. Garrett, Jas. B. Peter. Annual meeting, first Wednesday in October. MAIN OFFICE, Detroit, Michigan.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	16.25%	15.11%	17.13%	15.73%	17.79%	19.92%	15.08%	17.09%	20.00%	15.24%
Products of Animals.....	1.91	2.47	3.58	2.81	2.38	1.99	1.91	1.88	1.75	2.09
Products of Mines.....	37.79	39.75	37.36	38.65	39.31	37.26	39.89	41.01	40.81	41.26
Products of Forests.....	20.49	18.55	15.81	15.34	14.59	14.43	14.44	12.46	11.75	11.74
Manufactures.....	11.72	10.43	10.84	11.81	10.74	10.90	12.62	12.63	12.39	16.20
Mdse. and Miscel.....	11.84	13.69	15.68	15.28	15.19	15.50	16.06	14.93	13.30	13.47

Total tons of freight carried in 1909, 9,316,716; in 1910, 10,527,250 tons; in 1911, 10,346,272 tons; in 1912, 10,420,770 tons; 11,401,029 tons in 1913; 10,867,428 tons in 1914; 11,362,169 tons in 1915; 12,908,719 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	2,390	....	429	390	18,751	70%	69,900	717,743	322	$1.64	1.97c	.58c
1908.....	2,360	....	427	373	19,267	69	75,723	679,745	288	1.54	1.85	.60
1909.....	2,349	....	417	364	19,020	66	80,769	716,083	307	1.64	1.77	.58
1910.....	2,331	....	437	371	18,846	67	89,876	808,517	323	1.71	1.77	.59
1911.....	2,331	....	451	399	18,667	61	94,841	797,272	320	1.69	1.77	.58
1912.....	2,330	....	476	402	18,423	65	96,033	750,758	335	1.89	1.80	.64
1913.....	2,330	....	458	391	18,242	67	93,414	849,618	419	2.13	1.84	.60
1914.....	2,324	278	428	373	16,798	67	89,056	778,230	431	2.08	1.89	.61
1915.....	2,314	60	419	371	16,359	70	86,315	896,526	490	2.29	1.97	.61
1916.....	2,251	269	418	369	15,634	71	92,034	1,041,813	547	2.67	1.99	.64
10-Year Average } ..	2,331	51	436	380	18,001	67%	86,796	803,631	378	$1.93	1.86c	.60c

Yard tracks and sidings, 870 miles.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907	$5,947	$686	$827	$1,513	$2,661	$1,773	$1,831	$190	$1,641	$1,460	11%	$181	.....
1908	5,802	703	868	1,571	2,891	1,340	1,572	225	1,347	1,514	.....	167*	.....
1909	6,263	715	864	1,579	2,951	1,733	1,835	230	1,605	1,588	1	17	.....
1910	6,862	829	909	1,738	3,068	2,056	2,132	324	1,808	1,607	11	201	.....
1911	7,088	911	1,094	2,005	3,774	1,309	1,135	285	850	1,802	.....	952*	.....
1912	7,362	886	1,203	2,089	3,903	1,370	1,174	287	887	1,932	.....	1,045*	.....
1913	7,729	1,264	1,282	2,546	3,662	1,521	1,398	238	1,160	1,845	.....	685*	.....
1914	7,071	1,282	2,696	3,978	3,520	427*	402*	277	679*	2,399	.....	3,078*	.....
1915	7,791	864	1,509	2,373	3,436	1,982	2,087	155	1,932	2,545	.....	619*	.....
1916	9,419	892	1,896	2,788	3,667	2,964	3,067	278	2,789	2,676	.....	113	.....
10-Year Avcrage	$7,133	$903	$1,315	$2,218	$2,353	$1,562	$1,583	$249	$1,334	$1,937	.....	$603*	.....

* Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$21,201,725	$18,026,362	$16,431,939	$18,007,716	$17,160,481	$16,523,762
Maintenance of way	2,007,172	2,000,282	2,979,122	2,944,517	2,064,891	2,123,296
Maintenance of equip	4,268,058	3,492,973	6,265,461	2,987,156	2,804,938	2,550,859
All other oper. expenses	8,255,195	7,950,759	8,181,540	8,532,360	9,098,204	8,796,810
Net oper. revenues	$6,671,300	$4,582,348	* $994,184	$3,543,683	$3,192,448	$3,052,797
Operating ratio	68.5%	74.6%	106.1%	80.3%	81.4%	81.5%
Outside operations	.....	.....	* 124,793	.....	.....	.....
Other income	232,904	247,333	185,037	* 284,890	* 457,682	* 406,100
Total net income	$6,904,204	$4,829,681	* $933,940	$3,258,793	$2,734,766	$2,646,697
Taxes accrued	626,275	512,844	643,168	555,242	667,704	664,770
Balance for chrgs	$6,277,929	$4,316,837	* $1,577,108	$2,703,551	$2,067,062	$1,981,927
Fixed charges	6,023,372	5,736,101	5,575,787	4,299,101	4,046,742	3,795,588
Balance	$254,557	* $1,419,265	* $7,152,895	* $1,595,550	* $1,979,680	* $1,813,761

* Deficit.

Note: Above figures for 1914, 1915 and 1916 are those reported to the Interstate Commerce Commission, and by the receivers to the security holders. Fixed charges, as shown, include hire of equipment, net deficit for year, interest accrued on bonds, on floating debt and on receivers' certificates, and rentals. In above statement, for all years but 1914, 1915 and 1916, "Outside operations" were included in gross revenues and operating expenses.

Profit and Loss Account, year ended June 30, 1916: Balance transferred from income, $254,557; profit on road and equipment sold, $2,953; donations, $14,633; miscellaneous credits, $16,420; debit balance carried to balance sheet, $31,161,556; total, $31,450,119. Contra: Debit balance on Junc 30, 1915, $25,665,221; debt discount extinguished through surplus, $4,645,598; loss on retired road and equipment, $394,647; miscellaneous debits, $744,653; total, $31,450,119.

Comment: The income exhibit of the Pere Marquette for the year ended June 30, 1916 was the best ever recorded, and the company was able to report a surplus above its taxes of no less than $6,277,929. The old fixed charges were more than covered, but the surplus shown is far in excess of the proposed new fixed charges, which, it is estimated, will average less than $2,000,000 per annum.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$11,715	32%	$25,055	68%	$6,008	$42,778	$2,488	$40,290	4.5%	.....	.....	.....	.....	.....	.....
1908	12,079	30	28,803	70	5,716	46,598	918	45,680	3.5	.....	.....	.....	.....	.....	.....
1909	12,728	30	28,996	70	5,952	47,676	454	47,222	3.9	.....	.....	.....	.....	.....	.....
1910	11,294	30	26,367	70	5,805	43,466	2,980	40,486	4.2	.....	.....	.....	.....	.....	.....
1911	11,294	30	26,890	70	6,114	44,298	216	44,082	2.6	.....	.....	.....	.....	.....	.....
1912	11,310	27	29,490	73	6,002	46,802	1,191	45,611	2.5	.....	.....	.....	.....	.....	.....
1913	11,299	27	30,945	73	6,300	48,544	1,233	47,311	3	.....	.....	.....	.....	.....	.....
1914	12,263	26	34,406	74	6,372	53,041	1,174	51,867	4	.....	.....	.....	.....	.....	.....
1915	11,377	25	34,717	75	6,618	52,712	1,310	51,402	4	.....	.....	.....	.....	.....	.....
1916	12,661	27	34,931	73	5,906	53,498	1,347	52,151	5.9	.....	.....	.....	.....	.....	.....
10-Year Average	$11,802	28%	$30,060	72%	$6,079	$47,941	$1,331	$46,610	3.4%	.....	.....	.....	.....	.....	.....

Note: Above table is based on average mileage directly operated for each year. Bonds outstanding per mile, as shown above, include all issues, as well as equipment trusts and Receivers' Certificates.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$91,914,764	$97,200,518	$99,376,732	$105,618,513	$121,222,937	$116,034,276
Working assets.....	8,223,728	4,244,234	5,626,807	6,369,411	5,215,149	6,022,718
Deferred debit items...	494,083	582,728	1,078,240	962,093	938,507	1,401,314
Accrued income not due	10,606	45,484	19,432	18,352	13,912	31,832
Profit and loss deficit..	31,161,556	25,665,222	22,559,538	14,444,170	2,995,117	2,780,313
Total	$131,804,737	$127,738,186	$128,660,749	$127,412,539	$130,385,622	$126,270,453
LIABILITIES:						
Capital stock.....	$28,500,000	$26,327,210	$28,500,000	$29,900,000	$29,900,000	$29,900,000
Funded debt.....	78,629,942	80,334,239	79,959,165	81,255,720	93,854,809	91,983,147
Working liabilities.....	23,110,714	19,692,835	18,306,690	14,789,533	5,261,395	3,121,953
Accrd. liabilities not due	988,036	971,250	1,038,915	1,060,670	975,822	933,348
Deferred credit items..	576,045	412,652	855,979	406,616	393,596	332,005
Total	$131,804,737	$127,738,186	$128,660,749	$127,412,539	$130,385,622	$126,270,453

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

NAME OF ISSUE.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	BASIS FOR RATING. Security.	BASIS FOR RATING. Salability.	Net Rating.
Issues of Old Company										
1. Chic. & N. Mich. first 5s...	M&N	M 1931	(1st) 100	$17,000	$1,180	$35	65%	Text	Text	Text
2. Chic. & W. Mich. (con.) 5s.	J&D	D 1921	(1st) 487	12,000		123	65%	"	"	"
3. Det. G. R. & West. consol. (now first) 4s.....	A&O	Ap 1946	(1st) 387	14,000		93	65%	"	Good	"
4. Flint & P. M. first 4s.....	A&O	O 1920	(1st) 281	18,000		119	65%	"	"	"
5. Flint & P. M. first 6s.....	A&O	O 1920					65%	"	"	"
6. Flint & P. M. consol. 5s....	M&N	My 1939	(1st) 120 (2d) 529	4,400		60	43%	"	"	"
7. Flint & P. M. Port H. div. 5s.....	A&O	Ap 1939	(1st) 230	14,500	653	71	52%	"	"	"
8. Flint & P. M. Toledo div. first 5s.....	J&J	Jl 1937	(1st) 18	21,400		8	52%	"	"	"
9. Grand Rap. B. & S. first 5s	M&S	Mr 1924	(1st) 29	9,000		6	52%	"	"	"
10. Saginaw, T. & H. first 4s...	F&A	Ag 1931	(1st) 66	15,106		18	52%	"	"	"
11. Père Marq. of Ind. first 4s..	M&N	My 1943	(1st) 20	34,000		12	52%	"	"	"
12. Père Marq. R. R. consol. 4s.	J&J	Ja 1951	(see text)	5,000		143	52%	"	"	"
13. Père Marq. R. R. refund. 4s	J&J	Ja 1955	(cons & col)	5,000		160	None	"	"	"
Issues of New Company										
1. Père Marq., Lake Erie div. coll. 4½s.....	F&A	Ag 1932	(1st) 199	15,000	$1,334	58	92%	High	"	**Aa.**
2. Père Marq. coll. 4s.....	J&J	Ja 1923	(coll.)	.....		50	92%	"	"	**Aa.**
3. Père Marq., Series A, first 5s.....	J&J	Jl 1956				488	50%	"	"	**Baa.**
4. Père Marq., Series B, first 4s.....	J&J	Jl 1956	(1st) 1,856 (coll) 199	14,819	1,226	150	50%	"	"	**Baa.**

Note: In the above table, the old bond issues of the system which are being retired in the reorganization are not eliminated, as it is desired to show their former position and the terms on which they are being exchanged. The income average on these old issues are those for the ten years ended June 30, 1915.

In the second section of the table, the old *undisturbed* issues are shown, as well as the new reorganization issues. The ten-year average income in the second section of the table is for the period ended June 30, 1916. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES (Old Company)

1. Auth., $18,000 per mile; outstanding, $1,667,000 (closed). Dated May 1, 1891; due May 1, 1831. Int. paid at Second National Bank, Boston. Assumed by Pere Marquette R.R. First lien from Traverse City to Bayview, Mich., 79.02 miles; Williamsburg to Elk Rapids, Mich., 9.81 miles; and various branches, 11.24 miles; total, 100.07 miles. These bonds receive $380 in new preferred stock and $761 in new common stock.

2. Auth., $12,000 per mile; outstanding, $5,758,000 (closed). Dated Dec. 1, 1881; due Dec. 1, 1921. Int. paid at J. P. Morgan & Co., New York. Assumed by Pere Marquette R.R. First lien on 487 miles, as follows: From La Crosse, Ind., to Traverse City, Mich., (*via* Grand Rapids), 299.44 miles; Berry to Big Rapids, Mich., 51.60 miles; Allegan to Pentwater, Mich., 98.30 miles; Kirk to Muskegon, Mich., 11.98 miles; and branches amounting to 26.52 miles. These bonds receive $1,136 in new Series A first 5s.

3. Auth., $6,000,000; outstanding, $5,379,000 (closed). Dated Jan. 1, 1897; due April 1, 1946. Int. paid at Second National Bank, Boston. Assumed by Pere Marquette R.R. First lien on 374.79 miles, as follows: West Detroit to Grand Rapids, 146.56 miles; Paines to Belding, Mich. (*via* Howard City), 101.37 miles; Grand Ledge to Big Rapids, 93.24 miles; branches, 33.62 miles; first collateral lien on $250,000 Fort Street Union Depot Co. capital stock. These bonds receive $115 in new Series A first 5s and $1,000 in new Series B first 4s.

REFERENCE NOTES ON BOND ISSUES (Continued)

4 and 5. Auth., $1,000,000 4s; $4,000,000 6s; outstanding, $5,000,000. Dated Oct. 1, 1880; due Oct. 1, 1920. Int. paid at J. P. Morgan & Co., New York. Assumed by Pere Marquette R.R. First lien on 298.13 miles, as follows: Monroe to Ludington, 249.81 miles; East Saginaw to Bay City, 12.50 miles; Horton to Otter Lake, 14.40 miles; branches, 21.42 miles; all in Michigan. These bonds receive $1,115 in new Series A first 5s for the 4s, and $1,237 in new Series A first 5s for the 6s.

6. Auth., $10,000,000; outstanding, $2,850,000 (closed). Dated March 1, 1889; due May 1, 1939. Int. paid at Central Trust Co., New York. Assumed by Pere Marquette R.R. First lien on 101.62 miles, as follows: Delray to Oak, 8.43 miles; Saginaw Belt, 5.45 miles; Coleman to Mt. Pleasant, 14.50 miles; Coleman to Beaverton, 11 miles; Clare to Leota, 24 miles; and branches; second lien on 545.17 miles, as follows: On 298.13 miles, following Nos. 5 and 6; on 230.20 miles, following No. 8, and also following No. 9. These bonds receive $641 in new Series A first 5s, and $500 in new Series B first 4s.

7. Auth., $3,500,000; outstanding, $3,325,000 (closed). Dated May 17, 1889; due April 1, 1939. Int. paid at J. P. Morgan & Co., New York. Assumed by Pere Marquette R.R. First lien on 230.20 miles, as follows: East Saginaw to Port Huron, 90.12 miles; Port Huron to Grindstone City, 91.62 miles; Palms to Harbor Beach, 18.40 miles; all in Michigan. These bonds receive $764 in new preferred stock and $382 in new common stock.

8. Auth. and outstanding, $400,000. Dated July 1, 1897; due July 1, 1937. Int. paid at International Trust Co., Boston, Mass. Assumed by Pere Marquette R.R. First lien on 18.55 miles from Monroe to Alexis, Mich., and on lease of Ann Arbor R.R. from Alexis to and into Toledo, Ohio. These bonds receive $1,132 in new Series A 1st 5s.

9. Auth., $260,000, and $9,000 per mile additional; outstanding, $260,000. Dated Mar. 1, 1899; due Mar. 1, 1924. Int. paid at International Trust Co., Boston. Assumed by Pere Marquette R.R. First lien on 28.85 miles from Freeport to Belding, Mich. These bonds receive $1,150 in new common stock.

10. Auth. and outstanding, $1,000,000. Dated Feb. 1, 1900; due Aug. 1, 1931. Int. paid at J. P. Morgan & Co., New York. Assumed by Pere Marquette R.R. First lien from Saginaw to Bad Axe, Mich., 66.10 miles. These bonds receive $101 in new Series A first 5s and $1,000 in new Series B first 4s.

11. Auth., $2,500,000; outstanding, $675,000 (closed). Dated May 1, 1903; due May 1, 1943. Int. paid at J. P. Morgan & Co., New York. Callable at 105 and interest on any interest date on 60 days' notice. Assumed by Pere Marquette R.R. First lien from Michigan-Indiana State line near Alfred to Porter, Ind., 21.26 miles. These bonds receive $112 in new Series A first 5s and $1,000 in new Series B first 4s.

12. Auth., $50,000,000; outstanding, $8,382,000 (closed). Dated Jan. 2, 1901; due Jan. 1, 1951. Int. paid at J. P. Morgan & Co., New York. Assumed by Pere Marquette R.R. First lien on 122.19 miles, as follows: from Greenville to Stanton, Mich., 12.19 miles; Benton Harbor to Buchanan, Mich., 26 miles; Harbor Beach to Port Hope, Mich., 7.72 miles; Carsonville to Sandusky, Mich., 8 miles; Lawton to South Haven, Mich., 33.82 miles; branches, 34.46 miles; second lien on the 1,147.72 miles, subject to No. 2; No. 3; No. 4; No. 5; No. 10; No. 11; third lien on 545 miles, following No. 7; first collateral lien on the following securities: $264,000 (entire) capital stock of the Grand Rapids, Kalkaska & S. E. R.R.; $250,000 of the $1,000,000 capital stock of the Fort Street Union Depot Co.; second collateral lien on stock, following No. 4. These bonds receive $1,104 in new preferred stock.

13. Auth., $60,000,000; outstanding, $10,106,000 (closed). Dated Jan. 2, 1905; due Jan. 1, 1955. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000; reg., $1,000, $5,000, etc. Assumed by Pere Marquette R.R. Second lien on 143.85 miles, following No. 13 and No. 12; second collateral lien on 198.81 miles, following No. 1 and subject thereto; third lien on 1,147.72 miles, following No. 13; fourth lien on 545 miles, following No. 13; first collateral lien on $15,800 out of $1,000,000 capital stock of the Fort Street Union Depot Co.; second collateral lien on securities, following No. 13; third collateral lien on stock, following No. 13. Underlies No. 23. Of this issue, $9,207,000 are guaranteed by the Cincinnati, Hamilton & Dayton Railway. These bonds receive $1,104 in new common stock.

REFERENCE NOTES ON BOND ISSUES (New Company)

1. Auth. and outstanding, $3,000,000. Dated June 15, 1903; due Aug. 1, 1932. Int. paid at J. P. Morgan & Co., New York. Coupon, $1,000. Assumed by Pere Marquette R.R. First collateral (by deposit of like amount of Lake Erie & Detroit River 5s of 1932) lien on 198.81 miles, as follows: From Walkerville to St. Thomas, Ont., 126.78 miles, and from Sarnia to Rondeau, Ont., 72.03 miles. These bonds remain undisturbed in the plan. They underlie Nos. 3 and 4, and retirement is provided for by latter. Interest paid without deduction for normal income tax.

2. Auth. and outstanding, $2,870,000. Dated Jan. 1, 1903; due Jan. 1, 1923. Int. paid at People's State Bank, Detroit. Callable at par and int. on any interest date on six week's notice. Assumed by Pere Marquette R.R. First collateral stock lien on 198.81 miles, as follows: Walkerville to St. Thomas, 126.78 miles; and Sarnia to Rondeau, 72.03 miles; all in Ontario, Canada. Tax-free clause. Coupon, $1,000. These bonds remain undisturbed in the plan. They underlie Nos. 3 and 4 and retirement is provided for by latter. Interest paid without deduction for normal income tax.

3 and 4. Authorized, $75,000,000; now being issued, $30,455,000. In two series, as follows: Series A carrying 5% int.; Series B, carrying 4% int. Dated July 1, 1916; due July 1, 1956. Interest paid from July 1, 1916 in New York. Coupon and reg., $1,000. Series A are redeemable at 105 and interest, and Series B at par and interest. Of Series A, $15,976,000 are now being issued in exchange or partial exchange for old securities under the reorganization plan and $6,000,000 have been sold to the syndicate to cover cash requirements, etc. Of Series B, $8,479,000 now to be issued are to be applied to the exchange of old securities. Of the unissued balance, sufficient are reserved to retire Nos. 1 and 2, and the balance will be available after July 1, 1918 for improvements, extensions, etc. Secured by first lien on the entire reorganized properties, subject only to the prior liens and claims of Nos. 1 and 2 on the Canadian properties of the company. The additional bonds may be issued in other securities with varying rates of interest and maturities. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Père Marquette Ry. (new) 5% prior pref. stock. Preference as to assets; cumulative. Par $100.	5%	$5,000	$588	$250*	52%	High	Good	Ba.
Père Marquette Ry. (new) preferred ..... Par $100.	5%	5,500	338	275*	19%	Fair	"	B.
Père Marquette Ry. common ..... Par $100.	Text	20,000	None	63	None	"	"	E.

For Key to Stock Ratings, see page 21. * To pay 5%.

Note: The above stock issues are those of the new company. The average available income is the annual average surplus per mile, for the ten years ended June 30, 1916, *after deducting the proposed new fixed charges.* This average is presented to show the probable position of the new stock issues under average conditions throughout a decade.

REFERENCE NOTES ON STOCK ISSUES (New Company)

1. **Prior Preference Cumulative Stock:** Authorized and to be issued, $11,200,000; par, $100. Has preference as to 5% cumulative dividends and as to assets. Callable at par and accrued dividends at any time.

2. **Preferred Stock:** Authorized and to be issued, $12,429,000; par, $100. Entitled to 5% dividends per annum prior to any payments on the common stock, such dividends becoming cumulative after Jan. 1, 1919. Has preference over the common stock as to assets, and is callable at par at the option of the company.

3. **Common Stock:** Authorized and to be issued, $45,046,000; par, $100. Entitled to dividends after Nos. 1 and 2 have received their full payments. All issues have full voting power, but have been assigned to a Voting Trust for five years.

ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

History: Incorporated in Missouri, Aug. 24, 1916, as successor to the St. Louis & San Francisco R.R. Co., sold under foreclosure. Old company was incorporated in 1896, as successor of St. Louis & San Francisco Railway, which was incorporated in 1876. From time to time various subsidiary properties have been acquired, including St Louis, Memphis & Southeastern R.R., Blackwell, Enid & Southwestern Ry., Ozark & Cherokee Central Ry., Arkansas Valley & Western Ry., Oklahoma City & Western, Fort Smith Van Buren Bridge, etc. Other lines controlled and directly operated are the Kansas City, Fort Scott & Memphis Ry., Kansas City, Memphis & Birmingham R.R., Fort Scott & Rio Grande R.R., St. Louis, San Francisco & Texas, etc. The old company also controlled through stock ownership the Chicago & Eastern Illinois R.R., New Orleans, Texas & Mexico R.R., Beaumont, Sour Lake & Western Ry., Orange & Northwestern RR., St. Louis, Brownsville & Mexico, Quanah, Acme & Pacific Ry., all of which have been separated from the system and are now operated independently. Also has had a joint interest with the Southern Ry. In the New Orleans Terminal Co., and has controlled, jointly with the Louisville & Nashville, the New Orleans, Mobile & Chicago R.R. (which see). Jointly with the Chicago, Rock Island & Pacific Ry., the Rock Island Frisco Terminal Co. Is controlled.

Location: The directly operated lines consisted on June 30, 1916, of 5,257.02 miles, of which 3,509.41 miles are owned; 920.62 miles are embraced In the Kansas City, Fort Scott & Memphis Ry.; 290.40 miles in the Kansas City, Memphis & Birmingham R.R.; 234.44 miles in the Fort Worth & Rio Grande Ry.; 17.65 miles in the Brownwood North & South Ry.; 76.64 miles In the St. Louis, San Francisco & Texas Ry.; and 16.94 miles in the Paris & Great Northern Ry.; trackage rights, 201.92 miles. Lines enter or cross States of Missouri, Arkansas, Oklahoma, Kansas, Tennessee, Mississippi, Alabama and Texas. Population of these States in 1890, 7,531,816; In 1900, 9,335,765; in 1910, 12,112,430.

Management: Officers: Henry Ruhlender, Chairman; Wm. B. Biddle, Pres.; E. D. Levey, 1st Vice-Pres.; N. M. Rice, 2d Vice-Pres.; C. W. Hilliard, 3d Vice-Pres.; F. H. Hamilton, Sec. and Treas.; C. W. Michel, Asst. Sec.; W. A. McAuliffe, Asst. Treas. Directors: F. W. Allen, W. B. Biddle, E. N. Brown, Murray Carleton, Sam Lazarus, J. W. Lusk, Henry Ruhlender, C. H. Sabin, A. L. Shapleigh, Jas. Speyer, Frederick Strauss, E. V. R. Thayer, F. J. Wade, M. L. Wilkinson, E. D. Levey. Main Office, St. Louis, Mo. New York Office, 71 Broadway.

Reorganization: The new company which took possession of the property in the Fall of 1916 authorized the following new securities.

Prior lien mortgage Series A 4s and Series B 5s due July 1, 1950. Of the 4s $93,398,500 were issued in exchange for old securities as outlined below. Of the Series B 5s $31,811,500 were issued partly in exchange for old securities. The company also authorized a new adjustment mortgage due July 1, 1955, of which $40,547,818 were issued for exchange of old securities. An issue of income mortgage bonds due July 1, 1960 was authorized, of which $35,192,000 were issued In exchange for old securities. The new company also issued $7,000,000 of cumulative preferred stock, and $48,480,000 of common stock.

The securities undisturbed in the reorganization consisted of the St. Louis & San Francisco general mortgage 5s and 6s, due 1931, and all equipment obligations maturing after July 1, 1917. The Kansas City, Fort Scott & Memphis bond issues were left undisturbed in the reorganization, but the former guarantees on these bonds were not assumed by the new company.

In the distribution of new securities, the following exchanges were made.

(1) The St. Louis & San Francisco R.R. refunding 4s received for each $1,000 bond, $750 in new prior lien 4s and $250 in new 6% adjustment bonds.

(2) The St. Louis & San Francisco R.R. general lien 5s received for each $1,000 bond $250 in new prior lien 4s, $283.33 In 6% adjustment bonds, and $500 in 6% Income bonds.

(3) The St. Louis & San Francisco R.R. consolidated 4s received for each $1,000 bond, $100 in cash and $1,000 In prior lien 4% bonds.

(4) The St. Louis & San Francisco R.R. Southwestern Division 5s received for each $1,000 bond $62.50 in cash and $1,250 in 4% prior lien bonds.

(5) The St. Louis & San Francisco R.R. Central Division first 4s received for each $1,000 bond $35 in cash and $1,250 in prior lien 4% bonds.

(6) The St. Louis & San Francisco R.R. Northwestern Division first 4s received for each $1,000 bond $35 in cash and $1,250 in prior lien 4% bonds.

(7) St. Louis & San Francisco R.R. Trust 5s of 1887 received for each $1,000 bond, $62.50 cash and $1,250 in prior lien 4% bonds.

(8) The St. Louis & San Francisco R.R. Trust 5s of 1880 received for each $1,000 bond $125 in cash, and $1,250 in prior lien 4% bonds.

(9) The St. Louis & San Francisco R.R., Missouri & Western Division first 6s received for each $1,000 bond, $125 in cash and $1,250 in prior lien 4% bonds.

(10) The St. Louis, Wichita & Western first 6s received for each $1,000 bond $120 in cash and $1,250 in prior lien 4% bonds.

(11) The Muskogee City Bridge Co. first 5s received for each $1,000 bond $50 in cash and $1,250 in prior lien 4% bonds.

(12) The St. Louis, Memphis & Southeastern first 4s received for each $1,000 bond $50 in cash and $1,250 in prior lien 4% bonds.

(13) The Chester, Perryville & St. Genevieve R.R. first 5s received for each $1,000 bond $12.50 in cash and $1,250 in prior lien 4s.

(14) The Pemiscot R.R. first 6s received par and interest in cash.

(15) The Kennett & Oseeola R.R. first 6s received par and interest in cash.

(16) The Southern Missouri & Arkansas R.R. first 5s received par and interest in cash.

(17) The Fort Worth & Rio Grande first 4s received for each $1,000 bond $1,000 in prior lien 4s.

(18) The Ozark & Cherokee Central first 5s received for each $1,000 bond $17.50 in cash and $1,250 in prior lien 4s.

(19) The Quanah, Acme & Pacific R.R. first 6s received for each $1,000 bond $15 in cash and $1,250 in prior lien 4s.

(20) The Kansas City, Fort Scott & Memphis preferred stock certificates received for each $1,000 par value $750 in prior lien 4s and $250 in 6% adjustment bonds.

(21) The St. Louis & San Francisco first preferred stock on payment of $50 per share assessment received $50 in new prior lien 5s and one share of new common stock.

(22) The St. Louis & San Francisco R.R. second preferred on payment of $50 a share assessment, received $50 in prior lien 5s and $90 par value in new common stock.

(23) The St. Louis & San Francisco common stock on payment of $50 per share assessment received $50 in new prior lien 5s and $82 in par value of common stock.

The new $7,000,000 of cumulative preferred stock was used for the purpose of adjusting other outstanding indebtedness.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	17.28%	15.13%	15.83%	14.80%	16.31%	17.68%	16.04%	14.84%	15.60%	15.76%
Products of Animals.....	3.88	3.74	3.75	3.47	4.02	3.89	3.78	3.33	3.45	3.20
Products of Mines.....	39.58	42.00	39.33	40.41	38.57	39.03	40.48	41.88	42.11	41.38
Products of Forests.....	18.39	20.19	22.74	20.72	19.39	17.67	17.97	17.40	16.60	14.91
Manufactures.....	14.70	13.64	13.24	15.44	15.75	14.49	15.15	15.21	15.18	18.50
Merchandise and Miscel...	6.17	5.30	5.11	5.16	5.96	7.24	6.58	7.34	7.06	6.25

Total revenue tonnage, year ended June 30, 1900, 2,865,181 tons; 1909, 16,326,727 tons; 1910, 17,829,713 tons; 1911, 17,128,446 tons; 1912, 16,985,882 tons; 19,739,790 tons in 1913; 17,986,591 tons in 1914; 18,762,319 tons in 1915; 20,459,901 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	5,062	40	863	461	29,114	69%	70,705	525,148	224	$1.89	2.56c	1.01c
1908.....	5,064	40	907	536	32,672	67	81,786	486,842	212	1.74	2.15	.97
1909.....	5,073	40	904	531	29,357	66	89,403	483,618	221	1.84	2.05	1.00
1910.....	5,072	40	947	579	30,591	67	94,067	557,886	223	1.79	2.21	.98
1911.....	5,188	40	998	622	31,830	68	97,544	515,754	221	1.87	2.37	1.05
1912.....	5,241	40	1,029	688	32,124	65	90,512	517,969	255	1.97	2.42	1.01
1913.....	5,255	43	1,061	695	34,709	68	93,185	595,001	281	2.15	2.38	1.00
1914.....	5,259	43	1,037	691	35,850	67	101,749	575,746	297	2.24	2.16	1.00
1915.....	5,252	43	896	689	31,994	69	94,364	590,422	330	2.25	2.14	.95
1916.....	5,255	43	826	684	31,764	69	102,894	656,975	334	2.40	2.17	.97
10-Year Average	5,172	41	917	618	32,000	68%	91,621	550,536	260	$2.01	2.26c	.99c

Yard tracks and sidings, 1,565 miles.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$7,630	$1,068	$929	$1,997	$2,917	$2,716	$3,020	$102	$2,918	$2,097	28%	$821	$39
1908.....	7,070	952	909	1,861	3,094	2,115	2,421	108	2,313	2,223	4	90	39
1909.....	7,274	970	887	1,853	2,939	2,482	2,750	202	2,548	2,295	10	253	38
1910.....	8,116	1,139	1,171	2,310	3,344	2,462	3,036	287	2,749	2,528	7	221	39
1911.....	8,319	1,054	1,106	2,160	3,492	2,667	3,116	349	2,767	2,473	11	294	38
1912.....	8,033	976	1,053	2,029	3,447	2,555	2,852	377	2,475	2,441	1	34	38
1913.....	8,763	1,095	1,159	2,254	3,590	2,919	3,181	392	2,789	2,916	.....	127*	28
1914.....	8,542	1,476	1,424	2,900	3,426	2,216	2,358	409	1,949	2,487	.....	538*	.....
1915.....	8,183	1,159	1,364	2,523	3,159	2,501	2,606	384	2,222	2,467	.....	245*	.....
1916.....	9,207	1,404	1,546	2,950	3,287	2,970	3,113	414	2,699	2,417	10	282	.....
10-Year Average	$8,113	$1,130	$1,154	$8,284	$3,269	$2,560	$2,845	$302	$2,543	$2,434	4%	$109	$26

* Deficit.

Note: Above fixed charges are those of the old company. The new company's charges will average about $1,750 per mile (not including "contingent charges").

Note: Above table is based on average mileage directly operated, including lines owned, leased or otherwise used. It does not include separately operated controlled lines.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$48,383,445	$42,954,668	$44,923,568	$46,050,290	$42,100,364	$43,159,228
Maintenance of way....	7,379,430	6,088,312	7,762,323	5,755,477	5,118,924	5,470,179
Maintenance of equip..	8,122,918	7,162,021	7,492,700	6,091,069	5,521,171	5,738,290
All other oper. expenses	17,273,411	16,588,705	18,015,576	18,864,548	18,069,494	18,111,931
Net oper. revenues.	$15,607,686	$13,115,630	$11,652,969	$15,339,196	$13,390,775	$13,838,828
Operating ratio	67.74%	69.5%	74%	66.7%	68.2%	67.9%
Other income	749,023	571,843	749,911	1,379,023	1,559,318	2,333,971
Total net income..	$16,356,709	$13,687,473	$12,402,880	$16,718,219	$14,950,093	$16,172,799
Taxes accrued	2,175,382	2,016,706	2,149,215	2,057,440	1,957,583	1,811,827
Balance for chrgs.	$14,181,327	$11,670,767	$10,253,665	$14,660,779	$12,992,510	$14,360,972
Fixed charges	12,700,237	12,955,439	13,081,807	15,328,127	12,815,111	12,825,568
Surp. over charges.	$1,481,090	* $1,284,672	* $2,828,142	* $667,348	$177,399	$1,535,404
Dividends paid	.....	.....	.....	149,790	199,742	199,742
Balance	$1,481,090	* $1,284,672	* $2,828,142	* $817,138	* $22,343	$1,335,662

* Deficit.

Note: The fixed charges as shown above for 1915 and 1916 are the total payments made by the receivers of the old company, as the new company did not take possession of the property until after the close of the fiscal year. The new fixed charges (not including "contingent" charges) will be about $9,158,000 per annum.

Profit and Loss Account, year ended June 30, 1916: Debit balance, June 30, 1915, $2,696,558; building destroyed during year and not replaced, $9,751; tracks taken up during year and not replaced, $7,328; proportion of equipment retired and dismantled charged during year, $396,382; miscellaneous adjustments not affecting year's income (net), $2,926,478; total, $6,036,497. Contra: Credit balance transferred from income, $1,481,090; debit balance, June 30, 1916, $4,555,407; total, $6,036,497.

Comment: During the year ended June 30, 1916 the St. Louis & San Francisco reported great improvement in its gross and net revenues, and the final balance available for charges was higher than in any year since 1913. The fixed charges of the reorganized property are about $9,158,000 per annum, but the surplus reported was well in excess of the requirements for full interest on the new adjustment 6s and the new income 6s.

Diversified Investing

Price of the Book, $2.00 per copy net

This subject is fully covered in a small volume entitled "*How to Invest Money Wisely*," by John Moody, which we have recently published. For many years Mr. Moody has made a careful study of this subject in connection with his work as an analyst and adviser for bankers, financial institutions and investors, both at home and abroad. These principles for wisely and intelligently diversifying investment capital have been adopted within the past few years by numerous institutions and several thousand individual investors with satisfaction and profit.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

TABLE C.—Cap talization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	1st & 2d Preferred Dividends.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907.....	$9,877	18%	$45,603	82%	$2,112	$57,592	$7,234	$50,358	6%	$39	4&2%	.....	.....	95%	.....
1908.....	9,873	17	49,058	83	2,116	61,047	9,548	51,499	4.7	39	4	.....	.....	57	.....
1909.....	9,522	17	48,608	83	1,140	59,270	6,625	52,645	5.2	38	4	.....	.....	87	.....
1910.....	9,858	16	51,762	84	Nom.	61,620	5,435	56,185	5.3	39	4	.....	.....	82	.....
1911.....	9,636	15	54,786	85	"	64,422	5,320	59,102	5.3	38	4	.....	.....	87	.....
1912.....	9,501	15	55,588	85	.....	65,089	4,510	60,579	4.8	38	4	.....	.....	.....	.....
1913.....	9,512	14	56,232	86	.....	65,744	1,232	64,512	4.9	28	4	.....	.....	.....	.....
1914.....	9,505	15	55,734	85	.....	65,239	758	64,481	3.7	.....	3	.....	.....	.....	.....
1915.....	9,517	15	56,094	85	.....	65,611	408	65,203	4	.....	.....	.....	.....	.....	.....
1916.....	9,512	16	50,223	84	.....	59,735	358	59,377	5.2	.....	.....	.....	.....	.....	.....
10-Year Average	$9,632	16%	$52,369	84%	$537	$63,538	$4,144	$58,394	4.9%	$26	3.1%	.....	.....	76%	.....

Note: Included in Table "C" are all bond issues actually, as well as nominally, outstanding. The investment column includes unpledged securities of the book value of $2,142,069, but does not include $3,815,554 book value of securities classed as "pledged and unpledged," the value of such unpledged securities not being shown separately.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment....	$366,280,076	$393,949,536	$385,804,801	$388,012,645	$381,562,749	$381,869,084
Working assets.....	19,142,237	15,088,744	18,483,028	25,058,016	19,410,500	16,586,679
Deferred debit items...	32,682,524	13,606,124	16,164,720	15,866,317	15,410,611	19,336,784
Accrued income not due	944	817	.....	.....	51,299	251,457
Profit and loss deficit..	4,555,407	2,696,558	877,612	.....	.....	.....
Total	$422,661,188	$425,341,779	$421,330,161	$428,936,978	$416,435,159	$418,044,004
Liabilities:						
Capital stock.....	$96,507,400	$96,507,400	$96,507,400	$96,507,400	$95,143,300	$94,918,300
Funded debt.....	263,922,879	297,606,588	304,835,242	305,714,129	300,091,624	299,238,266
Working liabilities.....	31,966,651	23,853,112	12,917,551	18,280,106	14,086,118	15,982,669
Accrd. liabilities not due	2,429,224	2,515,095	2,619,851	2,238,717	2,091,039	2,181,044
Deferred credit items..	26,629,041	3,741,974	3,885,210	3,504,556	1,632,214	648,521
Appropriated surplus...	1,205,993	1,117,610	564,907	269,931	236,494	241,994
Profit and loss surplus.	.....	.....	.....	2,423,139	3,154,370	4,833,210
Total	$422,661,188	$425,341,779	$421,330,161	$428,936,978	$416,435,159	$418,044,004

Note: The above balance sheet is presented as it is given by the company, and securities "held by the company" are included on both sides.

Comment: The above figures are those of the old company. The capitalization of the property has now been radically changed, and the old balance sheets therefore no longer have any significance. See bond table on next page for full details.

TABLE D.—Bond Record and Rat'ngs (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. St. L. & San Fran. gen. 5s..	J&J	Jl 1931	(1st) 986	$9,608	$2,543	$100	96%	Very high	Very high	Aaa.
2. St. L. & San Fran. gen. 6s..	J&J	Jl 1931						"	"	Aaa.
3. Kansas & Mo. R. R. first 5s.	F&A	Ag 1922	(1st) 26	15,000		4	93%	High	High	Aaa.
4. Kan. City, Ft. Scott & M. cons. 6s.....	M&N	My 1928	(1st) 689 (2d) 26	19,200	2,443	150	93%	"	"	Aa.
5. Current R. R. R. first 5s...	A&O	O 1927	(1st) 82	19,585		16	93%	"	"	Aa.
6. Kan. City, Mem. & Bir. gen. 4s.....	M&S	Mr 1934	(1st) 286	11,620		30	88%	"	"	A.
7. Kan. City, Mem. & Bir. inc. 5s.....	M&S	Mr 1934	(2d) 286	20,700		65	88%	"	"	Baa.
8. K. C., Ft. Scott & M. ref. 4s	A&O	O 1936	(see text)	28,080		160	88%	"	Good	Baa.
9. K. C. & M. Ry. & Bge. first 5s.....	A&O	O 1929	(1st) Bge.	.....	2,273	25	88%	"	Fair	Baa.
10. Birmingham Belt 4s.....	A&O	O 1922	(1st) 39	25,600		8	88%	"	Good	Baa.
11. St. L. & San Fran. equip. bds	Var.	Var.	.....	.....		60	88%	"	High	Aa.
12. St. L.-San Fran. P. L. 4s...	J&J	Jl 1950	3,923	24,100		711	52%	"	"	Baa.
13. St. L.-San Fran. P. L. 5s...	J&J	Jl 1950		6,500	1,985	240	52%	"	"	Baa.
14. St. L.-San Fran. adj. 6s....	Text	Jl 1955	3,923	.....	1,034	500	50%	Fair	"	B.
15. St. L.-San Fran. inc. 6s	Text	Jl 1960	3,923	.....	534	400	22%	Mod.	"	Caa.

For Reference Notes on Bond Issues, see next page.

REFERENCE NOTES ON BOND ISSUES

1 and 2. Auth., $30,000,000; outstanding, $5,803,000 5s and $3,681,000 6s (closed). Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. First lien on 986.48 miles, as follows: St. Louis to Seneca, Mo., 327.78 miles; Springfield to Beaver and to Chadwick, Mo., 73.65 miles; Fayetteville, Ark., to Red River, and to Powell, 240.22 miles; Pierce City, Mo., to Wichita, Kan., 223.70 miles; Monett, Mo., to Fayetteville, Ark., 71.18 miles; Carl Junc., Mo., to Girard, Kan., 29.64 miles; smaller branches, 17.29 miles. Assumed by St. Louis-San Francisco Ry. Underlie Nos. 12-13, with provision by same to retire. Listed on New York and Boston Stock Exchanges. Normal income tax deducted from interest.

3. Auth. and outstanding, $390,000. Dated Aug. 1, 1882; due Aug. 1, 1922. Int. paid at Old Colony Trust Co., Boston. Coupon, $1,000. Assumed by Kansas City, Fort Scott & Memphis Ry. First lien, 26.18 miles, Coalvale to Weir City Junc., Kan. Underlie Nos. 4 and 8 with provision by latter to retire. Interest paid without deduction for normal income tax.

4. Auth. and outstanding, $13,736,000. Dated May 1, 1888; due May 1, 1928. Int. paid at Old Colony Trust Co., Boston. Coupon, $1,000. First lien, 688.88 miles, as follows: Edward, Kan. to Springfield, Mo., 100.01 miles; Springfield to Memphis, Tenn., 282.34 miles; Linton, Kan., to Rich Hill, Mo., 20.78 miles; Baxter to Joplin and Webb City, Mo., 21.90 miles; Greenfield to Aurora, Mo., 37.67 miles; Cherryvale to Weir City, 49.79 miles; Baxter to Kansas City, Mo., 159.92 miles; and smaller branches. Also second lien on 26.18 miles, following No. 3. Underlie No. 8, which provides for retirement. Listed on New and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $1,606,000. Dated Oct. 1, 1887; due Oct. 1, 1927. Int. paid at Old Colony Trust Co., Boston. Coupon, $1,000. Assumed by Kansas City, Fort Scott & Memphis Ry. First lien, 81.95 miles, Willow Springs to Grandin, Mo. Underlie No. 8, which provide for retirement. Listed on Boston Stock Exchange. Interest paid without deduction for normal income tax.

6. Auth., $4,500,000; outstanding, $3,323,390 (closed). Dated March 1, 1894; due March 1, 1934. Int. paid at Old Colony Trust Co., Boston. Coupon, $500 and $1,000. First lien, 285.66 miles, Memphis, Tenn., to Birmingham, Ala. Underlie No. 7. Retirement provided for by No. 8. Listed on Boston Stock Exchange. Interest paid without deduction for normal income tax.

7. Auth., $7,000,000; outstanding, $6,322,780 (closed). Dated March 1, 1894; due March 1, 1934. Int. paid at Old Colony Trust Co., Boston. Coupon, $500 and $1,000. Int. guaranteed on $6,029,000 by Kansas City, Fort Scott & Memphis Ry., $399,500 of issue pledged under No. 8. Second lien on 285.66 miles, following No. 6. Listed on Boston Stock Exchange. Int. paid without deduction for normal income tax.

8. Auth., $60,000,000; outstanding, $25,941,000. Dated Oct. 1, 1901; due Oct. 1, 1936. Int. paid at Bankers' Trust Co., New York. Coupon and reg., $1,000. First lien on 124.32 miles, as follows: Bonnerville to Estico, Ark., 35.75 miles; Deckerville to Luxora, Ark., 36.30 miles; Miami, to Afton, Okla., 13.09 miles; Evadale to Big Creek, Ark., 16.50 miles; branches, 21.51 miles; second lien on 770.83 miles, following Nos. 4 and 5; third lien on 26.18 miles, following No. 3; also a first collateral lien on certain securities and a first lien on terminal properties in Kansas City, Springfield, Memphis, and Birmingham. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

9. Auth., $3,000,000; outstanding, $2,583,000. Dated Oct. 1, 1889; due Oct. 1, 1929. Int. paid at Old Colony Trust Co., Boston, and Bankers' Trust Co., New York. Coupon, $1,000. Sinking fund, $10,000 per annum to retire bonds at or under 110. Guar., prin and int., by K. C., Ft. Scott & M. Ry., by endorsement. First lien on Mississippi River bridge at Memphis, Tenn. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

10. Auth. and outstanding, $1,000,000. Dated Oct. 1, 1902; due Oct. 1, 1922. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Guar. by K. C., M. & Birmingham R.R., by endorsement. First lien on belt and terminal system at Birmingham, Ala., 39 miles, and collateral. Interest paid without deduction for normal income tax.

11. In several series, as follows: Series L, 5s; dated Aug. 1, 1907; due in twenty semi-annual instalments, ranging from $262,000 down to $244,000. Original issue, $5,074,000; unmatured Jan. 1, 1917, $489,000. Int. paid Feb. and Aug. 1, at St. Louis Union Trust Co. First lien on equipment costing $5,614,556. Series M, 5s; dated Nov. 15, 1907; due $26,436 quarterly to Nov. 15, 1917. Original issue, $1,057,543; unmatured June 30, 1916, $132,181. Int. paid guaranteed February at Merchants' Loan & Trust Co., Chicago, Ill. Series O, 6s; dated Jan. 15, 1908; due $33,000 semi-annually to Jan. 15, 1918. Original issue, $669,000; unmatured June 30, 1916, $99,000. Int. paid Jan. and July 1, at Prov. Life & Trust Co., Philadelphia. First lien on equipment costing $743,000. Series P, 5s; dated Oct. 1, 1909; due $132,000 each April 1 and $133,000 each Oct. 1 to Oct. 1, 1919. Original issue, $2,650,000; unmatured, Jan. 1, 1917, $795,000. Int. paid April and Oct. at Bankers' Trust Co., New York. First lien on equipment costing $2,951,820. Series Q, 5s; dated Aug. 1, 1910; due $72,000 each Feb. 1 and $73,000 each Aug. 1 to Aug. 1, 1920. Original issue, $1,450,000; unmatured Jan. 1, 1917, $580,000. Int. paid Feb. and Aug. 1, at Central Trust Co., New York. First lien on equipment costing $1,617,035. Series R, 5s; dated Dec. 1, 1910; due $5,000 semi-annually to Dec. 1, 1920. Original issue, $100,000; unpaid Jan. 1, 1917, $45,000. First lien on equipment costing $107,525. Series S, 5s; dated Oct. 1, 1911; due $74,000 semi-annually to Oct. 1, 1923. Original issue, $1,776,000; unmatured Jan. 1, 1917, $1,036,000. Int. paid April and Oct. at Guaranty Trust Co., New York. First lien on equipment costing $1,968,834. Frisco Construction Co. Series A, 5s; dated Sept. 1, 1912; due semi-annually to Sept. 1, 1917. Original issue, $2,762,000; outstanding Jan. 1, 1917, $1,688,000. Int. paid March and Sept. 1, at Columbia Trust Co., New York. First lien on equipment costing $3,068,915. Frisco Construction Co. Series B, 5s; dated Sept. 15, 1912; due $113,000 each March 15 and $112,000 each Sept. 15, to Sept. 15, 1922. Original issue, $2,250,000; outstanding, Jan. 1, 1917, $1,350,000. Int. paid June and Dec. 1, at Guaranty Trust Co., New York.

12 and 13. Authorized, $250,000,000; outstanding, $83,069,075 Series A 4s, and $25,000,000 Series B 5s; dated July 1, 1916; due July 1, 1950. Interest paid at company's office, New York. Series A are callable at par and Series B at 105 and interest. Coupon, $100, $250, $500, $1,000; reg., $1,000, $5,000, $10,000. First lien on all property of company, subject only to Nos. 1 and 2; further secured by lease of Kansas City, Fort Scott & Memphis property and by deposit of securities owned. Of the amounts outstanding, all of the Series A 4s were issued in exchange for old securities; the Series B 5s were sold to the syndicate; a further amount of $6,811,500 Series B 5s are now to be issued for the purpose of the company. Of bonds reserved, sufficient are available for retiring all equipment notes due after July 1, 1917, and also retiring Nos. 1 and 2; $10,329,425 of Series A have been issued to acquire $7,688,000 Kansas City, Fort Scott & Memphis preferred certificates and certain other underlying bonds of the old company; balance are reserved for future requirement, and may be issued in different series at varying rates of interest (but not over 6%) and varying maturities. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

14. Authorized, $75,000,000; outstanding, $40,547,818. Dated July 1, 1915; due July 1, 1955. Those outstanding are Series A, entitled to cumulative interest at 6% per annum from July 1, 1915. Int. paid at Bankers' Trust Co., New York. Callable at par and accrued interest. Interest paid only if earned, but accumulations must be paid at maturity. Additional amounts may be issued at lower rates of interest. Of those unissued, $20,000,000 are reserved for one-third the cost of equipment and improvements after Jan. 1, 1922, to be issued at the rate of not over $4,000,000 per annum; balance cannot be issued until after Jan. 1, 1932. Secured by direct lien on entire property, subject to Nos. 12 and 13. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

15. Authorized, $75,000,000; outstanding, $35,192,000. Dated 1915; due July 1, 1960. Those outstanding are Series A, and are entitled to 6% interest when earned, but interest is not cumulative. Those unissued are reserved for equipment, additions and improvements after 1922. Secured by direct lien on all property, subject to No. 14.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Kansas City, Ft. Scott & M. pfd. stk. ctfs .. Par $100. Outstanding, $7,688,000.	4%	.....	$534	$58	89%	Fair	Poor	Ba.
2. St. Louis-San Francisco pfd. stk..... Par $100.	None	.....	134	.....	.....	Small	"	Ca.
3. St. Louis-San Francisco common stock..... Par $100.	"	.....	.....	.....	.....	"	"	C.

For Key to Stock Ratings, see pages 21 to 23.

Note: Average income available, as shown above, is the annual average surplus of the past ten years, after deducting the *new* fixed charges. No. 1 is treated as a "joint claim" on income with the new St. Louis & San Francisco Income 6s.

1. All the $15,000,000 preferred stock of the Kansas City, Fort Scott & Memphis R.R. is owned by the St. L.-S. F. Ry. and deposited as collateral under an issue of certificates of equal amount. Under the reorganization plan, holders of these certificates were offered in exchange 75% in new prior lien 4s and 25% in adjustments 6s. In Nov., 1916, there were still outstanding $7,688,000 of these certificates in the hands of the public which had not been so exchanged. The certificates (which were an obligation of the St. L. & S. F. R.R.) are entitled to 4% per annum, and the principal will be payable on Oct. 1, 1921. The stock deposited is guaranteed 4% dividends under the lease, and all unexchanged certificates, while not an obligation of the new company, will continue to receive 4% during the life of the lease. Callable at par at any time.

2. Authorized, $200,000,000; outstanding, $7,000,000; par, $100. The amount outstanding is entitled to 6% non-cumulative dividends, if earned. Additional amounts may carry 7% dividends or less.

3. Authorized, $250,000,000; outstanding, $48,480,000; par, $100.

All of the stock is pledged under a voting trust for 5 years.

WESTERN MARYLAND RAILWAY COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in December, 1909, as successor to the former Western Maryland Railroad, which was sold under foreclosure in November, 1909.

Location: Main line owned extends from Baltimore to Elkins, Durbin, and Belington, W. Va., with branches, embracing about 392.57 miles. Leases the Baltimore & Cumberland Valley Ry., the Baltimore & Cumberland Valley R.R., the Baltimore & Cumberland Valley Railroad Extension, the Baltimore & Harrisburg Ry., and the Washington & Franklin Ry., making 688.59 miles operated in all, including traffic rights. Also owns entire stock of Baltimore & Harrisburg Eastern Extension R.R., a majority of the stock of the Baltimore & Harrisburg Ry., the entire stock of the West Virginia Central & Pittsburgh Ry., and all the stock of the Maryland Smokeless Coal Co. The two last-named companies own about 135,000 acres of coal lands in West Virginia and Maryland. In January, 1910, the Western Maryland Ry. arranged to construct an extension of 83 miles to connect with the Pittsburgh & Lake Erie, and a 99-year traffic agreement was made with the latter road. This extension is now in full operation.

Reorganization: In December, 1916, a plan was submitted for the reorganization of the property. See full details on following pages.

Management: Officers: Carl R. Gray, Chairman and Pres.; Lawrence Greer, Vice-Pres.; L. F. Timmerman, Sec. and Treas. Directors: Edward D. Adams, H. E. Cooper, F. T. Gates, Geo. J. Gould, A. W. Krech, E. L. Marston, W. A. Wilbur, Lawrence Greer, Bertram Cutler, Carl R. Gray, L. F. Timmerman. Main Office, Continental Trust Bldg., Baltimore, Md. New York Office, 71 Broadway.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	2.63%	2.40%	2.26%	2.41%	2.59%	2.72%	4.70%
Products of Animals.....	.....	.....	.....	1.31	1.13	1.13	.96	.96	1.24	.99
Products of Mines.....	.....	.....	.....	69.71	68.96	69.59	67.00	68.96	70.49	68.32
Products of Forests.....	.....	.....	.....	13.00	14.03	12.67	13.38	11.25	9.20	8.21
Manufactures.....	.....	.....	.....	7.45	7.98	9.35	11.67	12.06	12.49	14.55
Merchandise and Miscel...	.....	.....	.....	5.90	5.50	5.00	4.58	4.18	3.86	3.23

Total tons carried, 9,147,565 in 1910; 9,463,460 in 1911; 10,647,841 in 1912; 10,821,039 in 1913; 10,979,058 in 1914; 12,204,731 tons in 1915; 15,377,875 tons in 1916.

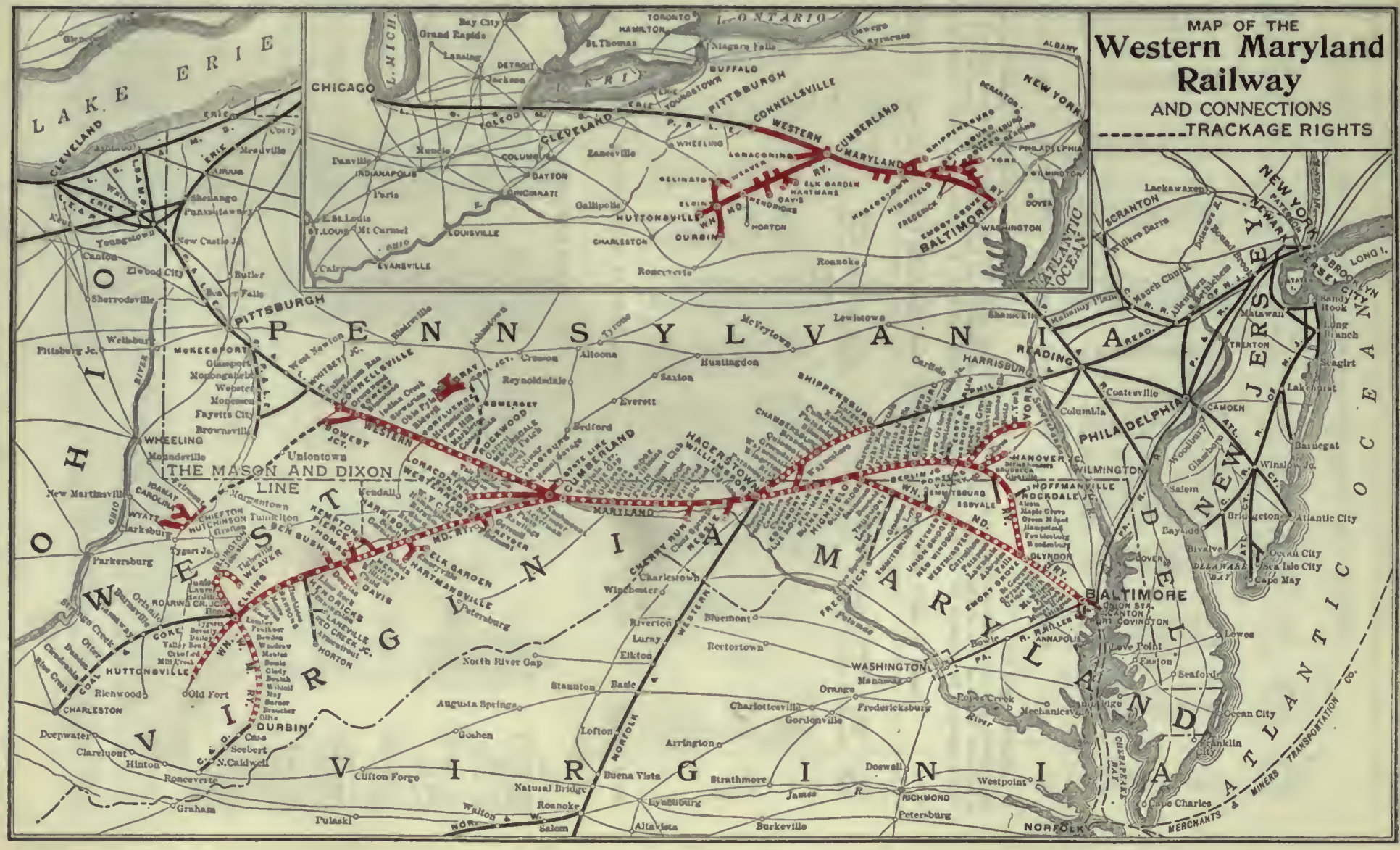
MAP OF THE
Western Maryland Railway
AND CONNECTIONS
TRACKAGE RIGHTS
LAKE ERIE
ONTARIO
CHICAGO
CLEVELAND
PITTSBURGH
PENNSYLVANIA
OHIO
WEST VIRGINIA
MARYLAND
DELAWARE
NEW JERSEY
NEW YORK
ATLANTIC OCEAN
THE MASON AND DIXON LINE
WESTERN MARYLAND
CUMBERLAND
CONNELLSVILLE
BALTIMORE
WASHINGTON
HAGERSTOWN
HARRISBURG
PHILADELPHIA
WILMINGTON
ELK GARDEN
HUTTONSVILLE
DURBIN
CHARLESTON
NORFOLK
RICHMOND
ROANOKE
BUFFALO
ALBANY
NEW YORK
SCRANTON
ATLANTIC CITY
OCEAN CITY
CAPE MAY
CAPE CHARLES

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	543	34	162	131	6,747	79%	86,952	1,194,215	.....	$1.98	1.90c	.68c
1908.....	543	39	158	130	6,510	80	78,281	1,285,272	423	2.04	1.92	.65
1909.....	543	34	173	135	6,926	83	84,095	1,445,530	.....	2.06	1.79	.62
1910.....	543	45	173	135	7,478	83	91,685	1,780,067	461	2.19	1.70	.61
1911.....	543	45	172	134	7,388	82	100,672	1,749,223	463	2.25	1.76	.63
1912.....	543	45	169	133	7,290	83	98,040	1,854,018	499	2.32	1.77	.60
1913.....	543	45	191	152	8,601	82	101,660	1,994,672	536	2.36	1.81	.58
1914.....	661	71	263	152	9,479	83	82,361	1,877,526	558	2.30	1.88	.55
1915.....	661	71	259	138	9,107	84	74,159	2,115,013	735	2.75	1.94	.52
1916.....	676	71	248	125	10,682	86	70,258	2,769,364	837	3.13	2.01	.50
10-Year Average	580	50	197	137	8,021	83%	87,116	1,806,490	564*	$2.34	1.85c	.59c

Yard tracks and sidings, 328 miles. * 8-year average.

Comment: During the year ended June 30, 1916, the Western Maryland property underwent very substantial improvement in its business. Both train load and freightdensity were raised to new high totals, and the train mile earnings were far better than ever before. A very substantial increase occurred in the amount of tonnage transported.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$10,314	$1,122	$1,327	$2,449	$4,147	$3,718	$5,164	$274	$4,890	$4,870	.....	$20	.....
1908.....	10,402	1,178	1,657	2,835	3,776	3,791	4,939	347	4,592	5,223	.....	631*	.....
1909.....	10,970	.....	.....	.....	.....	4,139	5,117	365	4,752	4,739	.....	13	.....
1910.....	13,042	1,399	1,610	3,009	4,546	5,487	6,647	398	6,249	4,428	29%	1,821	$366
1911.....	13,261	1,580	1,579	3,159	5,017	5,085	6,132	442	5,690	4,289	24	1,401	732
1912.....	13,339	1,832	1,701	3,536	5,457	4,346	4,909	464	4,445	4,400	1	45	732
1913.....	14,057	2,129	2,284	4,413	6,672	2,972	3,251	442	2,809	5,294	.....	2,485*	.....
1914.....	12,508	2,403	2,856	5,259	6,615	634	1,018	398	620	4,729	.....	4,109*	.....
1915.....	13,136	1,822	2,238	4,060	5,407	3,669	4,206	463	3,743	5,117	.....	1,374*	.....
1916.....	16,169	1,878	2,569	4,447	5,967	5,755	6,323	516	5,807	5,009	13	798	.....
10-Year Average	$12,717	$1,705*	$1,980*	$3,685*	$5,289*	$3,960	$4,771	$411	$4,360	$4,810	.....	$450*	$183

* 9-year average. † Deficit.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$10,929,948	$8,682,600	$8,265,982	$7,635,020	$7,243,057	$7,200,933
Maintenance of way....	1,269,245	1,204,048	1,588,476	1,155,972	994,543	857,880
Maintenance of equip...	1,736,704	1,479,331	1,887,555	1,240,025	925,479	856,038
All other oper. expenses	4,033,659	3,574,033	4,372,600	3,623,050	2,959,827	2,725,733
Net oper. revenues.	$3,890,340	$2,425,188	-$417,351	$1,615,873	$2,363,208	$2,761,282
Operating ratio	64.4%	72.1%	95%	7.88%	67.4%	61.6%
Other income	383,972	355,124	255,679	149,625	302,525	505,940
Total net income...	$4,274,312	$2,780,312	$673,030	$1,765,498	$2,665,733	$3,267,222
Taxes accrued	348,792	306,045	263,204	240,000	252,000	240,000
Balance for charges	$3,925,520	$2,474,267	$409,826	$1,525,498	$2,413,733	$3,027,222
Fixed charges	3,385,827	3,382,172	3,125,491	2,874,896	2,389,365	2,266,886
Sur. over charges..	$539,693	*$907,905	*$2,715,665	*$1,349,398	$24,368	$760,336
Dividends paid	.....	.....	.....	.....	400,000	400,000
Other deductions	.....	.....	.....	.....	42,867	140,922
Balance	$539,693	*$907,905	*$2,715,665	*$414,973	*$418,501	$219,414
Earned on stock: Pref..	5.4%	.....	.....	.....	.24%	7.60%
Common	.....	.....	.....	.....	.....	.73%

* Deficit.

Note: Fixed charges include interest on bonds and notes, hire of equipment, rentals, etc.

Profit and Loss Account, year ended June 30, 1916: Credit balance transferred from income, $539,693; unrefundable overcharges, $689; donations, $144; miscellaneous credits, $4,500; debit balance carried to balance sheet, $2,798,904; total, $3,343,930. Contra: Debit balance, June 30, 1915, $3,336,207; loss on retired road and equipment, $6,757; miscellaneous debits, $966; total, $3,343,930.

Comment: During the fiscal year ended June 30, 1916, the Western Maryland Railroad reported a remarkable increase in both gross and net revenues and for the first time since 1912 earned a surplus above all its fixed

charges. Since the close of the fiscal year a reorganization plan has been submitted to the security holders, providing for a substantial reduction in the fixed charges.

Since the close of the fiscal year a reorganization plan has been submitted to the security holders, providing for a substantial reduction in fixed charges.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$28,887	...	$114821	...	$3,767	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908.....	29,073	...	119,800	...	4,996	.....	$7,000	.....	.....	.....	.....	.....	.....	.....	.....
1909*.....	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910.....	109,446	55%	90,547	45%	7,455	$207,448	30,896	$176,552	3.9%	$366	2%	.....	.....	.....	.....
1911.....	109,446	55	90,550	45	7,258	207,254	36,879	170,375	3.6	732	4	.....	.....	.....	.....
1912.....	109,446	52	101,976	48	.....	211,422	.....	211,422	2.3	732	4	.....	.....	.....	.....
1913.....	109,446	49	113,791	51	.....	223,237	.....	223,237	1.5	.....	.....	.....	.....	.....	.....
1914.....	89,908	49	94,667	51	.....	184,575	.....	184,575	.6	.....	.....	.....	.....	.....	.....
1915.....	89,908	49	94,371	51	.....	184,279	.....	184,279	2.3	.....	.....	.....	.....	.....	.....
1916.....	87,913	48	95,637	52	.....	183,550	.....	183,550	3.4	.....	.....	.....	.....	.....	.....
Average last 7 Yrs.	$100,788	51%	$97,362	49%	$2,102	$200,253	$9,682	$190,570	2.5%	$261	1.4%	.....	.....	.....	.....

* Figures for 1909 not available, as company was in receivers' hands.

Bonded debt, as shown above, includes all assumed bonds, as well as the company's direct debt, note issues, etc. Reductions per mile in 1914 due to the increase of 118 miles in average mileage operated.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment ...	$113,239,709	$109,303,239	$109,253,205	$108,256,471	$100,754,789	$91,815,423
Working assets	2,901,834	2,569,751	3,032,905	6,324,581	4,704,266	9,709,228
Deferred debit items...	14,295,633	13,411,361	13,763,828	13,899,415	13,829,013	13,275,847
Accr'd income not due..	6,679	1,862	13,333	7,046	4,808	51,673
Profit and loss.....	2,798,904	3,336,207	2,230,485	.....	.....	.....
Total	$133,242,759	$128,622,420	$128,293,706	$128,487,513	$119,292,876	$114,852,171
Liabilities:						
Capital stock	$59,429,230	$59,429,230	$59,458,330	$59,998,580	$60,003,880	$60,003,880
Funded debt	64,650,926	62,379,405	64,601,240	61,789,300	55,370,300	51,155,300
Working liabilities	7,895,380	5,743,393	3,192,138	5,253,065	1,818,310	1,871,266
Accr'd liabilities not due	750,497	744,230	780,056	766,228	826,210	766,498
Deferred credit items..	334,022	143,458	77,950	57,889	86,156	83,179
Appropriated surplus ..	182,704	182,704	183,992	373,221	346,661	284,636
Profit and loss surplus..	.....	.....	.....	249,230	841,359	687,412
Total	$133,242,759	$128,622,420	$128,293,706	$128,487,513	$119,292,876	$114,852,171

Comment: During the fiscal year 1916 the Western Maryland Railroad reported a further enlargement of its funded debt, but the new readjustment plan, shortly to be adopted will substantially reduce the total fixed obligations of the company, and place it in a much stronger financial position.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Coal & Iron Ry. first 5s....	F&A	Ag 1920	(1st) 46	$21,739		$75	93%	High	High	Aaa.
2. Potomac Val. first 5s.....	J&J	Ja 1941	(1st) 31	42,000		96	93%	"	"	Aaa.
3. Balt. & Cum. Val. Ry. first 6s.....	J&J	Jl 1929	(1st) 3	16,133		4	93%	"	"	Aa.
4. Balt. & Cum. Val. R. R. first 6s.....	J&J	Jl 1929	(1st) 5	15,011	$4,360	6	93%	"	"	Aa.
5. Bal. & Cum. Val. ext. first 6s	J&J	Jl 1931	(1st) 27	8,500		23	93%	"	"	Aa.
6. Balt. & Harris b. first 5s...	M&N	N 1936	(1st) 66	10,500		54	93%	"	"	Aa.
7. Balt. & Harris b. west ex. 5s	M&N	M 1938	(1st) 15	16,000		20	93%	"	"	Aa.
8. Wash. & Franklin R. R. first 5s.....	J&J	Ja 1939	(1st) 19	20,000		30	93%	"	"	Aa.
9. Western Maryland first 4s..	A&O	O 1952	(see text)	81,000	4,052	2,760	31%	Fair	"	Ba.
10. Coll. trust 5% notes.....	J&J	Jl 1915	"	.....	.....	.....	.....	Mod.	Poor	Text
11. Gold notes, 6%.....	J&J	Jl 1915	"	.....	.....	.....	.....	"	"	"

For Reference Notes on Bond Issues, see next page.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. and outstanding, $1,000,000. Dated Aug. 1, 1900; due Aug. 1, 1920. Int. paid at Mercantile Trust & Deposit Co., Baltimore. Coupon, $1,000. Assumed by Western Maryland Ry. Guar. prin. and int. by West Virginia Central & Pittsburgh Ry. First lien from Elkins to Durbin, W. Va., 46.38 miles. Underlies No. 9, which provides for retirement. Llsted on Baltimore Stock Exchange. Normal income tax deducted from interest.

2. Auth., $2,000,000; outstanding, $1,300,000 (closed). Dated Jan. 1, 1891; due Jan. 1, 1941. Int. paid at Maryland National Bank, Baltimore. Coupon $1,000, registerable as to prin. or fully registerable. Sinking fund: Annual amount equal to seven-tenths of 1% of the bonds outstanding shall be held by the company and invested by it from time to time as a sinking fund to secure the payment of prin. and int. of these bonds. Assumed by Western Maryland Ry. First lien on 14.30 miles from Potomac Valley Junc., Md., to Cherry Run, W. Va.; first collateral lien on 16.60 miles from Porter Junc. to York, Pa. Underlies No. 9, which provides for retirement. Legal for S. B. in Maine. Listed on Baltlmore Stock Exchange. Normal income tax deducted from interest.

3. Auth. and outstanding, $48,500. Dated July 1, 1879; due July 1, 1929. Int. paid at Maryland National Bank, Baltimore. Coupon, $500. Guar. as to int. by Western Maryland Ry. First lien on 3.03 miles from Edgemont, Md., to Pennsylvanla State line. No. 9 provides for retirement of this issue. Legal for S. B. in Maine. Listed on Baltimore Stock Exchange. Normal Income tax deducted from interest.

4. Auth. and outstanding, $72,800. Dated July 1, 1879; due July 1, 1929. Int. paid at Maryland National Bank, Baltimore. Coupon, $100 and $500. Guar. as to int. by Western Maryland Ry. First lien on 4.55 miles from Maryland State line to Waynesboro, Pa. No. 9 provides for retirement of this issue. Legal for S. B. in Maine. Listed on Baltimore Stock Exchange. Normal Income tax deducted from interest.

5. Auth. and outstanding, $230,000. Dated July 1, 1881; due July 1, 1931. Int. paid at Maryland National Bank, Baltimore. Coupon, $1,000. Guar. as to int. by Western Maryland Ry. First lien on 26.52 miles from Waynesboro to Shlppensburg, Pa. Provision for retirement by No. 9. Legal for S. B. in Conn. and Maine. Listed on Baltimore Stock Exchange. Normal income tax deducted from interest.

6. Auth. and outstanding, $690,000. Dated Nov. 1, 1886; due Nov. 1, 1936. Int. paid at Maryland National Bank, Baltimore. Coupon, $1,000. Prin. may be registered. Guar. as to int. by Western Maryland Ry. First llen on 65.93 miles as follows: From Emory Grove, Md., to Orrtanna, Pa., 58.43 miles; Valley Junc. to Hanover Junc., Pa., 6.20 miles; and from Intersection, Pa., to Maryland State line, 1.30 miles. Provision by No. 9 for retirement. Legal for S. B. in Conn. and Maine. Listed on Baltimore Stock Exchange. Normal income tax deducted from interest.

7. Auth. and outstanding, $240,000. Dated July 7, 1888; due May 1, 1938. Int. paid at Maryland National Bank, Baltimore. Coupon, $1,000. Prin. may be registered. Guar. as to int. by Western Maryland Ry. First lien on 14.71 miles from Orrtanna, Pa., to Maryland State Line. Provision by No. 9 for retirement. Legal for S. B. In Maine. Listed on Baltlmore Stock Exchange. Normal income tax deducted from interest.

8. Auth., $475,000; outstanding, $378,000. Dated Aug. 1, 1901; due Jan. 1, 1939. Int. paid at office of company, Philadelphia. Reg., $1,000. Guar. as to int. by Western Maryland Ry. First lien on 19.11 miles from Hagerstown-North Junc., Md., to Zumbro Junc., Pa. Provision by No. 9 for retirement. Legal for S. B. in Maine. Interest paid without deduction for normal income tax.

9. Auth., $50,000,000; outstanding, $46,625,000 (closed), reserved to retire prior lien and underlying bonds, $3,367,000. Dated Oct. 1, 1902; due Oct. 1, 1952. Int. paid at Bankers' Trust Co., New York. Coupon $1,000, fully registerable; reg. $1,000 and multiples. First lien on 331.89 miles, as follows: From Hillen Station to Madison Street, In Baltimore, Md., 0.40 mile; Fulton Junc. to Potomac Valley Jct., Md., 90.11 miles; Big Pool to Knobmount, W. Va., 59.28 miles; Cumberland, Md., to Belington, W. Va., 130.33 miles; Elkins Junc. to Huttonsville, W. Va., 16.77 miles; and branches and spurs aggregating 33.96 miles; second lien on 60.68 miles, as follows: On 46.38 miles, following No. 1, and on 14.30 miles, following No. 2; second collateral lien on 16.60 miles, following No. 2. First lien on the leasehold interests in 88.22 miles, and by deposit with the Trustee of the securities mentioned covering the same mileage: Baltimore & Cumberland Valley Ry., the entire capital stock (except directors' shares), owning 3.03 miles from Edgemont, Md., to Pennsylvania State Llne; Baltimore & Cumberland Valley R.R., the entire capital stock (except directors' shares), owning 4.55 miles from Maryland State line to Waynesboro, Pa.; Baltimore & Harrisburg Ry., practlcally the entire capital stock, owning the mileage from Emory Grove, Md., to Orrtanna, Pa., 58.43 miles; Valley Junc. to Hanover Junc., Pa., 6.20 miles, and Intersection, Pa., to Maryland State line, 1.30 miles; Baltimore & Harrisburg Ry., Western Extn., the entire capital stock (except directors' shares), owning 14.71 miles from Orrtanna, Pa., to Highfield, Md.; $4,650 capital stock of Western Maryland Tidewater Co.; $929,500 capital stock and $600,000 bonds of the Maryland Smokeless Coal Co. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

10. Auth. and outstanding, $10,000,000. Dated Jan. 1, 1912; due July 1, 1915. Int. paid at New York. Coupon, $10,000. Redeemable as whole or In part at 102 and Int. on ninety days' notice. First lien on 69,992 out of 70,000 shares ($50 par value) capital stock of the Georges Creek & Cumberland R.R., and 59,973 out of 60,000 shares ($50 par value) capital stock of the Connellsville & State Line Ry., which companies own an unencumbered railway about 87 miles in length that was opened for freight traffic in August, 1912, between Cumberland, Md., and a connection with the line of the Pittsburgh & Lake Erie R.R. at Connellsville, Pa.; first lien on $400,000 Four State Coal & Coke Co. First Mtge. bonds and 976 shares ($100 par value) stock of the Baltimore Fidelity Warehouse Co. The company also holds certain coal lands in Monongahela Co., W. Va., lease of the Washington & Franklin Ry., and certain real estate. Company pays income tax. These notes defaulted on Jan. 1, 1915, but interest on defaulted coupons was paid to January, 1916. These notes are to be paid off in cash under the new readjustment plan.

11. Auth. and outstanding, $6,000,000. Dated as follows: $3,000,000, Jan. 1, 1914; $2,000,000, July 1, 1914; $1,000,000. Oct. 1, 1914; all due July 1, 1915. Int. payable at office of company. Coupon, $1,000 and $5,000. Callable at 101 on 30 days' notice. Not a mortgage. Interest was defaulted on these notes on Jan. 1, 1915, but was paid on defaulted coupons to Jan. 1, 1916. These notes are to be paid off under the new readjustment plan.

Equipment Trusts: There are now outstanding $108,000 Series A 5% equipment trusts, out of an original issue of $536,000; dated Jan. 1, 1909, and maturing $27,000 each Jan. and July 1, to Jan. 1, 1919. Coupon, $1,000. Secured on equipment costing $635,845. $404,000 Series B 5s; dated Jan. 1, 1916; due $23,000 each Jan. and July 1, to Jan., 1921 and $22,000 each Jan. and July 1 thereafter to Jan., 1926. In Dec., 1916, $6,500,000 5% 10-year serial equipment trust bonds were sold.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Western Maryland preferred (old)..... Outstanding, $10,000,000. Par $100.	See text	$18,390	Nil	.....	.....	Mod.	Good	Ca.
2. Western Maryland common (old)..... Outstanding, $49,429,230. Par $100.	.....	91,056	.....	.....	.....	Small	Fair	C.

For Key to Stock Ratings, see page 21.

Note: Under the readjustment plan the old preferred and common stocks will not be strengthened, but the new first preferred issue will be in a fair position.

REFERENCE NOTES ON STOCK ISSUES

1. Preferred issue is limited to $10,000,000 and has preference as to assets and 4% non-cumulative dividends. Convertible at option of holder into common and redeemable at par at company's option. Dividends as follows: 1% quarterly from April, 1910, to October, 1912, inclusive. Omitted in January, 1913. None since. Under the proposed plan, holders will exchange this stock for new second preferred. See below.

2. Authorized issue is $50,000,000. No dividends. Under the proposed plan, holders will exchange this stock for common stock in the new company. Both issues listed on New York Stock Exchange. Transfer Office, Bankers' Trust Co., New York.

Readjustment Plan: A new company will be formed which will acquire all the assets of the old company and assume its bonded debt and equipment obligations. It will provide sufficient cash to pay off the two note issues due July 1, 1915, with accrued interest, and to liquidato the $3,250,000 borrowed from the note holders' committee. The company will authorize the following new securities:

(1) $150,000,000 first and refunding 5s, of which $5,000,000 will now be issued, and balance reserved for underlying liens, new property, etc.
(2) $18,000,000 first preferred 7% stock, (cumulative after July 1, 1918).
(3) $10,000,000 non-cumulative second preferred 4% stock.
(4) $50,000,000 common stock.

The first preferred stock is offered for subscription, pro rata to old stockholders at par; and with each share so subscribed for there will be given $22 in stock of the Davis Coal & Coke Co. and $25 in stock of the Monongalia Coal Lands Co.

WESTERN PACIFIC RAILROAD CORPORATION

History: Incorporated in Delaware, June 29, 1916, as a holding company for the Western Pacific Railroad Company, incorporated June 6, 1916, in California. Latter is the operating company and succeeded at foreclosure sale in 1916 to the property of Western Pacific Ry. The old company was formed in 1903 to construct and operate a line from Salt Lake City to San Francisco in the interest of the Denver & Rio Grande R.R. Road was formally opened July 1, 1911. The new holding company proposes to enforce its claim under the reorganization plan against the Denver & Rio Grande R.R. arising out of the latter company's guarantee of the old Western Pacific Ry. bonds. Litigation is now pending.

Location: Line of road extends from San Francisco to Salt Lake City, 923.73 miles, with branch of 13.13 miles. Connects with Denver & Rio Grande at Salt Lake City, forming part of through route to Pacific Coast.

Management: (Holding Company) Officers: Alvin W. Krech, Pres.; Wm. Salomon, Vice-Pres.; Lyman Rhodes, Sec. and Treas.; O. P. Farwell, Jr., Asst. Treas. Directors: A. W. Krech, C. Ledyard Blair, F. H. Ecker, A. M. Hunt, R. W. Martin, S. J. Murphy, Wm. Salomon R. B. Young, J. D. Phelan. Office: 37 Wall Street, New York.

(Operating company). Officers: A. W. Krech, Chairman; C. M. Levey, Pres.; A. R. Baldwin, Vice-Pres.; O. P. Farwell, Jr., Vice-Pres.; Chas. Elsey, Treas.; C. F Craig, Sec.; J. F. Evans, Aud. Directors: C. M. Levey, A. W. Krech, J. B. Dennis, Wm. Salomon, A. M. Hunt, J G. Hooper, Warren Olney, C. W. Nibley, B. H. Dibblee, A. R. Baldwin, W. T. Smith, W. Fries, H. Weinstock. Office: San Francisco, Cal.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	.....	.....	.....	.....	18.80%	15.40%	14.42%	17.89%	13.55%
Products of Animals.....	.....	.....	.....	.....	.....	5.25	4.32	4.56	6.42	4.97
Products of Mines.....	.....	.....	.....	.....	.....	27.01	30.83	33.76	34.65	34.34
Products of Forests.....	.....	.....	.....	.....	.....	12.78	12.60	10.63	8.86	6.35
Manufactures.....	.....	.....	.....	.....	.....	27.59	28.98	28.47	22.41	32.62
Merchandise and Miscel...	.....	.....	.....	.....	.....	8.57	7.87	8.16	9.77	8.17

The total revenue tonnage in 1912, 1,000,211 tons; in 1913, 1,215,275 tons; in 1914, 1,199,940 tons; in 1915, 1,034,860 tons; in 1916, 1,452,137 tons.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1911	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1912	937	.....	115	84	1,337	72%	62,667	522,052	336	$1.83	1.94c	.80c
1913	937	.....	115	84	1,421	75	70,547	641,874	370	2.06	2.05	.77
1914	939	3	115	67	1,430	74	66,078	634,250	408	2.20	2.02	.79
1915	943	6	115	59	1,469	69	83,905	519,342	426	2.24	1.75	.81
1916	941	6	115	53	1,464	70	118,396	808,663	481	2.31	1.53	.69
5-Year Average	939	3	115	69	1,424	72%	80,319	625,236	404	$2.13	1.86c	.77c

Yard track and sidings on June 30, 1916, 175.42 miles.

Comment: During the year ended June 30, 1916, the Western Pacific reported a very substantial improvement in both passenger and freight density and its train load reached a much higher figure than ever before. It will be noted that the total tonnage carried equalled nearly 40% increase over 1915. As usual, a substantial amount of the business was high grade freight.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1911	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1912	$5,796	$1,017	$522	$1,539	$3,189	$1,068	$1,089	$198	$891	$4,394	.....	$3,503*	.....
1913	6,769	1,002	553	1,555	3,418	1,796	1,850	297	1,553	5,354	.....	3,801*	.....
1914	6,656	1,436	848	2,284	3,226	1,146	1,197	404	793	5,501	.....	4,708*	.....
1915	6,052	1,217	759	1,976	2,712	1,364	1,421	376	1,045	3,816	.....	2,771*	.....
1916	7,933	1,170	784	1,954	3,135	2,844	2,942	371	2,571	.....	.....	2,127	.....
5-Year Average	$6,641	$1,168	$693	$1,861	$3,136	$1,644	$1,700	$329	$1,371	$3,902	.....*	$2,531*	.....

* Deficit. † Interest on mortgage bonds was not accrued during the year 1916.

The fixed charges of the new company equal about $1,060 per mile, which would mean a margin of safety on last year's business of about 60%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$7,464,472	$5,706,275	$6,251,137	$6,342,595	$5,430,647
Maintenance of way	1,100,729	1,147,473	1,348,591	938,579	952,735
Maintenance of equipment	737,358	715,381	796,729	517,850	489,143
All other operating expenses	2,949,805	2,557,083	3,029,288	3,203,008	2,987,714
Net operating revenues	$2,676,580	$1,286,338	$1,076,529	$1,683,158	$1,001,055
Operating ratio	64.1%	77.4%	82.7%	73.4%	81.5%
Other income	92,254	54,124	47,311	50,035	19,356
Total net income	$2,768,834	$1,340,462	$1,123,840	$1,733,193	$1,020,411
Taxes	349,174	355,033	379,259	278,096	185,234
Balance for charges	$2,419,660	$985,429	$744,581	$1,455,097	$835,177
Fixed charges	†418,344	3,598,854	5,165,189	5,016,928	4,117,150
Surplus over charges	$2,001,316	*$2,613,425	*$4,420,608	*$3,561,831	*$3,281,973
Earned on stock	2.67%	.....	.....	.....	.....

* Deficit. † Interest on mortgage bonds was not included in 1916.

Note: Above income account is that of old company.

Profit and Loss Account, year ended June 30, 1916: Credit balance from income account, $2,001,316; profit on road and equipment sold, $236; unrefundable overcharges, $160; donations, $2,756; debit balance at close of year, $12,187,712; total, $14,192,180. Contra: Debit balance at beginning of year, $14,181,883; surplus appropriated for property, $2,756; loss on retired road and equipment, $6,650; miscellaneous debits, $891; total, $14,192,180.

Comment: Both gross and net revenues underwent a sharp advance on the Western Pacific property in the year ended June 30, 1916. The net surplus above shown was more than double the interest requirement on the 5% first mortgage bonds of the new company which is now operating the property.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend.		Common Dividend.		Margin of Safety Preferred.	Margin of Safety Common.
										Amt. per Mile.	Rate.	Amt. per Mile.	Rate.		
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1910	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1911	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1912	$80,043	50%	$80,043	50%	.....	$160,086	$107	$159,979	.7%	.....	.....	.....	.....	.....	.....
1913	80,043	50	80,129	50	.....	160,172	107	160,065	1.2	.....	.....	.....	.....	.....	.....
1914	79,872	50	79,891	50	.....	159,763	106	159,657	.7	.....	.....	.....	.....	.....	.....
1915	79,533	43	106,531	57	.....	186,064	325	185,739	.8	.....	.....	.....	.....	.....	.....
1916	79,702	43	106,757	57	.....	186,459	324	186,135	1.6	.....	.....	.....	.....	.....	.....
5-Year Average	$79,839	47%	$90,670	53%	.....	$170,509	$194	$170,315	1%	.....	.....	.....	.....	.....	.....

Note: Above figures are of the old company. Capitalization of new company is the same as to stock, while bonds are outstanding at the rate of $21,250 per mile.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912
Property investment	$156,928,860	$156,772,470	$156,407,657	$155,862,166	$161,622,692
Working assets	3,666,365	1,829,720	1,099,900	1,420,401	718,835
Deferred debit items	6,475,882	6,492,740	6,966,814	7,178,507	962,083
Profit and loss deficit	12,187,712	14,181,883	11,520,196	7,008,947	3,281,973
Total	$179,258,819	$179,276,813	$175,994,567	$171,470,021	$166,585,583
Liabilities:					
Capital stock	$75,000,000	$75,000,000	$75,000,000	$75,000,000	$75,000,000
Funded debt	100,458,612	100,458,612	75,017,800	75,081,250	75,000,000
Working liabilities	3,559,739	3,579,872	23,312,976	19,580,880	15,532,406
Accrued liabilities not due	110,950	110,725	2,587,590	1,755,310	993,822
Deferred credit items	126,762	127,604	76,201	52,581	59,355
Appropriated surplus	2,756	.....	.....	.....	.....
Total	$179,258,819	$179,276,813	$175,994,567	$171,470,021	$166,585,583

Note: Above balance sheet is that of old company.

TABLE D.—Bond Record and Ratings (Based on 5-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Western Pacific R. R. Co. first 5s	M&S	Mr 1946	(1st) 940	$21,276	$1,371	$1,063	30%	Good	Good	Ba.

Note: Average income available, as shown above, is the average annual surplus per mile for the five years ended June 30, 1916, after deducting taxes. Interest requirement is the requirement per mile for the *new* fixed *charges*. For Key to Ratings, see pages 19 to 21.

REFERENCE NOTE ON BOND ISSUE

1. Auth., $50,000,000; outstanding, $20,000,000. Dated June 26, 1916; due March 1, 1946. Int. paid at Equitable Trust Co., New York, and First Federal Trust Co., San Francisco. Coupon, $100, $500, $1,000; prin. may be registered; reg., $1,000, $5,000, $10,000 and multiples; C. & R. interchangeable. Callable at par on 60 days' notice. Sinking fund of $50,000 per annum to redeem bonds at not exceeding par, begins Jan. 1, 1919. First lien on 940.30 miles, as follows: San Francisco to Salt Lake City, 927.30 miles; Carbona to Tesla, Cal., 13 miles; also a first lien on $99,500 out of $200,000 stock of Salt Lake City Union Depot & R.R. Co. and $400,000 stock of Standard Realty & Development Co. Interest paid without deduction for normal income tax.

TABLE E.—Stock Record and Ratings (Based on 5-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Western Pac. R.R. Corp. 6% non-cum. pfd..	.....	$29,224	$308	.....	.....	Fair	.....	Caa.
2. Western Pac. R.R. Corp. common	.....	50,478	.....	.....	.....	Mod.	.....	C.

Note: Average income available is the annual average surplus above charges for the five years ended June 30, 1916, after allowing for the *new* fixed *charges*. For Key to Ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Authorized and outstanding, $27,500,000 6% non-cumulative preferred. Par, $100. Preferred as to dividends and redeemable at 105 in liquidation. Convertible into common at par.

2. Authorized and outstanding, $47,500,000; par, $100.

Note: The above are the stock issues of the holding company, which owns the entire $27,500,000 preferred and $47,500,000 common of the operating company.

WHEELING & LAKE ERIE RAILWAY COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

History: Successor by reorganization in January, 1917, of the old Wheeling & Lake Erie Railroad. The old company acquired the Cleveland Belt & Terminal Railway, part of the old Cleveland, Canton & Southern Railroad, and the Zanesville terminals of the latter. Owns the entire stocks of the Toledo Belt Ry. and the Canton & Wooster R.R., and a majority of the stock of the Pittsburgh, Wheeling & Lake Erie Coal Co. The company also owns a majority of the stock of the Pittsburgh, Lisbon & Western R.R., 27 miles, which is separately operated. Also controls Sugar Creek & Northern R.R., 22 miles.

Reorganization: The old company went into the hands of receivers on June 8, 1908, and on Sept. 20, 1916, a plan of reorganization was announced which has since become operative. This plan involved the issue of the following new securities:

(1) $50,000,000 refunding mortgage bonds, of which $11,697,000 issued for the purpose of the plan in exchange for first consolidated 4s; $3,303,000 are to be issued to acquire divisional bonds, the balance being reserved for expenses and other improvements.

(2) $11,882,600 prior lien stock to be issued for the purposes of the plan.

(3) $10,344,958 non-cumulative preferred stock.

(4) $33,641,300 common stock.

The distribution of the new securities was made on the following plan:

(1) Wheeling & Lake Erie R.R. first consolidated 4s received for each $1,000 bond, 100% in new refunding 4½s.

(2) Wheeling & Lake Erie 3-year notes received for each $1,000 note, 100% in new prior lien stock.

(3) Wheeling & Lake Erie R.R. first preferred stock received on payment of $27 per share, 27% in new preferred stock and 100% in new common stock.

(4) Wheeling & Lake Erie second preferred stock received on payment of an assessment of $27 per share, 27% in new preferred stock and 90% in new common stock.

(5) Wheeling & Lake Erie common stock received on payment of an assessment of $27 per share, 27% in new preferred stock and 87½% in new common stock.

All unsecured claims, estimated at $720,500, received 50% in new preferred stock and 50% in new common stock.

Management: Officers: L. F. Loree, Chairman; W. M. Duncan, Pres.; H. W. McMaster, Vice-Pres. and Gen. Mgr.; J. L. Stidger, Sec. and Treas.; N. F. Leahy, Asst. Sec.; A. N. Holmes, Aud. Directors: Johnston de Forest, W. M. Duncan, F. H. Ecker, L. F. Loree, N. S. Meldrum, Warren Bicknell, James A. Campbell, Arthur House, J. H. McClement, H. Hobart Porter, W. R. Begg, Thomas S. Grasselli, E. A. Lagenback, F. A. Seiberling. New York Office: 26 Liberty Street.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	2.42%	3.05%	2.58%	2.32%	2.50%	2.73%	2.28%	2.43%	3.77%	2.25%
Products of Animals.....	.33	.65	.62	.62	.58	.74	.74	.78	1.13	.73
Products of Mines.....	70.36	70.63	68.69	67.58	66.61	68.61	69.26	69.85	54.37	63.01
Products of Forests.....	1.90	1.78	1.52	1.44	1.40	1.66	1.64	1.72	2.22	1.83
Manufactures.....	18.77	18.45	21.49	23.87	24.41	22.79	23.26	21.88	32.47	26.36
Merchandise and Miscel...	6.22	5.44	5.10	4.26	4.50	3.47	2.82	3.34	6.04	5.82

Total revenue tonnage in 1906, 8,571,242 tons; in 1909, 8,331,704 tons; in 1910, 9,974,674 tons; in 1911, 9,525,749 tons; in 1912, 10,641,187 tons; 11,667,451 tons in 1913; 12,076,785 tons in 1914; 8,290,069 tons in 1915; 13,877,682 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	442	4	206	77	12,541	88%	63,210	2,677,276	605	$2.27	1.66c	.48c
1908.....	442	4	206	76	12,740	85	69,401	2,210,107	602	2.12	1.60	.48
1909.....	442	4	202	76	13,632	86	68,846	2,118,216	620	2.36	1.63	.54
1910.....	457	9	198	76	12,476	85	82,394	2,521,364	640	2.52	1.50	.54
1911.....	457	9	198	77	11,843	85	85,757	2,460,641	680	2.58	1.55c	.54
1912.....	457	10	192	76	11,385	86	87,474	2,706,844	740	2.82	1.51	.55
1913.....	459	10	189	77	10,850	86	91,159	2,876,338	789	2.98	1.49	.54
1914.....	459	10	208	81	10,236	86	87,669	2,597,696	767	3.10	1.54	.55
1915.....	512	10	208	81	9,803	81	68,793	1,272,606	573	2.79	1.57	.67
1916.....	512	10	205	80	9,092	86	81,717	2,543,545	797	3.66	1.50	.60
10-Year Average } ..	464	8	200	78	11,460	85%	78,642	2,398,464	681	$2.72	1.56c	.55c

Yard tracks and sidings, June 30, 1915, 447 miles; June 30, 1916, 454 miles.

Comment: The volume of business on the Wheeling & Lake Erie was restored to former high figures during 1916 and the train load was raised to a new high figure. The company reported a very heavy increase in its total tonnage, especially in soft coal.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$13,856	$1,648	$2,358	$4,006	$5,329	$4,523	$4,795	$513	$4,282	$3,530	18%	$752	.....
1908.....	12,210	1,510	2,599	4,109	5,615	2,486	2,848	570	2,278	3,644	.....	1,366*	.....
1909.....	12,745	1,398	3,124	4,522	4,981	3,242	3,184	622	2,562	2,500	3	62	.....
1910.....	15,209	1,678	3,041	4,719	5,732	4,758	4,950	572	4,378	3,541	19	837	.....
1911.....	14,870	1,639	2,962	4,601	5,769	4,500	4,434	543	3,891	2,460	37	1,431	.....
1912.....	16,407	1,907	3,068	4,975	6,049	5,383	4,852	804	4,048	2,479	38	1,569	.....
1913.....	17,063	2,882	3,534	6,416	6,405	4,242	4,307	790	3,517	3,271	7	246	.....
1914.....	16,639	2,173	2,787	4,960	6,531	5,148	5,284	865	4,419	3,395	23	1,024	.....
1915.....	10,599	1,181	2,038	3,219	4,670	2,710	2,797	754	2,043	3,988	.....	1,945*	.....
1916.....	17,938	2,263	3,433	5,944	6,297	143	6,440	884	5,556	3,975	28	1,581	.....
10-Year Average }	$14,754	$1,828	$2,894	$4,747	$5,738	$3,713	$4,389	$692	$3,697	$3,278	11%	$419	.....

* Deficit.

Note: Margin of safety is the proportion of surplus left over after deducting all fixed charges. For example, in 1916 the "balance for charges" was $5,556 per mile; fixed charges consumed $3,975 per mile, or 72%, leaving $1,581 per mile, a "margin of safety" of 28%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$9,184,408	$5,428,054	$7,636,306	$7,830,545	$7,498,146	$6,800,707
Maintenance of way	1,158,889	604,591	997,393	1,322,651	871,515	747,538
Maintenance of equipment	1,757,744	1,043,748	1,279,201	1,621,987	1,402,075	1,328,110
All other operat. expenses	3,043,596	2,391,401	2,997,948	2,940,173	2,764,745	2,667,819
Net operating revs....	$3,224,179	$1,388,314	$2,361,764	$1,945,734	$2,459,811	$2,056,440
Operating ratio	64.9%	74.4%	69.1%	75%	67%	69.7%
Other income	73,099	44,347	64,529	31,102	*242,420	*31,317
Total net income	$3,297,278	$1,432,661	$2,426,293	$1,976,836	$2,217,391	$2,025,123
Taxes accrued	452,393	385,907	396,831	362,426	367,225	248,007
Balance for charges..	$2,844,885	$1,046,764	$2,029,462	$1,614,410	$1,850,166	$1,777,116
Fixed charges	2,035,196	2,042,185	1,559,481	1,501,405	1,132,049	1,129,155
Surplus over charges	$809,689	*$995,431	$469,981	$113,005	$718,117	$647,961
Other deductions	426,812	386,068	569,059	.....	.....	.....
Balance.	$382,877	*$1,381,499	*$99,078	$113,005	$718,117	$647,961

* Deficit.

Note: Fixed charges include rentals, interest on receivers' certificates, on equipment trusts, and on all bonds except general 4s, deposited under the defaulted notes. Fixed charges as shown above in 1916 are those of the old company.

Receiver's Profit and Loss Account, year ended June 30, 1916: Credit balance from income account, $774,284; unrefundable overcharges, $1,608; donations, $7,861; miscellaneous credits, $2,033; debit balance at close of year, $1,335,752; total, $2,121,538. Contra: Debit balance at beginning of year, $2,113,298; debt discount, $168; miscellaneous appropriations, $5,000; loss on retired road and equipment, $3,058; miscellaneous debits, $14; total, $2,121,538.

Company's Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $4,451; debit balance at close of year, $5,003,237; total, $5,007,688. Contra: Debit balance at beginning of year, $3,135,471; debit balance from income account, $591,407; loss on retired road and equipment, $922,927; delayed income debits, $39,155; miscellaneous debits, $318,728; total, $5,007,688.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$83,666	59%	$58,972	41%	$5,674	$148,312	$1,154	$147,158	3.3%	.....	.....	.....	.....	.....	.....
1908.....	83,666	51	79,185	49	1,393	164,244	1,172	163,072	1.7	.....	.....	.....	.....	.....	.....
1909.....	83,666	58	60,484	42	1,688	145,838	5,180	140,658	2.2	.....	.....	.....	.....	.....	.....
1910.....	80,920	56	64,109	44	4,061	149,090	782	148,308	3	.....	.....	.....	.....	.....	.....
1911.....	80,920	51	79,100	49	2,980	163,000	810	162,190	3.8	.....	.....	.....	.....	.....	.....
1912.....	80,920	51	79,114	49	3,963	163,997	789	163,208	3	.....	.....	.....	.....	.....	.....
1913.....	80,567	51	78,760	49	3,641	162,977	1,817	161,160	2.7	.....	.....	.....	.....	.....	.....
1914.....	80,567	51	77,677	49	2,566	160,810	1,817	158,993	3.3	.....	.....	.....	.....	.....	.....
1915.....	72,209	50	70,895	50	2,158	145,262	1,629	143,633	1.9	.....	.....	.....	.....	.....	.....
1916.....	72,227	51	70,895	49	4,386	147,508	811	146,697	4.4	.....	.....	.....	.....	.....	.....
10-Year Average	$79,933	53%	$71,920	47%	$3,251	$155,104	$1,596	$153,508	2.9%	.....	.....	.....	.....	.....	.....

1915 "Bonds outstanding" in Table C includes $28,148,000 "unmatured funded debt" and $8,150,000 "funded debt matured unpaid" carried as a current liability in the balance sheet. "Rentals" include joint facility rents, $55,234.

1916 "Bonds outstanding" in Table C includes $27,998,000 "unmatured funded debt" and $8,300,000 "funded debt matured unpaid" carried as a current liability in the balance sheet. "Rentals" include joint facility rents, $112,288.

Comparative Condensed Balance Sheet, as of June 30

	*1916	1915	1914	1913	1912	1911
ASSETS:						
Property investment	$71,549,614	$73,175,591	$71,946,010	$73,005,142	$73,493,465	$73,726,632
Working assets	118,274	118,948	121,126	121,164	124,593	126,698
Deferred debit items	1,492,627	1,111,754	1,147,481	291,086	40,964	42,176
Profit and loss deficit	5,003,237	3,135,471	2,510,831	2,654,136	1,913,221	1,379,207
Total.....	$78,163,752	$77,541,764	$75,725,448	$76,071,528	$75,572,243	$75,274,713
LIABILITIES:						
Capital stock	$36,980,400	$36,980,400	$36,980,400	$36,980,400	$36,980,400	$36,980,400
Funded debt	27,998,000	28,148,000	27,000,000	35,755,000	35,000,000	35,000,000
Working liabilities	12,965,036	12,193,048	11,575,881	3,165,462	3,425,177	1,927,646
Accrued liabilities not due	220,316	220,316	169,167	170,666	166,666	1,366,667
Deferred credit items ...	.....	.....	.....	.....	.....	.....
Total.....	$78,163,752	$77,541,764	$75,725,448	$76,071,528	$75,572,243	$75,274,713

* Company's account.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Wheeling & Lake E. L. E. div. first 5s.....	A&O	O 1926	(1st) 197	$10,152	$3,697	$219	94%	Very high	High	Aaa.
2. Wheeling & Lake E. Wh. div. 5s.....	J&J	Jl 1928	(1st) 50 (2d) 197	3,610	3,478	97	94%	"	"	Aa.
3. Wheeling & Lake E. ext. 5s..	F&A	F 1930	(gen) 260	1,570		38	94%	"	"	Aa.
4. Wheel. & L. E. first cons. 4s.	M&S	Mr 1949	(cons)477	.....		Text	.....	High	"	A.
5. Wheeling & L. E. ref. 4½s...	M&S	S 1966	(gen)	.....	3,343	"	.....	"	.....	Baa.
6. Equipment notes.	text	1917-23	(see text)	.....		130	.....	Good	Fair	A.

For Key to Bond Ratings, see page 19.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $3,000,000; outstanding, $2,000,000 (closed). Dated July 1, 1886; due Oct. 1, 1926. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. First lien on 196.75 miles, as follows: From Browerston to Toledo, Ohio, 183.26 miles, and from Huron Junc. to Norwalk, Ohio, 13.49 miles; together with depots, lands, etc. Underlie Nos. 2, 3, 4 and 5, with provision by No. 5 to retire. Legal for S.B. in Maine and Mo. Listed on New York Stock Exchange. Normal income tax deducted from interest. These bonds remained undisturbed.

2. Auth., $1,500,000; outstanding, $894,000 (closed). Dated April 21, 1888; due July 1, 1928. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien on 50.19 miles from Browerston to Martin's Ferrry, Ohio; second lien on 196.75 miles, following No. 1. Underlie Nos. 3, 4 and 5, with provision by No. 5 to retire. Listed on New York Stock Exchange. Normal income tax deducted from interest. These bonds remained undisturbed. reorganization.

3. Auth., $1,900,000; outstanding, $409,000 (closed). Dated Dec. 20, 1889; due Feb. 1, 1930. Int. paid at Central Trust Co., New York. Coupon, $1,000. First lien on 13.65 miles from Warrenton to Steubenville, Ohio; second lien on 50.19 miles, following No. 2; third lien on 196.75 miles, following No. 2; first collateral lien on entire capital stock ($300,000) of the Toledo Belt Ry., owning 4.55 miles in Toledo, Ohio. Underlie Nos. 4 and 5, with provision by latter to retire. Listed on New York Stock Exchange. Normal income tax deducted from interest. These bonds remained undisturbed in the reorganization.

4. Auth., $15,000,000. Under the plan of reorganization holders of these bonds were offered par in new 50-year refunding 4½s. A large majority have accepted this offer. Dated Sept. 1, 1899; due Sept. 1, 1949. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. First lien on 216.33 mlies, as follows: From Cleveland to Zanesville, O., 143.91 miles; Canton to Sherrodsville, O., 45.09 miles; and other branches and lines aggregating 27.33 miles; second lien on 13.65 miles, following No. 3; third lien on 50.19 miles, following No. 3; fourth lien on 196.75 miles, following No. 3; second collateral lien on $300,000 capital stock of the Toledo Belt Ry. Underlies No. 5, which provides for retirement. Listed on New York, Pittsburgh and London Stock Exchanges. Interest paid without deduction for normal income tax.

5. Auth., $50,000,000; available for exchange of No.4 (above), $11,697,000. Dated Sept. 1, 1916; due Sept. 1, 1966. Interest payable in New York. Callable at 102½ and int. Unissued amount is reserved for retirement of Nos. 1 and 3 at maturity and for that portion of No. 4 not at present exchanged; also for future cash requirements of the company. Unissued bonds may bear varying rates of interest, not exceeding 6%. Secured by general lien on the property, subject to Nos. 1 to 4.

6. Series of 1902: Auth., $2,500,000; outstanding, $1.298,000. Dated Jan. 1, 1902, due Jan. 1, 1922. Int. paid at New York. Sinking fund: Beginning Jan. 1, 1903, $75,000 annually for first period of four years, then $100,000, $125,000, $150,000 and $175,000 for each succeeding period of four years to maturity. First lien on equipment costing in excess of original amount. Offered $30 cash in payment of interest, 35% in cash and 65% in new notes due 1923.

Series A. 5s: Auth.. $2,019.000; outstanding, $1,312,000. Dated March 1, 1913; due $101,000 semi-annually to Sept. 1, 1922, and $100,000 on March 1, 1923. Int. paid Mar. and Sept. 1, at Citizens' Savings & Trust Co., Cleveland, Ohio. Coupon, $1,000. First lien on equipment costing $2,284,000.

Sinking Fund 4s: Auth., $843,700; outstanding, $659,100. Dated Jan. 1, 1917; due Jan 1, 1923. Coupon, $650. Callable at par. Sinking fund, $140,000 per annum. Balance issuable on deposit of additional 5s of 1922 as per plan. Normal income tax deducted from interest.

Note: There are also outstanding $190,000 receiver's certificates maturing in 1926, which were left undisturbed.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Wheeling & Lake Erie prior lien stock	7%	.....	$2,298	$1,605	30%	Large	Fair	Ba.
Wheeling & Lake Erie preferred	See text	.....	693	.....	.....	Fair	"	B.
Wheeling & Lake Erie common	"	.....	.....	.....	.....	Mod.	"	Ca.

Note: Average income available is the ten-year annual average surplus per mile, less the new annual fixed charges of the company. Dividend requirements are the new requirements on the full amount of stock to be presently outstanding. For key to stock ratings, see pages 21 to 23.

REFERENCE NOTES ON STOCK ISSUES

1. Authorized, and presently issued, $11,882,600; par, $100. Dividends at rate of 7% per annum cumulative from Nov. 1, 1916. Has preference over preferred and common as to 7% dividends and assets in event of liquidation. Callable on and after Nov. 1, 1919, at $115 per share and convertible after latter date into common stock at par at option of holder. Equal voting power with other classes, except in event of failure to pay full 7% dividend for a consecutive 5-year period, in which case the holders may elect a majority of the Board of Directors.

The entire amount of this stock was issued in exchange for the 3-year notes of the old company, at par.

2. Authorized and issued, $10,344,958; par, $100. In event of redemption of the prior lien stock, a like further amount of this stock may be issued. Entitled to 6% non-cumulative dividends, has preference over common stock as to assets and dividends, and will be callable after Nov. 1, 1919, at $105 per share. Convertible into common stock at par after Nov. 1, 1919, at option of holder. Has equal voting power with other classes. See above for exception.

The stock was issued to holders of old first preferred, second preferred and common stock, who paid the assessment of $27 per share.

3. Authorized and issued, $33,641,300; par, $100.

BRISTOL RAILROAD

History: Incorporated under laws of Vermont, in 1882; road completed in Jan., 1892.

Location: Road extends from Bristol to New Haven Junc., Vt., 6 miles; sidings, 0.59 mile. Equipment: Locomotives, 1; cars, 3.

Management: OFFICERS: P. W. Clement, Pres., Rutland, Vt.; Ralph Denio, Sec., Treas. and Supt., Bristol, Vt. DIRECTORS: The foregoing and R. W. Peake, E. B. Patterson, Bristol, Vt.; W. M. Gove, Lincoln, Vt.; H. R. Barney, Rutland, Vt.; W. P. Clement, Bedford, N. Y. Annual meeting in July. GENERAL OFFICE: Bristol, Vt.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Operating revenues	$23,037	$21,356	$22,966	$23,387	$20,466
Operating expenses	14,918	17,555	17,828	29,190	19,276
Net operating revenue	$8,119	$3,801	$5,138	*$5,803	$1,190
Other income	.....	.....	.....	132	.....
Gross income	8,119	3,801	5,138	*5,671	1,190
Fixed charges, including taxes	6,763	8,759	10,392	5,340	5,770
Net income	$1,356	*$4,958	*$5,254	*$11,011	*$4,580

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, $8,992; credit balance transferred from income, $1,356; debit balance carried to balance sheet, $7,636; total, $8,992.

Bonded Debt: $100,000 Bristol R.R. first 4s. Dated July 1, 1891; due July 1, 1921. Interest paid Jan. and July 1, at Clement National Bank, Rutland, Vt. Coupon, $1,000. A first lien on property.

Capital Stock: Authorized and outstanding, $100,000. Par, $100.

DES MOINES TERMINAL COMPANY

History: Incorporated under the laws of Iowa, May 29, 1902, for purpose of furnishing trackage for railroads entering Des Moines and track facilitles to the manufacturing district.

Location: In Des Moines, 0.91 mile; sidings, 8.98 miles.

Management: OFFICERS: F. M. Hubbell, Pres.; H. D. Thompson, Vice-Pres.; C. Huttenlocher, Sec. and Treas.; Walter Mauthe, Aud.; C. H. Hueston, Supt., Des Moines, Ia. DIRECTORS: F. M. Hubbell, H. D. Thompson, C. Huttenlocher, Des Moines, Ia. Annual meeting, first Thursday in January. GENERAL OFFICE: Des Moines, Ia.

Capital Stock: Auth., $500,000; outstanding, $323,800. Par, $100. No bonded debt. No dividends paid.

DETROIT, BAY CITY & WESTERN RAILWAY

History: Incorporated under laws of Michigan, May 13, 1907, for purpose of constructing a road from Bay City to Port Huron, Mich. In operatin, Bay City to Port Huron, Mich., 100 miles.

Location: Road extends from Bay City to Port Huron, Mich. Equipment: Locomotives, 7; passenger cars, 3; freight cars, 60.

Management: OFFICERS: Thos. L. Handy, Pres. and Gen. Mgr.; Chas. W. Handy, Vice-Pres.; F. S. Handy, Sec.; Geo. W. Handy, Treas.; C. S. Ruttle, Gen. Supt. and Gen. Fgt. and Pass. Agt.; A. C. McDannel, Supt., Aud. and Pur. Agt., Bay City, Mich. GENERAL OFFICE: Bay City, Mich.

Income Account, Year Ended June 30

	1916	1915
Gross revenue	$209,067	$162,449
Maintenance of way and structure		11,463
Maintenance of equipment	124,735	17,510
All other operating expenses		57,348
Net income	$84,332	$76,128
Other income	.....	1,582
Total net income	$84,332	$77,710
Taxes	.....	10,387
Fixed charges	32,900	24,497
Surplus	$51,432	$42,826

Balance Sheet as of June 30
(Latest rendered.)

ASSETS:	1915	LIABILITIES:	1915
Property investment	$956,529	Capital stock	$450,000
Working assets	197,054	Funded debt	469,000
Accrued income not due	.....	Working liabilities	79,537
Deferred debit items	297	Accrued liabilities not due	19,230
Profit and loss	.....	Profit and loss	136,113
Total	$1,153,880	Total	$1,153,880

Bonded Debt: $772,000 Detroit, Bay City & Western R.R. first S.F. 5s. Dated Oct. 1, 1912; due Oct. 1, 1932. Interest paid Apr. and Oct. 1, at First Trust and Savings Bank, Chicago, Ill., Trustee; Louis Boisot, Co-Trustee. Coupon, $1,000. Callable at par and interest on 60 days' notice on and prior to Oct. 1, 1922; thereafter at 105 and interest. Amount authorized, $1,250,000. Unissued bonds reserved for terminal facilities, at not exceeding 75% of

cost, provided the net earnings for the twelve months previous are at least twice the interest charges on outstanding bonds, together with those proposed to be issued. Sinking fund, 1% per annum for five years, beginning 1917; 2% for five years, beginning 1922, and 3% for five years, beginning 1927. First lien upon all property and franchises. Interest payable without deduction for normal income tax. Rating, Ba.

Capital Stock: Authorized and outstanding, $450,000. Par, $100. No dividends.

FLORIDA RAILWAY COMPANY

History: Incorporated June 30, 1905, under laws of Florida, as successor to Suwannee & San Pedro R.R. Operates 52 miles, Live Oak to Perry, Fla., and branches. An extension from Live Oak to Jacksonville is under construction.

Receivers were appointed, June 25, 1915. Property will be reorganized.

Management: OFFICERS: Frank Drew, Pres.; G. L. Drew, Vice-Pres. DIRECTORS: Frank Drew, G. L. Drew, John T. G. Crawford, A. T. Williams, R. H. Paul, G. W. Saxon. Annual meeting, second Monday in July. OFFICE: Live Oak, Fla.

Comparative Income Account, Years Ended June 30

	1914	1913	1912	1911	1910	1909	1908
Gross earnings	$52,068	$49,946	$48,353	$52,619	$41,445	$57,486	$65,402
Operating expenses and taxes	50,795	59,434	55,674	49,448	43,432	52,872	60,637
Net earnings	1,273	*9,488	*7,322	3,171	*1,987	4,614	4,765

1915 and 1916 earnings not reported. * Deficit.

Bonded Debt: $1,189,965 Florida Ry. first 5s. Dated July 1, 1909; due July 1, 1959. Int. paid Jan. and July. Callable at 106, after July 1, 1914. Auth., $4,000,000. First lien on 52 miles from Live Oak to Perry, and on new mileage under construction from Live Oak to Jacksonville. Latter construction was suspended in 1911, and in January, 1913, these bonds defaulted.

Capital Stock: Auth., $4,000,000; outstanding, $1,166,000. Par, $100.

GREENVILLE & WESTERN RAILWAY

Origin: Incorporated under laws of South Carolina, succeeding to Greenville & Knoxville Ry., which was sold under foreclosure, June 1, 1914.

Location: Greenville to River Falls, S. C., 23.1 miles; sidings, 2.96 miles. Equipment: Locomotives, 2; passenger cars, 5; freight cars, 17. Connects at Greenville with the Charleston & Western Carolina Ry. and the Southern Ry.

Management: OFFICERS: R. A. McTyer, Pres. and Gen. Mgr.; A. P. Coles, Vice-Pres.; Carl Lewis, Sec. and Treas., Atlanta, Ga.; T. B. Slade, Supt., Greenville, S. C. DIRECTORS: A. G. Candler, A. P. Coles, R. A. McTyer, Thos. Egelston, Jos. A. McCord. Annual meeting in July. GENERAL OFFICE: Greenville, S. C.

Comparative Income Account, Years Ended June 30
(Latest rendered.)

	1915	1914	1913	1911
Gross revenues	$26,147	$29,455	$38,354	$26,718
Maintenance of way and structures	9,838	7,689	15,578	6,062
Maintenance of equipment	5.931	.....	3,845	853
All other operating expenses	13,394	21,436	21,058	15,485
Income	*$3,016	$330	*$2,127	$4,318
Taxes	614	.....	292	784
Fixed charges	.....	.....	1,567	.....
Surplus	*$3,630	.....	*$3,986	$3,524

* Deficit.

Bonded Debt: $460,000 Greenville & Western Ry. Co. first 6s; bearing interest from Jan. 1, 1917; due Jan. 1, 1937.

Capital Stock: $50,000 paid in. No dividends.

HOBOKEN MANUFACTURERS RAILROAD

Origin: Incorporated under New Jersey laws, 1902. Operates 1.40 miles of road, of which 1.34 miles leased since June, 1906, from the Hoboken R.R. Warehouse & S.S. Connecting Co. Sidings, owned, 0.08 mile; leased, 4.5 miles; total, 4.58 miles. Road is operated by electricity and steam. Leases the property of the Hoboken R.R. Warehouse & S.S. Connecting Co. for 99 years from June 16, 1906, rental being 1½ to 7 cents per ton, according to number of tons of freight transported, minimum rental being $22,000.

Location: Road extends from Fifth Street, Hoboken, to Seventeenth St., Weehawken, 1.34 miles; total track, 4.5 miles. Equipment: Locomotives, 1; electric, 2; service cars, 4.

Management: OFFICERS: Chas. D. Boyles, Pres. and Gen. Mgr.; H. F. Whitmore, Vice-Pres.; Geo. H. Hobbs, Sec. and Treas., Hoboken, N. J. DIRECTORS: Henry F. Whitmore, R. M. Dean, Chas. D. Boyles, Chas. E. Haydlan, Geo. A. Hobbs, H. F. Vehmeyer, Hoboken, N. J. Annual meeting, in July. Registered Official OFFICE: 1 Newark Street, Hoboken, N. J. GENERAL OFFICE: Foot of Fifth Street, Hoboken, N. J.

Mortgage Debt: $250,000 Hoboken Manufacturers R.R. Real Estate 5s. Dated 1906; due June 19, 1916. Has been purchased by parties interested in road. Interest paid June and Dec. 1. Authorized issue, $400,000. Secured on real estate of right of way in Hoboken and Jersey City, N. J. Income tax deducted from interest.

Capital Stock: Authorized, $500,000; outstanding, $400,000. Par, $100. All owned by American Warehouse & Trading Co.

MEMPHIS, DALLAS & GULF RAILROAD

History: Incorporated under laws of Arkansas, June, 1906, as the Memphis, Paris & Gulf R.R., name being changed in June, 1910. In Oct., 1910, purchased the Antoine Valley R.R. and the Ultima Thule, Arkadelphia & Mississippi Ry. In August, 1911, purchased Hot Springs, Glenwood & Western R.R., and the Caddo & Choctaw R.R. The line as projected is to extend to Memphis, Tenn., 255 miles, and to Dallas, Tex., 186 miles, of which 41 are completed. There is now in operation about 131 miles: Ashdown to Hot Springs, Ark., 114 miles; Graysonia to Leard, 6 miles; Daleville to Dalark, 11 miles. Equipment owned: Locomotives, 9; passenger, 5; combination, 2; freight cars, 114.

Management: OFFICERS: W. W. Brown, Pres., Camden, Ark.; C. C. Henderson, Vice-Pres. and Gen. Mgr., Nashville, Ark.; A. C. Ramsey, Vice-Pres.; J. W. Bishop, Sec.; W. E. Barkman, Treas. DIRECTORS: W. W. Brown, W. E. Barkman, C. W. Dodson, A. C. Ramsey, C. C. Henderson, W. H. Toland, J. H. Wallace, J. H. Hineman, R. E. Major. Annual meeting, third Wednesday in May. GENERAL OFFICE: Nashville, Ark.

Comparative Income Account, Years Ended June 30

	1916	1915	1914†	1913†	1912	1911	1910
Gross revenues	$336,866	$336,761	$334,812	$305,349	$222,000	$148,953	$149,469
Operating expenses	265,888	220,722	209,806	164,698	116,030	97,603	101,776
Net operating revenues	$70,978	$146,039	$125,006	$140,651	$105,970	$51,350	$47,693
Operating ratio	78.9%	56.5%	62.7%	54%	61.1%	65.5%	68.1%
Other income	.....	.....	.....	.....	1,116	1,430	16,791
Total net income	$70,978	$146,039	$125,006	$140,651	$107,086	$52,780	$64,484
Taxes accrued	12,163	97,111	70,357	69,053	11,732	7,693	4,812
Fixed charges, etc	61,083				53,651	47,020	42,489
Surplus	*$2,268	$48,929	$54,649	$71,598	$41,703	*$1,933	$17,183

* Deficit. † Year to May 31.

Bonded Debt: (1) $420,000 Memphis, Paris & Gulf first gold 6s. Dated Jan. 1, 1908; due Jan. 1, 1928. Interest Jan. and July, at Mercantile Trust Co., Little Rock, Ark. Coupon, $1,000. Registerable as to principal. Subject to call at 103 after 1919. Guar. prin. and int. by Nashville (Ark.) Lumber Co. First lien from Nashville to Ashdown, Ark., 28 miles. Underlies No. 2, which provides for retirement. Interest paid without deduction for normal income tax. Rating, Ba.

(2) $1,632,000 Memphis, Dallas & Gulf first and refunding 6s. Dated July 1, 1913; due July 1, 1943. Int. paid Jan. and July 1, at Mississippi Valley Trust Co., St. Louis, Mo. Coupon, $1,000; prin. may be registered. Callable at 101 to Jan. 1, 1918; thereafter at 103. Auth., $3,600,000; sufficient reserved to retire No. 1 and balance issuable for new construction at $18,000 per mile. First lien on entire property subject to No. 1. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $18,000 per mile; outstanding, $2,052,000, issued on 114 miles; par, $100.

MIDLAND CONTINENTAL RAILROAD

History: Incorporated under laws of North Dakota, Aug. 24, 1912, to build a road from Winnipeg, Manitoba, to the Gulf of Mexico. Actually under construction a section of 265 miles, from Winnipeg to Edgeley, N. D., to a connection with the Chicago, Milwaukee & St. Paul Ry., at that point. Completed, Nov. 1, 1914, Edgeley to Wimbledon, N. D., where connection is made with Minn., St. Paul S. S. Marie Ry., 77 miles. Equipment: Locomotives, 4; cars, passenger, 2; freight, 20; service, 12.

Management: OFFICERS: James M. Hall, Pres.; C. Furnace Hately, Vice-Pres.; Alan C. McIlvaine, Sec.; W. E. Phillips, Treas., Chicago, Ill.; A. C. Maxwell, Gen. Mgr.; J. A. Willey, Supt., Jamestown, N. D. DIRECTORS: C. S. Buck, O. J. Seiler, J. A. Willey, Jamestown, N. D.; W. E. Phillips, J. M. Hall, W. T. Van Brunt, C. Furnace Hately, A. G. McIlvaine, Chicago, Ill.; F. K. Bull, Racine, Wis.; Francis W. Rathbone, Liverpool, Eng.; John Cudahy, Chicago, Ill. Annual meeting, in September at Jamestown, N. D. PRINCIPAL OFFICE: 1352 Otis Building, Chicago, Ill. OPERATING OFFICE: Jamestown, N. D.

Comparative Income Account. Years Ended June 30
(Latest rendered.)

	1915	1914	1913
Gross revenues	$56,467	$76,136	$50,304
Maintenance of way and structure	2,622	1,155	.....
Maintenance of equipment	4,670	7,101	1,076
All other operating expenses	40,827	50,836	34,955
Net income	$8,348	$17,044	$24,273
Other income	1,370	4,223	.....
Total net income	$9,718	$21,267	$24,273
Taxes	6,286	3,582	256
Fixed charges	331	7,685	3,773
Surplus	$3,101	$10,000	$20,244

Comparative Condensed Balance Sheet, as of June 30
(Latest rendered.)

ASSETS:	1915	1914	1913
Property investment	$5,264,863	$3,765,026	$3,757,034
Working assets	32,287	24,883	21,461
Deferred debit items	.....	685	7,018
Total	$5,297,150	$3,790,594	$3,785,513

LIABILITIES:	1915	1914	1913
Capital stock	$3,500,000	$2,500,000	$2,500,000
Funded debt	1,750,000	1,250,000	1,250,000
Working liabilities	8,196	5,868	15,269
Accrued liabilities not due	6,214	4,481	.....
Appropriated surplus	.....	.....	.....
Profit and loss surplus	32,740	30,245	20,244
Total	$5,297,150	$3,790,594	$3,785,513

Bonded Debt: (1) $1,250,000 Midland Continental R.R. first 5s. Dated Oct. 15, 1912; due Oct. 15, 1952. Interest paid Apr. and Oct. 1, at Continental & Commercial Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000. Authorized, $6,000,000. Callable at 105. No sinking fund provisions. First mortgage on road under construction from Edgeley to Pembina, N. D., 212 miles, and on all other property, whether now owned or hereafter acquired. The bonds outstanding are pledged under the 6 per cent. notes.

(2) $266,000 Midland Continental Construction Co. collateral trust 6% notes. Dated Oct. 15, 1912; due $133,000 each, on Oct. 15, 1914 and 1915. Interest paid Apr. and Oct. 15, at Spitzer, Rorick & Co., New York. Coupon, $1,000. Spitzer, Rorick Trust & Savings Bank, Toledo, Trustee. Callable as a whole at 103 and interest, on 60 days' notice. Issued under trust deed executed by the Midland Continental Construction Company, in which the railroad company joins, and secured by pledge of entire issue of $1,250,000 common stock, $1,250,000 preferred stock, and $1,250,000 first mortgage 5s (No. 1). Authorized and issued, $400,000, of which $134,000 were paid Oct. 15, 1913. In default: In 1916, suit was brought to foreclose the mortgage securing the collateral.

Capital Stock: Authorized, $3,000,000 non-cumulative preferred and $3,000,000 common; outstanding $1,250,000 preferred, and $1,250,000 common. Par, $100. Preferred cannot be called, and has preference as to assets. The entire outstanding stock and bonds are deposited as collateral for the 6% notes described above. Upon completion of the line to Wimbledon, an additional $600,000 of both preferred and common, and $600,000 of the first mortgage 5s will be issued and deposited as collateral security for the notes.

MIDDLEBURGH AND SCHOHARIE RAILROAD

Origin: Incorporated under New York laws, May 8, 1867. Road completed, Oct., 1868.

Location: Middleburgh to Schoharie, N. Y., 5.33 miles; sidings, etc., 1 mile. Equipment: Locomotive, 1; car, 1.

Management: OFFICERS: Duryea Beekman, Pres. and Aud.; Daniel D. Frisbie, Vice-Pres.; Geo. L. Danforth, Treas.; George D. Frisbie, Sec., Middleburgh, N. Y. DIRECTORS: Duryea Beekman, G. L. Danforth, Dow Beekman, J. L. Engle, W. E. Bassler, C. S. Best, D. D. Frisbie, J. D. Badgley, H. S. Manning, G. D. Frisbie, Alonzo Almy, Chas. E. White, Middleburgh, N. Y.; Emmet Haines, Fultonham, N. Y.; James C. Borst, Middleburgh, N. Y. Annual meeting in March, at Middleburgh, N. Y. OFFICE: Middleburgh, N. Y.

Bonded Debt: $18,000 Middleburgh & Schoharie R.R. refunding coupon 5s. Dated May 1, 1896; due May 1, 1916. Interest paid May and Nov. 1. Dow Beekman and D. D. Frisbie, Middleburgh, N. Y., Trustees. A first lien on entire property.

Capital Stock: Authorized, $100,000; outstanding, $88,500. Par, $100. Recent dividends as follows: 1899 to 1901, inclusive, 1% per annum; 1902, 4%; 1903 to 1906, inclusive, 4%; 1907, 3%, 1908, 5%; 1909 to 1914, inclusive, 3% per annum. Later payments not reported. Dividends payable in April.

MONROE & SOUTHWESTERN RAILROAD

Origin: Incorporated under laws of Louisiana, April 27, 1904, for 99 years, for the purpose of constructing a line from Monroe southwest through Winfield to Natchitoches, La., about 85 miles.

Location: Road completed extends from Monroe to Chapman, La., and branch, 17.41 miles. Locomotive, 1; cars, 86.

Management: OFFICERS: B. A. Scott, Pres., Detroit, Mich.; A. E. Michelson, Vice-Pres., Grayling, Mich.; G. E. Breece, Vice-Pres., Charleston, W. Va.; O. S. Hawes, Sec., Detroit, Mich.; O. G. Elliott, Treas., Gen. Mgr. and Pur. Agt.; R. R. McCord, Aud.; J. O. Snively, Supt., Monroe, La. DIRECTORS: A. E. Michelson, Grayling, Mich.; O. S. Hawes, B. A. Scott, Detroit, Mich.; G. E. Breece, Charleston, W. Va.; J. E. Mason, F. P. Stubbs, Monroe, La. OFFICE: Monroe, La.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$11,598	$9,692	$23,077	$18,702	$29,616	$41,256
Maintenance of way	7,013	2,986	15,224	12,109	13,226	12,480
Maintenance of equip.	2,526	2,012	3,759	8,846	8,839	7,536
All other oper. expenses	4,818	3,545	13,048	15,482	14,690	18,405
Net income	*$2,762	$1,149	*$8,954	*$17,735	*$7,138	$2,835
Taxes	.....	1,409	.....	.....	.....	.....
Fixed charges	.....	.....	1,218	1,388	1,374	1,585
Surplus	*$2,762	*$260	*$10,172	*$19,123	*$8,512	$1,250

* Deficit.

Capital Stock: Authorized, $1,000,000; outstanding, $172,000. Par, $100. No bonded debt. In 1911, 6¾% was paid from surplus.

OIL BELT RAILWAY

Origin: Incorporated under laws of Illinois, May 29, 1909.

Location: Road extends from Bridgeport to Oblong, Ill., 25 miles. An extension of 80 miles, from Charles to Mt. Carmel, Ill., is under construction, which will make a total of 105 miles. Equipment: Locomotives, 3; passenger car, 1; box cars, 6; flat cars, 5; caboose, 1; gas-electric motor, 1.

Management: OFFICERS: W. E. Finley, Pres., Bridgeport, Ill.; Savilla Shipman, Vice-Pres., Hardinsville, Ill.; Edward Kappas, Treas.; J. B. Campbell, Sec. and Gen. Mgr., Bridgeport, Ill. DIRECTORS: J. Erb, Chicago; R. E. Laughlin, Edward Kappas, J. B. Campbell, W. E. Finley, Bridgeport, Ill.; J. E. Turner, Casey, Ill.; Savilla Shipman, Hardinsville, Ill.; Frank Storkman, Mt. Carmel, Ill. Annual meeting, June 15, at Oblong, Ill. OFFICE: Bridgeport, Ill.

Comparative Condensed Balance Sheet, as of June 30
(Latest rendered.)

ASSETS:	1915	1914	LIABILITIES:	1915	1914
Property investment	$1,041,681	$1,080,683	Capital stock	$500,000	$575,000
Working assets	219,401	3,842	Funded debt	500,000	175,000
Profit and loss deficit	19,248	9,000	Working liabilities	268,420	18,766
			Accrued liabilities not due	11,910	.....
			Deferred credit items	.....	13,000
			Profit and loss surplus	.....	311,759
Total	$1,280,330	$1,093,525	Total	$1,280,330	$1,093,525

Bonded Debt: $500,000 Oil Belt Ry. first 5s. Dated Dec. 1, 1913; due Dec. 1, 1943. Int. paid June and Dec. 1, at Fort Dearborn Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000. Authorized, $2,500,000. Future issues restricted to $20,000 per mile of sections of completed railroad and equipment. Callable on and after Dec. 1, 1918, at 105 and interest. First lien on entire property. The $500,000 bonds described above have been issued covering the first 25-mile section of completed road. Bonds defaulted in 1915 and property was advertised for sale in 1916.

Capital Stock: Auth., $2,500,000; outstanding, $500,000. Par, $100. No dividends. Secretary acts as Transfer Agent.

WEST VIRGINIA MIDLAND RAILROAD

Origin: Incorporated under laws of West Virginia, April 2, 1906, successor to the Holly River & Addison Railway.

Location: Road extends from Holly Junc. to Webster Springs, W. Va., 29.31 miles; Webster Springs to Breese, 6 miles; Holly to Long Run, 7.40 miles; Marpleton to Davis Mill, 3.10 miles; total, 45.81 miles. Equipment: Locomotives, 6; cars: passenger, 5; freight, 94.

Management: OFFICERS: J. T. McGraw, Pres., Grafton, W. Va.; Geo. A. Hechmer, Vice-Pres., Gen. Mgr. and Pur. Agt., Palmer, W. Va.; F. D. Hagan, Sec. and Aud., Grafton, W. Va.; J. A. Duffy, Treas.; M. F. Coulehan, Supt., Palmer, W. Va.; J. C. Lewis, Chief Engr., Grafton, W. Va. DIRECTORS: Jno. T. McGraw, Grafton, W. Va.; G. A. Hechmer, Palmer, W. Va.; J. M. Hoover, C. P. Dorr, J. W. Wooddell, Webster Springs, W. Va. Annual meeting, second Tuesday in January. OFFICE: Grafton, W. Va.

Comparative Income Account, Years Ended June 30
(Latest rendered.)

	1915	1914	1913	1912	1911
Gross revenues	$41,407	$55,087	$63,237	$61,378	$52,824
Maintenance of way and structures	13,262	18,460	18,857	17,236	15,553
Maintenance of equipment	6,510	6,621	7,833	4,937	3,734
All other operating expenses	20,776	25,217	23,547	23,318	22,717
Net income	$859	$4,789	$13,000	$15,887	$10,820
Taxes	1,481	1,473	1,400	1,108	1,417
Fixed charges	1,127	.....	.....	.....	.....
Surplus	*$1,749	$3,316	$11,600	$14,779	$9,403

* Deficit.

Comparative Condensed Balance Sheet, as of June 30
(Latest rendered.)

ASSETS:	1915	1914	1913	1912	1911
Property investment	$1,418,405	$500,256	$498,925	$495,300	$480,860
Working assets	54,211	1,469,737	1,461,856	1,452,792	1,448,500
Deferred debit items	61	.....	.....	.....	.....
Profit and loss deficit	233,542	.....	.....	.....	.....
Total	$1,706,219	$1,969,993	$1,960,881	$1,948,092	$1,929,360
LIABILITIES:					
Capital stock	$500,000	$600.000	$600,000	$600,000	$600,000
Funded debt	600,000	1,000,000	1,000,000	1,000,000	1,000,000
Working liabilities	598,719	257,968	251,437	250,248	246,294
Accrued liabilities not due	7,500	.....	.....	.....	.....
Profit and loss surplus	.....	112,025	109,444	97,844	83,066
Total	$1,706,219	$1,969,993	$1,960,881	$1,948,092	$1,929,360

Bonded Debt: $600,000 West Virginia Midland R.R. first 5s. Dated April 2, 1906; due April 2, 1926. Interest paid April and Oct. 1. Coupon, $1,000. Guaranty Trust Co., New York, Trustee. Authorized, $1,000,000. A first lien on entire property.

Capital Stock: Authorized, $1,000,000; issued, $600,000, of which $400,000 are held in treasury. Par, $100.

SHEFFIELD & TIONESTA RAILWAY

History: Organized under Pennsylvania laws, June 1, 1901. Absorbed the Tionesta Valley & Salmon Creek Ry. on May 16, 1901, and the Tionesta Valley & Hickory R.R. on August 10, 1911.

Location: Road extends from Sheffield to Tionesta Run, Pa., 41.0 miles. Equipment: Locomotives, 4; cars, 42.

Management: OFFICERS: E. S. Collins, Pres. and Gen. Mgr.; F. R. Klinestiver, Vice-Pres. and Pur. Agt., Nebraska, Pa.; S. Ransom, Sec., Kellettville, Pa.; R. J. Hopkins, Treas., Tionesta, Pa.; S. H. Secor, Aud., Sheffield, Pa. DIRECTORS: E. S. Collins, E. K. Secor, F. R. Klinestiver, Mary Collins, Nebraska, Pa. GENERAL OFFICE, Kellettville, Pa.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$122,708	$116,068	$101,102	$87,472	$90,168
Operating expenses	65,046	62,597	51,237	52,587	62,379
Net operating revenues	$57,662	$53,471	$49,865	$34,885	$27,789
Other income	752	734	1,168	554	.....
Total net income	$58,414	$54,205	$51,033	$35,439	$27,789
Fixed charges, including taxes	21,506	19,086	15,147	14,493	2,038
Balance	$36,908	$35,199	$35,886	$20,946	$25,751
Other deductions	1,903	1,845	25,000	20,000	25,459
Surplus for year	$35,005	$33,274	$10,886	$946	$292

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $1,350; credit balance transferred from income, $35,005; total, $36,355. Contra: Dividend appropriations of surplus, $36,000; credit balance carried to balance sheet, $355; total, $36,355.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$263,203	$261,382	$263,227	$275,230	$275,000
Working assets	12,152	15,261	12,133	4,979	2,537
Total	$275,355	$276,643	$275,360	$280,209	$277,537
LIABILITIES:					
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000
Funded debt	75,000	75,000	75,000	75,000	75,000
Working liabilities	.....	293	284	4,017	2,245
Profit and loss	355	1,350	76	1,192	292
Total	$275,355	$276,643	$275,360	$280,209	$277,537

Bonded Debt: $75,000 Sheffield & Tionesta Ry. first 6s. Dated June 30, 1910; due June 30, 1915. Interest payable annually. First lien on road from Sheffield to Ross Run, Pa., 29 miles. Interest paid without deduction for normal income tax.

It was stated February, 1916, that these bonds were being extended for a period of either ten or fifteen years.

Capital Stock: Authorized and outstanding, $200,000. Par, $100. A dividend of 50% was paid in 1908 from accumulated surplus; 60% in 1910; 36% in 1911; 15% in 1912; 10% in 1913; 10½% in 1914; 16% in 1915; 18% in 1916.

TENNESSEE & NORTH CAROLINA RAILROAD

History: Organized under the laws of Tennessee and North Carolina, June 27, 1911.

Location: Road owned extends from Newport Junc. to Waterville, Tenn., 20.16 miles; leased, Waterville, Tenn., to Crestmont, N. C., 2 miles, and Spruce to West Canton, N. C., 14.95 miles; total operated, 37.11 miles.

Management: OFFICERS: J. G. Campbell, Pres.; A. J. Armstrong, Vice-Pres., Philadelphia; F. H. Elly, Sec.; D. G. Wilson, Treas., Philadelphia; H. S. Mantooth, Aud.; W. J. Parks, Supt., Newport, Tenn. DIRECTORS: J. G. Campbell, F. H. Elly, R. T. Veitch, Philadelphia; H. B. Stevens, Asheville, N. C.; A. J. Armstrong, E. M. Bechtel, D. G. Wilson, Philadelphia. Annual meeting, second Tuesday in September. GENERAL OFFICE, Newport, Tenn.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	$150,712	$114,446	$123,685	$65,983	$54,719
Operating expenses	81,260	59,031	63,533	49,344	45,891
Net operating revenues	$69,452	$55.415	$60,152	$16,639	$8,228
Fixed charges, including taxes	66,757	60,078	57,967	24,529	24,565
Balance	$2,695	*$4,663	$2,185	*$7,890	*$15,737

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,847; credit balance transferred from income, $2,695; total, $6,542. Contra: Delayed income debits, $2,800; credit balance carried to balance sheet, $3,742; total, $6,542.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912
Property investment	$819,989	$821,932	$838,977	$779,935	$752,665
Working assets	15,932	20,588	41,872	44,031	6,909
Deferred debit items	17,189	21,119	.....	.....	403
Total	$853,110	$863,639	$880,849	$823,966	$759,977
LIABILITIES:					
Capital stock	$306,100	$306,100	$306,100	$306,100	$300,000
Funded debt	300,000	300,000	300,000	300,000	300,000
Working liabilities	238,315	245,985	268,599	212,534	146,755
Accrued liabilities not due	136	2,130	.....	.....	.....
Deferred debit items	4,817	5,577	.....	.....	.....
Profit and loss	3,742	3,847	6,150	5,332	13,222
Total	$853,110	$863,639	$880,849	$823,966	$759,977

Bonded Debt: $300,000 Tennessee & North Carolina R.R. first 5s. Dated 1903; due 1933; interest paid Jan. and July 1 at Guaranty Trust Co., New York. Coupon, $1,000. Authorized, $750,000. First lien on 17.48 miles of road, Newport to Waterville, Tenn. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $625,000; outstanding, $306,100. Par, $100. No dividends paid.

WABASH-PITTSBURG TERMINAL RAILWAY COMPANY

(PITTSBURG & WEST VIRGINIA RY., *Successor.*)

History: Incorporated May 7, 1904, under laws of Pennsylvania, West Virginia, and Ohio, as part of a general plan of the Gould interests for developing a transcontinental railroad system from the Atlantic to the Pacific. For carrying out this plan the Western Maryland Railway was acquired, and also the Wheeling & Lake Erie system. Shortly after incorporation the company acquired control of the Pittsburg Terminal Railroad and Coal Company through the acquisition of the entire stock of the latter. The latter had a controlling interest in the West Side Belt Railroad. The West Side Belt Railroad owned 22.46 miles extending from Pittsburg southward to Clairton, Pa., with a short branch to Banksville.

When the Wabash-Pittsburg Terminal Railway was organized, the entire $10,000,000 of stock of the company was acquired in the interest of the Wabash Railroad, and the latter also acquired $6,600,000 of the first mortgage bonds of the Terminal Company.

The Wabash Railroad acquired control of the Wheeling & Lake Erie Railroad through the Wabash-Pittsburg Terminal Railway. The latter under the original agreement secured 51.73% of the entire capital stock of the Wheeling & Lake Erie, and still owns $847,500 out of $4,986,000 first preferred, $4,423,800 out of $11,993,500 second preferred, and $11,870,000 out of $20,000,000 common stock.

Receivership: On May 29, 1908, the Wabash-Pittsburg Terminal Railway was placed in the hands of receivers. The company defaulted on the payment of the principal and interest of a $300,000 note made in 1906 to the Wabash Railroad and also defaulted June 1st on the interest due on the first mortgage 4% bonds. The property was sold under foreclosure Aug. 28, 1916, and the plan of reorganization outlined below has since been declared operative.

Plan of Reorganization: The following plan for the reorganization of the property was announced in June, 1915, and has since become effective:

A new company has been formed under name of Pittsburgh & West Virginia Ry., with an authorized capitalization of $9,100,000 6% preferred stock, non-cumulative, but to become cumulative on January 1, 1921, and $30,500,000 common stock. The new company assumes underlying real estate mortgages amounting to $795,868; the first mortgage of the Pittsburgh Terminal R.R. and Coal Co., $3,922,000, and the first mortgage of the West Side Belt R.R., $383,000.

Exchange of Securities: Holders of $30,236,000 first mortgage 5s were asked to pay an assessment of $300 per bond, and surrender their holdings, for which each receives 30% in new preferred stock, 100% in new common stock, 2.8% in Wheeling & Lake Erie first preferred, 21% in Wheeling & Lake Erie second preferred and 39% in Wheeling & Lake Erie common stock. Holders of the second mortgage bonds were allowed to subscribe for that proportion of the new securities not taken by the first mortgage bondholders, the amounts and assessments to be apportioned ratably. The old stockholders received nothing.

To all holders of full paid certificates of deposit for bonds (i. e., bearing notation showing payment under plan of $300 in respect of each $1,000 of bonds represented thereby) who desire the same and shall present their certificates of deposit to the Central Trust Co. of N. Y. for appropriate stamping the reorganization committee has determined forthwith to distribute "Certificates of Interest," which shall specify the amount of stock of the Wheeling company deliverable to the holders thereof, if and when the reorganization of the terminal company shall be consummated under the terminal reorganization plan in accordance with the provisions and subject to the conditions to be set forth in said Certificates of Interest. These certificates will be in three series, viz.: Series A, specifying $28 par value first preferred stock of the Wheeling Co.; Series B, $210 second preferred stock of Wheeling Co.; Series C, $390 common stock of Wheeling Co.

Holders of Certificates of Deposit stamped to indicate the delivery against the same of Certificates of Interest will not thereafter be entitled to receive under the terminal reorganization plan stock of the Wheeling Co. or trust certificates therefor and all such rights shall pass to the holders of Certificates of Interest delivered against Certificates of Deposit so stamped.

The managers of the syndicate provided for in the Wheeling reorganization plan agree substantially as follows: (1) Upon the delivery to the managers at the Central Trust Co., 54 Wall Street, on or before Dec. 8, 1916 of said Certificates of Interest accompanied by payment of $27 for each share of stock of the Wheeling Co. specified in the respective Certificates of Interest so delivered, the managers will issue full-paid receipts entitling the holders thereof

to receive, when issued, stock of the new company on the basis mentioned in the Wheeling reorganization plan as follows: 6% non-cumulative preferred (second) stock of the new (Wheeling) company equal at par to such payment, and, in addition (*a*) $100 common stock of the new company for each $100 first preferred stock; (*b*) $90 common stock of the new (Wheeling) company for each $100 second preferred stock of the Wheeling company; (*c*) $87.50 common stock for each $100 common stock of Wheeling company. (2) That instead of requiring payment in full on or before Dec. 8, 1916 of $27 per share to accept the payment on or before Dec. 8, 1916 of $12 on each share of stock and the balance of $15 on or before six months from Dec. 8, 1916, with interest to date of payment of 6%.

Note: For details regarding old Trackage and Traffic Contracts, and relations with the old Wabash Railroad and the Wheeling & Lake Erie Railroad, see Moody's Analyses of Railroads for 1915.

Management: OFFICERS OF THE NEW PITTSBURG & WEST VIRGINIA RY.: Park J. Alexander, Pres.; W. G. Lowe, Vice-Pres.; F. J. Brunner, Sec.; G. V. Early, Treas. GENERAL OFFICES, Wabash Bldg., Pittsburgh, Pa.

Comparative Income Account, Years Ended June 30
(Including West Side Belt R.R.)

	1916	1915	1914	1913	1912	1911
Operating revenues....	$1,731,192	$1,185,697	$1,435,631	$1,362,608	$1,147,625	$1,065,601
Maintenance of way....	212,597	157,262	220,908	255,736	161,541	159,550
Maintenance of equip..	214,302	218,447	276,872	285,387	205,365	175,555
Traffic expenses	35,993	33,958	34,166	31,390	29,469	31,963
Transp. expenses.....	465,988	375,710	439,544	413,034	354,636	351,189
General expenses	94,216	89,430	73,187	87,067	93,101	99,006
Total	$1,023,096	$874,807	$1,044,677	$1,072,614	$844,114	$817,265
Operating ratio	70%	73.84%	72.77%	78.72%	73.55%	76.69%
Net operating revenues.	708,096	310,889	390,954	289,994	303,510	248,336
Deduct taxes	93,974	93,600	92,154	91,200	73,200	76,800
Operating income..	$614,122	$217,289	$298,800	$198,794	$230,310	$171,536
Rentals of equipment..	.....	(Dr.) 59,336	50,425	33,196	(Cr.) 52,260	(Dr.) 36,596
Other income	108,198	62,204	89,852	92,227	79,566	86,581
Total income	$722,320	$220,158	$439,077	$324,217	$362,137	$221,521
Fixed charges	344,473	293,351	415,821	421,428	375,651	331,674
Balance	$377,847	* $73,192	$23,256	* $97,211	* $13,513	* $110,152

* Deficit.

Note: The above figures do not, of course, include interest charges on defaulted bonds.

CAPITALIZATION OF NEW COMPANY

Bonded Debt: (1) $379,000 West Side Belt R.R. first 5s; dated Sept. 1, 1897; due Sept., 1937. Int. paid Mar. and Sept. 1, at Colonial Trust Co., Pittsburgh, Pa. Assumed by new company.

(2) $2,663,143 Pittsburgh Terminal R.R. Coal Co. first 5s; dated July 1, 1902; due July 1, 1942. Int. paid Jan. and July 1 at Colonial Trust Co., Pittsburgh, Pa. Assumed by new company.

(3) $850,000 West Side Belt R.R. 5% Receivers' certificates; due serially, March, 1917 to 1926. Secured on equipment.

Capital Stock: (1) $9,100,000 Pittsburg & West Virginia Railway 6% preferred. Par, $100. Dividends cumulative after 1920. Callable at 105 and accrued dividends.

(2) $30,500,000 Pittsburg & West Virginia Railway common stock. Par, $100.

SECTION THREE

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ALGOMA CENTRAL & HUDSON BAY RAILWAY

Origin: Incorporated under Canadian laws, August 11, 1899, as the Algoma Central Ry. Name changed to above May 23, 1901. The line of road was projected from Sault Ste. Marie to Franz, Ont., on the line of the Canadian Pacific Ry., and thence northerly to connect with the Grand Trunk Pacific Ry. at Hearst, with various branches. The Canadian Government granted a subsidy of $6,400 per mile for the line from Sault Ste. Marie to the Canadian Pacific main line, 225 miles; and a similar subsidy from Franz to Hearst. The Province of Ontario has given a land grant of about 1,665,000 acres, and, on completion of the line to the Grand Trunk Pacific Ry., a further grant of 500,000 acres.

Location: Line of road in operation, Sault Ste. Marie to Franz, 195 miles; Hawk Junc. to Michipicoten, Ont., 26 miles, and branches, 111 miles. Total operated, 332 miles. Equipment owned: 32 locomotives and 1,366 passenger, freight and service cars. The company owns the entire capital stock of the Algoma Central Terminal Co., Ltd., and is itself controlled by the Lake Superior Corporation, statement of which see in "Moody's Analyses of Public Utilities and Industrials."

Readjustment Plan: In September, 1916, the following plan was put in effect, as authorized by Act of Canadian Parliament. (1) A bondholders' committee to exercise the voting power upon the common stock and also for the conversion of the 2d M. bonds of the Railway into income bonds until the principal and interest of all the 1st M. bonds shall have been paid in full. (2) The interest on the Railway bonds from June 1, 1914, and interest and sinking fund on the Terminals bonds to be paid only if the joint net earnings available for the purpose permit (except as indicated below), but the interest to be cumulative up to 5%, with right to 6% per annum, if earned, in the following priority: (*a*) Terminals bonds for current and all prior years 3% p. a., said payment, however, to be a fixed obligation for the periods from Aug. 1, 1914 to Aug. 1, 1915, payable forthwith, and also in each year after Aug. 1, 1921. (*b*) Both issues pari passu as though one issue, 2%. (*c*) Railway bonds, 3%. (*d*) Any arrears up to 5% on either issue. (*e*) Terminals sinking fund. (*f*) Railway bonds, 1% and Terminals bonds, ½ of 1%. While the guaranty of the Lake Superior Corporation will remain, the committee alone can enforce it. (3) Reducing existing pref. stock of the Railway, $5,000,000 outstanding, by 60% (i.e., each share to $40 par value), and creating a new class of $3,000,000 5% non-cum. pref. shares of $40 par value, equal to 60% of present issue, having similar rights, to be issued as fully paid to the bondholders' committee in consideration of the Railway and Terminals bondholders consenting to this scheme, the stock to be distributed 75% to the Railway bondholders and 25% to the Terminals bondholders pari passu. In Dec., 1916, the receiver was discharged.

Management: OFFICERS: Vivian Harcourt, Rec.; J. Frater Taylor, Pres.; W. K. Whigham, Vice-Pres.; Herbert Coppell, Vice-Pres.; W. C. Franz, Vice-Pres. and Gen. Mgr.; Thos. Gibson, Sec. (Toronto); B. Barber, Treas. DIRECTORS: H. Coppell, New York; W. K. Whigham, London, Eng.; T. Gibson, Toronto, Ont.; D. C. Newton, W. E. Stavert, Montreal, Que.; J. Frater Taylor, W. C. Franz, Sault Ste. Marie. Annual meeting, third Wednesday in September. OFFICE: Sault Ste. Marie, Ont.

Comparative Income Account. Years Ended June 30

(Latest Available)

	1915	1914	1913	1912	1911	1910
Gross revenues	$975,966	$937,399	$851,702	$545,054	$748,021	$630,659
Maintenance of way.....	122,682	157,302	102,997	116,532	.....	77,445
Maintenance of equipment	85,243	103,587	17,162	59,376	.....	84,312
All other operating exps..	556,572	462,325	367,920	156,043	.....	320,510
Net operating revs...	$211,468	$234,185	$309,623	$213,103	$187,245	$148,392
Other income	22,216	40,615	42,068	98,756	52,090	.....
Total net income.....	$233,684	$274,800	$351,691	$311,859	$239,335	$148,392
Fixed charges	†541,545	522,753	252,369	219,613	.....	.....
Surplus	*$307,861	*$247,953	$99,322	$92,245	.....	.....

* Deficit. † Includes $18,196 taxes.

Bonded Debt: (1) $10,080,000 Algoma Central & Hudson Bay Ry. first 5s. Dated June 1, 1910; due June 1, 1960. Coupon, $100, $500 and $1,000; also in francs and pounds. Callable at 105 on six months' notice. Prin. and int. guar. by endorsement by Lake Superior Corporation. Auth. at $30,000 per mile, $20,000,000. Sterling bonds in denom. of £100, £500 each, or francs 515, 2,575 or 5,150. Dollar or sterling bond interest payable June and Dec. 1, at Bank of Montreal, London, New York and Montreal. A direct first lien on all the property of the company and a floating charge on the rest of the company's assets and undertakings, including lands to which the company will be entitled in the grant from the Province of Ontario. Listed on London Stock Exchange. Defaulted Dec. 1, 1914. Market, Montreal and London.

(2) $1,000,000 Algoma Central & Hudson Bay Ry. second 6s. Dated Sept. 1, 1914; due Sept. 1, 1964. All pledged to Lake Superior Corporation for debt of $318,000.

(3) £1,028,709 Algoma Central Terminal Co., Ltd., first guar. 5s. Dated Aug. 1, 1912; due Aug. 1, 1962. Int. paid Feb. and Aug. 1, at Canadian Agency, Ltd., London and Montreal. Coupon, £100 and £500. Guar. prin. and int. by Lake Superior Corporation. First lien on terminal properties at Sault Ste. Marie and Michipicoten, and on all securities of the Algoma Eastern Terminals, Ltd., the latter owning similar properties at Sudbury and Little Current, Ont. Callable at 105 and int. Sinking fund, 1% per annum after July 1, 1918. Defaulted Feb., 1915. Market, Montreal and London.

(4) $462,000 Equipment Trust 6s; maturing serially to May 15, 1922. Int. paid at Maitland, Coppell & Co., New York. Callable on 60 days' notice at par. Interest paid without deduction for normal income tax.

Capital Stock: Authorized and issued, $5,000,000 5% non-cumulative preferred and $5,000,000 common. Par, $100. All the common owned by Lake Superior Corporation. No dividends yet reported.

ALGOMA EASTERN RAILWAY

History: Incorporated under the laws of Canada, July 7, 1900, as Manitoulin & North Shore Ry.; name changed to present title May 19, 1911. The Dominion of Canada has granted the company a cash subsidy of $6,400 per mile, all of which has been paid. The Province of Ontario has given the company a land grant of 688,000 acres including mineral rights, and a cash subsidy of $5,000 per mile on 53 miles has been granted and paid by the Province of Ontario.

Location: Sudbury to Little Current, 85.41 miles; sidings, etc., 18.31 miles. Road connects at Sudbury with the Canadian Pacific and the Canadian Northern Ontario Ry. Equipment: Locomotives, 3; passenger cars, 6; freight cars, 256; service cars, 18. Total, 280.

Management: OFFICERS: T. J. Kennedy, Pres. and Gen. Mgr.; J. Frater Taylor, Vice-Pres.; W. C. Franz, Vice-Prcs., Sault Ste. Marie, Ont.; Herbert Coppell, Vice-Pres., New York; R. Barber, Treas.; I. L. Godfrey, Compt., Sault Stc. Marie, Ont.; Alex Taylor, Sec., Toronto G. A. Montgomery, Gen. Supt., Sault Ste. Marie, Ont. DIRECTORS: T. J. Kennedy, J. Frater Taylor, W. C. Franz, James Hawson, Sault Ste. Marie, Ont.; W. K. Whigham, London, Eng.; Herbert Coppell, N. Y.; Thos. Gibson, Toronto, Ont. Annual meeting, third Wednesday in September. GENERAL OFFICE: Sault Ste. Marie, Ont. SECRETARY'S OFFICE: Toronto, Ont.

Comparative Income Account, Years Ended June 30
(Latest available.)

	1915	1914	1913	1912
Gross earnings	$285,367	$183,169	$129,000	$97,812
Operating expenses	175,485	110,059	76,601	60,653
Net earnings	109,882	73,110	49,399	37,159
Other income	1,050	7	370	.....
Fixed charges, etc.	208,004	60,467	35,895	20,286
Surplus for year	*97,072	12,650	13,874	16,873

* Deficit.

Comparative Condensed Balance Sheet, as of June 30
(Latest available.)

ASSETS:	1914	LIABILITIES:	1914
Cost of road and equipment	$6,590,275	Capital stock	$2,800,000
Investment	700	Bonded debt	2,500,000
Materials and supplies	51,488	Equipment trusts	160,000
Cash	1,654	Loan from L. S. Co.	282,977
Current accounts	56,541	Current liabilities	30,395
Deferred debit items	1,107	Accrued liabilities	61,655
		Subsidy account	812,648
		Reserve for renewals	20,693
		Profit and loss	33,397
Totals	$6,701,765	Total	$6,701,765

Bonded Debt: (1) $2,500,000 Algoma Eastern Ry. first 5s. Dated March 1, 1911; due March 1, 1961. Interest paid Mar. and Sept. 1, at Bank of Montreal and New York. Coupon, £100 and £500. Authorized, $3,000,000. Unissued amount may be issued at rate of $30,000 per mile. Redeemable at 105 and interest on six months' notice. Unconditionally guaranteed principal and interest by the Lake Superior Corporation. Listed on London Stock Exchange. Normal income tax deducted from interest paid in the United States.

(2) $140,000 Algoma Eastern Ry. 6% Equipment Trusts, Series "D." Dated May 15, 1912; due $20,000 yearly, 1916 to 1922. Interest paid May and Nov. 15, at Maitland, Coppell & Co., New York. Issued under agreement dated May 15, 1912, with Superior Rolling Stock Co., Ltd., covering 24 flat cars, 10 ore cars, 25 box cars, 70 Otis composite cars, 5 coaches, 2 locomotives and one 25-ton crane. Interest paid without deduction for U. S. normal income tax. Original issue, $200,000.

Capital Stock: (1) Authorized and outstanding, $1,000,000 5% non-cumulative preferred. Par, $100. All owned by Lake Superior Corporation.

2. Authorized and outstanding $2,000,000 common. Par, $100. Lake Superior Corporation owns $1,000,000.

ANTOFAGASTA (CHILI) & BOLIVIA RAILWAY COMPANY, LTD.

History: Registered under English Companies Act, November 27, 1888. Formed to acquire concessions granted by the governments of Chili and Bolivia. Company's lines run from the port of Antofagasta, Chili, in a northeasterly direction. Total length of lines worked 1,173, including 354 miles of Bolivia Railway Co.'s lines, controlled by this company. See statement following.

Management: OFFICERS: A. W. Bolden, Sec.; W. H. Robinson, J. Backus, Gen. Mgrs. DIRECTORS: Hon. Chas. N. Lawrence, Chairman, Hon. C. A. Campbell, B. E. Greenwell, Sir Robert Harvey, A. H. A. Knox Little, Col. H. LeRoy Lewis. LONDON OFFICE: 1 Broad Street Place, Finsbury Circus, E. C.

Comparative Income Account, Years Ended December 31 ..

	1915	1914	1913	1912	1911
Gross revenues	£1,322,056	£1,541,995	£1,916,643	£1,751,099	£1,588,258
Operating expenses	674,673	843,485	1,074,924	977,010	836,819
Net revenues	£647,383	£698,510	£841,719	£774,089	£751,349

Profit and Loss Account, year ended December 31, 1915: Credit balance at beginning of year, £150,987; credit balance transferred from income, £647,383; interest on investments, etc., £102,316; total, £900,686. Contra: Interest on notes and debentures, £226,000; dividend appropriations, £250,000; debt discount, £9,876; income tax, £33,247; credit balance, Dec. 31, 1915; £381,563; total, £900,686.

Bonded Debt: (1) Authorized and outstanding, £1,000,000 4% perpetual debenture stock. Interest Jan. and July 1. Secured by trust deed as a first floating charge on all railroad property and revenues of the company.

(2) Authorized and outstanding, £1,000,000 4½% debenture stock. Interest May and Nov. 1. Floating charge on undertaking and assets, etc., subject to No. 1. Redeemable at 105 in 1940, or earlier in event of security becoming enforceable company may purchase stock below 105.

(3) Authorized £1,500,000 5% debenture stock; issued and outstanding £1,500,000. Floating charge on undertaking and assets, etc., subject to Nos. 1 and 2. The amount of this stock can only be increased with the consent of trustees and approval of a general meeting, and in no way can it be increased by an amount in excess of £2,000 per mile of additional line. Redeemable at 110 on Jan. 1, 1940, or in event of liquidation, etc., company may purchase stock below 110. Interest May and Nov. 1.

(4) Authorized £2,500,000 5% Bolivia debenture stock; outstanding, £600,000; pledged under No. 5, £750,000. Int. paid May and Nov. 1. Secured by trust deed, dated Aug. 16, 1910, on £1,875,000 Bolivia Ry. first 5s. (Interest on these bonds is guaranteed by the Bolivian Government up to Dec. 31, 1926, when they mature.) Delivered to Antofagasta & Bolivia Ry. Co. as construction proceeds.

Floating charge on entire property, following Nos. 1, 2 and 3. Callable at 110 on July 1, 1960, or on interest date after Jan. 1, 1927, on six months' notice.

(5) Auth. and outstanding, $3,000,000 2-year 6% notes. Dated 1916; due 1918. Secured by pledge of £750,000 of No. 4. No further details available.

Capital Stock: (1) Authorized and outstanding, £2,000,000 5% cumulative preference stock. Preferred as to assets. Dividends regularly paid, Jan. and July 1.

(2) Auth. and outstanding, £2,000,000 5% non-cumulative preferred ordinary stock. Has preference for assets over No. 3 and shares equally in any dividends over 10% on latter. Dividends payable Jan. and July 1. Recent dividends, 1909 to 1912, 5% each; 1913, 6%; 1914, 5%.

(3) Auth. and outstanding, £2,000,000 deferred ordinary stock. Dividends paid in recent years: 1909 and 1910, 7½% each; 1911, 8%; 1912, 8½%; 1913, 11%; 1914, 8%.

THE BOLIVIA RAILWAY COMPANY

(Controlled by Antofagasta (Chili) & Bolivia Railway)

History: Incorporated under the laws of Connecticut, Feb. 18, 1907. Owns perpetual concession from Republic of Bolivia for construction, ownership and operation of system of railroads in that country. The original concession was dated May 22, 1906, to the National City Bank and Speyer & Co., New York, and assigned to this company. Under terms of concession with the Government of Bolivia, company is entitled to import free of duty for a period of 30 years, materials, equipment, and everything necessary for constructing and maintaining the railways.

Location: Construction provided as follows: From Oruro to Viacha, 202 kilo. (126 miles); from a point on the Oruro and Viacha line to the River Desaguadero, 90 kilo.; Oruro to Cochabamba, 203 kilo.; from Rio Mulato on the Antofagasta & Bolivia Ry. to Potosi, 174 kilo.; from Uyuni to Tupiza, 195 kilo.; from La Paz to Puerto Pando, 340 kilo.; total, 1,204 kilo.

Equipment: Locomotives, 18; passenger cars, 45; freight cars, 526.

Management: OFFICERS: C. N. Lawrence, Pres.; Col. H. LeRoy Lewis, Vice-Pres.; London; E. M. Heberd, Vice-Pres.; H. V. Shultis, Sec. and Asst. Treas., New York; H. A. W. Chiswell, Treas. and Asst. Sec., Paris, France; H. S. Brown, Chief Engineer, La Paz, Bolivia. DIRECTOR: Ignacio Calderon, Washington, D. C.; B. E. Greenwell, Sir Robert Harvey, A. H. A. Knox Little, C. N. Lawrence, Col. H. LeRoy Lewis, London, Eng.; E. M. Heberd, Theo. L. Hermann, F. L. Madden, David T. Davis, I. J. Herczeg, Irwin Untermyer, Arthur M. Wickwire, New York. Annual meeting, first Thursday in April at Hartford, Conn. NEW YORK OFFICE: 45 Nassau Street; PARIS OFFICE: 11 Rue St., Floretin.

Comparative Income Account, Years Ended June 30

	1915	1914	1913
Rental income	$104,030	$106,112	$158,006
Bolivian Government guarantee	807,220	774,651	625,418
Fixed charges	$911,250	$880,763	$783,424

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1915	1914	LIABILITIES:	1915	1914
Construction expenses	$32,098,788	$30,807,497	Capital stock	$10,000,000	$10,000,000
Cost of property	9,996,500	9,996,500	Bonded debt	30,375,000	30,375,000
Exploration expense	81,543	81,543	Interest accrued	577,324	529,404
Cash	306,640	258,651	Sundry creditors	70,407	55,129
Materials and supplies	845,927	1,026,685	Due A. & B. Ry.	81,543	81,543
Govt. of Bolivia acct.	248,171	240,130	Construction charges	2,633,057	1,449,989
Sundry debtors	87,228	80,059			
Construction interest	72,535	.....			
Total	$43,737,331	$42,491,065	Total	$43,737,331	$42,491,065

Bonded Debt: (1) $18,225,000 Bolivia Railway first 5s. Dated Jan. 1, 1907; due Jan. 1, 1927. Interest paid Jan. and July 1, at Speyer & Co., New York, at the rate of $4.86 to the pound; also in sterling in London, and in Paris, Berlin, Frankfort, Amsterdam, etc. Coupon, £20, £100 and £200. Auth., £3,750,000; unissued bonds issuable at the rate of £37,500 for every £55,000 cash expended. Company is authorized by the Government to issue £2,000,000 additional first mortgage bonds (but without any guarantee on the part of the government), to defray expenditures for completion of railroad should the stipulated sum of £5,500,000 prove insufficient. Callable at 105 and interest on three months' notice. Guaranteed as to interest by the Government of Bolivia by endorsement on each bond; also guaranteed as to interest by the Antofagasta (Chili) & Bolivia Ry. Co., Ltd. This latter guarantee does not affect the liability of the Government. First lien on entire property now owned or hereafter acquired. Listed on New York Stock Exchange. The Antofagasta (Chili) & Bolivia Ry. owns one-half of amount outstanding.

(2) $12,150,000 Bolivia Railway second income 5s. Dated Jan. 1, 1907; due Jan. 1, 1932. Authorized, £2,500,000. Issuable at rate of £25,000 to every £55,000 expended. All owned by the Government of Bolivia, which has deposited £2,500,000 in cash to purchase at par the authorized amount when and as issued.

Capital Stock: Authorized and outstanding, $10,000,000. Par, $100. Majority of the stock is owned by the Antofagasta (Chili) & Bolivia Railway Co. Secretary of the company acts as REGISTRAR and TRANSFER AGENT.

THE ARGENTINE NORTH EASTERN RAILWAY COMPANY, LTD.

History: Registered under English Companies Act, Oct. 31, 1887.

Location: The company's lines extend from Concordia in the province of Entre Rios to Corrientes, and to Posadas. At Posadas a car ferry service has been established to connect with the Paraguay Central Ry. In October, 1913, through service was established between Buenos Ayres and Asuncion, capital of Paraguay. Total mileage, 752 miles standard gauge. Equipment Locomotives, 68; passenger cars, 96; freight and company cars, 1,270; ferry boats, 2.

Management: OFFICERS: Robert H. F. Stuart, Gen. Mgr. in Argentine; John Williamson, Sec. DIRECTORS: Vincent W. Yorke, B. H. Binder, M. le Comte Cahen D'Anvers, Francis Lomax Gibbs, A. H. A. Knox Little, Robert Lyell (Managing Director), A. Naylor Smith. OFFICES OF THE COMPANY: 26 Old Broad Street, London, E. C.

Comparative Statement of Earnings, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	£328,715	£259,627	£348,488	£367,025	£319,312
Operating expenses	194,655	184,707	237,460	222,226	195,882
Net revenues	£134,060	£74,920	£111,028	£144,799	£123,430

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, £61,214; interest on "A" debenture stock, £60,000; interest on "B" debenture stock, £49,611; other interest, £24,480; renewals, £20,000; miscellaneous debits, £1,028; total, £216,433. Contra: Credit balance transferred from income, £134,060; miscellaneous credits, £1,969; debit balance June 30, 1916, £80,404; total, £216,433.

Note: Interest on B debenture stock for the half-year ended 31st December, 1915, together with interest to the extent of 4 per cent. per annum on temporary loans, against security of £320,000 for the year to 30th June, 1916, was paid by the issue of 5 per cent. funding certificates at par, in accordance with Scheme of Arrangement dated 21st July, 1915. Regular interest payments on "B" debenture stock resumed in July, 1916.

Bonded Debt: (1) Authorized and outstanding, £1,200,000 Argentine North Eastern Ry. Co. Ltd. 5% "A" debenture stock. Interest, cumulative, payable Jan. and July 1. Secured by trust deeds dated May 8, 1889, July 31st, 1897, and Dec. 27th, 1907, as a first specific charge upon the railways and concessions, and a first floating charge on the undertaking and all other property. Redeemable at 110 any time after the "A" and "B" stock have received full dividends for five consecutive years on 6 months' notice, or in event of liquidation.

(2) Authorized, £1,157,292; outstanding, £992,229 5% Argentine North Eastern Ry. Co. Ltd. "B" debenture stock. Interest payable Jan. and July 1. Follows "A" debenture stock on same properties, and callable under same conditions.

(3) Authorized £2,000,000; outstanding, £1,023,750 "C" debenture stock. Interest is non-cumulative and payable only out of the earnings until a dividend has been paid on the ordinary stock, when interest will become cumulative, and payable Jan. and July 1. Secured by trust deed dated Jan. 25, 1912, as a third floating charge on property and assets. Callable at 110 at any time after July 1st, 1914, on six months' notice, and in event of liquidation.

Note: On June 30, 1916, there were £330,972 temporary loans outstanding secured by pledge of £827,432 of No. 3.

Capital Stock: Authorized, £2,800,000; issued, £2,768,500. No dividends.

ARGENTINE RAILWAY COMPANY

History: Incorporated under the laws of Maine, July 12, 1912, to acquire and operate railways in the Argentine. The charter is a broad one, and provides for the construction, purchase, lease, and operation of railroads within the Republic of Argentine, and the countries bordering thereon. Also provides for the construction and operation of telephone and telegraph lines, gas works, electric light, heat and power plants, etc. Company owns practically entire stock of the Paraguay Land and Cattle Co., a majority of the capital stock of the Sociedad Industrial Paraguay, and an interest in the Argentine Northern Land Co., Ltd.

Holdings, Etc.: Acquired the following securities: £1,166,812 ordinary stock of The Entre Rios Rys. Co., Ltd.; £108,423 5% first preference and £236,929 4% second preference stock of The Entre Rios Rys. Co., Ltd.; £513,400 ordinary stock of The Argentine North Eastern Ry. Co., Ltd.; 40,794 shares of 500 frs. each of The Compagnie Francaise de Chemins de Fer de la Province de Santa Fe; 3,953 preference shares of 250 frs. each of The Compagnie du Chemin de Fer de Rosario & Puerto Belgrano (25% paid); 56,000 shares of £1 each of The Argentine Northern Land Co., Ltd.; practically all the shares of the Paraguay Land and Cattle Co., which owns 4,300,000 acres of land in Paraguay; a majority of the shares of the Sociedad Industrial Paraguaya, which owns about 5,280,000 acres of land and other assets in Paraguay and the Argentine; 5,000 shares (of $100 Argentine paper) in the Sociedad Canteras El Sauce (Sauce Lime Quarries Co.), of which 3,500 fully paid and 1,500 10% paid; £60,000 loan to Argentine North Eastern R.R. Co. Had agreements with the Cordoba Central Ry. Co., Ltd., and Entre Rios Rys. Co., Ltd., but on acceptance by those companies of 5,000 and 2,500 shares respectively in The Compagnie Francaise des Chemins de Fer de la Province de Santa Fe in payment of guarantees for the financial year ended June 30, 1914, the contracts were cancelled.

Management: OFFICERS: Vacancy, Pres.; Theo C. Hall, Vice-Pres., New York; F. Fraser Lawton, Sec., London, Eng.; Rodney D. Chipp, Treas. and Pur. Agt., New York. DIRECTORS: R. Beaugey, Paul Briere, A. H. A. Knox Little, H. LeRoy Lewis, Paris; M. Bauwens, Brussels; B. H. Binder, A. Naylor Smith, F. Fraser Lawton, London, Eng.; M. A. Rodriguez, Buenos Ayres. OFFICES: 25 Broad Street, New York, and 9 Throgmorton Ave., London, E. C.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1915	1914	LIABILITIES:	1915	1914
Cost of securities	$47,028,370	$47,804,606	Capital stock	$45,000,000	$45,000,000
Underwriting, etc.	2,144,052	2,284,022	Two-year notes	7,300,000	7,300,000
Guarantees	1,374,347	1,374,347	Accrued interest	407,296	183,186
Discounts, etc.	298,083	298,083	Sundry creditors	106,073	846,615
Advances	990,228	920,178			
Loan against security	298,327	293,073			
Sundry debtors	598,120	205,468			
Cash	81,842	150,023			
Total	$52,813,369	$53,329,801	Total	$52,813,369	$53,329,801

Note: $7,300,000 two-year 6% notes. Dated Feb. 1, 1913; due Feb. 1, 1915. Int. Feb. and Aug., in London. Secured by collateral comprising company's holdings in the Entre Rios Rys., Argentine North Eastern Ry. and Compagnie Francaise des Chemins de Fer de la Province de Santa Fe. Noteholders have agreed to extension of both principal and interest of this issue.

Capital Stock: Authorized and outstanding, $15,000,000 6% cumulative preferred. Par, $100. Has prefcrence as to assets and dividends. Authorized and outstanding, $30,000,000 common. Par, $100.

TRANSFER AGENT: Both issues, Corporation Trust Co., Jersey City, N. J. REGISTRAR: Empire Trust Co., New York.

ATLANTIC, QUEBEC & WESTERN RAILWAY

History: Incorporated under acts of 1901 and 1903. Further rights granted in 1907 and 1908. Formed to construct and operate a railway 362 miles in length, from Gaspe Harbor through Gaspe County to Amqui, on the Intercolonial Ry., thence to Edmundston on the St. John River, where connection can be made with the Canadian Pacific and the Grand Trunk Line, 260 miles. Also from Gaspe Harbor, southerly through Douglas, Port Daniel, etc., to Paspebiac on the Quebec Oriental Ry., 102 miles. Rights granted in 1907 and 1908 authorized the company to acquire by agreement the railway known as the Baie de Chaleurs Line of the Atlantic & Lake Superior Ry. Co. (now the Quebec Oriental Ry.), running from Paspebiac to Matapedia on the Intercolonial Ry.; to construct a line from Matapedia to a point near Edmundston; to enter into agreements with other railway companies, and to raise additional capital. The land granted to the company by the Quebec Legislature has been sold, the price realized being £205,132 10s 9d. This amount has been given the trustees for the first mortgage bondholders and invested by them. The Dominion Government has given the company a cash subsidy of $6,400 per mile and $250,000 for bridges, on completion of the line from Paspebiac to Gaspe.

Location: New Carlisle to Gaspe, 102.5 miles. Equipment: Locomotives, 10; passenger cars, 8; combination, 1; inspection, 1; baggage, mail and express, 2; freight, 38; total, 50.

Management: OFFICERS: Earl of Ranfurly, Chairman of Board and Pres.; Major D. H. Alexander, Vice-Pres.; E. S. Elvey, Sec. and Treas., London, Eng.; J. S. Gordon, Gen. Mgr., New Carlisle, Que. DIRECTORS: Earl of Ranfurly, Major D. H. Alexander, Wm. Moffat, J. G. Pease, E. B. Read. OFFICES: New Carlisle, P. Q. LONDON OFFICE: Temple Chambers, London, E. C.

Earnings, year ended June 30, 1916: Gross, $103,005; operating expenses, $128,620; deficit from operation, $25,615.

Bonded Debt: $2,548,675 Atlantic, Quebec & Western Ry. first debenture 5s. Int. paid, Jan. and July 1, at London City and Midland Bank, Ltd., London, Eng. Coupon, £100. Interest has been paid to 31st December, 1916. The company agrees not to issue more than £525,700 of these bonds, and has agreed to provide for future payments in excess of that amount by an issue of securities ranking after these bonds. Authorized amount limited to $45,000 per mile of line constructed, or under contract to be constructed. Secured by trust deeds dated June 26, 1905, and July 3, 1906, as first lien on the line, station, lands, buildings, rolling stock, etc. Redeemable at par on July 1, 1935, or at 110 on six months' notice on Jan. 1, 1915, or any subsequent Jan. or July 1st. TRUSTEES: E. B. Read and Frank H. James.

Capital Stock: Auth., $5,000,000; outstanding, $2,000,000. Par, $100. Stock transferred and registered at secretary's office, London, Eng. No dividends.

BRAZIL GREAT SOUTHERN RAILWAY COMPANY, LTD.

History: Registered under English Companies Act, Jan. 11, 1883. Concession extends for 90 years from Nov. 19, 1881. This company and the North Western of Uruguay Railway Co., Ltd., each hold one-half of the share capital of the Quarahim International Bridge Co., Ltd., and jointly guarantee that the bridge company tolls shall be sufficient to meet the annual interest and sinking fund on the Bridge Company's Debenture Stock.

Receiver: Appointed in February, 1914.

Location: Road extends from Quarahim River in the State of Rio Grande do Sul, to the town of Itaqui on the Uruguay River, with an extension to San Borja, 187 miles.

Management: Receiver and Manager, Arthur Lemon; Resident Engineer, A. F. Lockwood Thompson; secretary, L. R. Evans.

Bonded Debt: (1) Authorized and issued, £250,000 6% sterling mortgage debentures. Outstanding, £84,700 in £100 Bonds. First charge on company's undertaking and revenues. Redeemable at par on August 1, 1916. Interest, Feb. and Aug. 1. Latest interest paid Aug. 1, 1913.

(2) Authorized and issued, £100,000 6% sterling mortgage debentures; outstanding, £99,869. Denomination, £100. Secured subject to No. 1. Redeemable at par on Nov. 19, 1918. Interest Feb. and Aug. Latest interest paid Aug. 1, 1913.

(3) Authorized and outstanding, £200,000 6% debenture stock. Third charge on undertaking. Interest Jan. and July 31. Latest interest paid July 31, 1913.

(4) Authorized, £50,000; issued, £43,000 7% Flood Loan. Issue forms no special charge on the line. Interest, Apr. and Oct. 1. Latest payment, Oct. 1, 1912.

Capital Stock: (1) Authorized and outstanding, £225,000 shares preference stock. Par, £20. Entitled to a cumulative dividend of 7%.

(2) Authorized and outstanding, £125,000 "A" deferred shares, Par, £20.

BRAZIL NORTH EASTERN RAILWAYS, LTD.

History: Registered under English Companies Act, Jan. 25, 1910. Organized to work railways in the State of Ceara, North Brazil, under a lease from the Brazilian Government. Length of lines in operation, 472 miles. Leased to company until Dec. 31, 1970, but after Dec. 31, 1940 Government has right to expropriate the lease on paying an indemnity equal to 25% of the average annual net revenues for the previous five years, multiplied by number of years of lease unexpired.

Management: J. A. Roney, Sec.; F. R. Hull, Gen. Mgr. DIRECTORS: Robert Logan, Chairman; E. B. Forbes, Col. Sir Gerard Smith, Griffith Williams. LONDON OFFICE: 42 New Broad Street.

Bonded Debt: (1) Authorized, £70,000; outstanding, £26,100 5% prior lien debentures. Denomination, £100, £25 and £10. Floating charge on the undertaking and property in priority to the debenture stock. Redeemable at par on three months' notice from the company. Interest May and Nov. 1.

(2) Authorized and issued, £350,000 6% first debenture stock; outstanding, £341,215. Floating charge on undertaking and property, following Prior Lien Debentures. Redeemable at 110 on or before Feb. 1, 1933. Sinking fund began Feb. 1, 1913, sufficient to redeem issue by Feb. 1, 1932. Redeemable at 110 on six months' notice.

Capital Stock: Authorized and issued, £350,000. Par, £1.

Note: At a meeting of the debenture stockholders held on Jan. 20, 1915, resolutions were passed providing that the payment of interest due August 1, 1915, and subsequently, shall be postponed to the interest payment falling due next after (but not less than six months) the signing of peace by Great Britain, except in so far as receipts shall be sufficient to pay the same after paying Prior Lien Debenture interest. The amortization payments are also postponed to the 1st of February next after signing peace, the associated dates being postponed for similar periods.

BUENOS AYRES & PACIFIC RAILWAY COMPANY, LTD.

History: Registered under English Companies Act, November 3, 1882. Company operates the Villa Maria & Rufino Railway Co., Ltd., the Bahia-Blanca & North Western Ry. Co., Ltd.; the Argentine Great Western Ry. Co., Ltd., and the Argentine Transandine Ry. Co., Ltd. Has an agreement with the South American Light & Power Co., Ltd., under which this company and the Bahia-Blanco & North Western Ry. Co., Ltd., take over management and operation of the Light & Power Co. Company also is interested in the South American Hotels, Ltd.

Location: Road extends westward from Buenos Ayres to Villa Mercedes. Total length of line operated, including leased lines, 3,536 miles.

Management: OFFICERS: F. Sanders, Sec. DIRECTORS: Rt. Hon. Lord St. Davids, Chairman; T. Penn Gaskell, C. E. Gunther, Edward Norman, Hon. Arthur Stanley, J. A. Goudge (managing director). OFFICE: Dashwood House, 9 New Broad Street, London, E. C.

Comparative Statement of Earnings, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	£4,655,019	£4,538,943	£4,881,665	£5,590,613	£4,976,651
Operating expenses	2,846,986	2,800,700	3,057,470	3,459,921	3,152,998
Net revenues	£1,808,033	£1,738,243	£1,824,195	£2,130,692	£1,823,653

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, £318,020; credit balance transferred from earnings, £1,808,033; credit balance from subsidiary operations, £240,548; total, £2,366,601. Contra: Debenture interest, £767,795; rentals, £1,011,940; Argentine Transandine Ry. proportion of receipts, £17,772; depreciation of steamers, £9,267; special renewals, £8,370; flood expenses, £7,774; first preference dividends, £60,000; income tax, £9,402; credit balance, June 30, 1916, †£474,282; total, £2,366,601.

† From this amount dividends of 5% (£50,000) on second preference stock and 1% (£100,000) on ordinary stock were declared.

Bonded Debt: (1) Authorized and outstanding, £2,925,000 4% first debenture stock. Secured by trust deeds dated Dec. 30, 1893, and Dec. 24, 1901. First charge on whole undertaking. Interest payable June 30 and Dec. 31.

(2) Authorized and outstanding, £2,075,000 4½% second debenture stock. Interest was reduced from 6% to 4½% as of Dec. 31, 1896. Secured by trust deeds dated Dec. 30, 1893, July 11, 1899, and Dec. 24, 1901, as a second charge on whole undertaking. Redeemable at 105 on six months' notice. Interest payable June 30 and Dec. 31.

(3) Issued and outstanding, £7,942,673 4½% consolidated debenture stock. Secured by trust deeds dated May 28, Oct. 11, 1907, April 1, May 26, 1908, July 1, 1909, March 1, Sept. 21, 1910, and May 14, 1912, as a floating charge on the undertaking and assets, subject to first, second and 5% debenture stocks. Further stock may be created at the rate of £4,000 per mile of additional line, and also for such further amount as shall be sufficient to retire prior issues. Redeemable at 110, at any time after June 30, 1920, on six months' notice. Interest payable June 30 and Dec. 31.

(4) Issued and outstanding, £4,000,000 5% debenture stock. Secured by trust deeds dated Apr. 30, 1912. Jan. 27, 1913, July 24, 1913, and July 6, 1914, as a floating charge on the undertaking and assets, subject to above debentures. The amount of the issue is limited to the amount of the paid-up ordinary capital. Redeemable at 110 at any time after June 30, 1950, on six months' notice. Interest paid Jan. and July 1.

Capital Stock: (1) Authorized and issued, £1,200,000 first cumulative 5% preference stock. Dividends paid Feb. and Aug. 1.

(2) Authorized and issued, £1,000,000 5% non-cumulative second preference stock. Has priority over ordinary shares.

(3) Authorized and issued. £10,000,000 ordinary shares. Recent dividends paid: 1910, 3%; 1911, 3½%; 1912, 2%; 1913, 3%; 1914 and 1915, none; 1916, 1%.

ARGENTINE GREAT WESTERN RAILWAY COMPANY, LTD.

History: Registered under English Companies Aet, April 29, 1887. The administration of this company's railway and undertaking in Argentina was taken over by the Buenos Ayres & Paeific Railway Co., Ltd., as from July 1, 1907. The Paeific Company also took over the Western Company's working arrangement with the Argentine Transandine Railway Co., Ltd.

Under the agreement the Great Western 5% cumulative preferred stocks shares pro rata with the 5% first preference stoek of the B. A. & P. Ry. in all dividends up to 5%, and will share *pro rata* with the ordinary stock of the B. A. & P. Ry. in dividends between 5 and 6% on that elass of stock. When the dividend on the B. A. & P. Ry. Ordinary Stock is in excess of 7%, the rate on the Great Western preferred stock will be 6½%, and when the rate paid on the B. A. & P. Ordinary Stock exceeds 10% it will be inereased to 7%. The Ordinary Stock of the Argentine Great Western Ry. shares equally with the B. A. & P. Ry. Second Preferred Stock up to 5%, and is entitled to additional dividends under similar conditions as the Preference Stock above.

Location: The eompany's line, 5' 6" gauge, extends from Villa Mereedes through San Luis and Mendoza to the City of San Juan and Caucetem with numerous branches and extensions. Lines open for traffie, 978 miles.

Management: OFFICERS: J. T. Dillon, Sec. DIRECTORS: Rt. Hon. Lord St. Davids, Chairman; Hon. Charles N. Lawrenee, C. M. Rose, Hon. Arthur Stanley, Local Board at Buenos Ayres: Dr. Salvador Maeia, Dr. Santiago G. O'Farrell. LONDON OFFICE: Dashwood House, 9 New Broad Street, London, E. C.

Debenture Stock: (1) Authorized and outstanding, £1,700,000 first 4% perpetual debenture stock. Seeured as a first eharge on undertaking, property, rights, ete., of company. Interest payable Jan. and July 1. Guaranteed as to interest by the Buenos Ayres & Pacific Ry. Co., Ltd.

(2) Authorized and outstanding, £1,700,000 second 4% debenture stock. Secured by trust deed dated Nov. 24, 1897, as a floating charge on all the property, subject to No. 1. In event of liquidation stock repayable at the then market price, but not more than par. Interest payable Jan. and July 1. Guaranteed as to interest by the Buenos Ayres & Paeific Ry. Co., Ltd.

(3) Issued and outstanding, £3,600,000 5% debenture stock. Secured by trust deeds as a floating charge on the undertaking and assets of the company, subjeet to Nos. 1 and 2. Further stoek may be ereated, ranking pari passu with the above (subject to the eonsent of the Buenos Ayres & Paeifie Ry. Co., Ltd.), at the rate of £4,000 per mile of additionnl line. Redeemable at 110 any time after June 30, 1930, on six months' notiee from the company, or in event of reconstruetion by sale of eompany. Interest payable Apr. and Oet. 1.

Capital Stock: (1) Authorized and isued, £2,125,000 5% preferred stock. Entitled to divídends shown under agreement outlined above with the Buenos Ayres & Pacific Ry. Co., Ltd. The Articles of Association do not provido for any priority in regard to this issue.

(2) Authorized and issued, £2.125,000 ordinnry stock. Entitled to dividends as shown above. Reeent dividends paid: 1911 to 1914, 5% eaeh; 1915, 2½%; 1916, 5%.

Note: There is also an authorized issue of 100,000 New Shares of £10 eaeh. None issued. Eaeh of the New Shares may rank with the Ordinary Shares or may be sub-divided into one £5 Preferenee and one £5 Ordinary Share, whieh when fully paid will be eonsolidated into preferred and ordinary stock.

ARGENTINE TRANSANDINE RAILWAY COMPANY, LTD.

History: Registered under English Companies Aet, October 13, 1886, as the Buenos Ayres & Valparaiso Transadine Ry. Co., Ltd. Name ehanged as above December, 1904.

Location: Road extends from Mendoza, on the Argentine Great Western Railway, westward 111 miles to the Chilian Transadine Railway, within the tunnel through the Andes. Road is opernted by the Buenos Ayres & Paeific Ry. Co., Ltd., under working agreement.

Management: OFFICERS: Arthur Rimmer, Sec.; Sir Wm. Plender, P. D. Griffiths, Auds. DIRECTORS: Hon. Arthur Stanley, T. E. Preston, Vivian H. Smith, Emilio N. Casares. OFFICE: 9 New Broad Street, London, E. C.

Bonded Debt: (1) Authorized, £310,250 4% A debenture stock; outstanding, £310,166. First floating chargo on assets and the undertaking. Guaranteed prineipnl and interest by the Argentine Great Western and Buenos Ayres & Paeific Railway. Argentine Government bonds for £102,379 have been set aside, the proceeds of which are to be applied if necessary in meeting interest and prineipal that would otherwise be payable by guarantors. Redeemable at par any Jan. 1 or July 1, on three months' notice. Interest payable Jan. and July 1.

(2) Authorized £600,000 4% "B" debenture stoek; outstanding, £310,166, excluding £93,000 issued as seeurity for a loan. Second floating charge on the assets and undertaking. Redeemable at par any Jan. 1 or July 1, on three months' notice. Interest beeame eumulative June 30, 1914.

Capital Stock: (1) Authorized and outstanding, £500,000 preferred stock. Par £20, fully paid. Issue is entitled to 7% eumulative dividend, and one-half of any surplus net profit eaeh year after payment of 7% on deferred shares. Also entitled to priority for capital. No dividends paid in recent years.

(2) Authorized and outstanding, £340,000 deferred stoek. Par £20.

BAHIA-BLANCA & NORTHWESTERN RAILWAY COMPANY, LTD.

History: Registered under English Companies Aet, May 13, 1889. There are in operation 874 miles of road. Guage. 5 feet, 6 ineches. Additional lines are under construction. The company owns and has an interest jointly with the Buenos Ayres Great Southern Railway in a line of tramways in the town of Bahia-Blanca, a produee market in Bahia-Blanca, and a port available for ocean going vessels. The Government may expropriate the railway paying to the eompany the valuation price, plus 20%. The concession for the tramways is for 20 years from 1902 and 5 per eent. of passenger receipts is payable to municipality. Whole undertaking now operated by the Buenos Ayres & Pacific Railway.

An agreement has been entered into with the South American Light & Power Co., Ltd., under which this company and the Buenos Ayres & Pacific Ry. Co., Ltd., take over the management and working of the Light & Power Co.'s undertaking. The company is interested jointly with the Buenos Ayres Great Southern Ry. Co., Ltd., in the Bahia-Blanca Waterworks Co.

Lease: The Buenos Ayres & Pacific Ry Co., Ltd., works this company's system and is entitled to the gross receipts of the undertaking, in consideration of a guarantee of this company's present and future Debenture Stock and dividends, also management expenses in London and Buenos Ayres. Under working agreement a sum of over £200,000 in Government Bonds and cash was handed over by this company to the Pacific Co. for the purpose of creating a guarantee fund, out of which the Pacific Co. may do any repairs, etc. The Bahia Company may not create or issue any Debentures, or make any alteration in its capital, without consent of Pacific Co. It is provided that this agrcement shall be renewed every twenty years in perpetuity.

Management: OFFICERS: F. Saunders, Sec. DIRECTORS: Edward Norman, Chairman; Lord St. Davids, J. S. Austin, Percy Cross, J. A. Goudgc, London. LONDON OFFICE: Dashwood House, 9 New Broad Strect, E. C.

Bonded Debt: (1) Issued and outstanding, £2,450,000 4% first debenture stock. Interest payable Apr. and Oct. 1. Secured by trust deeds as a first charge upon the entire undertaking. Principal and interest are guaranteed by the Buenos Ayres & Pacific Railway Co., Ltd. Further stock may be issued at rate of £4,000 per mile of new line in excess of the mileage belonging on June 10, 1904, less £1,750,000 issued since that date in respect of new lines, provided that the proceeds of such additional stock are applied in the construction of such new lines and for other capital purposes. Redeemable at 105 on six months' notice.

(2) Issued and outstanding, £3,000,000 4½% second debenture stock. Interest payable Apr. and Oct. 1. Secured by trust deeds as a floating charge on undertaking and assets, subject to above 4% debentures. Principal and interest guaranteed by the Buenos Ayres and Pacific Ry. Co., Ltd. Futher stock may be created to the extent of £2,000,000 plus £4,000 in excess of the mileage belonging to the company March 9, 1911. Redeemable at 110 after April 1, 1930 on six months' notice from the company. In the event of voluntary liquidation, etc. stock will not be redeemed at less than 110 per cent.

Capital Stock: (1) Authorized and issued, £1,350,000 guaranteed stock. Dividends guaranteed by the Buenos Ayres & Pacific Ry. Co., Ltd.; 3% for five years from July 1, 1904; 3½% for four years from July 1, 1909; 4% for four years from July 1, 1913, and 4½% from July 1, 1917, and thereafter.

(2) Authorized and issued, £3,250,000 5% guaranteed stock. Dividend guaranteed by B. A. & P. Ry. Co., Ltd.

(3) Authorized and issued, 200,000 guaranteed shares of £10. Dividends of 4½% guaranteed by B. A. & P. Ry., Ltd.

BUENOS AYRES CENTRAL RAILWAY

History: Incorporated under the laws of the Argentine Republic, by Notarial Deed, dated June 15, 1906. Company owns valuable terminals at Charcarita, near Buenos Ayres, and has trackage rights over the Lacroze Tramways into the city.

Location: Road extends from Buenos Ayres to the port of Zarate, on the Rivcr Parana, where connection is made under working agreement with the Entre Rios Ry., and to Salto and Rojas, with a branch from Salto to San Martin, connecting with the Central Argentine Ry. Total mileage, 174.5 miles. Company operates under National and Provincial concessions, granting its rights in perpetuity, exccpt for the Port of Zarate, subject to the Mitre Railway Law which the company has adopted. All supplies for construction and operation are free from duty.

Management: OFFICERS: Teofilo Lacroze, Pres.; Federico Lacroze, Vice-Pres.; S. C. Marengo, Mgr. DIRECTORS: Teofilo Lacroze, Federico Lacroze, Carlos Lacroze, Miguel Lacroze, L. J. Rocco, S. C. Marengo, J. L. Browne. LONDON OFFICE: 4 Moorgate Street, E. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	£290,580	£244,844	£289,114
Operating expenses	140,949	126,661	170,380
Net revenues	£149,640	£118,183	£118,734

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, £881; credit balance transferred from income account, £149,640; miscellaneous credits, £5,694; total, £156,214. Contra: Debenture interest, £61,500; credit balance, June 30, 1916, £94,714; total, £156,214.

Bonded Debt: (1) £700,000 first 4½% debentures. Authorizcd, £1,000,000. Due 1950. Interest paid Jan. and July, 1, at River Plate Trust, Loan & Agency Co., 54 Mooregate Street, London, E. C. Callable after Jan. 1, 1917, at option of company on six months' notice. Specific first mortgage on concessions, real estate, buildings, fixed plant, machinery, etc.

(2) £593,200 first 5% debentures. Authorized, £600,000. Denomination, £100. Interest paid Apr. and Oct. 1 at Law Debenture Corporation, Ltd., 41 Threadneedle Street, London, E. C. No further issue of these debentures can be made unless the net profits for each of the two years immediately preceding the date of such issue shall, after allowing for interest on the first mortgage debentures, be double the amount of interest on 2nd debentures, then outstanding and about to be issued. Sinking fund of 1% per annum. Callable for sinking fund on three months' notice.

Capital Stock: Authorized, $25,000,000; issued, $20,165,000. Par, $500. Stock all privately held in Buenos Ayres. Recent dividends for years ending June 30, as follows: 1910, 2½%; 1911 and 1912, 1.488%; 1913, 3%; 1914, 2%.

BUENOS AYRES GREAT SOUTHERN RAILWAY COMPANY, LTD.

History: Registered under English Companies Act, October 8, 1862. Has a proprietary interest in Buenos Ayres Southern Dock Co., and is interested in the Bahia-Blanca Waterworks Co., and also the Buenos Ayres Midland Ry. Co.. the undertaking of which is worked jointly by this company and the Buenos Ayres Western Ry. Co., Ltd. In 1908 a contract was entered into with the La Plata Moles & Deposits Co., Ltd., to work the property of that company for a period of ten years. Company operates the line of the Buenos Ayres, Ensenada & South Coast Ry., Ltd., and holds £200,000 4% debenture stock of that company.

Location: The lines of this company extend from Buenos Ayres, where extensive and valuable terminals are owned, in a southerly direction through the Province of Buenos Ayres, converging at Bahia-Blanca. From Bahia-Blanca line runs in a westerly direction to Senillosa, from which point it is being extended to Pino Hachedo Pass on boundary line with Chili. Approximately 3,800 miles operated.

Management: OFFICERS: A. Giet, Sec.; R. de Candolle, Gen. Mgr. DIRECTORS: David Simson, Chairman; H. C. Allen, Windham Baring, Sir Henry Bell, A. E. Bowen, J. Percy Clarke, Woodbine Parish, Guillermo White, F. D. Guerrico, Dr. N. R. Fresco, R. de Candolle. LONDON OFFICE: River Plate House, Finsbury Circus.

Comparative Statement of Earnings, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	£5,549,140	£4,941,627	£5,464,588	£6,569,345	£5,404,096	£4,988,380	£4,601,924
Operating expenses	3,164,976	2,986,738	3,200,093	3,698,996	3,016,868	2,694,027	2,516,752
Net revenues	£2,384,164	£1,954,889	£2,264,495	£2,870,349	£2,387,228	£2,294,353	£2,085,172
Operating ratio	57%	60.4%	58.6%	56.3%	55.8%	54%	54.7%

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, £57,952; credit balance transferred from earnings, £2,384,164; income from investments, etc., £173,524; total, £2,615,640. Contra: Bond and debenture interest, £681,630; dividend appropriations, £981,800; income tax, £121,191; credit balance, June 30, 1916, £729,289; total, £2,615,640.

Bonded Debt: (1) £242,600 Buenos Ayres Western Ry. Annuity 4½s. This represents capitalized value on a 4½% basis of the Brandzen Branch which was leased in perpetuity by the Buenos Ayres Western Railway to the Buenos Ayres & Ensenada Port Railway, and subsequently transferred to the Buenos Ayres Great Southern Ry. upon the acquisition of the Buenos Ayres & Ensenada Port Railway, in 1908.

(2) Issued and outstanding, £1,032,930 Buenos Ayres Great Southern 4½% special debenture stock. All held by Buenos Ayres Western Ry. Co. The stock does not form a portion of the borrowing powers as laid down in the Articles of Association, but it is merely a charge on the Saladillo line as purchased from the Buenos Ayres Western Railway Co. Interest payable on March and Sept.

(3) Authorized, £18,545,000; outstanding, £15,605,797 Buenos Ayres Great Southern 4% debenture stock. Holders are not entitled to demand payment of capital, but if the Government exercise their power of purchasing the line or any portion thereof, the company may redeem all or any portion of the stock at par on six months' notice. Interest payable Jan. and July.

Capital Stock: (1) Authorized and outstanding, £8,000,000 5% non-cumulative preference stock. Par, £10. Has priority for capital to the extent of 120 per cent. Dividends paid semi-annually Apr. and Oct. 1.

(2) Authorized and issued, £29,090,000 ordinary stock. Recent dividends paid 1907 to 1913, 7% each; 1914, 5%; 1915, 4%; 1916, 4½%.

BUENOS AYRES MIDLAND RAILWAY COMPANY, LTD.

History: Registered under English Companies Act, Feb. 10, 1906, as the Buenos Ayres Central Railway Co., Ltd. Name changed as above, April, 1906. Company holds concession to construct and work a metre-gauge line of 322 miles between Barracas al Sud, a suburb of Buenos Ayres, and Adolfo Alsina, (Carhue), the junction of the Buenos Ayres Great Southern Railway and the Buenos Ayres Western Ry. The latter two companies jointly operate the property under an agreement whereby from Jan. 1, 1914, to June 1, 1916, there will be advanced by the two lessee companies an amount sufficient to pay 3% per annum on both issues of stock. After June, 1916, the guaranteed dividend will be 4% per annum.

Management: OFFICERS: C. H. Lambert, Sec.; B. L. Gwyn, Gen. Mgr. DIRECTORS: Frank Henderson, Chairman; H. C. Allen, F. E. Faithfull, F. J. Wythes, R. de Candolle, A. F. Lertora. LONDON OFFICE: River Plate House, Finsbury Circus, E. C.

Bonded Debt: Authorized, £2,000,000; outstanding, £1,559,100 4% debenture stock. Interest payable Jan. and July 1. Secured as a first floating charge on undertaking, but interest is specifically charged on minimum annual rent payable in perpetuity by the Buenos Ayres Western Ry. and the Buenos Ayres Great Southern Ry. Companies, under working agreement referred to above. Stock is irredeemable except in case of winding up or expropriation by the Province of Buenos Ayres, when it will be repayable at par. Further stock may be issued with the consent of the operating companies.

Capital Stock: (1) Authorized and outstanding, £1,000,000 preference stock. Par, £1, fully paid. Entitled to guaranteed dividends as shown above, payable June 30 and Dec. 31. Entitled to priority for capital. Further shares may be issued ranking pari passu with the present issue.

2. Authorized and outstanding £500,000 ordinary stock. Par, £10. The two operating companies hold each 24,748 of these shares. Guaranteed dividends as shown above payable on the 30th of June and 31st of December.

BUENOS AYRES WESTERN RAILWAY, LTD.

History: Registered under English Companies Act, May 17, 1890. The railway serves the district west of Buenos Ayres, the various lines and branches terminating at Anderson, Carhue, Toay, Telen and Bagual. Mileage open for traffic, 1,792 miles. Operates jointly with the Buenos Ayres Great Southern Ry. Co., Ltd., the Buenos Ayres Midland Ry. Co.

Company assumed an obligation of a Provincial Government 5% loan of 1888, amounting to £1,000,000 secured on the lines of the Western Railway of Buenos Ayres, now a part of the company's system. Sold a portion of its lines to the Central Argentine Co., for £2.017,500 in 4½% annuities, to the Buenos Ayres & Ensenada Port (now Great Southern), for £242,600 in 4½% annuities, and to the Buenos Ayres Great Southern Railway for £1,032,930 4½% debenture stock, not negotiable.

Government undertakes not to exercise the right of expropriation for forty years from the 28th of April, 1890, and not to allow any competing line within a zone of 20 kilometres of either side of the lines.

Management: OFFICERS: Robert Graham, Sec.; Frank Foster, Gen. Mgr. Local Committee in Buenos Ayres: A. F. Lertora, Chairman; Frank Foster, Dr. G. E. Leguizamon. DIRECTORS: Sir Henry Bell, Chairman; A. E. Bowen, Woodbine Parish, David Simson, Sir J. White-Todd. LONDON OFFICE, River Plate House, Finsbury Circus, E. C.

Comparative Statement of Earnings, Years Ended June 30

	1916	1915	1914	1913	1912
Gross revenues	£2,714,621	£2,522,682	£2,529,178	£2,906,008	£2,425,682
Operating expenses	1,580,481	1,505,284	1,487,752	1,659,515	1,339,167
Net revenues	£1,134,140	£1,017,398	£1,041,426	£1,246,493	£1,086,165

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, £53,911; credit balance transferred from earnings, £1,134,140; credit balance from subsidiary operations, £149,808; interest, exchange, etc., credits, £126,737; total, £1,464,596. Contra: Debenture interest charges, £409,920; dividend appropriations, £466,808; rentals, £68,296; income tax, £33,678; miscellaneous debit, £3,148; credit balance June 30, 1916, £472,747; total, £1,464,596.

Bonded Debt: (1) £1,000,000 Provincial Government 5s of 1888. Assumed by Buenos Ayres Western Ry. Secured on lines of Western Ry. of Buenos Ayres, now part of main system.

(2) Authorized and outstanding, £7,872,203 4% debenture stock. Secured as a first charge on the property and undertaking, subject to the outstanding loan of the Western Railway of Buenos Ayres, viz.: £1,000,000 at 5% (No. 1). Repayable at par in event of liquidation or Government exercising expropriation rights. Interest Jan. and July 1.

(3) Authorized and outstanding, £1,000,000 5% terminable debenture stock. Dated, 1915; due 1925. Interest payable Jan. and July 1.

Capital Stock: (1) Authorized and outstanding, £300,000 5% first preference stock; par, £10. Entitled to non-cumulative dividend of 5% (payable April and Oct. 1), in priority to 4½% preference shares. In event of company being sold or wound up, holders entitled to be repaid £11 per share, before any payment is made to holders of 4½% preference shares.

(2) Authorized and outstanding, £2,552,340 4½% second preference stock; par, £10. Issue ranks after No. 1, for a non-cumulative dividend of 4½% (payable Apr. and Oct.). In event of liquidation or sale of line holders will be entitled to £11 per share before any payment is made to holders of ordinary stock.

(3) Authorized and issued, £17,347,660 ordinary stock. Recent dividends paid: 1910, 7%; 1911, 7½%; 1912, 7%; 1913, 7%; 1914, 5%; 1915, 5%; 1916, 5%.

Note: Company is also authorized to issue 240,000 shares of £10 each and 340,000 4½% guaranteed preference shares of £10 each. None issued as yet.

CANADIAN NORTHERN RAILWAY SYSTEM

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

History: Incorporated under Canadian laws in 1899, being a consolidation of the Winnipeg Great Northern Ry. and the Lake Manitoba Ry. and Canal Co. The company then subleased, in 1901, from the Manitoba Provincial Government the lines owned in that Province by the Northern Pacific & Manitoba Ry., with an option to purchase at any time. In 1911, the Edmonton, Yukon & Pacific Ry. was absorbed. Many other lines have been acquired or constructed by the Canadian Northern interests, but are not directly under the control of this company.

Consolidation: Prior to the autumn of 1915 the chief lines of the Canadian Northern Ry. were located in Western Canada, west of Port Arthur. Numerous lines had been acquired and constructed through allied companies in the East and were also under construction on the British Columbia coast. In 1914 the Parliament of Canada passed an Act designating the whole of the properties, including certain constituent and subsidiary companies owning lines of railway terminals and other facilities in Canada, as the Canadian Northern Ry. System, and authorizing the guarantee of securities of the Canadian Northern Ry. to the extent of $45,000,000, issued under a general mortgage (ranking after all mortgages then authorized), in aid of the construction, completion and betterment of the system. As part of the terms upon which the Government guarantee was authorized, the Statute required that there should be transferred to the Government of the Dominion of Canada $33,000,000 par value of the Canadian Northern Railway Company's capital stock, in addition to the $7,000,000 which was issued under the authority of the Statute of 1913. The shareholders furnished this amount and the Government is now a shareholder to the extent of $40,000,000 out of a total of $100,000,000 of stock. The construction of these lines having been completed, toward the end of 1915 a through service was established between the East and the British Columbia coast. Heretofore traffic originating on lines east of Port Arthur and destined to points in the West, had to be given to an intermediate carrier for movement to Port Arthur. In the same way the haul on traffic originating on Western Lines, destined to points east of Port Arthur, was lost at Port Arthur. Now, however, that connections are completed and regular transcontinental service established, the company is reaping all the advantages of the long haul.

Location: The Canadian Northern Ry. System has now in operation 9,296 miles, extending from Quebec, Montreal and Toronto to Vancouver and Victoria, B. C., with many branches and intersecting lines in the provinces of Quebec, Ontario, Manitoba, Saskatchewan and Alberta. It has in effect practically three main line divisions beginning west of Winnipeg, viz.: (1) the Transcontinental Division, passing through Edmonton, on the way to British Columbia; (2) Northern Division, extending to Prince Albert; (3) the Southern Division, passing through Brandon and Regina, and reaching Calgary by way of the famous Goose Lake country, rich in its production of grain, cattle and domestic coal.

Mileage of the system is located as follows: In Province of Nova Scotia, 369.9 miles; Province of Quebec, 626.8 miles; Province of Ontario, 2,219.1 miles; Province of Manitoba, 1.989.1 miles; Province of Saskatchewan, 2,178.1 miles; Province of Alberta, 1,181.2 miles; Province of British Columbia, 516.4 miles; State of Minnesota, 215.4.

Land Grants and Subsidies: The company was given a land grant in aid of the construction of certain lines in Manitoba and the territories, being at the rate of 6,500 acres per mile in Manitoba and 12,800 acres per mile in the territories.

Cash subsidies were also paid by the Dominion Government in aid of the Ontario division at rate of $6,400 per mile for 212 miles, and $3,200 per mile for 55 miles. A further cash subsidy of $4,000 per mile was paid by the Ontario Government on 268 miles.

On June 30, 1915, lands owned were valued at $20,074,380, represented by the following acreage in the different Provinces: In Manitoba and Saskatchewan, 857,720 acres; in Ontario, 2,000,000 acres; in Quebec, 402,860 acres. During the fiscal year 1916, 19,443 acres of land were sold at an average price of $16.37 per acre as compared with $15.53 per acre in 1915. Agreements for the sale of 4,850 acres were cancelled leaving 843.127 acres in the Prairie Provinces still available for sale. Land Grant bonds, of the issue of 1909, amounting to $272,533, were retired, leaving $2,217,740 outstanding on June 30, 1916.

Ocean Steamship Services: An agreement of importance in the development of the system's freight and passenger traffic, was made during the year 1916 with the Cunard Steamship Company. Under the terms of the arrangement, the Cunard Company has taken over the Atlantic steamers controlled by the Canadian Northern Railway, and a close working alliance is in effect between the two companies, the various Canadian services of the Cunard line and the Canadian Northern having become, in effect, a single transportation unit between Europe and Canada. Steamship services on the Pacific Ocean are also in contemplation. The entire stock of the Canadian Northern Express Co. is also owned.

Freight Tonnage: No uniform classification of freight traffic is furnished. The chief item of freight tonnage carried by this system is lumber. For the year ended June 30, 1916, there were 1,809,656,000 feet of lumber transported. Grain carried represented 131,978,809 bushels, and coal, 1,741,031 tons; miscellaneous, 3,722,085 tons. In 1915, there was carried 1,801,691,000 feet lumber, 58,575,520 bushels grain, 1,653,952 tons coal, and 3,009,903 tons of miscellaneous freight.

Management: OFFICERS: Sir William Mackenzie, Pres.; Sir Donald Mann, Vice-Pres.; D. B. Hanna, 3d Vice-Pres.; W. H. Moore, Sec.; M. H. MacLeod, Gen. Mgr., Western lines; L. C. Fritch, Gen. Mgr., Eastern lines; L. W. Mitchell, Treas. DIRECTORS: Sir William Mackenzie, Sir Donald Mann, Z. A. Lash, Frederic Nicholls, R. M. Horne-Payne, R. J. MacKenzie, E. R. Wood, D. B. Hanna, W. K. George, W. J. Christie, H. W. Richardson. MAIN OFFICE, Toronto, Canada. LONDON OFFICE, Bond Court, Walbrook, E. C.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	2,509	....	190	191	7,088	69%	24,186	262,032	290	$2.26	2.83c	.73c
1908.....	2,866	....	290	233	8,295	70	25,983	305,404	349	2.20	2.38	.78
1909.....	3,013	....	346	282	9,938	71	25,902	332,185	329	2.09	2.34	.74
1910.....	3,179	....	372	336	12,335	73	33,412	426,659	347	2.19	2.18	.73
1911.....	3,383	....	398	377	15,490	73	33,552	409,610	308	2.26	2.43	.85
1912.....	3,888	....	430	470	19,540	73	40,741	520,577	311	2.12	2.11	.76
1913.....	4,297	....	531	587	24,872	76	36,590	550,708	361	2.43	2.28	.77
1914.....	4,563	....	663	634	28,285	77	34,674	530,266	390	2.44	2.27	.75
1915.....	7,269	....	741	756	31,903	73	31,721	295,827	300	1.60	2.19	.83
1916.....	8,048	....	740	1,052	31,306	74	31,629	478,618	358	1.72	2.16	.68
10-Year Average	4,302	....	471	492	18,905	73%	31,839	411,189	334	$2.13	2.32c	.76c

Note: Mileage as above for 1915 and 1916 is that of consolidated system. Equipment owned includes all in service whether directly owned or held under equipment trusts.

Comment: During the year ended June 30, 1916, the Canadian Northern system greatly increased its freight density and also reported a better average train load than ever before. Train mile earnings, however, averaged low as compared with earlier years.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Earnings.	Maintenance.		Total Maintenance.	Cond. Transportation Gen. Exp. etc.	Net Earnings.	Total Net Income.	Fixed Charges inc. Taxes	Margin of Safety.	Surplus over Charges.	Disposal of Surplus.		Balance.
		Way.	Equipment.								For Dividends.	For Imp. Etc.	
1907.....	$3,328	$490	$340	$830	$1,312	$1,186	$1,186	$770	35%	$416	.....	.....	$416
1908.....	3,388	519	464	983	1,328	1,071	1,077	853	21	224	.....	.....	224
1909.....	3,512	477	415	892	1,397	1,223	1,223	1,012	17	211	.....	.....	211
1910.....	4,351	644	579	1,223	1,685	1,443	1,443	1,097	22	346	.....	.....	346
1911.....	4,836	698	655	1,353	2,008	1,475	1,475	1,256	15	219	.....	.....	219
1912.....	5,365	671	842	1,513	2,292	1,560	1,560	1,279	18	281	.....	.....	281
1913.....	5,650	751	768	1,519	2,555	1,576	1,634	1,261	23	373	.....	.....	373
1914.....	5,212	699	562	1,261	2,344	1,607	1,607	1,359	15	248	.....	.....	248
1915.....	3,565	547	395	942	1,618	975	975	1,201	.....	226*	.....	.....	226*
1916.....	4,408	733	509	1,242	1,895	1,271	1,271	1,302	.....	31*	.....	.....	31*
10-Year Average	$4,362	$623	$553	$1,176	$1,846	$1,340	$1,345	$1,139	17%	$206	.....	.....	$206

* Deficit.

Notes: Fixed charges in 1915 and 1916 include interest on bonds of entire system, rental charges on leased lines, interest on equipment securities and miscellaneous interest. Interest on income convertible debenture stock is not included in fixed charges, not being a definite fixed charge.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$35,476,275	$25,912,106	$23,781,329	$24,277,478	$20,860,094	$16,360,712	$13,833,062
Maintenance of way	5,899.540	3,974,820	3,191,805	3,224,929	2,608,866	2,362,004	2,047,831
Maintenance of equipment	4,095,746	2,871,981	2,563,233	3,301,165	3,262,727	2,216,842	1,840,112
All other operating expenses	15,248,900	11,977,144	10,695,725	10,977,516	9,108,456	6,589,798	5,600,729
Net operating revenues	$10,232,089	$7,088,161	$7,330,566	$6,773,868	$6,065,630	$5,192,068	$4,344,390
Operating ratio	71%	73%	72%	74.6%	70.9%	68.3%	68.6%
Other income	.....	.....	.....	250,000	.....	.....	.....
Total net income	$10,232,089	$7,088,161	$7,330,566	$7,023,868	$6,065,630	$5,192,068	$4,344,390
Taxes accrued	858,558	464,869	303,346	175,867	184,585	4,264,150	3,342,048
Fixed charges	9,621,658	8,263,575	5,896,057	5,243,822	4,785,592		
Surplus	*$248,127	*$1,640,283	$1,131,163	$1,604,179	$1,095,453	$927,918	$1,002,342
Dividends paid on incomes	.....	625,000	1,250,000	988,214	674,804	312,872	.....
Balance	*$248,127	*$2,265,283	*$118,837	$615,965	$420,649	$615,046	$1,002,342

* Deficit.

In above income account, taxes are included in operating expenses prior to 1912. In 1915 and 1916, taxes include rentals for hire of equipment and joint facilities.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $3,745,179; total, $3,745,179. Contra: Debit balance transferred from income, $248,127; delayed income debits, $67,886; taxes accrued (net), $50,000; interest accrued (net), $602,455; credit balance carried to balance sheet, $2,776,711; total, $3,745,179.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$12,256	40%	$18,448	60%	$1,728	$32,432	$776	$31,656	3.7%	.....	.....	.....	.....	.....	.....
1908	10,729	36	21,051	64	1,563	33,343	2,001	31,342	3.4	.....	.....	.....	.....	.....	.....
1909	18,251	45	22,357	55	1,486	42,093	2,459	39,637	3.1	.....	.....	.....	.....	.....	.....
1910	17,301	33	29,384	67	2,000	48,685	1,826	46,859	3	.....	.....	.....	.....	.....	.....
1911	20,692	36	36,078	64	1,331	58,101	2,440	55,661	2.7	.....	.....	.....	.....	.....	.....
1912	18,004	35	33,452	65	1,240	52,696	2,144	50,552	3	.....	.....	.....	.....	.....	.....
1913	17,919	34	35,202	66	1,112	54,233	1,930	52,303	3.1	.....	.....	.....	.....	.....	.....
1914	16,875	29	41,898	61	1,102	59,875	3,793	56,082	2.9	.....	.....	.....	.....	.....	.....
1915	14,565	21	53,720	79	700	68,985	6,710	62,275	1.6	.....	.....	.....	.....	.....	.....
1916	13,155	21	49,684	79	594	63,433	5,889	57,644	2.2	.....	.....	.....	.....	.....	.....
10-Year Average	$15,975	33%	$34,127	67%	$1,286	$51,388	$2,997	$48,391	2.9%	.....	.....	.....	.....	.....	.....

Note: In above table the stock column includes the ordinary stock only, except that in 1915 and 1916 the net outstanding amount of affiliated companies' stock ($5,872,100) is included. The debenture and "guaranteed" stock issues are included in the bond column. The bond column also includes the equipment obligations. Rentals cover the charges on the lease of the Northern Pacific & Manitoba Railway, and the Minnesota & Manitoba Railroad. Investments represent the net cost of "acquired securities."

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$532,221,494	$515,062,995	$281,536,333	$242,487,169	$210,039,870	$194,839,721
Working assets	35,345,840	35,713,369	21,633,292	20,380,791	21,844,070	26,598,279
Deferred debit items	11,179,957	11,577,790				
Total	$578,747,291	$562,354,154	$303,169,625	$262,867,960	$231,883,940	$221,438,000
Liabilities:						
Capital stock	$105,872,100	$105,872,100	$77,000,000	$77,000,000	$77,000,000	$77,000,000
Funded debt	399,858,684	390,485,561	191,182,568	151,264,154	130,073,397	122.047,419
Working liabilities	15,160,750	11,482,916	9,869,506	9,873,850	8,144,512	6,868,263
Accrd. liabilities not due	2,412,673	2,514,423	631,985	511,988	459,090	304,341
Deferred credit items	10,250,506	9,720,790	.....	.....	.....	.....
Appropriated surplus	5,369,119	1,474,972	694,403	508,748	345,561	230,541
Profit and loss surplus	39,823,459	40,813,392	23,791,163	23,709,220	22,861,380	21,987,436
Total	$578,747,291	$562,354,154	$303,169,625	$262,867,960	$231,883,940	$221,438,000

Note: In above balance sheet for 1916, capital stock includes $5,872,100 outstanding stock of affiliated companies; funded debt comprises $25,000,000 5% income convertible debenture stock; $162,192,440 funded debt of Canadian Northern Ry.; $123,223,824 funded debt of affiliated companies; $16,862,500 equipment obligations; $55,912,962 temporary collateral loans; $16,666,957 due other companies on construction account.

TABLE D.—Bond Record and Ratings (Based on 2-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Can. Nor. Ry. first 3% deb. stk	M&S	Jl 1953	(1st) 918	$10,200	See note	$35	See note	Good	Fair	A.
2. Can. Nor. Ry. first 3½% deb. stk	J&J	Jl 1958	(1st) 609	13,000	"	34	"	"	"	A.
3. Can. Nor. Ry. first 4% deb. stk	M&S	S 1934	Text	.....	"	85	"	"	"	A.
4. Can. Nor. Alb. first 3½% deb. stk	J&J	My 1960	(1st) 150	21,000	"	14	"	"	"	A.
5. Can. Nor. Ont. first 3½% deb. stk	J&J	My 1961	Text	.....	"	149	"	"	"	A.
6. Can. Nor. Ont. first 3½% deb. stk	Text	Text	(1st) 268	30,000	"	34	"	"	"	A.
7. Can. Nor. Ry. cons. deb. 4s.	J&D	Je 1930	(1st) 1243	10,000	"	62	"	"	"	A.
8. Can. Nor. Ry. Ont. div. 4s.	J&D	Je 1930	(1st) 287	20,000	"	29	"	"	"	A.
9. Winnipeg Term. 4s.	J&J	Jl 1939	(1st) Term.	.....	"	15	"	"	"	A.
10. Can. Nor. Ry. Man. gtd. 4% deb. stk	J&D	Je 1930	(1st) 110	26,000	"	14	"	"	"	A.
11. Can. Nor. Ry. Sask. gtd. 4% deb. stk	J&D	Ja 1939	(1st) 985	15,450	"	40	"	"	"	A.
12. Can. Nor. Ry. Alb. gtd. 4% deb. stk	J&D	Ja 1939	(1st) 326	820	"	28	"	"	"	A.
13. Can. Nor. West. first 4½% deb. stk	J&D	F 1942	Text	.....	"	52	"	"	"	A.
14. Can. Nor. West. first 4½% deb. stk	A&O	O 1943								
15. Can. Nor. Pac. first 4% deb. stk	A&O	Ap 1950	(1st) 500	33,000	"	80	"	"	"	A.
16. Can. Nor. Pac. 4½% term. deb. stk	A&O	Ap 1950	(1st) Term.	.....	"	48	"	"	"	A.
17. Cent. Ont. Ry. first 5s.	J&J	Ja 1934	(1st) 150	6,400	"	6	"	"	"	Baa.
18. Bay of Quinte Ry. first 5s.	J&J	Ja 1927	(1st) 86	9,000	"	5	"	"	"	Baa.
19. Dul. Rainy Lake & Win. first 5s.	J&J	Ja 1921	(1st) 88	34,000	"	12	"	"	"	Baa.
20. Halifax & S. W. first 3½s.	J&J	S 1943	(1st) 378	12,000	"	20	"	"	"	Baa.
21. Gt. Nor. Ry. of Can. 1st 4s.	A&O	O 1934	(1st) 208	17,000	"	17	"	"	"	Baa.
22. Qu'App. L. L. & Sask. 4% deb. stk	J&D	Jl 1936	Text	.....	"	25	"	"	"	Baa.
23. Can. Nor. Ry. land grant 4s	F&A	F 1919	(1st) Land	.....	"	11	"	"	"	Baa.
24. Can. Nor. Ry. land grant 4s	J&J	Jl 1938	"	.....	"	10	"	"	"	Baa.
25. Can. Nor. Ry. land deb. 5s.	J&D	Je 1923	"	.....	"	45	"	"	"	Baa.
26. Dul. Win. & Pac. first 4% deb. stk	J&D	Je 1939	(1st) 73 (2d) 88	43,500	"	35	"	"	"	Ba.
27. Mt. Royal Tun. & Term. first 5s.	A&O	Ap 1970	(1st) Term.	.....	"	57	"	"	"	Ba.
28. Can. Nor. Que. 4% deb. stk.	J&D	Perp.	Text	.....	"	26	"	"	"	Ba.
29. Que. & L. St. John first 4% deb. stk	J&J	"	(1st) 286	15,000	"	22	"	"	"	Ba.
30. Can. Nor. Ont. 4% cons. deb. stk	A&O	"	Text	.....	"	44	"	"	"	Ba.
31. Can. Nor. Ry. 4% cons. deb. stk	J&D	"	"	.....	"	233	"	"	"	Ba.
32. Can. Nor. Ry. 5% sterling notes	Text	Text	Col.	.....	"	74	"	"	"	Ba.
33. Can. Nor. Ry. 5% col. notes	M&S	S 1917	"	.....	"	71	"	"	"	Baa.
34. Can. Nor. Ry. sec. gold notes	Text	Text	"	.....	"	63	"	"	"	Baa.
35. Imp. Rolling Stk equip.	"	"	Equip.	.....	"	93	"	"	"	Ba.
36. Can. Nor. Ry. equip. trust.										
37. Can. Nor. Ry. 5% inc. conv. deb. stk	"	My 1930	.....	.....	"	.....	"	"	"	B.

Note: Average income per mile available for charges for the two years ended June 30, 1916, before deducting taxes, was $1,123, while current interest requirements per mile as above on entire bonded debt of consolidated system were $1,588. As the company is charging a portion of interest on several issues to construction account, no attempt has been made in the above table to show any factor of safety figures. In examining the ratings, the importance of government guarantees should be considered as this company in its program of expansion during the past few years has drawn heavily on the government for assistance. The direct guarantee of certain issues by the Dominion Government and various provinces and the general influence of this factor on the entire system should be borne in mind, though growth in earnings should become a factor of increasing importance with the future development of Canada.

REFERENCE NOTES ON BOND ISSUES

1. Outstanding, £1,923,287 ($9,359,997); dated July 29, 1903; due July 10, 1953; interest paid Mar. 31 and Sept. 30, in London. First lien on the line from Grand View to Edmonton, 620 miles, limited, however, to $10,000 per mile on the line from Grand View to the western boundary of Manitoba; also first lien on the extension of the

REFERENCE NOTES ON BOND ISSUES (Continued)

Prince Albert branch to Prince Albert from a point 100 miles therefrom, by second lien on the portion of the Prince Albert branch running from Erwood to a point 100 miles from Prince Albert, and by lien on other lines then constructed to an aggregate of 918 miles. Guaranteed, principal and interest, by Dominion Government of Canada. Listed on London Stock Exchange.

2. Auth. and outstanding, £1,622,586 ($7,896,590); dated Oct. 21, 1908; due July 20, 1958; int. Jan. and July 20, at Canadian Bank of Commerce, London and Toronto. First lien on certain specified lines, aggregating 609 miles, and second lien on certain other lines, together with all franchises and property connected therewith. Unconditionally guaranteed, principal and interest, by the Dominion of Canada. Listed on London Stock Exchange.

3. Auth., $45,000,000; outstanding, £3,500,000 ($17,033,333); $15,333,334 pledged under No. 33; dated July 15, 1914; due Sept. 1, 1934. Callable as a whole or in part at par and interest on any interest date. Secured as follows: (1) A fixed and floating charge upon all rights, properties, assets and franchises present and future of the Canadian Northern Ry., subject to prior bonds and debenture stock, either issued or to be issued under existing mortgages or deeds of trust; (2) a fixed charge upon the equity of redemption of Mackenzie, Mann & Co., Ltd., in the $10,000,000 capital stock and the $10,000,000 first debenture stock of the Canadian Northern Town Properties Co., Ltd., pledged under No. 25; (3) a first fixed charge upon practically the entire capital stocks of the companies affiliated with the Canadian Northern System, free from prior charges thereon; (4) a second lien upon all the securities pledged under No. 31. Unconditionally guaranteed, principal and interest, by the Dominion of Canada. Listed on London Stock Exchange. In addition to above $12,500,000 pledged under government loans.

4. Auth. and outstanding, £647,260 ($3,149,999). Dated May 4, 1910; due May 4, 1960; int. Jan. and July 20, at Canadian Bank of Commerce, London, England, and Toronto. Registerable in £1 sterling or multiples. A first lien at $13,000 per mile for first 50 miles, and $25,000 per mile for remaining 100 miles. Unconditionally guaranteed, principal and interest, by endorsement by Canadian Government. Listed on London Stock Exchange.

5. Auth., $35,770,000; outstanding, $34,229,997; pledged, $1,540,003; dated May 19, 1911; due May 19, 1961; int. Jan. and July 20, in London and Toronto. Authorized at rate of not exceeding $35,000 per mile of the lines of railway mortgaged as security therefor, not exceeding in any event, 1,050 miles. Guaranteed, principal and interest by the Dominion of Canada. First lien on about 970 miles of railway. Listed on London Stock Exchange.

6. Auth. and outstanding, $7,860,000 (£1,615,068). Dated July 10, 1906 and June 24, 1908; due £233,421 ($1,135,982) July 10, 1936, and £1,381,647 ($6,724,015) on June 30, 1938; int. (on 1906 issue) March 31 and Sept. 30; on 1908 issue, June 30 and Dec. 31. Issue of 1936 is exchangeable for issue of 1938. First lien on 268 miles. Auth. at the rate of $30,000 per mile. Guaranteed, principal and interest, by the Ontario Government. Listed on London and Liverpool Stock Exchanges.

7. Auth. and outstanding, $12,436,280 (£2,555,600). Dated June 30, 1904; due June 30, 1930; interest June 30 and December 31, at Canadian Bank of Commerce, London, Toronto and New York. Coupon and registered, £100, or $486.66. First lien at not exceeding $10,000 per mile on certain lines in the Province of Manitoba constructed or to be constructed, amounting in all to about 1,243 miles. Guar., principal and interest, by Government of Manitoba. Listed on London Stock Exchange.

8. Auth. and outstanding, $5,745,587 (£1,180,600). Dated Sept. 30, 1901; due June 30, 1930; int. June and December 30, at Canadian Bank of Commerce, London and Toronto. Coupon and registered, £100 or $486.66. National Trust Co., Lt., Toronto, Trustee. Secured by first charge on 287 miles of road from Port Arthur to Rainy River, and by second charge, subject to a first charge of not exceeding $10,000 per mile on the company's present and future main and branch lines in Manitoba; also by certain leases and agreements covering leased lines amounting to about 350 miles, and the bridge across the Rainy River. Guaranteed, principal and interest, by the Government of Manitoba. Listed on London Stock Exchange.

9. Auth. and outstanding, $3,000,000 (£616,438). Dated July 1, 1909; due July 1, 1939; interest Jan. and July 1, at New York, Toronto and London. Coupon, $1,000 or £205 9s 7d; principal may be registered. A direct obligation of the Canadian Northern Ry. Co. and first lien on terminals in Winnipeg. Guaranteed, principal and interest by endorsement, by Province of Manitoba.

10. Auth., $4,320,000; outstanding, $2,860,000 (£587,671); pledged, $1,460,000. Dated March 1, 1910; due June 30, 1930; interest June and Dec. 30, at Canadian Bank of Commerce, London, Toronto and New York. Denomination, £1. Stock ranks pari passu with similar stock or bonds which may be issued for construction of any additional lines in Manitoba (at a rate not exceeding $10,000 per mile), which company may hereafter be authorized to construct and in respect of which the Provincial Government may give its guarantee. First lien on lines constructed or to be constructed, in Manitoba, amounting in all to about 220 miles, and such other lines to be constructed in Manitoba in respect of which the Provincial Government may give its guarantee. Guaranteed, principal and interest, by the Province of Manitoba. Listed on London Stock Exchange.

11. Outstanding, $8,030,000 (£1,650,000). Dated Jan. 23, 1909; due Jan. 23, 1939; int. June and Dec. 1, in London. Authorized at rate of $13,000 per mile of road, but power reserved, subject to sanction of the Provincial Government of Saskatchewan, to increase amount to $15,000 per mile. A first lien on about 985 miles of lines in the Province of Saskatchewan. Principal and interest unconditionally guaranteed by the Government of the Province of Saskatchewan. Listed on London Stock Exchange. In addition to above $5,557,733 pledged under loans.

12. Outstanding, $5,586,666 (£1,147,945). Dated June 10, 1909; due Jan. 23, 1939; interest June and Dec. 1, in London. Authorized at rate of $13,000 per mile, but power is reserved, subject to the sanction of the Provincial Government of Alberta, to increase the amount to $15,000 per mile. A first lien on about 326 miles in the Province of Alberta. Guaranteed, principal and interest, by Government of Alberta. Listed on London Stock Exchange.

13 and 14. Outstanding (No. 13), $6,424,000 (£1,320,000) and (No. 14) $2,800,000 (£575,342). Dated June 22, 1912 and Apr. 8, 1913; due Feb. 16, 1942 and Oct. 22, 1943. Int. June and Dec. 1, in London and Toronto. Auth. to extent of $20,000 per mile for No. 13 and $25,000 per mile for No. 14 (a) of several sections of company's railway, aggregating 1,275 miles, and (b) of any additional lines hereafter to be constructed in the Province of Alberta in respect to which the provincial government may give its guarantee. First mortgage on the above lines of railway (exclusive of terminals) and certain other properties and assets. Unconditionally guaranteed, principal and interest, by the Government of the Province of Alberta. Listed on London Stock Exchange.

15. Outstanding, $16,412,000 (£3,372,329). Dated Apr. 2, 1910; due Apr. 2, 1950; int. Apr. and Oct. 2, at Canadian Bank of Commerce, Toronto and London. Auth. amount limited to $35,000 per mile of lines to be constructed as specified in the trust deed, and of any additional lines hereafter to be constructed in British Columbia in respect of which the Government of British Columbia may give its guarantee. A first lien on line between the City of Vancouver and the boundary of the Provinces of British Columbia and Alberta (exclusive of terminals) and upon certain other lines. Principal and interest unconditionally guaranteed by the Government of British Columbia. Listed on London Stock Exchange. In addition to above, $4,587,998 pledged under loans.

REFERENCE NOTES ON BOND ISSUES (Continued)

16. Outstanding, $8,614,000 (£1,770,000). Dated July 7, 1913; due April 2, 1950; int. Apr. and Oct. 2, at Canadian Bank of Commerce, London and Toronto at the fixed rate of 4.86 2-3 to the pound. Auth., $10,000,000 or £2,054,795. Secured by a first lien on terminals at Vancouver, Victoria, New Westminster, Port Mann and Steveston, and at Union Bay on Vancouver Island. Unconditionally guaranteed principal and interest by the Province of British Columbia.

17. Auth., £200,000; outstanding, $956,300 (£196,500); balance in sinking fund. Dated Jan. 1, 1909; due Jan. 1, 1934; int. Jan. and July 1, at Bank of Montreal, London and New York. Coupon, £100; principal may be registered. A first lien upon 150 miles and equipment of the company, and on all franchises and extensions. Sinking fund, $10,000 per annum, commencing Jan. 1, 1910, to be invested in these bonds at or below par, or if not so purchasable, in trust securities authorized by the Province of Ontario. Listed on London Stock Exchange.

18. Outstanding, $780,000. Dated Jan. 2, 1902; due Jan. 2, 1927; int. Jan. and July 2, at Bank of Montreal, Deseronto and New York. Coupon, $1,000. Callable at 105 and interest. Sinking fund, $10,000 per annum for redemption of $50,000 of bonds every five years at 105 and interest. A first lien on entire property of company, comprising 86 miles in Ontario.

19. Auth. and outstanding, $2,000,000. Dated Jan. 1, 1906; due Jan. 1, 1916, extended to Jan. 1, 1921; int. Jan. and July 1, at Chase National Bank, New York, and at Illinois Trust & Savings Bank, Chicago, Trustee. Coupon, $1,000; principal may be registered. Callable at par and interest on any interest date. A first lien on 87.74 miles from Virginia to Ranier, Minn. Unconditionally guaranteed, principal and interest, by Duluth, Winnipeg and Pacific Ry. Co., which owns the entire capital stock, and by the Canadian Northern Ry. Co. Interest paid without deduction for normal income tax.

20. Auth., $7,600,000; outstanding, $4,447,000. Due Sept. 30, 1943. Int. Jan. and July 1. First lien on 378.46 miles in Nova Scotia.

21. Auth., $5,462,000; outstanding, $3,505,750. Dated Oct. 1, 1905; due Oct. 1, 1934; int. Apr. and Oct. 1, at Canadian Bank of Commerce, New York and Toronto. Coupon, $100, $500 and $1,000; principal may be registered. A first lien on 208.2 miles of road, as follows: Hawkesbury, Ont., to Riviere a Pierre Junc., Que., 169 miles; Montfort to Huberdeau, Que., 33 miles; St. Jerome to St. Jerome Junc., Que., 1.7 miles, and Shawinigan Junc. to Shawinigan Falls, Que., 4.5 miles. Guaranteed, principal and interest, by the Canadian Northern Ry. Co. Listed on London Stock Exchange.

22. Auth., $5,110,000 (£1,050,000); outstanding, $5,019,681 (£1,031,423); in treasury, $31,782 (£6,549). Dated Oct. 17, 1906; due July 1, 1936; interest June 30 and Dec. 31. Of the amount outstanding, £830,427 were issued in exchange for first mortgage 6% bonds, due Aug. 1, 1911, and £91,882 in exchange for scrip certificates issued for unpaid coupons on said bonds. A first charge on the entire property of the Qu' Appelle, Long Lake & Saskatchewan R.R. and Steamboat Co. Guaranteed, principal and interest unconditionally by Canadian Northern Ry. Company.

23. Auth. and outstanding, $2,000,000. Dated Feb. 1, 1899; due Feb. 1, 1919; interest Feb. and Aug. 1, at National Trust Co., Ltd., Toronto, Trustee, and at Bank of Scotland, London. Denomination, $500, or £102 14s 10d. Callable at 110 and interest. A first lien on 1,365,333 acres of land in the Province of Manitoba. The trustee holds sufficient funds from the proceeds of lands sold to retire these bonds when so determined.

24. Outstanding, $2,217,740 (£455,700). Dated Feb. 15, 1909; due July 1, 1938; interest Jan. and July 1, at Lazard Bros. & Co., and Canadian Bank of Commerce, London. Coupon, £100 and £500. Original issue, £1,027,400, of which £571,700 retired to June 30, 1916. Callable from the proceeds of land sales at 103 and interest at any time before July 1, 1918; thereafter at par. Secured by a specific charge upon 1,250,000 acres of land in Manitoba and Saskatchewan. Listed on London Stock Exchange.

25. Auth., £3,500,000; outstanding, £1,500,000 ($7,300,000). Issued in 1913; due June 1, 1923; interest June and Dec. 1. Coupon, £100, £500 and £1,000. Callable as a whole or in part at par and interest on any interest date, upon one month's notice. A direct obligation of the Canadian Northern Ry. Co., and a specific charge on the land grant of the company and on the deferred payments of land already sold (stated to be $22,026,896), subject to outstanding prior charges to the amount of $6,254,860. Also a specific charge on the entire $10,000,000 capital stock and $10,000,000 4% debenture stock of the Canadian Northern Town Properties Co., Ltd.

26. Auth., $10,500,000; outstanding, $7,011,324; pledged, $158,994. Dated June 1, 1909; due June 1, 1939; int. June and Dec. 1, in Toronto and London. A first lien on 73 miles of line from Virginia to Duluth, Minn., and a second lien on 88 miles, following No. 19. Unconditionally guaranteed, principal and interest, by Canadian Northern Ry. Co. Listed on London Stock Exchange.

27. Auth., $11,680,000; outstanding, $8,928,173. Dated April, 1914; due April 15, 1970. Int. paid April and Oct. 15. First mortgage on 3-mile tunnel and terminals at Montreal. Leased to Canadian Northern Ry. for 999 years at rental sufficient to cover bond interest and sinking fund. Balance of issue pledged under loans.

28. Outstanding, $5,250,369 (£1,078,843). Auth. by stockholders Oct. 22, 1906; int. payable June 30 and Dec. 31. This stock was authorized to provide for the exchange of bonds isued by the constituent companies, to finance the cost of lines then under construction, to provide for the acquisition of the securities of other companies to an amount not exceeding the cost thereof, and to make provision for the construction or acquisition of additional lines to an amount not exceeding £4,109 ($20,000) per mile of such lines. £1,000,000 of this stock outstanding was issued to retire the entire bond Issues of the Chateaugay & Northern Ry. Co., and Quebec, New Brunswick & Nova Scotia Ry. Co., and $1,514,000 of the bonds of the Great Northern Ry. of Canada. Guaranteed by the Canadian Northern Railway Co. and is secured by a first lien upon any securities acquired by the issue of this stock, and by a first general lien upon the entire property of the company, subject only to No. 21. Listed on London and Liverpool Stock Exchanges.

29. Outstanding, $4,359,015 (£895,688). Dated June 1, 1912; int. Jan. and July 1, in Toronto and London. This stock was issued to exchange the £500,000 outstanding prior lien 4s, at par, to exchange the £435,975 first 5s at the rate of £70 new stock for each £100 of bonds, to exchange the £619,273 non-cumulative income 6s at rate of £13 of new stock for each £100 of bonds, to exchange the £10,000 bonds issued by the Lake St. Joseph Hotel Co., and guaranteed by the Quebec and Lake St. John Ry., at par for the new stock, and to provide for additional rolling stock and equipment. All unpaid coupons on the above bonds were surrendered, except the April 1, 1910, coupon on the prior lien bonds, arrangements for the payment of which coupon was made. First lien on the entire property of the company, including the Lake St. Joseph Hotel property. Power is reserved to the company to create charges on any new lines hereafter constructed ranking ahead of the new stock, provided such charges are guaranteed by the Dominion or a Provincial Government, and to create additional new stock, ranking pari passu with the present stock, to provide for the following purposes: $30,000 per mile of line hereafter constructed, after

REFERENCE NOTES ON BOND ISSUES (Continued)

deducting therefrom the amount not exceeding $30,000 per mile for the time being outstanding of any mortgages or securities guaranteed by the Dominion or a Provincial Government ranking on such line in priority to the new stock; to an amount equal to the amount by which any mortgages or securities guaranteed by the Dominion or a Provincial Government that may hereafter be secured on the company's lines in priority to the Debenture stock exceeds $30,000 per mile on which they are secured as a first mortgage or charge; and to an amount equal to cost of any securities deposited with the trustees and specifically mortgaged by way of first mortgage as additional security for the new stock. Guaranteed, principal and interest, by the Canadian Northern Ry. Co. Listed on London Stock Exchange.

30. Outstanding, $8,883,638 (£1,825,405). Dated June 29, 1909, int. April and Oct. 2. Registered and transferable on books of company at London, Eng., and Toronto offices. Secured by deed of trust dated June 28, 1909, to the National Trust Co., Ltd., Toronto and the British Empire Trust Co., Ltd., London, Eng., as trustees, as a fixed mortgage on the lines from Hawkesbury to Ottawa and from Ottawa to Niagara Falls. Listed on London Stock Exchange.

31. Outstanding, $46,983,016 (£9,654,044); interest payable June 30 and Dec. 31, by check. Secured by trust deed dated June 30, 1903, as a specific first mortgage to the British Empire Trust Co., Ltd., and the National Trust Co., Ltd., Toronto, upon the securities from time to time deposited with the trustees and by a general charge upon the undertaking, property and assets (except government land grants and money subsidies applied in construction, extensions or improvements, or as consented to by the trustees), subject to the lien of No. 8, limited to an amount not exceeding £2,000 per mile of road for the time being open and operated. Listed on London Stock Exchange.

32. (a) Auth. and outstanding, £2,000,000 ($9,733,333). Dated Aug. 12, 1913; due Aug. 12, 1918; interest Feb. and Aug. 12, at Lloyds' Bank, Ltd., London, England, trustee. Coupon £100, £500 and £1,000; principal may be registered. Callable as a whole or in amounts of not less than £100,000 at 101 and interest on any interest date upon 60 days' notice; and in the event of any notes being redeemed before maturity, it is provided that the trustee shall release proportionate amounts of the pledged securities. Secured by deposit of the following collateral of a par value of £2,550,000: £450,000 of No. 12; £500,000 of No. 11; £300,000 of No. 10; £750,000 of No. 31, and £550,000 of No. 15.

(b) Auth. and outstanding, £450,000 ($2,190,000). Dated Dec. 12, 1913; due June 12, 1919; interest June and Dec. 12, at Lloyds Bank, Ltd., London, England, trustee. Coupon, £100 and £500; principal may be registered. Callable as a whole or in part at 101 and interest. Secured by deposit of the following collateral of a par value of £570,000: £392,739 of No. 15, and £177,361 of No. 31.

33. Auth. and outstanding, $11,500,000. Dated Sept. 1, 1915; due Sept. 1, 1917; int. Mar. and Sept. 1, at Columbia Trust Co., New York, and Canadian Bank of Commerce, Toronto. Coupon, $1,000. Convertible at par and interest into the pledged guaranteed bonds at 85 and interest, on or before June 1, 1917, on 10 days' notice. A direct obligation of the company and specifically secured by pledge of $15,333,334 of No. 3, being in the ratio of 133 1/3% in debenture stock to each 100% in notes. Normal income tax deducted from interest.

34. (a) Auth. and outstanding, $6,000,000 6% notes. Dated July 10, 1916; due $3,000,000 July 10, 1917 and $3,000,000 July 10, 1918. Int. paid Jan. and July 10, at Guaranty Trust Co., New York, and in Toronto. Coupon, $1,000. Direct obligation and secured by pledge of guaranteed securities amounting to $9,115,140 as follows: $3,569,947 of Canadian Northern Alberta 3½% deb. stock, due April 1, 1962, guar. by Dominion of Canada; $1,539,982 of No. 5; $1,975,839 of No. 11; and $2,029,372 of No. 15. Normal income tax deducted from interest.

(b) Auth. and outstanding, $1,750,000 one-year 5% notes. Dated Sept. 1. 1916; due Sept. 1, 1917. Int. Mar. and Sept. 1, at Central Trust Co., New York and in Toronto. Coupon, $5,000. Secured by pledge of £514,000 ($2,051,466) of No. 27. Proceeds used to complete tunnel in Montreal of the Mount Royal Tunnel & Terminal Co. and for extension of terminal facilities. Normal income tax deducted from interest.

(c) Auth. and outstanding, $2,500,000 6% notes. Dated Jan. 10, 1917; due $1,250,000 Jan. 10, 1918 and $1,250,000 Jan. 10, 1919. Int. paid Jan. and July 10 at Central Trust Co., New York. Coupon, $1,000. Secured by pledge of the following guaranteed securities amounting to $3,698,179: $1,270,200 of No. 11; $1,253,166 of No. 15 and $1,174,813 Canadian Northern Saskatchewan Ry. 4½ debenture stock guaranteed by Province of Saskatchewan. Normal income tax deducted from interest.

35 and 36. In various series, as follows: Series N, 4½s; dated June 1, 1907; due $50,000 annually to June 1, 1917. Int. June and Dec. 1. Coupon, $1,000 and $12,500. Original amount, $500,000; unmatured, $50,000. First lien on equipment costing over $500,000. Series O, 4½s; dated June 1, 1907; due $150,000 annually to June 1, 1917. Int. June and Dec. 1. Coupon, $500 and $1,000. Original amount, $1,500,000; unmatured, $150,000. First lien on equipment costing $2,138,000. Series P, 4½s; dated Aug. 1, 1907; due $100,000 semi-annually to Aug. 1, 1917. Int. Feb. and Aug. 1. Coupon, $500 and $1,000. Original amount, $2,000,000; unmatured, $100,000. First lien on equipment costing $2,844,000. Series R, 4½s; dated March 1, 1908; due $170,000 annually to March 1, 1918. Int. Mar. and Sept. 1. Coupon, $500 and $1,000. Original amount, $1,700,000; unmatured, $340,000. First lien on equipment costing $2,450,000. Series S, 4½s; dated March 1, 1909; due $100,000 annually to March 1, 1919. Int. Mar. and Sept. 1. Coupon, $500 and $1,000. Original amount, $1,000,000; unmatured, $300,000. First lien on equipment costing $1,403,000. Series T, 4½s; dated March 1, 1909; due $150,000 annually to Sept. 1, 1919. Int. Mar. and Sept. 1. Coupon, $500 and $1,000. Original amount, $1,500,000; unmatured, $450,000. First lien on equipment costing $2,109,000. Series U, 4½s; dated Nov. 1, 1909; due $50,000 annually to Nov. 1, 1919. Int. May and Nov. 1. Coupon, $500 and $1,000. Original amount, $500,000; unmatured, $150,000. First lien on equipment costing $693,000. Series V, 4½s; dated May 1, 1910; due $300,000 annually to Nov. 1, 1920. Int. May and Nov. 1. Coupon, $500 and $1,000. Original amount, $3,000,000; unmatured, $1,200,000. First lien on equipment costing over $3,500,000. Series A-1, 4½s; dated Feb. 1, 1911; due $184,000 semi-annually to Feb. 1, 1920 and $188,000 Feb. 1, 1921. Int. Feb. and Aug. 1. Coupon, $500 and $1,000. Original amount, $3,500,000; unmatured, $1,656,000. First lien on equipment costing $4,996,570. Series B-1, 4½s; dated Feb. 1, 1911; due $74,500 each March 1 and $75,500 each Sept. 1 to Sept. 1, 1921. Int. Mar. and Sept. 1. Coupon, $500 and $1,000. Original amount, $1,500,000; unmatured, $750,000. First lien on equipment costing $2,094,446. Series C-1, 4½s; dated April 1, 1912; due $100,000 semi-annually to April 1, 1917, and $110,000 semi-annually thereafter to April 1, 1922. Int. April and Oct. 1. Coupon, $1,000. Original amount, $2,000,000; unmatured, $1,200,000. First lien on equipment costing $2,667,000. Series D-1, 4½s; dated April 1, 1912; due $150,000 semi-annually to April 1, 1917 and $165,000 semi-annually thereafter to April 1, 1922. Int. April and Oct. 1. Coupon, $500 and $1,000. Original amount, $3,000,000; unmatured, $1,800,000. First lien on equipment costing $4,150,632. Series E-1, 4½s; dated Sept. 1, 1912; due $105,000 semi-annually to Sept. 1, 1922. Int. Mar. and Sept. 1. Coupon, $500 and $1,000. Original amount, $2,000,000; unmatured, $1,260,000. First lien on equipment costing over $2,650,000. Series F-1, 4½s; dated March 1, 1913;

REFERENCE NOTES ON BOND ISSUES (Continued)

due $210,000 semi-annually to Sept. 1, 1922, and $220,000 March 1, 1923. Int. Mar. and Sept. Coupon, $1,000. Original amount, $4,000,000; unmatured, $2,740,000. First lien on equipment costing $5,633,600. Series G-1, 4½s; dated Sept. 1, 1913; due $50,000 semi-annually to March 1, 1918 and $55,000 semi-annually thereafter to March 1, 1923. Int. Mar. and Sept. 1. Coupon, $1,000. Original amount, $1,000,000; unmatured, $700,000. First lien on equipment costing $1,340,000. Series H-1, 5s; dated Dec. 1, 1913; due $40,000 semi-annually to June 1, 1923, and $30,000 Dec. 1, 1923. Int. June and Dec. 1. Coupon, $1,000. Original amount, $750,000; unmatured, $550,000. First lien on equipment costing $1,030,058. Series K-1, 5s; dated Oct. 1, 1914; due $105,000 semi-annually to April 1, 1924, and $110,000 Oct. 1, 1924. Int. April and Oct. Coupon, $1,000. Original amount, $2,000,000; unmatured, $1,685,000. First lien on equipment costing $2,669,040. Series L-1, 5s; dated Aug. 1, 1916; due $66,000 semi-annually to Feb. 1, 1926, and $62,000 Aug. 1, 1926. Int. Feb. and Aug. Coupon, $1,000. Outstanding, $1,250,000.

Note: Interest on series "C-1" payable at Philadelphia Trust, Safe Deposit & Insurance Co.; on Series "F-1," at Girard Trust Co., Philadelphia; on Series "H-1," at Girard Trust Co.; on Scries "K-1" and "L-1," at Fidelity Trust Co., Philadelphia; on all other series at Canadian Bank of Commerce, Toronto, London and New York. All certificates are issued under an agreement between the Canadian Northern Ry., the Imperial Rolling Stock Co., Ltd., and the trustee and are guaranteed prin. and int. by the Canadian Northern Ry. Interest paid without deduction for normal income tax except on Series K-1 and L1.

37. Auth. and outstanding, $25,000,000. Dated May 6, 1910; due May 6, 1930; interest May and Nov. 2 (declared April and Oct. 10, out of earnings of the half-years ending June 30 and Dec. 31), at rate not exceeding 5% per annum only to the extent that net earnings are sufficient after paying fixed charges. Limited to $10,000 per mile. By the terms of the Statute of the Dominion Legislature authorizing the guarantee of $45,000,000 debenture stock, passed June 9, 1914, no further issue can be made under this trust deed. Callable at par on May 6, 1920, or at any time thereafter on six months' notice. Convertible into common stock at par on any Jan. and July 1, from Jan. 1, 1916 to Jan. 1, 1922 (extended from 1919), both inclusive on 60 days' notice. A general charge on the property of the company (other than land and money subsidies), ranking after No. 31, and after all securities hereafter created, having priority over No. 31, and after all charges now or hereafter created for securing any securities guaranteed by the Dominion or any of the Provinces of Canada. Listed on Toronto and London Stock Exchanges. In 1915, paid 2½% on this issue; none in 1916.

Capital Stock: Auth., $125,000,000; outstanding, $100,000,000; par, $100. The $25,000,000 unissued is reserved for conversion of income debenture stock. Of amount issued, $40,000,000 is owned by Government of Dominion of Canada and $60,000,000 by Mackenzie, Mann & Co., Ltd.

CANADIAN PACIFIC RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Dominion of Canada, Feb. 17, 1881. Main line opened from Montreal to Vancouver on May 26, 1887. At time of incorporation the company received a cash subsidy of $25,000,000 from the Dominion of Canada, and also a land grant of 26,710,400 acres. Subsequently, it received further grants (see "Lands" below).

Location: The directly operated lines of the company which were included in the traffic returns for the year ended June 30, 1916, amounted to 12,993.6 miles. This mileage embraces the main line from Montreal to Vancouver, 2,899.1 miles; branches, auxiliaries and leased lines directly operated, 10,094.5 miles. Operating otherwise, 383.6 miles. The mileage is classified as follows: Eastern Division, including main lines, branches, leased lines, etc., chiefly in Province of Quebec, 1,609 miles; Ontario Division, including main lines, branches, leased lines, etc., in operation and under construction in Province of Ontario, 1,509 miles; Lake Superior Division, including main line from Chalk River to Port Arthur and branches; the Lake Timiskaming Colonization Ry. and the Interprovincial & James' Bay Ry., 1,110.2 miles; Atlantic Division, including New Brunswick Railway and other leased lines, chiefly in Province of New Brunswick and in Maine, etc., 783.5 miles; Manitoba Division, including main line from Port Arthur to Broadview with branches, and also leased lines in the Province of Manitoba, 2,463.8 miles; Saskatchewan Division, including main line from Broadview to Swift Current with branches, and also the Manitoba & Northwestern Ry. with its branches, 2,150.1 miles; Alberta Division, including main line from Swift Current to Field, and also branches, and Crows Nest Pass Line, Kootenay Central Ry. (leased), and Calgary & Edmonton Ry. leased), 2,530.3 miles; British Columbia Division, Field to Vancouver, branches and leased lines, 1,221.3 miles.

Separately Operated Controlled Lines: In addition to its main system, the Canadian Pacific Railway controls the following: Minneapolis, St. Paul & Sault Ste. Marie Railway, 3,044.28 miles; Wisconsin Central Railway, 1,120.25 miles; Duluth, South Shore & Atlantic Ry., 627.7 miles; Mineral Range R.R., 127 miles; Dominion Atlantic Ry., 293.71 miles; Quebec Central Ry., 258.44 miles, and a number of smaller lines. The company also holds a joint interest with the New York Central, Canada Southern and Michigan Central in the Toronto, Hamilton & Buffalo Ry. (see map for location of all lines, and separate statements of independently operated lines). Also now controls Alberta Ry. & Irrigation Co.

Lands: At its incorporation the company received land grants from the Dominion Government of 26,710,400 acres of which 6,793,014 were disposed of to the Government in 1886, leaving 19,917,386 acres. Other purchases were made in 1911 and 1912, leaving on hand at the end of the fiscal year 1916, 7,870,056 acres. This includes amounts held through the Manitoba Southwestern, the Great North West Central, the Columbia & Kootenay, the British Columbia Southern, Esquimalt & Nanaimo Northern Colonization Ry., and the Columbia & Western grants.

During the past fiscal year the company sold in all 390,715 acres, from which it realized $6,128,108, or an average of $15.68 per acre. Included in this area were 8,046 acres of irrigated land, which brought $54.67 per acre, so that the average price of the balance was $14.86 per acre. Estimating the value of the unsold lands at $10 per acre (about two-thirds of the price recently received), the total asset value is in excess of $78,000,000.

Special Investment Fund: In Dec., 1913, a new trust fund was created, with the Royal Trust Co. of Montreal as trustee, to embrace the amounts due on deferred payments of lands and from securities in which proceeds of land sales had been invested, amounting to $56,545,471.

Steamship Lines: In addition to its railway lines, the Canadian Pacific controls lines of steamers between Vancouver and China and Japan; to Australia and New Zealand, to Hawaii, to San Francisco, to Alaska, and also to points on the Great Lakes. It also controls trans-Atlantic lines. These lines are now operated separately by the Canadian Pacific Ocean Services, Ltd., organized in 1915 to take over the steamship lines. The entire capital stock is owned by the Canadian Pacific R.R., and was given in payment for the property transferred.

Note Certificates: In March, 1914, a 6% note issue was created, amounting to $52,000,000, to cover financial requirements, and to be secured by the Special Investment Fund referred to above. These notes are dated Mar. 2, 1914, and will mature Mar. 2, 1924, but are callable from time to time, as the Trust Fund may warrant. They were offered to stockholders until Feb. 2, 1914, at 80% of their par value, payable as follows: 32% on Feb. 2; 48% on Mar. 2, 1914; or, if desired, 48% on April 2, plus interest at 6% for one month on 60% of the face value of the certificates.

Management: OFFICERS: Rt. Hon. Lord Shaughnessy, K.C.V.O., Pres. and Chairman; I. G. Ogden, Vice-Pres.; G. M. Bosworth, Vice-Pres.; Geo. Bury, Vice-Pres.; E. W. Beatty, Vice-Pres. and Gen. Counsel; Grant Hall, Vice-Pres.; E. Alexander, Sec.; H. E. Suckling, Treas. DIRECTORS: Richard B. Angus, Sir Edmund B. Osler, M.P., W. D. Matthews, C. R. Hosmer, Sir Thomas Skinner, Robert Mackay, James Dunsmuir, Rt. Hon. Lord Shaughnessy, K.C.V.O., Sir Herbert S. Holt, Augustus M. Nanton, Geo. Bury, J. K. L. Ross, F. S. Meighen, E. W. Beatty. Annual meeting, first Wednesday in October. GENERAL OFFICE, Montreal Canada. TRANSFER AGENTS, Hebdin, Bog & Molineux, 64 Wall Street, New York.

Classification of Freight Tonnage: The company does not classify its freight tonnage on the uniform plan adopted by American railroads, but presents its record in a form not susceptible of the average method adopted in this book. The total revenue freight in 1916 amounted to 29,276,872 tons; 21,490,596 tons in 1915; 27,801,217 tons in 1914; 29,471,814 tons in 1913; 25,940,238 tons in 1912; 22,636,214 tons for 1911, and 20,551,368 tons in 1910. The tonnage is well diversified, although the road naturally is dependent to large degree on grain, lumber and mining products for its prosperity. High-grade freight, however, is tending to become steadily more important. In 1916, the manufactured articles amounted to 7,960,723 tons, or nearly a fourth of the total.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	9,153	....	1,296	1,466	43,235	64%	117,330	645,552	295	$2.26	1.83c	.77c
1908.....	9,426	....	1,399	1,684	44,692	62	112,716	618,626	291	2.18	1.89	.75
1909.....	9,879	....	1,478	1,796	47,748	63	108,750	637,775	299	2.19	1.88	.76
1910.....	10,078	....	1,534	1,870	53,154	63	133,080	751,079	340	2.47	1.81	.77
1911.....	10,773	....	1,637	2,074	57,421	63	139,297	759,983	336	2.60	1.93	.81
1912.....	10,983	....	1,820	2,285	66,765	65	149,549	945,519	372	2.67	1.94	.77
1913.....	11,602	970	2,052	2,583	85,773	64	155,451	989,081	381	2.68	1.97	.78
1914.....	12,044	1,262	2,248	2,772	95,367	63	132,825	896,470	407	2.73	2.03	.75
1915.....	12,917	....	2,255	2,781	95,395	61	93,413	625,338	411	2.68	2.06	.76
1916.....	12,994	....	2,255	2,781	95,395	69	96,546	1,070,068	503	2.84	1.97	.64
10-Year Average	10,985	....	1,797	2,209	68,495	64%	123,896	793,949	364	$2.53	1.93c	.76c

Yard tracks and sidings, 3,617 miles.

Equipment as shown above covers all lines directly operated, including leased lines. In addition, the company has marine equipment as follows: Ocean steamships, Atlantic service, 12; Pacific service, 4; Pacific coast service, 26; Upper Lakes service, 5; British Columbia Lake and River service, 24; Bay of Fundy service, 3; ferry service, 2.

Comment: The volume of freight business underwent a very heavy increase on the Canadian Pacific lines during the year ended June 30, 1916. Both freight density and the train load reached the highest figures in the record. While the passenger and freight rates ranged lower than usual, yet the train mile earnings improved substantially.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Earnings.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	Cond. Transportation Gen. Exp. etc.	Net Earnings.	Total Net Income.	Fixed Charges, Etc.	Margin of Safety.	Surplus over Charges.	DISPOSAL OF SURPLUS. For Dividends.	DISPOSAL OF SURPLUS. For Imp. Etc.	Balance Carried Forward.
1907.....	$7,890	$1,105	$992	$2,097	$3,028	$2,765	$3,023	$930	69%	$2,093	$879	.....	$1,214
1908.....	7,573	1,104	993	2,097	3,164	2,312	2,593	934	64	1,659	977	$407	275
1909.....	7,726	1,020	1,122	2,142	3,260	2,324	2,557	954	63	1,603	1,031	542	30
1910.....	9,425	1,355	1,247	2,602	3,465	3,358	3,689	984	73	2,705	1,255	680	770
1911.....	9,668	1,446	1,109	2,555	3,705	3,408	4,133	939	77	3,194	1,933	618	643
1912.....	11,228	1,613	1,239	2,852	4,434	3,942	4,513	1,061	77	3,452	1,857	326	1,269
1913.....	12,015	1,595	1,482	3,077	4,952	3,986	4,662	1,034	78	3,628	1,880	1,066	682
1914.....	10,778	1,364	1,379	2,743	4,512	3,523	4,235	1,035	76	3,200	2,161	1,487	448*
1915.....	7,654	883	875	1,758	3,297	2,599	3,448	934	73	2,514	2,258	827	561*
1916.....	9,965	1,129	1,285	2,414	3,763	3,788	4,571	951	79	3,620	2,249	230	1,141
10-Year Average	$9,392	$1,261	$1,172	$2,433	$3,758	$3,201	$3,742	$976	73%	$2,767	$1,648	$618	$501

* Deficit.

Note: The gross earnings as shown above include the income from the operation of rail lines only; total net income includes net returns from steamship lines, interest and dividends on stocks and bonds owned, income from land sales, etc. Dividends of 3% per annum are charged directly against this special income account. The company is, under its charter, exempt from taxes. Fixed charges, which include interest, rentals, and 4% interest on consolidated debenture stock, were $10,876,352 in 1913; $10,227,311 in 1914; $10,446,510 in 1915; $10,306,196 in 1916.

Margin of safety is the proportion of surplus remaining after deducting fixed charges. For example, in 1916, the amount available for charges (per mile) was $4,571; fixed charges consumed $951 per mile, or 21%, leaving $3,620. a "margin of safety" of 79%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$129,481,886	$98,865,210	$129,814,824	$139,395,700	$123,319,541	$104,167,808
Maintenance of way...	14,671,791	11,400,539	16,426,582	18,498,741	17,719,795	15,561,086
Maintenance of equip..	16,695,956	11,307,965	16,617,247	17,198,573	13,608,708	12,056,260
All other oper. expenses	48,888,218	42,582,078	54,345,067	57,452,512	48,692,795	39,850,632
Net oper. revenues.	$49,225,921	$33,574,628	$42,425,928	$46,245,874	$43,298,243	$36,699,830
Operating ratio	61.9%	66%	67.3%	66.8%	64.9%	64.8%
Other income	9,940,955	10,969,332	8,587,871	7,843,714	1,104,449	1,118,350
Total net income..	$59,166,876	$44,543,960	$51,013,799	$54,089,588	$44,402,692	$37,818,183
Fixed charges, ss., etc..	12,354,485	12,065,662	12,468,153	12,001,352	10,524,937	10,011,071
Surplus	$46,812,391	$32,478,298	$38,545,646	$42,088,236	$33,877,755	$27,807,112
Dividends paid	29,227,277	29,169,906	26,031,654	21,807,288	15,192,235	14,853,867
Balance	$17,585,114	$3,308,392	$12,513,992	$20,280,948	$18,685,520	$12,953,245
Earned on stock: Prfd.	58.02%	40.25%	49.28%	56.62%	50.8%	48.9%
Com.	16.76	12.49	13.63	19.56	15.9	14.2

Comment: The gross and net revenues of the Canadian Pacific Railway underwent very heavy increases during the year ended June 30, 1916. As fixed charges increased only moderately, the surplus carried forward was nearly 50% higher than during the previous year, and equalled nearly 16% on the outstanding common stock.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. **Dividend Record.**

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907.....	$18,094	53%	$15,982	47%	$1,638	$35,714	$5,840	$29,874	10.1%	$192	4%	$687	6%	90%	64%
1908.....	20,192	55	16,436	45	1,384	38,012	6,091	31,921	8.1	203	4	774	6	88	47
1909.....	20,529	54	17,062	46	1,609	39,202	6,393	32,809	8	213	4	818	6	87	61
1910.....	22,737	60	17,632	40	1,293	41,662	6,855	34,807	10.6	214	4	1,041	7½	91	60
1911.....	22,009	60	16,952	40	1,296	40,257	7,046	33,209	13	206	4	1,727	10½	94	43
1912.....	24,000	60	17,524	40	4,096	45,620	7,332	38,288	11.8	218	4	1,639	10	93	51
1913.....	23,645	60	15,520	40	4,400	43,565	8,637	34,928	13.3	242	4	1,638	10	93	52
1914.....	28,082	58	20,136	42	4,236	52,454	8,955	43,499	9.5	252	4	1,909	10	92	35
1915.....	26,375	60	19,158	40	3,938	49,471	8,644	40,827	8.4	245	4	2,013	10	90	11
1916.....	26,218	58	18,746	42	3,856	48,820	8,603	40,217	11.3	248	4	2,001	10	93	40
10-Year Average ..	$23,188	58%	$17,515	42%	$2,775	$43,488	$7,440	$36,038	9.4%	$223	4%	$1,425	8.6%	91%	46%

Note: The stock column, as shown above, embraces the common and preferred stock only, the "Debenture" preferred stock, being in the nature of a bond, having been placed in the bond column. The bond column includes all the direct obligations of the company, consisting of debenture stock, main line bonds, note certificates and equipment trusts. The rental column represents the leased line payments and interest obligations capitalized at 5%.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Railway and equipment	$506,577,265	$503,584,725	$491,340,460	$452,320,781	$382,829,051	$343,595,230
Steamships	24,211,713	24,208,595	24,171,162	23,049,283	21,338,974	19,679,674
Securities	111,793,715	111,652,627	107,867,741	100,207,934	80,525,353	75,979,653
Lands, etc.	127,129,136	131,241,869	133,022,495	.....	.....	.....
Property held in trust..	.....	.....	.....	4,386,260	6,378,358	6,180,693
W'k'g as's, def'd d'ts, etc.	148,923,548	144,110,283	140,541,288	110,292,359	103,418,991	82,080,415
Cash	41,581,681	17,055,270	36,777,725	30,274,848	33,628,819	34,371,551
Total	$960,217,058	$931,853,369	$933,720,871	$720,531,465	$628,119,546	$561,887,216
Liabilities:						
Capital stock.....	$340,681,921	$340,681,921	$338,224,673	$274,331,340	$263,501,628	$237,076,666
Debenture stock	176,284,882	176,284,882	173,307,470	163,257,224	153,823,707	142,861,462
*Funded debt.....	3,650,000	6,399,180	16,492,647	16,807,520	38,648,633	38,648,663
Sundry	149,524,681	134,015,389	131,959,935	125,203,996	41,721,304	38,667,192
Land sales	68,255,803	65,979,356	66,771,271	63,334,285	57,538,308	49,258,770
Surplus	221,819,771	208,492,641	206,964,875	77,597,100	72,885,966	55,374,493
Total	$960,217,058	$931,853,369	$933,720,871	$720,531,465	$628,119,546	$561,887,216

* In addition to amount shown as funded debt for 1916 are $52,000,000 6% note certificates and $11,680,000 equipment obligations included in sundry liabilities.

Comment: The capitalization changes on the Canadian Pacific Railway, for the year ended June 30, 1916, were not important. As measured on the mileage basis, the capitalization actually decreased. The road is really not heavily capitalized, notwithstanding the large amount of stock outstanding. It will be noted that during the past ten years the net income on net capital has generally ranged in the neighborhood of 10% or over.

TABLE D—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Can. Pcf. Algoma br. first 5s	J&J	Jl 1937	(1st) 180	$20,000		$14	95%	Very high	Very high	Aaa.
2. Manitoba S. W. col. first 5s.	J&D	Je 1934	(1st) 218	12,000		10	95%	High	High	Aaa.
3. Atlantic & N. W. first 5s...	J&J	Ja 1937	(1st) 326	19,850		25	95%	"	"	Aaa.
4. St.Lawrence & Ottawa first 4s	J&D15	.....	(1st) 58	16,780		3	95%	"	"	Aaa.
5. Ontario & Quebec deben. 5s.	J&D	Irred.	.....	.....		75	95%	"	"	Aaa.
6. Toronto, Grey & Bruce first 4s.....	J&J	Jl 2882	(1st) 189	13,220	$3,742	11	95%	"	"	Aaa.
7. New Brunswick Ry. first 5s.	F&A	Ag 1934	(1st) 174	16,750		11	95%	"	"	Aaa.
8. New Brunswick cons. deben. stock 4%.....	J&J	Irred.	.....	.....		14	95%	"	"	Aa.
9. Calgary & Edmonton stock 4%.....	J&J	2002	.....	.....		17	95%	"	"	Aa.
10. Lindsay, B. & P. first 4s...	J&J	Jl 2002	(1st) 38	13,160		2	95%	"	"	Aa.
11. New Brunswick So. first 3s.	An'ly	1953	(1st) 81	6,173		2	95%	"	"	Aa.
12. Can. Pcf. cons. deben. stock 4%.....	J&J	Irred.	.....	.....		543	77%	"	"	Aa.
13. Can. Pcf. 6% note ctfs.....	M&S	Mr 1924	Coll.	.....	3,558	240	77%	"	"	Aa.
14. Can. Pac. equip. 4½s.....	J&J	(see text)	Equip.	.....		37	77%	"	"	Aa.

Note: Canadian Pacific also pays 6% dividends on $2,000,000 ordinary stock of Ontario & Quebec Ry. as part of rental.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits andaverages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND AND DEBENTURE ISSUES

1. First lien on 180 miles, Sudbury to Sault Ste. Marie. Outstanding $3,650,000. Dated Jan. 1, 1888; due July 1, 1937. Int. Jan. and July at Baring Bros. & Co., London. Coupon and reg., £100, £500 and £1,000. Normal income tax deducted from interest.

2. First lien on about 218 miles in Southwestern Manitoba. Dated June 1, 1884; due June 1, 1934. Guaranteed as to interest by Canadian Pacific Ry., which owns all the stock of this company. Interest paid at Bank of Montreal, New York, Montreal and London. Outstanding, $2,616,000. Listed on New York Stock Exchange.

3. First lien on about 326 miles from Adirondack Junc. to Mattawamkeag, with branches. Issued in April, 1887; due Jan. 1, 1937. The Canadian Pacific owns all the stock of this road, and leases it on a rental, equalling the interest on these bonds. Outstanding, $6,472,667. Interest paid at Baring Bros. & Co., London.

4. First lien, 58 miles, Prescott to Ottawa, Ont., and branch. All the stock of this company is owned by Canadian Pacific and property leased for 999 years at rental of 4% interest on these bonds. Outstanding, $973,334. Bonds will not mature during life of lease. Coupon, £50 and £100. Interest June and Dec. 15, at Canadian Pacific office, London.

5. Not secured by mortgage. Road is controlled under lease by Canadian Pacific at rental of 5% on these debentures and 6% on the stock. The interest is guaranted by the Canadian Pacific. Outstanding, $19,502,591.

6. First lien on about 189 miles, Toronto Junc. to Owen Sound and branches. Road leased to Canadian Pacific at rental of $140,000 per annum, which covers bond interest. Outstanding, $3,500,000. Coupon, £100. Dated July 26, 1883; due July 26, 2882. Interest paid Jan. and July at Canadian Pacific office, London.

7. First lien on lines owned in New Brunswick, about 174 miles. Dated Aug. 1, 1884; due Aug. 1, 1934. Interest Feb. and Aug. at Bank of Montreal, London. Road leased to Canadian Pacific at rental equaling interest on bonds and on debenture stock. Outstanding, $2,913,684.

8. Dividends of 4% guaranteed for 999 years by Canadian Pacific Ry. Outstanding, $4,402,060.

9. Debenture stock; not a mortgage. Road leased to Canadian Pacific for 99 years from 1903, at a rental equaling interest of 4% on this issue. The Canadian Pacific owns a part of the issue and also all the common stock of the road. Outstanding, $5,474,513.

10. First lien 38 miles from Burketon Junc. to Bobcaygeon, Ont. Dated July 1, 1903; due July 1, 2002. Interest at Bank of Montreal, Toronto. Coupon, $1,000. Road leased to Canadian Pacific for 99 years at rental equaling 40% of gross earnings, with guaranteed minimum of $20,000 per annum; the latter equaling interest of 4% on this issue. Outstanding, $500,000.

11. First lien on 81 miles from Shore Line Junc. to Bay Shore Junc., N. B. The Canadian Pacific owns entire stock of this road which it leases at a rental equal to interest on bonds. Dated, 1903; due 1953. Interest paid at Guaranty Trust Co., New York. Outstanding, $500,000.

12. Irredeemable debenture stock, carrying 4% interest. Issued for construction of various branch lines, steamships, etc., and a part of issue reserved to retire the mortgage bonds of controlled companies, on which interest is guaranteed by Canadian Pacific. Outstanding, $176,284,882.

13. Auth. and issued, $52,000,000; dated March 2, 1914; due March 2, 1924. Int. paid March and Sept. 2 to holders of record Feb. and Aug. 2. Reg., $20, $100, $500 and $1,000. Secured by securities and cash exceeding $56,500,000.

14. Authorized, $12,690,000; outstanding, $10,810,000; dated Jan. 1, 1915; due $470,000 each Jan. and July 1, to July 1, 1928. Int. Jan. and July at Penn. Co. for Ins. on Lives, and Brown Bros., N. Y. Coupon, $1,000. These

certificates were issued by the trustee, Penn. Co. for Ins. on Lives, and are guaranteed by the Canadian Pacific. Secured on equipment costing $14,351,992, of which company paid in cash $1,661,992. Normal income tax deducted from interest.

Note: There are also outstanding, $400,000 equipment trusts, due annually to Dec., 1918.

Investment Position of Bond Issues: All of the bond issues of the Canadian Pacific system stand on a high investment plane. As the foregoing records indicate, each issue enjoys a very high factor of safety, and even the average available income for the past ten years exceeds many times the total fixed-charge requirement of the present time.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Canadian Pacific Ry. preference	4% A&O	$6,209	$2,767	$248	91%	Very high	Very high	Aaa.
2. Canadian Pacific Ry. common	10% quar. F.M.A. & N.	20,009	2,519	2,001*	21%	High	"	A.*

For Key to Stock Ratings, see page 21. * For 10% dividends.

REFERENCE NOTES ON STOCK ISSUES

1. Auth. (not over 50% of common outstanding); par, $100 or £20; now outstanding, $80,681,921. Has preference to 4% non-cumulative dividends, and equal voting power with common. Listed on Montreal, Toronto, London and New York Stock Exchanges.

2. Auth., $335,000,000; outstanding, $260,000,000; par $100 or £20. Full voting rights. Listed on Montreal, Toronto, New York, London and Amsterdam Stock Exchanges. Transfer Agents: Bank of Montreal and its agencies in New York and London.

Note: Dividends paid on common: 1901 and 1902, 5%; 1903, 5½%; 1904, 1905 and 1906, 6%; 1907 to 1909, 7%; 1910, 7½%; 1911, 9½%; 1912 to date, 10% per annum. Of latter amount 7% is paid from railroad earnings and 3% from "special income."

Investment Position of Stocks: The Canadian Pacific preferred stock is so well protected as to be practically in the position of a bond, and is therefore justified in selling permanently on a high investment plane. The common stock, while necessarily more speculative, promises to maintain permanently a high value, and, judged by the earning power of the past few years, should be considered a liberal dividend payer; at least until the land holdings of the company become greatly reduced.

THE DULUTH, SOUTH SHORE & ATLANTIC RAILWAY COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under laws of Michigan, March 7, 1887, succeeding the Sault Ste. Marie & Marquette, the Mackinac & Marquette, the Wisconsin, Sault Ste. Marie & Mackinac, and the Duluth, Superior & Michigan Railways. In July, 1890, the Marquette, Houghton & Ontonagon, and the Marquette & Western railroads were absorbed.

Location: Directly operated lines consisted, June 30, 1916, of 627.70 miles, including main lines from Sault Ste. Marie, Mich., to Superior, Wis., Soo Junc. to St. Ignace, Mich., Marquette to Winthrop Junc., Mich., Nestoria to Houghton, Mich.; also many shorter branches, and about 24 miles of traffic rights. In addition to the main system, the company controls the Mineral Range R.R. through stock ownership (which see). Operated mileage in States of Michigan, Wisconsin. Population of these States in 1890, 3,780,769; in 1900, 4,490,024; in 1910, 5,144,033.

Control: The Duluth, South Shore & Atlantic Ry. is controlled by the Canadian Pacific Ry., the latter owning $5,100,000 out of $10,000,000 preferred, $6,100,000 out of $12,000,000 common, all the first consolidated mortgage bonds, amounting to $15,107,000, and also the entire issue of $3,000,000 income certificates, which matured Dec. 31, 1912.

Management: Officers: A. B. Eldredge, Pres. and Gen. Counsel; W. W. Walker, Vice-Pres. and Gen. Mgr.; Geo. H. Church, 2nd Vice-Pres. and Asst. Treas.; James Clarke, Sec.; W. J. Ellison, Acting Treas. Directors: I. G. G. Ogden, Wm. H. Peck, W. A. Bog, John W. Sterling, R. Y. Hebden, A. B. Eldredge, Geo. H. Church, Jas. O. Bloss, Wayland W. Walker, F. R. Perry, Jas. McNaughton. Annual meeting, third Thursday in September. Main Office, Marquette, Mich.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	4.35%	4.72%	3.73%	4.14%	4.63%	4.89%	4.66%	5.82%	4.7%
Products of Animals	.....	.92	.97	.69	.69	.65	.70	.63	.84	.7
Products of Mines	.....	56.48	53.36	62.02	56.42	55.62	52.73	45.92	49.41	55.9
Products of Forests	.....	26.79	26.37	19.08	23.82	24.22	28.97	32.68	30.53	25.1
Manufactures	.....	6.62	9.01	9.28	9.11	8.52	6.07	10.06	8.03	9.2
Merchandise and Miscel	.....	4.84	5.57	5.20	5.82	6.36	6.64	6.05	5.37	4.4

Total revenue tonnage in 1909, 2,555,351 tons; in 1910, 3,695,469 tons; in 1911, 3,429,218 tons; in 1912, 3,413,835 tons; in 1913, 3,454,914 tons; 3,216,312 tons in 1914; 2,680,898 tons in 1915; 3,468,001 tons in 1916.

The chief single item of tonnage on this property is ores, there having been transported in 1912, 1,460,971 tons; in 1913, 1,821,537 tons; 1,476,850 tons in 1914; 1,324,525 tons in 1915; 1,365,961 tons in 1916. Forest products are also important, amounting to 826,947 tons in 1912, and 1,000,888 tons in 1913; 1,051,252 tons in 1914; 818,484 tons in 1915; 872,041 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	591	2	74	62	2,980	60%	68,163	402,504	197	$1.85	2.66c	.85c
1908.....	595	2	82	67	2,947	60	64,710	303,785	183	1.54	2.52	.99
1909.....	593	2	82	65	2,939	60	62,593	289,742	.....	1.53	2.46	.95
1910.....	606	2	85	65	3,185	60	64,738	411,661	.....	1.65	2.52	.86
1911.....	612	2	85	64	3,134	64	64,829	375,082	228	1.62	2.45	.88
1912.....	621	2	82	67	3,054	65	60,677	371,209	235	1.68	2.47	.89
1913.....	626	2	97	69	3,467	66	63,104	415,720	245	1.72	2.46	.87
1914.....	627	....	92	69	3,371	63	71,888	414,982	269	1.79	2.45	.80
1915.....	627	....	87	69	3,229	62	54,119	331,416	256	1.71	2.53	.87
1916.....	604	7	82	67	3,143	66	58,012	466,379	303	1.91	2.54	.82
10-Year Average	610	2	85	66	3,145	63%	63,283	378,248	.....	$1.70	2.51c	.88c

Note: Of above operated mileage, 604 miles are owned; the balance consisting of trackage rights Train-load figures have not been reported in 1908 and 1909.

On above equipment, there were outstanding, $260,400 in equipment trust bonds June 30, 1916.

Comment: The volume of freight business improved substantially on the Duluth, South Shore & Atlantic Railway in 1916, and the average freight train load was higher than usual. Mining products represented about 55% of the total freight tonnage of the year.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance.		Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
		Way.	Equipment.										
1907.....	$5,604	$876	$510	$1,386	$2,541	$1,677	$1,700	$288	$1,412	$1,506	.....	$94*	.....
1908.....	4,911	944	591	1,535	2,173	1,203	1,285	313	972	1,495	.....	523*	.....
1909.....	4,584	751	553	1,304	2,033	1,247	1,593	343	1,250	1,504	.....	254*	.....
1910.....	5,449	871	596	1,467	2,278	1,704	1,820	373	1,447	2,027	.....	580*	.....
1911.....	5,144	833	588	1,421	2,273	1,450	1,538	352	1,186	1,546	.....	360*	.....
1912.....	5,072	927	580	1,507	2,345	1,220	1,287	350	937	1,520	.....	583*	.....
1913.....	5,452	1,145	658	1,803	2,549	1,100	1,162	351	811	1,670	.....	859*	.....
1914.....	5,443	1,268	687	1,955	2,453	1,035	1,085	395	690	1,568	.....	878*	.....
1915.....	4,687	911	681	1,592	2,239	856	921	315	606	1,494	.....	888*	.....
1916.....	5,806	964	712	1,676	2,434	1,696	1,793	417	1,376	1,609	.....	233*	.....
10-Year Average	$5,215	$949	$616	$1,565	$2,331	$1,319	$1,419	$350	$1,069	$1,594	.....	$525*	.....

* Deficit.

Note: The fixed charges include interest on bonds and equipment trusts, taxes, rents, etc. In 1916, interest charge on bonds and equipment trusts amounted to $874,021; hire of equipment charges, $27,361; rentals paid, $38,482. The net corporate loss in each year has been carried to profit and loss account as a debit. The total loss shown in the balance sheet on June 30, 1913, amounted to $4,687,548; $5,401,510 in 1914; $6,052,325 in 1915; $6,265,769 in 1916.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,506,543	$2,938,597	$3,412,575	$3,412,832	$3,152,475	$3,148,818	$3,302,147
Maintenance of way.....	582,103	570,978	795,084	716,712	575,766	512,170	527,684
Maintenance of equipment.....	430,019	426,748	431,058	411,864	360,164	359,552	361,459
All other operating expenses...	1,470,026	1,404,109	1,537,855	1,595,915	1,455,873	1,388,181	1,371,514
Net operating revenues....	$1,024,395	$536,762	$648,578	$688,341	$760,672	$888,905	$1,041,490
Operating ratio	70.9%	81.7%	81%	79.8%	76%	72.1%	68.7%
Other income	58,679	40,767	31,474	39,145	38,765	52,144	61,323
Total net income.....	$1,083,074	$577,529	$680,052	$727,486	$799,437	$941,049	$1,102,813
Taxes accrued	251,780	197,420	247,443	219,625	217,418	215,180	225,918
Balance for charges.....	$831,294	$380,109	$432,609	$507,861	$582,019	$725,869	$876,895
Fixed charges	971,614	937,193	983,598	1,045,381	943,566	946,334	1,228,610
Deficit	$140,320	$557,084	$550,989	$537,520	$361,547	$220,465	$351,715

Comment: Although the Duluth, South Shore & Atlantic reported a heavy increase in its volume of business in 1916, the company nevertheless failed to earn its fixed charges, and added still further to its deficit. Not once during the past decade has the company succeeded in earning sufficient surplus to cover its fixed charge requirements.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$42,301	50%	$41,882	50%	Nom.	$84,183	Nom.	$84,183	2%	.....	.....	.....	.....	.....	.....
1908	42,017	50	42,479	50	"	84,496	"	84,496	1.5	.....	.....	.....	.....	.....	.....
1909	42,158	49	43,275	51	"	85,433	"	85,433	9	.....	.....	.....	.....	.....	.....
1910	41,254	48	43,845	52	"	85,099	"	85,099	2.1	.....	.....	.....	.....	.....	.....
1911	40,850	47	43,820	54	"	84,670	"	84,670	1.8	.....	.....	.....	.....	.....	.....
1912	40,193	47	43,473	54	"	83,666	"	83,666	1.5	.....	.....	.....	.....	.....	.....
1913	39,920	47	44,902	53	"	84,822	"	84,822	1.4	.....	.....	.....	.....	.....	.....
1914	39,872	47	45,508	53	"	85,380	"	85,380	1.3	.....	.....	.....	.....	.....	.....
1915	39,872	46	46,249	54	"	86,121	"	86,121	1	.....	.....	.....	.....	.....	.....
1916	41,391	49	48,852	51	"	90,243	"	90,243	2	.....	.....	.....	.....	.....	.....
10-Year Average	$40,983	48%	$44,428	52%	Nom.	$85,411	Nom.	$85,411	2.3%	.....	.....	.....	.....	.....	.....

Note: Bond column, as shown above, includes the fixed mortgage indebtedness of the company and the advances of the Canadian Pacific Railway (matured interest unpaid), but does not include the "incomes" which are embraced in the stock column.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment...	$48,731,191	$49,674,423	$48,929,169	$48,875,314	$47,978,409	$47,946,169
Working assets.....	1,514,179	983,975	1,232,887	1,215,760	1,149,541	965,722
Deferred debit items...	21,071	19,327	47,539	59,976	37,451	40,784
Profit and loss deficit..	6,265,769	6,052,325	5,401,510	4,687,548	4,091,350	3,679,115
Total	$56,532,210	$56,730,050	$55,611,105	$54,838,598	$53,256,751	$52,631,790
Liabilities:						
Capital stock.....	$22,000,000	$22,000,000	$22,000,000	$22,000,000	$22,000,000	$22,000,000
Funded debt.....	20,264,400	20,360,000	20,499,600	20,679,200	23,212,000	23,330,400
Working liabilities.....	13,861,322	13,531,400	12,704,731	11,757,143	7,647,927	6,922,748
Accrd. liabilities not due	385,310	819,912	388,096	381,309	377,458	378,642
Deferred credit items..	21,178	18,738	18,678	20,946	19,366	.....
Total	$56,532,210	$56,730,050	$55,611,105	$54,838,598	$53,256,751	$52,631,790

Note: The heavy working liabilities, as shown above, which tend to increase further each year, represent principally the accruing unpaid interest due the Canadian Pacific Ry. It also includes matured equipment trusts which are still unpaid. In the property investment account in 1916 are included the following securities at their par values: Mineral Range R.R. stock, $751,995; Lake Superior Terminal & Transfer stock, $87,300; Ste. Marie Union Depot Co., $37,500; Mackinac Transportation stock, $21,667. These securities have only nominal value.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Dul. S.S. & Atl. first 5s.....	J&J	Ja 1937	(1st) 475	$8,000	$1,069	$316	60%	Good	Good	Ba.
2. Marq. Ho. & Ont. gen. 6s...	A&O	A 1925	(1st) 111	9,700		107	60%	"	"	Ba.
3. Dul. S.S. & Atl. 1st cons. 4s..	F&A	Ag 1990	1st) 14) (2d) 586	25,200	646	1,004	.....	Small	See below	Ca.
4. Car Trust Notes. See text..	Var.	Var.	.....	.....	.....	183*	.....	Good	Fair	Baa.
5. Dul. S.S. & Atl. Ry. income 4s.....	....	D 1912	.....	.....	.....	.....	.....	Poor	See below	E.

* Includes maturing principal.

For Key to Bond Ratings, see page 19.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $4,000,000; outstanding, $3,816,000. Dated April 15, 1887; due Jan. 1, 1937. Interest paid at 55 Wall Street, New York. Coupon and reg., $1,000. First lien. 475 miles, Duluth to Sault Ste. Marie, Mich., and branches; also follows No. 2 on portion of line. Provided for by No. 3. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

2. Auth., $1,500,000; outstanding, $1,077,000. Dated April 1, 1885; due April 1, 1925. Interest paid at 55 Wall Street, New York. Coupon, $1,000; prin. may be registered. First lien, 111 miles, consisting of the former

Marquette & Western and Marquette, Houghton & Ontonagon R.R.'s. Provided for by No. 3. Listed on Boston Stock Exchange. Normal income tax deducted from interest.

3. Direct lien on entire property, subject to Nos. 1 and 2, and by first lien on 14 miles. Interest guaranteed by Canadian Pacific Ry., which now owns all the outstanding bonds ($15,107,000), which it holds as security for its own 4% debenture stock.

4. In three series as follows: $17,400 11th series 4s. Dated 1912; due Aug. 1, 1917. Interest Feb. and Aug., at Chicago, Ill. Normal income tax deducted from interest. $62,000 12th series 4½. Dated Dec. 1, 1912; due $31,000 each June and Dec., to Dec. 1, 1917. Interest Jan. and Dec., at Wm. A. Read & Co., New York. Interest paid without deduction for normal income tax. $143,000 13th series 4s. Dated April 1, 1913; due $11,000 each April and Oct. to April 1, 1923. Interest paid April and Oct. at Continental & Commercial Trust & Savings Bank, Chicago. Interest paid without deduction for normal income tax.

5. All owned by Canadian Pacific Ry. Total of issue, $3,000,000. Not paid at maturity.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
Duluth, S. S. & Atlantic preferred..... 6% non-cumulative. Par $100. Outstanding, $10,000,000; of which Can. Pacific owns $5,100,000.	.....	$16,556	None	.....	.....	None	Fair	E.
Duluth, S. S. & Atlantic common..... Par $100. Outstanding, $12,000,000; of which Can. Pacific owns $6,100,000.	.....	20,000	"	.....	.....	"	Poor	F.

For Key to Stock Ratings, see page 21.

Note: Auth., $10,000,000 preferred and $12,000,000 common. Par, $100. No dividends paid. Transfer Agent, George H. Church, 55 Wall Street, New York. Listed on New York, Toronto, and Montreal Stock Exchanges.

MINERAL RANGE RAILROAD

History: Incorporated in 1871, and in 1901 the Hancock & Calumet R.R. was leased and all its obligations assumed. Lines extend from Houghton, Mich., to Calumet; from Hancock to Mohawk, from Keewenaw Bay to Riddle Junc., with various branches, etc.; total about 117.42 miles. Equipment: Locomotives, 29; cars, 1,060.

Management: Officers: A. B. Eldredge, Pres.; W. W. Walker, Vice-Pres. and Gen. Mgr.; James McNaughton, Vice-Pres.; W. J. Ellison, Treas.; A. E. Miller, Sec. Directors: A. B. Eldredge, P. W. Phelps, W. W. Walker, Jas. McNaughton, J. T. Reeder, Wm. Veale. Annual meeting, third Thursday in September. Office, Marquette, Michigan.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1910	1909
Gross earnings	$1,073,472	$847,465	$514,458	$844,457	$770,248	$746,425	$826,500
Net earnings	253,832	238,846	68,433	164,453	124,731	388,838	87,830
Total net income.....	260,928	245,045	73,329	169,381	134,951	56,367	97,746
Fixed charges	186,244	151,094	149,519	161,774	147,083	151,684	167,509
Balance	$74,684	$93,951	*$76,190	$7,607	*$12,131	*$90,317	*$69,762

* Deficit.

Bonded Debt: (1) $600,000 Mineral Range R.R. consolidated 4-5s. Dated Jan. 1, 1891; due Jan. 1, 1931. Interest Jan. and July, at 55 Wall Street, New York. Of above issue $346,000 are 5s, the remaining 4s being owned by the Canadian Pacific Ry. First lien on 16 miles. Coupon, $500. Net Rating, B.

(2) $325,000 Hancock & Calumet R.R. consolidated 5s. Dated Jan. 1, 1891; due Jan. 1, 1931. Interest Jan. and July, at 55 Wall Street, New York. Coupon, $1,000. First lien on 31 miles. Assumed by Mineral Range R.R., and callable at 105. Net Rating, B.

Note: There is also an issue of $1,000,000 general mortgage 4s, issued in 1901, interest on which is guaranteed by the Canadian Pacific. They are all owned by the Canadian Pacific. Equipment notes outstanding, $502,606.

Capital Stock: Outstanding, $1,500,000. Par, $100. The Duluth, South Shore & Atlantic owns $794,200. No dividends have been paid since 1898.

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

History: Successor by consolidation on June 11, 1888, of the Minneapolis, Sault Ste. Marie & Atlantic Ry., the Minneapolis & St. Croix Ry., the Minneapolis & Pacific Ry., and the Aberdeen, Bismarck & Northwestern Ry. In 1909, control of the Wisconsin Central Railway was acquired, through the purchase of 51% of the common stock, and the road being leased for ninety-nine years. It is now operated as the Chicago Division of the general system. Controls the Central Terminal Ry. of Illinois and has a one-twelfth interest in the Belt Railway Co. of Chicago.

Location: Directly operated lines consisted, on June 30, 1916, of 3,169.17 miles, and with the Wisconsin Central, 4,228.37 miles, classified as follows: Lines owned east of Minneapolis, 709.92 miles; west of Minneapolis, 2,422.66 miles; short spurs, 6.68 miles; trackage rights, 29.91 miles. The Wisconsin Central lines are known as the Chicago Division of the system, but separate operating figures are furnished (which see). Main system operates chiefly in Wisconsin. Minnesota and North Dakota. Population of these States in 1890, 3,171,425; in 1900, 4,139,582; in 1910, 4,968,624.

Control: Canadian Pacific Railway Company owns $12,723,500 out of $25,208,800 common, and $6,361,800 out of $12,603,400 preferred stock. The lines make connection with the Canadian Pacific at Portal, N. D., and at Winnipeg, and furnish an entrance for the system into St. Paul, Minneapolis, Duluth and Chicago.

Management: OFFICERS: E. Pennington, Pres.; W. L. Martin, Vice-Pres.; C. F. Clement, Treas.; C. W. Gardner, Compt.; G. W. Webster, Sec. DIRECTORS: E. Pennington, Alfred H. Bright, W. L. Martin, C. S. Pillsbury, G. R. Newell, E. A. Young, Horace Lowry, O. C. Wyman, Rt. Hon. Lord Thos. G. Shaughnessy, K.C.V.O.; R. B. Angus, I. G. Ogden. Annual meeting, third Tuesday in September. MAIN OFFICE, Minneapolis, Minn. FISCAL AGENTS IN NEW YORK, Agents Bank of Montreal, 64 Wall Street.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	31.66%	28.97%	33.26%	32.49%	22.70%	24.76%	30.03%	28.24%	26.39%	31.68%
Products of Animals.....	2.16	2.28	2.16	1.99	2.46	2.08	1.82	2.31	2.58	2.24
Products of Mines.....	13.08	15.45	14.74	13.12	16.08	22.08	18.51	21.30	26.86	26.83
Products of Forests.....	33.98	35.82	31.14	31.06	36.64	28.72	27.65	31.32	29.51	25.26
Manufactures.....	8.30	5.61	5.67	8.42	9.45	8.71	8.77	7.34	5.95	5.89
Mdse. and Miscel.....	10.82	11.87	13.03	12.92	12.67	13.65	13.22	9.49	8.71	8.10

Total tonnage carried in 1909, exclusive of company's material, 4,439,186 tons; in 1910, 5,392,739 tons; in 1911, 5,012,786 tons; in 1912, 6,200,764 tons; in 1913, 7,761,407 tons; 7,203,034 tons in 1914; 7,312,385 tons in 1915; 9,322,849 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

YEARS ENDED JUNE 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	2,232	....	252	152	13,173	73%	52,166	518,985	336	$2.30	2.28c	.82c
1908.....	2,304	....	252	200	13,093	71	55,685	417,523	308	1.97	2.09	.81
1909.....	2,360	....	260	208	12,949	70	59,598	460,724	354	2.24	2.10	.79
1910.....	2,461	....	266	203	12,905	70	72,989	545,157	378	2.37	1.97	.80
1911.....	2,639	....	300	206	14,612	68	59,372	405,829	328	2.04	2.37	.81
1912.....	2,741	4	279	230	14,437	71	61,635	603,085	396	2.30	2.29	.72
1913.....	2,915	4	313	236	17,538	73	67,978	711,014	422	2.53	2.30	.74
1914.....	2,982	....	312	264	17,238	70	70,649	543,249	404	2.51	2.11	.79
1915.....	3,014	....	315	272	16,656	71	61,736	501,327	396	2.61	2.03	.82
1916.....	3,169	....	320	270	16,436	74	68,590	693,163	463	2.93	1.97	.77
10-Year Average	2,685	....	287	224	14,904	71%	63,040	540,006	378	$2.38	2.15c	.79c

Yard tracks and sidings, 591.89 miles. Equipment trust obligations on Jan. 1, 1917, amounted to $5,832,000.

Comment: A very substantial recovery occurred in the volume of business of this company during the year ended June 30, 1916. Freight density was nearly as heavy as in 1913, while the train load reached a new high average. Although freight and passenger rates tended to decline, the train mile earnings were far higher than ever before.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

YEARS ENDED JUNE 30.	Gross Revenues.	MAINTENANCE. Way.	MAINTENANCE. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$5,775	$670	$645	$1,315	$2,015	$2,445	$2,463	$316	$2,147	$984	47%	$1,163	$465
1908.....	4,995	577	599	1,176	1,919	1,900	2,198	302	1,896	1,026	40	870	512
1909.....	5,343	535	578	1,113	1,895	2,335	2,486	370	2,116	1,043	38	1,073	676
1910.....	6,120	586	637	1,223	1,983	2,914	3,313	369	2,944	1,156	51	1,788	768
1911.....	4,978	541	689	1,230	1,945	1,803	2,150	318	1,832	1,134	32	698	828
1912.....	6,118	619	740	1,359	2,049	2,710	3,129	409	2,720	1,179	50	1,541	882
1913.....	7,193	787	893	1,680	2,369	3,144	3,491	446	3,048	1,152	54	1,896	908
1914.....	6,128	799	1,030	1,829	2,169	2,130	2,546	397	2,149	1,192	38	957	888
1915.....	5,853	689	895	1,584	2,050	2,220	2,563	373	2,190	1,213	38	977	869
1916.....	7,196	668	905	1,573	2,264	3,359	3,658	485	3,173	1,226	53	1,947	835
10-Year Average	$5,970	$647	$762	$1,409	$2,066	$2,495	$2,800	$379	$2,421	$1,130	46%	$1,291	$763

Note: Above figures are based on average mileage operated for each year. Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) amounted to $3,173; fixed charges consumed 47% of this, or $1,226, leaving $1,947, a "margin of safety" of 53%.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$22,804,825	$17,817,855	$18,274,379	$20,968,554	$16,770,700	$12,819,187	$15,060,237
Maintenance of way	2,117,844	2,096,307	2,383,740	2,292,993	1,697,402	1,427,664	1,442,700
Maintenance of equipment	2,867,740	2,724,036	3,070,670	2,603,669	2,027,240	1,817,106	1,568,603
All other operating expenses	7,174,734	6,239,251	6,467,815	6,906,347	5,617,802	4,918,394	4,877,351
Net operating revenues	$10,644,507	$6,758,261	$6,352,154	$9,165,545	$7,428,256	$4,656,023	$7,171,583
Operating ratio	53.3%	62.1%	65.2%	56.3%	55.7%	63.7%	52.4%
Outside operations	.....	.....	156,308	148,912	91,021	103,890	117,274
Other income	947,416	1,043,965	1,083,243	871,051	1,058,236	913,204	865,614
Total net income	$11,591,923	$7,802,226	$7,591,705	$10,185,508	$8,577,513	$5,673,117	$8,154,471
Taxes accrued	1,537,712	1,135,439	1,182,367	1,298,968	1,123,136	839,306	908,279
Balance for charges	$10,054,211	$6,666,787	$6,409,338	$8,886,540	$7,454,377	$4,833,811	$7.246,192
Fixed charges	3,884,635	3,692,783	3,555,836	3,359,125	3,230,087	3,002,384	2,845,750
Surplus over charges	$6,169.576	$2,974,004	$2,853,502	$5,527,415	$4,224,290	$1,831,427	$4,400,442
Dividends paid	2,646,714	2,646,714	2,646,714	2,646,714	2,417,037	2,187,360	1,891,680
Balance	$3,522,862	$327,290	$206,788	$2,880,701	$1,807,253	*$355,933	$2,508,762
Earned on stocks (pfd. & com.)	16.32%	7.87%	7.55%	14.62%	11.17%	5.86%	14.09%

* Deficit.

Note: Fixed charges in 1916 include interest on bonds, $2,882,790; on equipment notes, $253,319; terminal rents, $301,632; and interest on Wisconsin Central leased line certificates, $446,894.

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, $14,750,596; credit balance transferred from income, $6,169,576; profit on road and equipment sold, $44,775; miscellaneous credits, $15,947; total, $20,980,894. Contra: Dividend appropriations of surplus, $2,646,714; stock discount extinguished through surplus, $35,269; loss on retired road and equipment, $159,796; miscellaneous debits, $4,146; credit balance carried to balance sheet, $18,134,969; total, $20,980,894.

Comment: Remarkable expansion in earning power was displayed by the Minneapolis, St. Paul & Sault Ste. Marie in the year ended June 30, 1916. Both gross and net operating revenues reached the highest figures of the decade, and the balance for charges was nearly 60% higher than in 1915. After paying the usual dividend, the company carried over a balance equal to over 16% more.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common 8% Div.
1907	$9,408	30%	$24,401	70%	$903	$34,712	$203	$34,509	7%	$217	7%	$248	4%	81%	74%
1908	10,933	31	24,759	69	Nom.	35,692	1,772	33,920	6.5	212	7	300	5	76	54
1909	10,678	31	24,769	69	"	35,447	1,749	33,698	7.4	249	7	427	6	77	52
1910	12,697	34	25,061	66	"	37,758	998	36,760	9	267	7	501	6½	85	67
1911	13,137	34	25,072	66	"	38,209	1,705	36,504	6	276	7	552	7	60	..
1912	13,791	35	24,906	65	3,253	41,950	1,706	40,244	7.8	294	7	588	7	80	52
1913	12,971	34	25,226	66	3,059	41,256	2,946	38,310	9.1	303	7	605	7	84	62
1914	12,679	33	25,433	67	2,996	41,108	2,493	38,615	6.6	296	7	592	7	69	10
1915	12,421	33	25,467	67	2,935	40,823	2,664	38,159	6.7	290	7	580	7	70	16
1916	11,931	34	24,150	66	2,820	38,901	2,529	36,372	10.1	278	7	557	7	86	67
10-Year Average	$12,065	33%	$24,924	67%	$1,597	$38,586	$1,876	$36,710	7.6%	$268	7%	$495	6.4%	77%	45%

Note: Funded debt embraces all bond obligation, equipment notes, etc. Rentals, as show nabove, represent interest on Wis. Cent. ctfs. Securities owned include the Wis. Cent. common stock, Belt Railway of Chicago stock, etc.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$124,304,087	$123,971,665	$121,119,802	$117,029,135	$109,613,364	$104,894,079
Working assets	11,836,831	10,226,187	9,690,377	11,974,799	10,876,954	7,261,087
Deferred debit items	2,472,113	2,122,042	2,992,211	3,358,598	3,358,343	3,792,230
Accrued income not due	132,570	133,625	128,782	123,951	123,506	111,455
Total	$138,745,601	$136,453,519	$133,931,172	$132,486,483	$123,972,167	$116,058,851
Liabilities:						
Capital stock	$37,810,200	$37,810,200	$37,810,200	$37,810,200	$37,810,200	$34,671,020
Funded debt	76,528,250	77,511,450	75,842,000	73,533,000	68,266,000	66,150,000
Working liabilities	5,184,123	5,485,080	4,783,943	5,622,330	5,315,264	4,535,635
Accrd. liabilities not due	742,982	549,946	643,287	748,506	600,583	456,174
Deferred credit items	345,076	346,247	274,853	303,979	272,774	288,111
Profit and loss surplus.	18,134,969	14,750,596	14,576,889	14,468,468	11,707,346	9,957,911
Total	$138,745,601	$136,453,519	$133,931,172	$132,486,483	$123,972,167	$116,058,851

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
								Security.	Salability.	
1. Minn. S. S. Marie & Atl. first 4s	J&J	Ja 1926	(1st) 497	$16,400	$2,421	$103	96%	Very high	High	Aaa.
2. Minn. & Pacific first 4s	J&J	Ja 1936	(1st) 286	1,000		4	96%	"	"	Aaa.
3. Minn. St. P. & S. S. Marie cons. 4s and 5s	J&J	Jl 1938	(cons.) 3,150	18,800	2,314	755	67%	High	"	Aaa.
4. Minn. St. P. & S. S. Marie second 4s	J&J	Ja 1949	(2d & 3d all)	1,111		44	68%	"	"	Aa.
5. Minn. St. P. & S. S. Marie & Cen. Term. Ry. first Chic. Term. 4s	M&N	N 1941	(see text)	Term.	1,559	76	68%	"	"	Aa.
6. Equipment trusts	see text	(see text)	.....	.....		378*	68%	"	"	Aaa.

* Including maturities.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $10,000,000; outstanding, $8,136,000 (closed). Dated Jan. 1, 1886; due Jan. 1, 1926. Interest paid at Bank of Montreal, New York. Coupon, $1,000. Interest guaranteed by Canadian Pacific Ry. First lien, 496.59 miles, Mineapolis, Minn., to Sault Ste. Marie, Mich., and branch. Underlie No. 3, which provides for retirement. Legal for Savings Banks in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Normal income tax deducted from interest

2. Auth., $4,290,000; outstanding, $286,000 (closed). Dated Jan. 1, 1886; due Jan. 1, 1936. Interest paid at Bank of Montreal, New York. Coupon, $1,000. Interest guaranteed by Canadian Pacific Ry. First lien, 286.59 miles, Minneapolis, Minn., to Boynton, N. D. Underlie No. 3, which provides for retirement. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., Mo., N. H., N. J., N. Y., R. I., Wis. Normal income tax deducted from interest.

3. Auth., $21,000,000; and $20,000 per mile on all above 800 miles; outstanding, $56,863,000 4s and $2,637,000 5s. Dated June 18, 1888; due July 1, 1938. Interest paid at Bank of Montreal, New York. Coupon, $1,000. Principal may be registered. Interest on 4s guaranteed by Canadian Pacific Ry. First lien on 2,367.15 miles, as follows: Hankinson to Portal, N. D., 328.33 miles; Thief River Falls, Minn., to Kenmare, N. D., 296.44 miles; Glenwood to Noyes, Minn., 265.05 miles; Boynton to Bismarck, N. D., 145.59 miles; Bismarck to Max, 90.49 miles; Plaza to Drake, 83.62 miles; Flaxton to Whitetail, Mont., 136.91 miles; Wishek to Pollock, 70.25 miles; Brooten to Duluth, Minn., 188.54 miles; Moose Lake to Plummer, Minn., 192.57 miles; Fordville to Drake, N. D., 130.95 miles; Fairmount to Grenville, N. D., 87 miles; Dresser Junc. to Boylston, Wis., 97.06 miles; branches, 254.28 miles; also secured by second lien on 783.18 miles, which are covered by Nos. 1 and 2 by first lien. Underlie No. 4. Legal for S. B. in Cal., Conn., Maine, Mass., Mich., Minn., N. H., N. J., N. Y., R. I., Vt., Wis. Listed on New York and London Stock Exchanges. Interest paid without deduction for normal income tax.

4. Auth., $5,000,000; outstanding, $3,500,000. Dated Jan. 2, 1899; due Jan. 1, 1949. Interest paid at Bank of Montreal, New York. Coupon, $1,000. Interest guaranteed by Canadian Pacific Ry. Second lien on 2,367.15 miles, subject to No. 3, and third lien on 783.18 miles, covered by Nos. 1, 2 and 3. Legal for S. B. in N. H. and R. I. Interest paid without deduction for normal income tax.

5. Auth., $20,000,000; outstanding, $6,000,000. Dated Nov. 1, 1911; due Nov. 1, 1941. Interest paid in New York and London. Coupon and reg., $1,000. Callable after May 1, 1916, as a whole at 105, or in part for sinking fund at 102½. A joint obligation of Minneapolis, St. Paul & S. S. Marie Ry., and the Central Terminal Ry., and secured by first lien on terminals at Chicago. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

6. In several series, as follows: Series B, 4½; dated April 1, 1910; due $61,000 s.a. to April 1, 1920. Interest paid April and Oct. 1, at Bank of Montreal, New York. Coupon, $1,000. Original issue, $1,220,000; unmatured, $427,000. First lien on equipment costing $1,525,000. Series C, 4½s; dated March 1, 1911; due $60,000 s.a. to March 1, 1921. Interest paid March and Sept. 1, at Bank of Montreal, New York. Coupon, $1,000. Original issue, $1,190,000; unmatured, $540,000. First lien on equipment costing, $1,358,866. Series D, 4½s; dated June 1, 1912; due $51,000 s.a. to June 1, 1922. Interest paid June and Dec. 1, at Bank of Montreal, New York. Coupon, $1,000. Original issue, $1,020,000; unmatured, $561,000. First lien on equipment costing $1,278,703. Series E, 4½s; dated Jan. 1, 1923; due $159,000 s.a. to Jan. 1, 1923. Interest paid Jan. and July 1, at Bank of Montreal, New York. Coupon, $1,000. Original issue, $3,180,000; unmatured, $1,908,000. First lien on equipment costing $3,806,657. Series F, 5s; dated Dec. 1, 1913; due $64,000 s.a. to Dec. 1, 1923. Interest paid June and Dec. 1, at Girard Trust Co., Philadelphia. Coupon, $1,000.. Original issue, $1,280,000; unmatured, $896,000. First lien on equipment costing over $1,500,000. Series G, 4½s; dated Nov. 1, 1916; due $75,000 s.a. to Nov. 1, 1926. Interest paid May and Nov., at Bank of Montreal, New York. Coupon, $1,000. Original issue, $1,500,000; now unmatured, $1,500,000. First lien on equipment costing $1,725,000. Interest paid without deduction for normal income tax on all issues except Series F.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Minn., St. P. & S. Ste. Marie..... "Leased Line Stock Certificates." Par $100. Secured by Wis. Cent. preferred stk.	4% A&O	$3,527	$1,432	$141	90%	Very high	Very high	Aa.
2. Minn., St. P. & S. Ste. Marie preferred..... 7% non-cumulative; shares pro rata with common after 7% is paid on latter. Par $100	7% A&O 15	3,977	1,291	278	79%	High	"	Aa.
3. Minn., St. P. & S. Ste. Marie common..... Full voting power. Shares with preferred in divs. over 7%. Par $100.	7% A&O 15	7,986	1,013	557*	45%	"	"	A.

For Key to Stock Ratings, see pages 21-23. * For 7% dividend.

REFERENCE NOTES ON STOCK ISSUES

1. Auth., $12,500,000; outstanding, $11,176,800. Dated April 1, 1901. Issued in exchange for Wisconsin Central Ry. Co. 4% non-cumulative preferred stock and secured by deposit of said stock. Agreement matures April 1, 2008. Listed on New York and London Stock Exchanges.

2. Auth., $21,000,000; outstanding, June 30, 1916, $12,603,400; par, $100. Full voting power. Listed on New York, London, Montreal and Toronto Stock Exchanges.

3. Auth., $42,000,000; outstanding, June 30, 1916, $25,206,800; par, $100. Full voting power. Listed on New York, London, Montreal and Toronto Stock Exchanges. Transfer Agents, Bank of Montreal, New York.

COMPANIES CONTROLLED BY MINNEAPOLIS, ST. PAUL & SAULT STE MARIE RAILWAY

CENTRAL TERMINAL RAILWAY

History: Incorporated under the laws of Illinois, May 27, 1911, to acquire and develop terminals in the city of Chicago for the Minneapolis, St. Paul & Sault Ste. Marie Ry. system. The company is constructing a terminal line from Forest Park to Chicago and freight buildings, etc., connecting with the Baltimore & Ohio Chicago Terminal Company.

Management: Officers: E. Pennington, Pres.; T. O. Burch and J. E. Westlake, Vice-Prests.; E. S. McPherson, Sec.; H. N. Paist, Treas. Directors: E. Pennington, H. B. Dike, John E. Westlake, Frank B. Martin, Chas. E. Vroman, T. O. Bunch, W. A. Kittermaster. Annual meeting, second Wednesday in October. Office, Chicago, Ill.

Bonded Debt: $6,000,000 Central Terminal Ry.-Minn., St. Paul & Sault Ste. Marie Ry. (joint) first 4s. Dated Nov. 1, 1911; due Nov. 1, 1941. Interest paid May and Nov. 1, in New York and London. Coupon, $1,000; reg., $1,000 and $5,000. Auth., $20,000,000. Callable after Nov. 1, 1916, at 105 and interest. Sinking fund began in 1915 and provides that payments shall be at the annual rate of $22.56738 per $1,000 bond to purchase bonds at not over 102½, or to call at this price if no purchases can be made. First lien on all property of the company, and a joint obligation of both the Central Terminal Ry. and the Minneapolis, St. Paul & Sault Ste. Marie Ry. Listed on New York Stock Exchange. Market: New York, Wm. A. Read & Co.; Minneapolis, Wells & Dickey & Co.; St. Paul, White, Grubbs & Co. Interest paid without deduction for normal income tax. Net Rating, A.

Capital Stock: Auth., $2,000,000; outstanding, $1,380,000. Par, $100. All owned by Minenapolis, St. Paul & Sault Ste. Marie Railway Co.

WISCONSIN CENTRAL RAILWAY COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated December 27, 1897, and on July 13, 1899, succeeded to the properties of the Wisconsin Central Company as a result of reorganization of the latter. May 1, 1901, the Marshfield & Southeastern R.R. was purchased. In 1909, an extension to Duluth and to Superior was opened for traffic.

Location: Directly operated lines of the Wisconsin Central on June 30, 1916, embraced 1,127.46 miles. including the following: Chicago, Ill., to Withrow, Minn., 423.68 miles; Spencer to Ashland, Wis., 145.88 miles; Owen to Superior, Wis., 153.42 miles; Neenah to Manitowoc, 36.56 miles; Stevens Point to Portage, 70.75 miles; Marshfield to Nekoosa and Greenwood, 55.03 miles, etc. Population of Wisconsin in 1890, 1,686,880; in 1900, 2,069,042; in 1910, 2,333,860.

Control: In January, 1909, 51% of the common stock of this company was acquired by the Minneapolis, St. Paul & Sault Ste. Marie Ry. (Canadian Pacific system), and the road was leased for ninety-nine years from April 1, 1909. By the terms of this lease the Wisconsin Central preferred stock was exchanged, share for share, for "leased line certificates" of the Minn., St. Paul & S. Marie Ry., 4% per annum being guaranteed on the latter. The certificates are secured by deposit of the Wisconsin Central preferred stock. The company is now operated by the lessee as the "Chicago Division."

Management: Officers: E. Pennington, Pres.; A. H. Bright, Vice-Pres.; C. F. Clement, Treas.; G. W. Webster, Sec. Directors: E. Pennington, J. S. Pillsbury, C. E. Wales, A. H. Bright, W. L. Martin, C. T. Jaffray, M. H. Ballou, L. W. Baldwin, W. Irvine, Geo. F. Piper, J. D. McMillan. Annual meeting, second Tuesday in October, at Milwaukee Wis. General Office, Minneapolis, Minn.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	.....	12.25%	10.24%	11.70%	10.80%	13.59%	13.80%	13.33%	15.09%	15.35%
Products of Animals.....	.....	1.60	1.40	1.28	1.67	1.51	1.35	1.59	1.23	....
Products of Mines.....	.....	37.54	32.83	31.78	27.61	26.79	31.17	30.08	32.22	34.29
Products of Forests.....	.....	25.63	26.41	26.64	29.43	27.07	24.52	27.12	25.95	23.64
Manufactures.....	.....	6.88	6.33	8.89	9.32	9.18	9.67	8.61	8.49	9.17
Merchandise and Miscel...	.....	16.10	22.79	19.71	21.17	21.86	19.49	19.27	17.02	17.55

Total revenue tonnage, 1909, 4,735,885 tons; 1910, 5,747,003 tons; 1911, 5,589,903 tons; 1912, 5,842,231 tons; 1913, 6,784,779 tons; 6,442,420 tons in 1914; 6,038,588 in 1915; 7,535,525 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Frt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	1,018	....	181	147	8,595	74%	76,639	794,758	308	$1.68	2.00c	.69c
1908.....	1,023	....	194	139	8,400	73	83,444	774,662	291	1.60	1.80	.67
1909.....	976	....	194	132	10,577	73	89,636	856,756	288	1.60	1.72	.66
1910.....	1,078	....	195	135	9,641	76	80,416	976,011	351	1.91	1.77	.65
1911.....	1,086	....	195	139	9,569	73	91,435	913,335	340	1.79	1.79	.65
1912.....	1,091	55	219	145	9,179	75	91,753	972,799	446	2.15	1.83	.67
1913.....	1,092	55	216	145	8,765	75	99,992	1,153,929	476	2.27	1.86	.65
1914.....	1,123	57	226	165	9,543	73	105,835	1,023,856	464	2.32	1.81	.66
1915.....	1,120	....	226	174	9,378	73	94,311	927,005	456	2.31	1.89	.70
1916.....	1,127	....	196	170	8,897	76	98,215	1,207,541	539	2.68	1.90	.69
10-Year Average	1,073	....	204	149	9,254	74%	91,168	960,065	396	$2.03	1.84c	.67c

Comment: The Wisconsin Central reported a heavy increase in its freight density and average train load during the year ended June 30, 1916. The train mile earnings also rose to the highest figures of the decade. As usual, the company's business was widely diversified.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Revenues.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$7,443	$828	$798	$1,626	$3,020	$2,797	$2,827	$308	$2,519	$1,474	41%	$1,045	.....
1908.....	7,144	829	1,018	1,847	3,169	2,128	2,183	311	1,872	1,529	18	343	.....
1909.....	7,681	871	1,045	1,916	3,305	2,460	2,496	359	2,137	1,678	21	459	$257
1910.....	8,221	996	1,086	2,082	3,333	2,806	2,864	340	2,524	1,748	31	776	603
1911.....	8,139	858	1,236	2,094	3,979	2,066	2,090	374	1,716	1,805	.....	89*	415
1912.....	8,701	953	1,212	2,165	3,831	2,707	2,734	384	2,350	1,887	20	463	206
1913.....	9,886	1,093	1,259	2,352	4,139	3,395	3,420	426	2,994	1,993	33	1,001	413
1914.....	9,351	1,077	1,221	2,298	3,953	3,100	3,108	532	2,576	2,115	18	461	401
1915.....	8,879	1,081	1,118	2,199	3,828	2,851	2,906	596	2,310	2,186	5	122	402
1916.....	10,830	988	1,176	2,164	3,977	4,689	4,735	680	4,055	2,230	45	1,825	400
10-Year Average	$8,627	$957	$1,117	$2,074	$3,653	$2,900	$2,936	$431	$2,505	$1,865	23%	$640	$310

* Deficit.

Note: Margin of safety is the proportion of surplus left over after deducting fixed charges. For example, in 1916 the "balance for charges" (per mile) was $4,055; fixed charges consumed $2,230, or 55% of this, leaving $1,825, a "margin of safety" of 45%.

Diversified Investing

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This subject is fully covered in a small volume entitled "*How to Invest Money Wisely*," by John Moody, which we have recently published. For many years Mr. Moody has made a careful study of this subject in connection with his work as an analyst and advisor for bankers, financial institutions and investors, both at home and abroad. These principles for wisely and intelligently diversifying investment capital have been adopted within the past few years by numerous institutions and several thousand individual investors with satisfaction and profit.

MOODY'S INVESTORS SERVICE, 35 NASSAU STREET, NEW YORK

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$12,205,239	$9,945,370	$10,463,214	$10,773,939	$9,493,296	$8,749,453	$8,861,831
Maintenance of way	1,113,103	1,211,190	1,209,789	1,193,096	1,039,114	931,945	1,073,037
Maintenance of equipment	1,325,935	1,252,718	1,371,090	1,375,307	1,322,065	1,342,077	1,171,035
All other operating expenses	4,481,712	4,287,872	4,438,833	4,519,845	4,190,445	4,261,104	3,585,482
Net operating revenues	$5,284,489	$3,193,590	$3,443,502	$3,685,691	$2,941,672	$2,214,327	$3,032,277
Operating ratio	56.7%	67.9%	67.1%	65.7%	68.9%	74.7%	65.9%
Other income	51,846	61,281	46,709	49,039	40,783	50,878	55,670
Total net income	$5,336,335	$3,254,871	$3,490,211	$3,734,730	$2,982,455	$2,265.205	$3,087,947
Taxes accrued	766,464	667,614	597,473	465,157	418,781	406,768	366,562
Balance for charges	$4,569,871	$2,587,257	$2,892,738	$3,269,573	$2,563,674	$1,858,437	$2,721,385
Fixed charges	2,513,013	2,450,525	2,375,042	2,176,223	2,059,025	2,089,716	1,884,240
Surplus over charges	$2,056,858	$136,732	$517,696	$1,093,350	$504,649	$231,279	$837,145
Dividends paid	450,612	450,688	450,688	450,688	225,344	450,688	650,187
Balance	$1,606,246	*$313,956	$67,008	$642.662	$279,305	*$681,967	$186,958
Earned on stock: Preferred	18.25%	1.09%	4.14%	9.70%	4.48%	.....	7.43%
Common	9.95%	.....	.38%	3.98%	.33%	.....	1.16%

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Credit balance, June 30, 1915, $1,503,050; credit balance from income, $2,056,858; discount on bonds purchased, $633; profit from sale of scrap, $10,912; total, $3,571,453. Contra: Dividend appropriations of surplus, $450,612; extinguishment of discount on bonds and equipment trust notes, $20.160; loss on retired road and equipment, $113,324; credit balance transferred to balance sheet, $2,987,357; total, $3,571,453.

Comment: The expansion of business on the Wisconsin Central lines in 1916 was notable. The balance carried forward after deducting fixed charges was in excess of $2,000,000, as compared with only a nominal amount for the previous year.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Capitalization Per Mile of Road. | Dividend Record.

Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$26,930	46%	$31,446	54%	$7,437	$65,813	$236	$65,577	4.3%	.....	.....	.....	.....	.....	.....
1908	26,798	44	33,675	56	6,826	67,299	477	66,822	3.3	.....	.....	.....	.....	.....	.....
1909	28,088	43	37,126	57	6,568	71,782	469	71,313	3.5	$257	1¼%	.....	.....	44%	.....
1910	27,830	44	34,554	56	8,000	70,384	2,580	67,804	4.3	603	6	.....	.....	21	.....
1911	27,624	45	33,859	55	7,932	69,415	2,537	66,878	3.1	415	4	.....	.....	.....	.....
1912	27,498	42	36,854	58	8,042	72,394	2,530	69,864	3.9	206	2	.....	.....	55	.....
1913	27,473	42	38,597	58	7,483	73,553	4,548	69,005	5	413	4	.....	.....	59	.....
1914	26,714	41	38,555	59	8,959	74,228	3,734	70,494	4.4	401	4	.....	.....	13	.....
1915	26,786	40	39,759	60	11,739	78,284	5,577	72,707	3.9	402	4	.....	.....	.....	.....
1916	26,619	41	39,006	59	12,234	77,859	6,057	71,802	6.6	400	4	.....	.....	78	.....
10-Year Average	$27,236	43%	$36,343	57%	$8,522	$72,101	$2,875	$69,226	4.2%	$310	2.9%	.....	.....	27%	.....

Note: Bonded debt in above exhibit includes all bonds, direct and assumed, and equipment obligations. Extra amount paid from surplus of previous year. The investments of the company on June 30, 1916, embraced the following: Milwaukee Terminal Co. stock, $150,000; Wisconsin Central Ry. bonds and stocks (par), $6,663,100; land department land grant, $2,854,688; deferred payments on land grant sales, $870,237.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1913	1911
Property investment	$69,333,585	$68,133,131	$67,541,156	$66,055,517	$66,645,918	$66,872,373
Working assets	7,626,079	7,715,248	7,145,249	6,281,420	5,046,988	3,257,087
Deferred debit items	947,944	965,351	1,141,192	1,234,110	764,707	224,005
Accrued income not due	497	217	217	217	217	217
Total	$77,908,105	$76,813,947	$75,827,814	$74,111,264	$72,457,830	$70,353,982
Liabilities:						
Capital stock	$30,000,000	$30,000,000	$30,000,000	$30,000,000	$30,000,000	$30,000,000
Funded debt	43,960,165	44,530,666	43,297,166	41,601,878	40,207,903	36,771,849
Working liabilities	546,195	528,324	500,817	483,540	520,932	1,632,356
Accrd. liabilities not due	350,975	192,520	149,919	140,706	143,607	330,016
Deferred credit items	63,413	59,387	24,022	22,569	220,618	133,810
Profit and loss surplus.	2,987,357	1,503,050	1,855,890	1,862,571	1,364,770	1,485,951
Total	$77,908,105	$76,813,947	$75,827,814	$74,111,264	$72,457,830	$70,353,982

Note: The funded debt was increased in 1913, 1914 and 1915 by the sale of additional refunding 4s. In 1915, it was further increased by the issue of $1,000,000 3-year notes.

Comment: There was a moderate increase in the funded debt during the year, but no change in the outstanding capital stock. The road is rather heavily capitalized and in recent years the net income on net capital has shown no tendency toward increase.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Wisconsin Cent. first gen. 4s.	J&J	Jl 1949	(1st) 831	$28,348	$2,505	$835	67%	Good	High	Aa.
2. Sup. & Dul. div. term first 4s	M&N	My 1936	(1st) 153	49,000	1,670	266	83%	"	"	A.
3. Marsh. & So. E. div. first 4s.	M&N	My 1951	(1st) 33	11,227		13	83%	"	"	A.
4. Wis. Cent. first and ref. 4s...	A&O	Ap 1959	(gen.) 1,021	30,828		207	74%	"	"	Baa.
5. Equipment trusts. See text	Var.	Var.	.....	.....	1,391	107	74%	"	"	Aa.
6. Wis. Cent. 5% notes.....	F&A	F 15 1918	(coll.)	.....		44	74%	"	"	Baa.

For Key to Bond Ratings, see page 19.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $27,000,000; outstanding, $23,515,000; retired by sinking fund, $1,964,000; in treasury, $2,000. Dated July 13, 1899; due July 1, 1949. Interest paid at Bank of Montreal, New York. Coupon, $1,000. First lien on 830.86 miles of road, as follows: Chicago to Withrow, near St. Paul, 423.68 miles; Spencer to Ashland, Wis., 145.88 miles; Abbotsford to Owen, Wis., 12.46 miles; Neenah to Manitowoc, Wis., 37.23 miles; Stevens Point to Portage, 70.75 miles; Marshfield to Greenwood, 22.44 miles; Mellen, Wis., to Bessemer, Mich., 33.77 miles; Abbotsford to Goodrich, Wis., 25.33 miles; also branches. Underlie No 4, which provides for retirement. Legal for S. B. in Maine, Mo. Listed on New York and Boston Stock Exchanges. Interest paid without deduction for normal income tax.

2. Auth., $8,500,000; outstanding, $7,500,000 (closed). Dated May 1, 1906; due May 1, 1936. Interest paid at Bank of Montreal, New York. Coupon, $1,000. First lien, 153.42 miles, Owen, Wis., *via* Superior, to Duluth, Minn., and terminals in Superior and Duluth. Underlie No. 4, which provides for retirement. Legal for S. B. in Maine, Mo. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

3. Auth., $450,000; outstanding, $366,000; retired by sinking fund, $84,000. Dated May 1, 1901; due May 1, 1951. Interest paid at Bank of Montreal, New York. Coupon, $1,000. Callable at 105. Sinking fund retires $5,000 annually. First lien. 32.61 miles, Marshfield to Nekoosa, Wis. Underlie No. 4, which provides for retirement. Legal for S. B. in Maine, Mo. Interest paid without deduction for normal income tax.

4. Auth., $60,000,000; outstanding, $9,862,000, of which $2,546,000 are in treasury, and $1,500,000 pledged under No. 6. Dated April 1, 1909; due April 1, 1959. Interest paid at Bank of Montreal, New York and London. Coupon, $1,000; reg., $1,000, $5,000, $10,000, etc. Interest guaranteed by Minn., St. Paul & S. S. Marie. First lien on 3.99 miles in Duluth. Second lien on 1,016.90 miles, covered by Nos. 1, 2 and 3 by first lien. Bonds in reserve proivde for retirement of Nos. 1, 2 and 3, as they mature. Listed on New York Stock Exchange. Interest paid without deduction for normal income tax.

5. In three series: (1) $525,108 4½s; dated Feb. 15, 1911; due serially to March 1, 1931. Interest March and Sept. (2) $177,962 4½s; dated Jan. 1, 1913; due Jan. 1, 1923. Interest Jan. and July. (3) $960,000 5s; dated Dec. 1, 1913; due serially to Dec. 1, 1923. Interest June and Dec. All series coupon, $1,000. Above amounts are those outstanding on Oct. 31, 1916.

6. Auth. and issued, $1,000,000. Dated Feb. 15, 1915; due Feb. 15, 1918. Interest paid at U. S. Trust Co., New York. Coupon, $1,000. Callable as a whole at 101 to Feb. 15, 1917, and at 100½ on Aug. 15. 1917. Guaranteed principal and interest by Minn. & St. Paul & S. S. Marie Ry. Co. by endorsement. Secured by deposit of $1,500,000 of No. 4. Normal income tax deducted from interest.

TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating. Equity.	Basis for Rating. Salability.	Net Rating.
Wisconsin Central Ry. preferred..... Non-cumulative, 4%, nearly all exchanged for "Leased Line Ctfs." of Minn. St. P. & S. S. Marie Ry. Outstanding, $11,265,300. Par $100.	4% A&O	$10,000	$640	$400	37%	Fair	.....	B.
Wiscon. Central Ry. common..... Shares with preferred after paying 4% divs. 51% owned by Minn. St. P. & S. S. Marie Ry. Outstanding, $16,119,600. Par $100.	None	14,303	240	.....	.....	Small	.....	C.

For Key to Stock Ratings, see page 21.

Note: Auth., $12,500,000 preferred and $17,500,000 common. Preferred is entitled to share equally with common in further dividends after common has received 4%. When, in any two years, the full 4% has not been paid on the preferred, the holders shall have the right to elect a majority of the board of directors. Dividends havo been paid on preferred as follows: 1908, 1%; 1909, 3%; 1910 to 1916, inclusive, 4% per annum. None on common. Transfer Agent, Bank of Montreal, New York. Both issues are listed on the New York and Boston Stock Exchanges.

COMPANIES CONTROLLED BY CANADIAN PACIFIC RAILWAY SYSTEM

ALBERTA RAILWAY AND IRRIGATION COMPANY

History: Incorporated under laws of Dominion of Canada in June, 1904, and absorbed by the Alberta Railway & Coal Co., the Canadian Northwest Irrigation Co. and the St. Mary's River Railway Co.

Location: Line of road, Lethbridge, Alberta, to Coutts; Stirling to Cardston; total operated, 112.8 miles. Company also controls about 250 miles of irrigation canals; and over 200,000 acres of land.

Management: OFFICERS: Rt. Hon. Lord Shaughnessy, K.C.V.O., Pres.; Geo. Bury, Vice-Pres.; H. C. Oswold, Sec. DIRECTORS: I. G. Ogden, Geo. Bury, E. W. Beatty, K.C., Rt. Hon. Lord Shaughnessy, K.C.V.O., H. C. Suckling. Annual meeting, second Tuesday in September. MAIN OFFICE, Montreal.

Bonded Debt: $2,396,000 first mortgage 4s; all now owned by Canadian Pacific Ry.

Capital Stock: Auth. and outstanding, $3,250,000, of which Canadian Pacific Ry. owns $3,171,500. Par, $100.

DOMINION ATLANTIC RAILWAY COMPANY

History: Incorporated under Canadian laws July 22, 1895, as a consolidation of the Windsor & Annapolis Ry. and the Yarmouth & Annapolis Bay Ry.; in 1905 acquired the Midland Ry. of Nova Scotia. The company also operates the Windsor Branch of the International Ry. under 99-year lease from January 1, 1914, and a steamship line between Kingsport, N. S., and Parrsboro, N. S. The company is leased to the Canadian Pacific Ry. for 999 years from January 1, 1912; the latter company also owning a majority of the capital stock.

Location: Line of road, Windsor to Yarmouth and to Truro; Kentville to Kingsport; Windsor to Halifax (partly leased); total operated, 288.45 miles. Equipment: Locomotives, 21; passenger and freight cars, 472; steamships, 2.

Management: OFFICERS: Rt. Hon. Lord Shaughnessy, K.C.V.O., Pres.; George Bury, Vice-Pres.; H. S. Oswold, Sec.; George E. Graham, Gen. Mgr. DIRECTORS: R. B. Angus, I. G. Ogden, Rt. Hon. Lord Shaughnessy, K.C.V.O., Sir Thomas Skinner, Bart, George Bury. OFFICE, Kentville, N. S.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$925,867	$879.878	$912.693	$940,459	$984,741	$736,012	$837,377
Maintenance of way	195,141	206,863	220,981	178,800	132,800		
Maintenance of equipment	75,795	105,030	105,332	88,165	63,719	497,215	513,954
All other operating expenses	414,367	421,803	462,227	414,827	389,165		
Net revenues	$240,564	$146,182	$124.152	$258.667	$399,057	$283,797	$323,423
Operating ratio	.....	83.4%	86.4%	72.5%	59.5%	67.6%	61.4%
Other income	25,375	26,875	28,500	.....	23,032	39,058	52,253
Total net income	$265,939	$173,057	$152,652	$258,667	$422,089	$277,855	$375,676
Taxes accrued	1,649	1,860	482	813	721	.....	757
Fixed charges, other deductions	315,491	405,026	511,523	446,460	316,210	293,145	310,634
Balance	*$50,601	*$233,829	*$359,353	*$188,606	$105,158	*$15,290	$64,285

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$8,394,225	$8,178,116	Capital stock	$2,433,333	$2,433,333
Working assets	84,865	138,142	Funded debt	5,998,167	5,998,167
Deferred debits	1,451,215	1,752,239	Working liabilities	1,848,296	1,850,104
Profit and loss deficit	541,769	342,822	Accrued liabilities	66,190	25,817
			Deferred credits	126,088	103,898
Total	$10,472,074	$10,411,319	Total	$10,472,074	$10,411,319

Bonded Debt: (1) £500,000 Dominion Atlantic Ry. first 4% debenture stock; due Oct. 1, 1944; interest April and Oct. Callable after 1924 at 110. First lien on the entire property. Interest guaranteed under lease by Canadian Pacific Ry.

(2) £440.000 Dominion Atlantic Ry. second 4% debenture stock; due July 1, 1956; interest Jan. and July. Callable after July 1, 1916, at 105. Second lien on entire property. Interest guaranteed under lease by Canadian Pacific Ry.

(3) £292,500 Dominion Atlantic Ry. extension 4% debenture stock; due Jan. 1, 1965; interest Jan. and July. First lien on line from Windsor to Truro. Interest guaranteed under lease by Canadian Pacific Ry.

Capital Stock: Authorized and issued, £270,000 5% non-cumulative preferred and £230,000 common. Par, £20. Nearly all now owned by Canadian Pacific Ry. Listed on London Stock Exchange.

ESQUIMALT & NANAIMO RAILWAY

History: Incorporated September 27, 1883. The Canadian Pacific Ry. Co. has acquired control of the road and it has been leased to that company, rental being interest of 4% per annum on Esquimalt & Nanaimo Railway's bonded debt. The company owns 1,041,686 acres of land, and the lease provides that moneys received from the sale of this land shall be applied toward the redemption of bonds at par until such time as the amount of bonds outstanding shall be reduced from $30,000 per mile to $14,000 per mile. Road is operated by the Canadian Pacific Ry. for account of its owners.

Location: Line of road extends from Victoria to Courtenay, 139.7 miles; Hayward Junc. to Lake Cowichan, B. C., 18 miles; Osborne Bay Branch, Osborne Junc. to Crofton, B. C., 2.5 miles; Parksville Junc. to Port Alberni, B. C., 39 miles; total, 199.2 miles; sidings, 46.25 miles. Equipment: Locomotives, 23; cars, 337.

Management: OFFICERS: Grant Hall, Pres., Winnipeg, Man.; R. Marple, Sec.; W. F. Salsbury, Treas., Vancouver, B. C. DIRECTORS: Grant Hall, Winnipeg, Man.; R. Marpole, W. F. Salsbury, J. E. McMullen, Vancouver, B. C.; J. W. Troup, Victoria, B. C. OFFICE, Victoria, B. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$529,913	$542,202	$841,833	$931,892	$773,510	$548,882	$450,195
Operating expenses	358,802	354,961	501,667	593,714	421,115	315,549	274,007
Net earnings	171,111	187,241	340,166	338,178	352,395	233,333	176,188
Net income	171,111	187,241	340,166	338,178	352,395	233,333	176,188
Taxes	36,308	28,920	25,380	18,691	16,318	12,400	10,883
Hire of equipment	24,868	29,001	35,677	37,499	32,353	12,489	9,231
Total deductions	*254,456	376,200	379,337	56,190	48,671	24,889	20,114
Surplus	†83,345	†188,961	†39,171	281,987	303,724	208,444	156,074

* Includes $193,280 interest on bonds. † Deficit.

Bonded Debt: $4,832,000 Esquimalt & Nanaimo Ry. first 4s. Due July 1, 1962. All owned by the Canadian Pacific Ry. Co.

Capital Stock: Auth., $3,000,000; outstanding, $2,500,000. Par, $100. All owned by the Canadian Pacific Ry. Co. Secretary of company acts as REGISTRAR AND TRANSFER AGENT.

KINGSTON & PEMBROKE RAILWAY

History: Incorporated under laws of the Dominion of Canada, April 14, 1871. The Dominion granted the company 30 acres of land in the City of Kingston for terminal facilities and 60 acres under water for docks, at nominal figures. Company also owns 10 acres at Sharbot Lake, and 18 acres of Renfrew. It is exempt from taxation for twenty years in both Sharbot Lake and Renfrew. Controlled by stock ownership by the Canadian Pacific Ry. Co., and leased to that company for 999 years from October 2nd, 1912, rental being interest on outstanding obligations of the road.

Location: Line of road, Kingston to Renfrew, Ont., 103.6 miles; with branches, 4.4 miles; sidings, 24 miles.

Management: OFFICERS: W. D. Matthews, Pres., Toronto, Ont.; W. R. Baker, C.V.O., Vice-Pres., Montreal, Que.; H. C. Oswald, Sec. and Treas., Montreal, Que. OFFICE, Montreal, Que.

Bonded Debt: $1,076,000 Kingston & Pembroke Ry. first 4s. Dated Jan. 1, 1913; due Jan. 1, 1963. Interest Jan. and July. Denomination, $1,000. Canadian Pacific Ry. owns $1,075,000.

Capital Stock: Auth., $1,000,000 first preferred 5%; $150,000 second preferred 3%; and $2,250,000 common. Outstanding, $998,400 first preferred; $145,150 second preferred; and $2,250,000 common. Par, $50. All classes have equal voting power, and if interest on bonds becomes one year in default, bondholders have same voting power as stockholders. Central Trust Co., New York, N. Y., REGISTRAR; TRANSFER AGENT, Bank of Montreal, 64 Wall Street, New York. A dividend of 1% was paid on first preferred April 2, 1901; none since. The Canadian Pacific Company owns $995,450 of the first preferred stock; $134,900 of the second preferred stock; and $1,980,900 of the common stock.

LAKE CHAMPLAIN & ST. LAWRENCE JUNCTION RAILWAY

History: Incorporated under Canadian laws. Projected to run from Missisquoi to Sorel, Que., 103 miles. Leased to the Montreal & Atlantic Railway to July 2, 1940, original lease being extended to that date. The rental formerly was $22,680, but was reduced in 1908 to $15,120, that amount being interest at 4% on bonded debt.

Location: Line of road, Stanbridge to St. Guillaume, Que., 60.5 miles; sidings, 3.5 miles.

Management: OFFICERS: Ben. A. Kimball, Pres., Concord, N. H.; Wm. J. Hobbs, Vice-Pres., Boston, Mass.; Harry Blodgett, Sec. and Treas., St. Johnsbury, Vt. DIRECTORS: B. A. Kimball, G. M. Kimball, J. F. Webster, Concord, N. H.; W. M. Parker, Manchester, N. H.; J. H. Hustis, Boston, Mass.; W. J. Hobbs, Malden, Mass.; Harry Blodgett, St. Johnsbury, Vt.; H. E. Folsom, Lyndonville, Vt.; H. C. Oswold, Montreal, Que. Annual meeting, first Monday in March. GENERAL OFFICE, Montreal, Que.

Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Property investment	$914,280	Capital stock	$250,000
Interest and dividends receivable	7,560	Funded debt	378,000
		Interest accrued	7,560
		Profit and loss	286,280
Total	$921,840	Total	$921,840

Bonded Debt: $378,000 Lake Champlain & St. Lawrence Junction Ry. 4s. Authorized issue, $600,000. The interest on this issue is guaranteed by the Montreal & Atlantic Railway.

Capital Stock: Authorized and outstanding, $250,000. Of which $240,000 fully paid and $10,000 10% paid. Par, $50.

MONTREAL & ATLANTIC RAILWAY

History: Incorporated under the laws of Canada, October 1, 1894, as sucessor to the Southeastern Railway Company. The Boston & Maine R.R. and the Concord & Montreal R.R. are interested in the road. The Lake Champlain & St. Lawrence Junc. Ry. and the Newport & Richford are operated under lease, the former since April, 1881, to July 2, 1910, at which time lease was extended to July 2, 1940, and the latter for 99 years from June, 1881. The Canadian Pacific Co. operates the road for its owners, but does not include traffic operations in its own operations. The latter company also owns $2,160,000 of the capital stock and $945,000 of the first mortgage 5s.

Location: Line of road extends from Farnham, Que., to Newport, Vt. (lines in Canada only), 43.2 miles; Drummondsville to Enlaugra, Que., 59.2 miles. Leased: L. C. & St. L. Junc. Ry., 60.5 miles; total lines in Canada, 163.4 miles; lines in Vermont, Newport & Richford R.R.; boundary line near Richford to Newport, Vt., 21.5 miles. Total length of line, 184.4 miles; sidings, 40.1 miles.

Management: OFFICERS: Lord Shaughnessy, K.C.V.O., Pres., Montreal, Que.; Jas. H. Hustis, Vice-Pres.; H C. Oswold, Sec.; I. G. Ogden, Vice-Pres.; Canadian Pacific Ry. in charge of accounts, Montreal, Que. DIRECTORS: Lord Shaughnessy, K.C.V.O.; I. G. Ogden, G. M. Bosworth, W. R. Baker, C.V.O., Montreal, Que.; J. H. Hustis. OFFICE, Montreal, Que.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross earnings	$1,288,951	$930,425	$1,018,077	$1,104,926	$1,109,849	$1,055,613	$933,112
Net earnings	342,319	152,503	*19,081	101,453	164,246	194,033	112,905
Net income	343,719	153,903	*17,681	102,853	165,646	195,433	114,305
Fixed charges	52,650	52,650	52,650	52,650	52,650	52,650	52,650
Total deductions	161,145	143,868	136,355	137,185	136,572	136,106	133,986
Deficit for year	sur. 182,574	sur. 10,035	154,036	34,332	sur. 29,073	sur. 59,327	19,681

* Deficit.

Bonded Debt: $1,065,000 Montreal & Atlantic Railway first 5s. Dated April 1, 1895; due April 1, 1925. Interest April and Oct. 1, at office of company, Montreal, Que. Secured on 85 miles of road. Trustees, Lord Shaughnessy, K.C.V.O., Montreal Que., and Jas. H. Hustis, Boston, Mass. Canadian Pacific Ry. Co. owns $945,000 of this issue and the Boston & Maine R.R. Co., $108,000.

Capital Stock: Outstanding, $3,200,000. Par, $100. The Canadian Pacific Ry. Co. owns $2,160,000 and the Boston & Maine R.R. Co., $37,300.

NEW BRUNSWICK RAILWAY

History: Incorporated in 1870, under an Act of New Brunswick Legislature. Leased for 999 years from July 1, 1890, to the Canadian Pacific Ry. Co., rental being interest on the perpetual stock now issued or hereafter issued, and to provide this company with necessary funds to meet all obligations. 1,647,000 acres of lumber property are retained by the company.

Location: Line of road, Woodstock to Maine boundary, 59.4 miles; Newburg Junction to Gibson, N. H., 59.1 miles; Aroostook Junc. to Edmundston, 57.1 miles; total owned, 175.6 miles. Leased: New Brunswick & Canada Ry., 117.5 miles; St. John Bridge & Railway Extension, 2 miles; St. John & Maine Ry., 93.7 miles; Fredericton Railway, 22.1 miles; Aroostook R.R., 32.2 miles; total, 267.5 miles. Total operated, 443.1 miles; sidings, 36.5 miles.

Management: OFFICERS: Frank S. Meighen, Pres., Montreal, Que.; John Turnbull, Vice-Pres.; H. F. Puddington, Sec., St. John, N. B. DIRECTORS: Lord Elphinstone, Lord Shaughnessy, K.C.V.O., John Turnbull, Frank S. Meighen, H. H. McLean, Geo. S. Cantlie, R. W. Reford, H. F. Puddington, W. W. Hutchison. Annual meeting, first Thursday in August. GENERAL OFFICE, St. John, N. B.

Bonded Debt: (1) $2,913,684 New Brunswick Railway first 5s. Dated Aug. 1, 1884; due Aug. 1, 1934. Int. paid Feb. and Aug. at Bank of Montreal, London. Coupon and registered, £100. Trustee. Central Trust Co., New York. Auth., $3,000,000. Secured on entire mileage owned, and the lease of the Aroostook River R.R.

(2) $4,402.060 New Brunswick Railway consolidated debenture stock. Denomination, £1. Dividends of 4% per annum paid semi-annually Jan. and July 1, at the Bank of Montreal, London. These dividends are guaranteed by the Canadian Pacific Ry. Co. Out of the proceeds of the debenture second mortgage bonds, floating debt and car trust certificates were retired, the Fredericton Ry. acquired the common and debenture stocks of the St. John & Maine Ry. and St. Stephen's branch bonds purchased. Authorized, £945,783.

Capital Stock: Auth., $3,500.000; outstanding, $3,000.000. Par. $100. Recent dividends paid from proceeds of sales of land and lumber. as follows: 1905. 2½%: 1906. 4%: 1907, 3½%; 1908, 3%; 1909, 3%; 1910 to 1913, inclusive, 4% each; 1914, 4% and 2% bonus; 1915, 4% and 2% bonus; 1916, 4% and 2% bonus.

NEWPORT & RICHFORD RAILROAD

History: Incorporated under Vermont laws, in 1880. Formerly the Missisquoi & Clyde R.R., which was sold in 1880 and reorganized under above title. Leased to the Montreal & Atlantic Ry. for 99 years from June 8, 1881, rental being $18,000 a year. The Connecticut & Passumpsic Rivers R.R. Co. owns the entire capital stock of this company.

Location: Line of road, Newport, Vt., to Canada line near North Troy, and East Richford to Richford, 22 miles; sidings, 11.22 miles.

Management: OFFICERS: J. H. Hustis, Pres., Winchester, Mass.; W. J. Hobbs, Vice-Pres., Malden, Mass.; H. E. Folsom, Treas. and Clerk, Lyndonville, Vt. DIRECTORS: Above and Geo. B. Young, Newport, Vt.; E. A. Darling, East Burke, Vt. Annual meeting, first Wednesday in September. GENERAL OFFICE, Lyndonville, Vt.

Income Account, June 30, 1916: Other income, $18,437; fixed charges, $17,500; surplus for year, $937.

Condensed Balance Sheet, as of June 30, 1916

ASSETS:		LIABILITIES:	
Property investment	$700,000	Capital stock	$350,000
Working assets	8,750	Funded debt	350,000
Deferred debit items	28,101	Working liabilities	8,750
		Deferred credit items	22.949
		Profit and loss	5,152
Total	$736,851	Total	$736,851

Bonded Debt: $350,000 Newport & Richford R.R. first 5s; dated Jan. 2, 1911; due Jan. 1, 1941. Int. paid Jan. and July 1, at office of Boston Safe Deposit & Trust Co.. Boston, Mass. Coupon, $1,000. Guaranteed prin. and int. by the Connecticut & Passumpsic R.R. Co., which company is leased to the Boston & Maine R.R. The latter company assumes all expenses and interest charges of the Connecticut & Passumpsic River R.R. Co., including interest on the Newport & Richford R.R. bonds. Trustee: Boston Safe Deposit & Trust Co., Boston, Mass. These bonds were issued to retire a like amount of first mortgage bonds due Jan. 1. 1911. Secured by a closed first mortgage on entire property of company. Legal for Savings Banks in Maine. Normal income tax deducted from interest.

Capital Stock: Auth. and outstanding, $350,000. Par, $50. All owned by the Connecticut & Passumpsic Rivers Railroad Co.

QUEBEC CENTRAL RAILWAY COMPANY

History: Incorporated under Canadian laws and opened fully for operation in 1881. In 1912 the property was leased to the Canadian Pacific Ry. for 999 years.

Location: Line of road, Sherbrooke to Harlaka, Que.; Valley Junction to St. Sabine: Tring to Megantic; total operated, 281.50 miles. Equipment: Locomotives, 36; passenger and freight cars, 1,049.

Management: OFFICERS: George Bury, Pres.; I. G. Ogden, Vice-Pres.; H. C. Oswold, Sec.; W. S. Fry, Treas. DIRECTORS: George Bury, I. G. Ogden, E. W. Beatty, J.H. Walsh, Thomas Lindley, C. D. Brassey, L. A. Carrier, GENERAL OFFICE, Sherbrooke, Que.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,487.258	$1,345,729	$1,553.174	$1,529,741	$1,354.811	$1,208,949	$1,105,867
Maintenance of way	208.266	181.026	198.315	201,808	194.696		
Maintenance of equipment	150.603	136.365	161.948	133,812	134.943	820,803	759,556
All other operating expenses	636,115	610,856	718,354	730,921	614,337		
Net operating revenues	$492.274	$417,482	$474.557	$463.200	$410.835	$388.146	$346.311
Total net income	508.914	426.098	486.018	493.727	422,579	396.057	351,986
Fixed charges, inc. pfd. div.	257,561	257,561	257,561	269,898	119,496	117,742	116,525
Balance	$251.353	$168.537	$228.457	$223.829	$303,083	$278,315	$235,461
Dividends on common	135,264	135,264	135,264	135,264	.....	.....	.....
Surplus	$116,089	$33,273	$93,193	$88,565	$303,083	$278,315	$235,461

Bonded Debt: (1) $2,943.540 Quebec Central Ry. 4% debenture stock; irredeemable, except in case of default. Callable at 110 after 1933. Interest guaranteed under lease by Canadian Pacific Ry. First lien on the property.

(2) $1.644.933 Quebec Central Ry. 3½% debenture stock; both principal and interest guaranteed under lease by Canadian Pacific Ry. Second lien on entire property.

(3) $1.644.933 Quebec Central third mortgage 5s; dated Jan. 1, 1913; due Jan. 1, 1963; int. paid Jan. and July. Prin. and int. guaranteed by Canadian Pacific Ry. Third lien on property, following Nos. 1 and 2. Both stocks and bonds are listed on London Stock Exchange.

Capital Stock: Outstanding. $3.381.603. Dividends paid under lease, 4% per annum to 1916; 5% thereafter. TRANSFER AGENT, English Association of American Bond & Shareholders, Ltd., London. Listed on London Stock Exchange.

SAULT STE. MARIE BRIDGE COMPANY

History: Incorporated under Ontario and Michigan laws, March 17, 1887. Owns the railroad bridge at Sault Ste. Marie used by the Canadian Pacific, Duluth South Shore & Atlantic, and Minneapolis, St. Paul & Sault Ste. Marie Ry. companies, which pay operating expenses and interest and sinking fund on bonded debt.

Management: OFFICERS: Lord Shaughnessy, Pres., Montreal; Jas. O. Bloss, Vice-Pres.; Geo. H. Church, Sec. and Treas., New York. DIRECTORS: James O. Bloss, Geo. H. Church, R. Y. Hebden, New York; Lord Shaughnessy, Montreal; Edmund Pennington, Minneapolis, Minn. Annual meeting, first Wednesday in June. SECRETARY'S OFFICE, 55 Wall St., New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Rental income	$62.572	$61,717	$61,258	$61,586	$61,306	$60,944
Taxes	10,693	9,672	33,223	34,473	9,800	9,688
Fixed charges	31,680	32,701				
Other deductions	20,199	19,344	18,466	17,651	51,500	51,256

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$2,167,860	$2,231,180	$1,909.420	$1,904,466	$1,890,553	$1,890.553
Working assets	40,092	48,620	28,247	25,705	31,947	32,846
Deferred debit items	.....	.....	306,072	287,607	269,955	252,971
Total	$2,207,952	$2,279,800	$2,243,739	$2,217,778	$2,192,455	$2,176,370
LIABILITIES:						
Capital stock	$1,000.000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000.000
Funded debt	590.000	900.000	900,000	900,000	900,000	900,000
Working liabilities	296,997	27,284	32.420	25.672	22,500	23,399
Accrd. liabilities not due	4,564	2,418	4,500	4,500	.....	.....
Deferred credit items	.....	.....	747	.....	.....	.....
Appropriated surplus	316,391	350,098	306,072	287,606	269,955	252,971
Total	$2,207,952	$2,279,800	$2,243,739	$2,217,778	$2,192,455	$2,176,370

Bonded Debt: $900,000 Sault Ste. Marie Bridge Co. first 5s. Dated July 1, 1887; due July 1, 1937. Interest Jan. and July, at 55 Wall Street, New York. Authorized. $1,000,000. Coupon, $1,000. Bonds may be drawn for sinking fund at 110. Interest payable without deduction for normal income tax. Rating, A.

Capital Stock: Authorized and outstanding, $1,000,000. Par, $100. No dividends. TRANSFER OFFICE, 55 Wall Street, New York.

SPOKANE INTERNATIONAL RAILWAY

History: Incorporated in Washington and Idaho, January 16, 1905. In 1917, the Canadian Pacific Ry. and the Minneapolis, St. Paul & Sault Ste. Marie Ry. exercised an option to purchase stock and now jointly control the company.

Location: Line of road, Spokane, Wash., to Eastport, Idaho, 142.91 miles, with branches; leased, 20.60 miles; total operated, 163.51 miles; sidings, 27.62 miles. Equipment: Locomotives, 14; total cars, 263.

Management: OFFICERS: D. C. Corbin, Pres.; Austin Corbin, 2d., Vice-Pres.; A. C. Chapin, Sec. and Treas. DIRECTORS: Chester W. Chapin, Alfred C. Chapin, J. K. O. Sherwood, Albert Allen, F. D. Allen, Geo. H. Martin, A. T. Herrick, A. Corbin, 2d, D. C. Corbin. Annual meeting, third Saturday in July, at Spokane. OFFICE, Spokane. Secretary, at 192 Broadway, New York.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$731,384	$754,235	$1,020,069	$1,148,050	$866,868	$973,967	$1,008,785
Maintenance of way	122,873	133,371	153,013	202,035	154,317	176,917	157,083
Maintenance of equipment	61,384	56,560	64,785	73,511	68,108	69,446	58,082
All other operating expenses	312,727	318,386	374,135	411,052	346,240	371,045	391,013
Net operating revenues	$234,400	$245,918	$428,136	$461,452	$298,203	$365,559	$402,607
Operating ratio	68%	67.4%	58%	59.8%	65.6%	63.4%	60.1%
Other income	629	542	2,487	6,354	.....	.....	4,055
Total net income	$235,029	$246,460	$430,623	$467,806	$298,203	$356,559	$406,662
Taxes accrued	40,272	51,266	42,427	38,352	29,273	33,537	37,970
Fixed charges	334,069	328,001	335,213	344,797	328,709	329,476	334,799
Surplus	*$139,312	*$132,807	$52,983	$84,657	*$59,779	*$6,454	$33,893

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Delayed income credits, $39,787; unrefundable overcharges, $119; donations, $225; miscellaneous credits, $292; debit balance carried to balance sheet, $597,731; total, $638,154. Contra: Debit balance at beginning of year, $491,842; debit balance transferred from income, $139,312; surplus appropriated for investment in physical property, $225; loss on retired road and equipment, $6,753; miscellaneous credits, $22; total, $638,154.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$9,029,803	$8,988,319	$8,997,057	$8,989,810	$8,914,628	$8,843,084
Working assets	113,125	121,960	187,992	232,318	217,235	186,926
Deferred debit items	63,765	68,270	7,255	8,251	10,199	8,949
Profit and loss deficit	597,731	491,791	358,086	411,068	495,725	435,946
Total	$9,804,424	$9,670,340	$9,550,390	$9,641,447	$9,637,787	$9,474,905
LIABILITIES:						
Capital stock	$4,200,000	$4,200,000	$4,200,000	$4,200,000	$4,200,000	$4,200,000
Funded debt	4,900,000	4,900,000	4,900,000	4,200,000	4,200,000	4,200,000
Working liabilities	468,952	499,528	378,092	1,171,717	1,173,693	1,024,348
Accrd. liabilities not due	88,646	83,481	70.432	66,704	44,077	38,419
Deferred credit items	146,550	(res.) 13,029	1,866	3,026	20,017	12,138
Appropriated surplus.	276	.....	.....	.....	.....	.....
Total	$9,804,424	$9,670,340	$9,550,390	$9,641,447	$9,637,787	$9,474,905

Bonded Debt: (1) $4.200,000 first 5s. Dated July 1, 1905; due July 1, 1955. Interest Jan. and July, at American Exchange National Bank, New York. The Canadian Pacific Ry. reserves, if requested, 10% of gross earnings from traffic originating on, or destined to, points on the Spokane International Ry., to meet any deficiency in net earnings. First lien on entire property. Interest paid without deduction for normal income tax.

(2) $544,000 Coeur d'Alene & Pend Oreille Ry. first 5s. Dated July 1, 1910; due July 1, 1960. Interest paid Jan. and July, at American Exchange National Bank, New York. Coupon, $1,000; principal may be registered. Guaranteed principal and interest by Spokane International Ry. which leases the property. First lien on 20.6 miles from Coeur d'Alene Junc. to Coeur d'Alene, Idaho, and from Corbin Junc. to Bay View, Idaho. Interest paid without deduction for normal income tax.

Capital Stock: Outstanding, $4,200,000. Par, $100. Canadian Pacific Railway has option to purchase majority, until 1917; minority stockholders have right to sell Canadian Pacific Railway at same price, if option is exercised. The Canadian Pacific exercised this option in 1917, and now controls the property, jointly, with the Minneapolis, St. Paul & Sault Ste. Marie Railway.

CAPE BRETON RAILWAY LTD.

History: Incorporated under Canadian laws, March 30, 1899, for the purpose of constructing line from Pt. Tupper to Sydney and Louisburg, C. B.

Location: Road completed extends from Point Tupper to St. Peter's, Cape Breton, 31 miles. Sidings, 2 miles. Equipment: Locomotives, 2; cars, 18.

Management: OFFICERS: Vacancy, Pres.; Thos. Wing, Vice-Pres. and Treas., 14 Wall St., New York; G. E. Johnson, Sec. and Gen. Mgr.; J. W. Doyle, Aud., St. Peter's C. B. DIRECTORS: H. F. Ballantyne, H. C. Cannon, E. W. Davenport, F. Lister, W. C. White, H. M. Wolfe, New York; Michael Guerin, Montreal, Que.; G. E. Johnson, St. Peter's, C. B. OFFICES, St. Peter's, C. B.

Comparative Income Account, Years Ended June 30

	1915	1914	1913	1912
Passenger earnings	$4,896	$5,833	$5,550	$4,697
Freight earnings	4,744	4,376	4,743	4,337
Gross earnings	10,435	11,440	11,283	9,338
Operating expenses	20,914	23,977	21,391	17,715
Operating deficit	10,479	12,537	10,108	10,377

Capital Stock: Authorized and outstanding, $1,000,000. Par, $100. No bonded debt. No dividends paid.

CENTRAL ARGENTINE RAILWAY, LTD.

History: Registered under English Companies Act, Feb. 10, 1873, as the Buenos Ayres & Campana Ry. Co., Ltd.; name changed in 1884 to the Buenos Ayres and Rosario Ry. Co., Ltd., and in 1908, as above. Company operates an important system of railways extending from Buenos Ayres and Rosario to Cordoba, Tucuman, Santa Fe, etc., including two lines between Buenos Ayres and Rosario, one of which is the main line extending to Tucuman. Total mileage operated, 3,304.5 miles.

Management: OFFICERS: F. Fifhiera, Sec.; C. H. Pearson, Gen. Mgr. DIRECTORS: Sir J. White Todd, Chairman; Charles Darbyshire, Col. F. J. G. Murray, C. P. Ogilvie, Chas. Gairdner, J. W. Theobold, Sir Archibald Williamson.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross revenues	£5,737,093	£5,755,254	£6,058,140
Operating expenses	3,702,100	3,363,055	3,546,734
Net revenues	£2,034,993	£2,392,199	£2,511,406

Profit and Loss Account, year ended June 30, 1916: Credit balance at beginning of year, £345,839; credit balance transferred from income, £2,034,993; interest on investments, £45,029; interest during construction, £119,282; remittance exchange, etc., £61,207; total, £2,606,350. Contra: Debenture stock interest, £541,445; Western Annuity interest, £90,788; interest on notes, £160,000; other interest, etc., £7,966; dividend appropriations, £640,958; reserve appropriations, £100,000; credit balance, June 30, 1916, £1,065,194; total, £2,606,350.

Bonded Debt: (1) £2,017,500 4½% Western Annuity: Issued to the Buenos Ayres Western Ry. in a perpetual annuity of £90,787 10s, in payment for the lines acquired by it from the Central Co. Int. paid March 31 and Sept. 30. First charges on lines acquired. Annuity terminates if Government exercises its rights of expropriation.

(2) Issued, £1,117,207 3½ Central debenture stock; outstanding, £113,364. Interest payable Jan. and July 1. Secured by trust deed as a floating charge on Central Company's undertaking and property, as it existed prior to the Act of 1902, subject to the arrangements made with the Buenos Ayres Western Ry., Ltd. The stock is not redeemable before December 31, 1979.

(3) Outstanding, £13,436,940 4% debenture stock. Interest payable Jan. and July 1. Auth. amount, including Nos. 1 and 2, must not exceed two-thirds capital stock. Secured as a first floating charge on the whole undertaking, subject to any charges in favor of the 4½% debenture stock, the 3½ Western Annuity issue and Central Debenture stock unconverted. Redeemable at par Jan. 1, 1988, but if the Government exercises its power of purchasing line, callable on six months' notice at par.

(4) Auth. and outstanding, $15,000,000 10-year 6% convertible notes. Dated Feb. 1, 1917; due Feb. 1, 1927. Int. paid Feb. and Aug. 1, at J. P. Morgan & Co., New York. Coupon, $1,000. Convertible after one year into ordinary stock at par.

Capital Stock: (1) Authorized and issued, £9,695,718 4½% preference stock. The preference stock is entitled to a non-cumulative dividend of 4½% (payable April and Oct.) in priority to consolidated ordinary stock.

2. Authorized and issued, £28,186,950 consolidated ordinary stock. Entitled to a non-cumulative dividend in priority to deferred stock, and after payment of a similar dividend on deferred, to share in surplus profits pro rata with deferred stock without distinction of class. Dividends paid in recent years: 1910 to 1913, 6% each; 1914, 5%; 1915, 5%; 1916, 4%.

3. Authorized and issued, £811,800 deferred stock. Dividends in recent years: 1910 to 1913, 6% each; 1914, 5%; 1915, 5%; 1916, 5%.

CENTRAL RAILROAD OF HAITI

Origin: Incorporated under New York laws, March 10, 1909, to develop and operate railroad enterprises in the Republic of Haiti. The company is owner of the Cie. des Chemins de Fer de la Plaine du Cul de Sac and of the Port-au-Prince Wharf Co. In 1912, the Electric Light Company of Port-au-Prince and Cap Haitien was acquired.

Location: Line of road now operated consists of 65 miles. Equipment owned: 19 locomotives, and 143 passenger and freight cars.

Management: OFFICERS: Philip W. Henry, Pres.; Henry R. Tinpenhauer, 1st Vice-Pres. and Treas.; A. Behrens, 2d Vice-Pres.; Chas. Sternheim, Sec., New York. DIRECTORS: The foregoing and Paul C. Schnitzler, New York; H. C. Staude, Port-au-Prince, Haiti. Annual meeting, third Friday in November. GENERAL OFFICE: 25 Broad Street, New York.

Income Account: Year ended Sept. 30, 1912: Total net income, $111,316; surplus after deducting expenses and charges, $16,792. Year ended Sept. 30, 1913: Total net income, $157,432; charges, $143,891; balance, $13,541. Year ended Sept. 30, 1914: Total net income, $162,473; charges, $155,623; balance, $6,850. Fifteen months to Dec. 31, 1915: Total net income, $214,140; charges, $189,085; balance, $25,055.

Condensed Balance Sheet, as of December 31, 1915

ASSETS:		LIABILITIES:	
Investments	$3,364,800	Capital stock	$1,450,000
Working assets	1,839,559	Funded debt	1,000,000
Accrued income	5,485	Working liabilities	1,264,958
		Accrued liabilities	75,995
		Surplus	1,418,891
Total	$5,209,844	Total	$5,209,844

Bonded Debt: $1,000,000 Central R.R. of Haiti collateral trust gold 6s ($800,000 first and $200,000 2d); dated June 1, 1909; due June 1, 1919. Int. paid June and Dec. at company's office, New York. Coupon, $1,000; principal may be registered. Subject to call at 105 at any time. Secured by pledge of $622,800 first mtge. 5% and 6% bonds and $760,000 capital stock of the Plaine du Cul de Sac R.R. and $400,000 capital stock and $392,000 6% bonds of the Port-au-Prince Wharf Co. The entire $200,000 second 6s are held in treasury. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $1,450,000; par, $100.

CHILIAN TRANSANDINE RAILWAY COMPANY, LTD.

History: Registered under English Companies Act February 20, 1888, as Clark's Transandine Ry. Co. Name changed as above, December, 1905. Formed to acquire a concession dated 1887 for a railroad of 1 metre gauge from the city of Los Andes to the Chilian frontier, 70½ kiiometres in length. Articles of the Association provide that duration of company shall cease Dec. 31, 1967, unless prolonged with the sanction of a general meeting and the President of the Republic of Chili. Company domiciled in Chili and subject to its laws. Government reserves right to purchase the railway within five years from completion at the price of the guaranteed debenture capital plus 10%. Road is a part of South America's ocean to ocean route.

Management: OFFICERS: A. Martin, Secretary. DIRECTORS: Sir Nevile Lubock, Chairman; Edward Norman, Hon. Arthur Stanley, W. S. Eyre, V. H. Smith. LONDON OFFICE, 144 Leadenhall Street, E. C.

Bonded Debt: Authorized, £1,500,000; outstanding, £1,485,000; (£278,100 Series A; £538,650, Series B; and £668,250 Series C, 5% Debentures, in £100 bonds, except two £50 bonds). Interest paid Jan. and July 1. Specific charge on the railway from Los Andes to the Chilian frontier, and a floating charge on undertaking and assets. Also secured on constructed sections by specific first mortgage, which has been registered in Chili. Interest guaranteed by the Chilian Government for 20 years (Series A to July 1, 1926; Series B to July 1, 1928, and Series C until July 1, 1930). Redeemable at par Dec. 31, 1960, or at 105 on six months' notice from the company, by operation of sinking fund on one months' notice, or in event of voluntary liquidation. Company will until loan has been reduced to £1,000,000 set aside annually out of funds available for dividends a sum not exceeding £30,000 to be applied to redemption by purchase at or below 105 per cent., or by drawings at 105.

Capital Stock: 1. Authorized and issued, £1,400,000 preference stock of £20, fully paid. Entitled to a cumulative dividend of 6%; not entitled to priority for capital or to further participation in surplus assets. No dividends paid.

2. Authorized and issued, £100,000 ordinary shares of £20, fully paid. No dividends paid.

CORDOBA CENTRAL RAILWAY COMPANY, LTD.

History: Registered under English Companies Act, August 11, 1887. The agreement under which the company's lines were worked by the Argentine Railway Company was terminated as from 30th of June, 1914, and the company has now resumed the management of its property. Company holds controlling interest in the Rafela Steam Tramway Co. (54 miles of line), and an interest in Tucuman Tramways, Light & Power Co., Ltd.

Location: Road extends from Buenos Ayres, through Rosario, San Francisco and Cordoba to Tucuman, 1,186 miles (metre gauge). The concession for 993 miles of line in perpetuity, and as regards 187 miles of line, the Government reserves the right to expropriate the railway and works, at any time at their par value, to be fixed by arbitration, plus 20 per cent.

Management: OFFICERS: N. Stuart, Sec.; H. G. Cabrett, Gen. Mgr. DIRECTORS: Lord Farrer, Chairman; G. W. Hoghton, Man. Director, Follett Holt, Philip Norman, Richard Popkiss, W. L. Poole, S. C. Boulter. LONDON OFFICE, 3 St. Helen's Place, E. C.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	£1,544,539	£1,691,714	£1,969,020	£1,910,053	£1,042,072	£997,503
Operating expenses ...	1,105,729	1,202,462	1,347,998	1,363,700	793,329	676,627
Net revenues	£438,810	£489,252	£621,022	£546,353	£248,743	£320,876

Profit and Loss Account, year ended June 30, 1916: Debit balance at beginning of year, £60,743; debenture and note interest, £574,599; other interest, £4,472; total, £639,814. Contra: Credit balance transferred from income account, £438,810; miscellaneous credits, £251; debit balance June 30, 1916, £200,752; total, £639,814.

Bonded Debt: (1) Issued and outstanding, £8,000,000 4% first debenture stock. Interest payable April and Oct. 1. Secured by trust deed as a first floating charge on undertakings and assets. Further stock may be issued ranking pari passu with the above £8,000,000, at a rate of £3,000 per mile of additional line, and where existing lines are doubled, and at rate of £1,000 where third rail is laid or gauge altered. Further stock may also be issued at rate of £100 for every £100 of income stock of any class created in excess of authorized amounts shown below. Redeemable at 105 per cent. at any time on six months' notice or in event of liquidation of company.

(2). Issued and outstanding, £5,000,000 4½% second debenture stock. Interest payable Jan. and July 1. Secured by trust deed as a floating charge on undertaking and assets. Further stock ranking pari passu with above may be issued under some conditions noted above. Under plan of Aug. 15, 1916, interest for the half-year due July 1, 1916, was paid in 5% deferred warrants; due Nov. 1, 1917-1919. Interest rate on this issue for the three years to June 30, 1919, has been raised from 4½% to 5%.

(3). Authorized, £500,000 6% three-year notes; outstanding, £248,600; dated Dec. 15, 1914; due Dec. 15, 1917; extended to Dec. 15, 1920 (in denomination of £25, £100, and £500. Interest June and Dec. 15. Interest on these notes for the half year to July 15, 1916, was paid in 5% deferred warrants due Nov. 1, 1917-1919.

(4). £400,000 6% notes; outstanding, £128,981. No further details available.

Income Stock: (1) Authorized, £2,500,000; outstanding, £1,440,000; first preference income stock. Constituted by trust deed dated Jan. 1, 1913. Entitled to cumulative interest, out of profits, at 5% per annum. Repayable at par in event of liquidation of the company in priority to the second preference and ordinary income stocks. Redeemable at 110 on six months' notice. Interest payable annually, but directors may pay interest half yearly when funds are available.

(2). Authorized, £2,500,000; outstanding, £1,661,895 second preference income stock. Constituted by trust deed, dated Jan. 1, 1913. Stock ranks after No. 1, for non-cumulative interest, payable out of profits at 5%. Repayable at par in the event of winding up in priority to the ordinary income stock. Redeemable at 103 on six months' notice.

(3). Authorized, £5,000,000 ordinary income stock; outstanding, £4,068,620. Constituted by trust deed dated Jan. 1, 1913. Entitled to balance of profits remaining after provision for reserve, depreciation, etc. Repayable at par in event of winding up the company. Redeemable on six months' notice at par.

Capital Stock: Authorized and issued, £107 in 107 shares £1 fully paid. Seven shares are held by directors, and 100 are vested in voting trustees, and entitled to votes in respect of ordinary or special resolutions of the company in such manner as holders of the first and second preference, and ordinary income stocks shall determine, until such time as the company shall redeem or require the holders in income stocks to transfer the whole of any one or more of said stocks, when such 100 shares or ratable proportion thereof having regard to the voting powers, shall be released from such trust, provided, however, that no votes shall be given in respect of such shares, except in accordance with the previous authority of a resolution of holders of the income stocks, so owned or controlled. In October, 1912, the capital was increased from £1,400,000 to £1,400,107 by the creation of this issue. The existing £720,000 first preference stock, £120,000 second preference stock, and £320,000 ordinary stock (surrendered in exchange for the income stocks shown above) and the unissued £80,000 second preference shares and £160,000 convertible ordinary shares were cancelled as from Dec. 31, 1912, thereby reducing the capital to £107.

THE CUBA COMPANY

History: Incorporated under New Jersey laws, April 25, 1900, to construct and operate steam and electric railroads and other enterprises in the Republic of Cuba. Company owns all the outstanding common stock of the Cuba Railroad Company, and also about 300,000 acres of lands along the lines of the railroad. About 20,000 acres are under cultivation for the raising of sugar, and the compnay owns and operates two modern sugar mills.

Management: OFFICERS: G. H. Whigham, Pres.; Arthur Coppell, Vice-Pres.; H. C. Lakin, Sec.; A. L. Schumacher, Treas. DIRECTORS: E. J. Berwind, Howard Mansfield, Henry Walters, C. M. Warner, R. B. Van Horne, G. H. Whigham, Arthur Coppell, Robert Fleming, H. W. Bull, Wm. C. Eustis, W. V. Griffith. Annual meeting, third Wednesday in September. NEW YORK OFFICE, 52 William Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$6,983,965	$6,790,005	$4,511,046	$2,847,412	$2,461,158	$1,049,284	$1,084,343
Operating expenses	3,787,339	3,669,973	3,316,938	2,068,183	1,736,192	813,194	722,969
Net operating revenues	$3,196,626	$3,120,032	$1,194,108	$779,228	$724,965	$236,091	$361,374
Other income	755,806	600,060	600,060	400,060	.....	.....	584
Total net income	$3,952,432	$3,720,092	$1,794,168	$1,179,288	$724,965	$236,091	$361,958
Gen. expenses and taxes	70,149	77,331	39,839	24,073	16,062	14,537	12,126
Net income	$3,882,283	$3,642,761	$1,754,329	$1,155,215	$708,903	$221,554	$349,832
Fixed charges	240,000	253,139	329,966	383,696	313,439	246,275	221,268
Balance	$3,642,283	$3,389,622	$1,424,363	$771,519	$395,464	*$24,721	$128,564
Preferred dividends	175,000	175,000	125,185	.....	.....	.....	.....
Common dividends	2,400,000	800,000	560,000	.....	.....	.....	.....
Surplus	$1,067,283	$2,414,622	$739,178	$771,519	$395,464	*$24,721	$128,564

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property account	$7,349,440	$6,788,040	Capital stock	$10,500,000	$10,500,000
Securities owned	10,001,000	10,001,000	Bonded debt	4,000,000	4,000,000
Sugar & molasses on hand	2,348,129	2,772,428	Current liabilities	612,072	345,183
Cash	2,365,150	1,462,096	Dividends payable	887,500	887,500
Other current assets	850,069	490,108	Reserves	129,457	89,000
Advance payments	140,811	113,438	Surplus	6,925,570	5,865,427
Total	$23,054,599	$21,687,110	Total	$23,054,599	$21,687,110

Bond Records and Ratings (Based on Five-Year Income Results, etc.)

NAME OF ISSUE	Interest Payable.	Maturity.	Authorized.	Outstanding.	Average Income Available	Interest Required per Annum.	Factor of Safety.	BASIS FOR RATING		Net Rating.
								Security.	Salability.	
1. Cuba Co. deb. 6s	J & J	Jn 1955	$4,000,000	$4,000,000	$2,228,698	$240,000	89%	High	Good	Aa.

REFERENCE NOTE ON BOND ISSUE

1. Dated Jan. 1, 1905; due Jan. 1, 1955. Int. paid Jan. and July, at Royal Bank of Canada, New York. Coupon, $1,000. Callable at par. Secured by deposit of entire common stock of Cuba R.R. Co., and also on sugar lands and other property. Listed on Amsterdam Stock Exchange.

Stock Records and Ratings (Based on Five-Year Income Results, etc.)

Name of Issue.	Rate of Dividend.	Amount Outstanding.	Average Income Available.	Dividend Requirement.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Cuba Co. 7% cum. pfd	7% F & A	$2,500,000	$1,924,650	$175,000	91%	High	Good	A.
2. Cuba Co. common	See text	8,000,000	1,749,650	800,000*	54%	Large	"	Baa.

* For 10% see below.

REFERENCE NOTES ON STOCK ISSUES

1. Auth., $8,000,000 7% cumulative preferred; outstanding, $2,500,000. Par, $100. Preferred stock was created in 1913, for the purpose of providing additional capital, enlarging plants, retiring $1,200,000 6% notes due May, 1914, etc. Sufficient reserved to provide for ultimate retirement of above debenture bonds. Callable after 3 years at 115%. No mortgage can be placed on the property without consent of two-thirds of outstanding preferred stock. Dividends of 7% per annum are now being paid, payments, Feb. and Aug. 1. Transfer Agent, Royal Bank of Canada, N. Y.

2. Auth. and outstanding, $8,000,000; par, $50,000. Initial dividend of 3½% paid July 1, 1914; Nov. 1, 1914, 3½%, and 10% each July 1, 1915; Oct. 1, 1915; Nov. 1, 1915, and July 1, 1916. Transfer Agent, Guaranty Trust Co., New York.

CUBA RAILROAD COMPANY

Note: The analysis is based on official documents of the company, including its annual reports of the past ten years.
For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated under New Jersey laws, May 1, 1902, to construct and operate railroads in the Island of Cuba. The first section was put in operation in 1905, and other sections in the following years. The government of Cuba granted the company a subsidy of $6,000 per kilometer for 247.88 kilometers, and $5,000 per kilometer for 30.99 kilometers.

In Dec., 1915, purchased entire capital stock of the Camaguey & Nuevitas Railroad, carrying with it a concession for the construction, under subsidy, of a railroad from Camaguey to Santa Cruz del Sur, a distance of 98½ kilometers. In order to finance this purchase the Cuba Railroad Company issued $3,000,000 3-year 5 per cent. Gold Notes, secured by the stock of the acquired company.

Location: The operated lines of the company on June 30, 1916, consisted of 619.1 miles, including main line from Santa Clara to Santiago, and branches to San Luis, Manzanillo, Holguin, etc. Yard tracks and sidings, 93 miles.

In addition to above mileage, company has 39 miles under construction known as the Fomento-Tunedad-Casilda Branch.

Control: The Cuba Company owns all the $10,000,000 outstanding common stock of the Cuba Railroad Company, and $1,000 of the preferred stock. See statement of Cuba Company under its own heading.

Management: Officers: Geo. H. Whigham, Pres.; D. A. Galdos, Vice-Pres. and Gen. Mgr.; Arthur Coppell, Vice-Pres.; Herbert C. Lakin, Sec.; R. E. Jones, Treas. Directors: Henry W. Bull, Arthur Coppell, Edwd. J. Berwind, Howard Mansfield, Geo. H. Whigham, Robert Fleming, R. B. Van Horne. Annual meeting, third Wednesday in September. New York Office, 52 William Street.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Earnings.	Maintenance.		Total Maintenance.	Cond. Trans. portation Gen. Exp. etc.	Net Earnings.	Total Net Income.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Disposal of Surplus.		Balance.
		Way.	Equipment.								For Dividends.	For Imp. Etc.	
1907	$4,589	$962	$466	$1,428	$1,616	$1,545	$1,545	$766	50%	$779	.....	.....	$779
1908	4,628	869	468	1,337	1,667	1,624	1,624	803	51	821	.....	.....	821
1909	4,858	689	413	1,102	1,616	2,140	2,140	898	59	1,242	.....	.....	1,242
1910	4,294	592	352	944	1,493	1,857	1,857	730	61	1,128	503	.....	625
1911	5,082	644	415	1,059	1,741	2,282	2,282	958	58	1,324	664	.....	660
1912	6,344	794	470	1,264	2,057	3,021	3,021	1,261	59	1,760	830	.....	930
1913	7,694	1,071	539	1,610	2,404	3,680	3,680	1,331	64	2,349	1,661	.....	688
1914	8,579	1,231	585	1,816	2,659	4,104	4,104	1,361	67	2,743	2,492	.....	251
1915	8,649	911	590	1,501	2,618	4,530	4,530	1,418	69	3,112	1,993	.....	1,119
1916	11,011	1,061	980	2,041	3,288	5,682	5,692	1,580	72	4,112	2,132	.....	1,980
10-Year Average	$6,572	$882	$528	$1,410	$2,116	$3,046	$3,047	$1,110	61%	$1,937	$1,028	.....	$909

Note: The company does not furnish adequate statistics in its annual report for an analysis of physical factors, such as density, train load, etc. The equipment is as follows: Locomotives, 137; passenger cars, 106; freight and company cars, 3,729. Floating equipment: Passenger steamship, 1; steam tugs, 4; lighters, 7; suction dredge, 1.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross earnings	$6,815,697	$5,206,714	$5,164,671	$4,632,040	$3,819,263	$3,059,650
Maintenance of way	656,971	548,218	741,370	644,915	478,225	387,512
Maintenance of equip.	606,193	355,170	351,943	324,354	283,389	249,722
All other oper. expenses	2,035,507	1,575,786	1,600,436	1,447,269	1,238,779	1,048,345
Net earnings	$3,517,026	$2,727,540	$2,470,922	$2,215,502	$1,818,860	$1,374,071
Operating ratio	48.4%	47.6%	52.2%	52.2%	52.4%	55.1%
Other income	6,633	.....	.....	.....	.....	.....
Total net income	$3,523,659	$2,727,540	$2,470,922	$2,215,502	$1,818,860	$1,374,071
Fixed charges	978,244	853,856	819,417	801,222	758,998	576,755
Surplus	$2,545,415	$1,873,684	$1,651,505	$1,414,280	$1,059,860	$797,316
Dividends paid	1,320,000	1,200,000	1,500,000	1,000,000	500,000	400,000
Other deductions	.....	.....	135,000	.....	.....	.....
Balance	$1,225,415	$673,684	$16,505	$414,280	$559,860	$397,316

Note: In addition to above cash dividends in 1916, $5,000,000 was paid as a stock dividend.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$36,300	65%	$18,960	35%	.....	$55,260	.....	$55,260	4.9%	.....	.....	.....	.....	.....	.....
1910	35,440	59	25,000	41	.....	60,440	.....	60,440	4	$660	3%	.....	.....	.....	.....
1911	26,784	49	27,440	51	.....	54,224	.....	54,224	4.2	664	4	.....	.....	.....	.....
1912	26,784	49	27,440	51	.....	54,224	.....	54,224	6	835	5	.....	.....	.....	.....
1913	33,223	56	26,628	44	.....	59,851	.....	59,851	6.1	997	6	$664	4%	57%	.....
1914	33,223	54	28,056	46	.....	61,279	.....	61,279	6.7	1,495	9	997	6	45	.....
1915	32,233	54	28,827	46	.....	61,150	$680	60,470	7.5	997	6	997	6	68	53%
1916	40,388	54	33,880	46	.....	74,268	4,771	69,497	8.2	969	6	1,163	6	76	63
8-Year Average	$33,058	55%	$27,029	45%	.....	$60,087	$681	$59,406	6%	$827	5%	$477	2.7%	31%	14%

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$43,516,453	$39,823,121	$38,877,326	$37,257,132	$32,644,448	$31,941,935
Materials and supplies	1,058,616	483,468	570,415	729,649	473,996	672,574
Investments	2,953,305	409,600	.....	.....	.....	.....
Current assets	2,321,621	1,649,095	2,026,407	1,967,515	2,078,519	1,002,666
Deferred assets	100,931	20,955	348,003	.....	.....	.....
Total	$49,950,926	$42,386,239	$41,822,151	$39,954,296	$35,193,963	$33,617,175
Liabilities:						
Capital stock	$25,000,000	$20,000,000	$20,000,000	$20,000,000	$16,126,000	$16,126,000
Funded debt	20,973,000	17,354,000	16,890,000	16,030,000	15,530,000	14,030,000
Current liabilities	1,620,020	655,967	910,538	527,455	555,402	1,038,476
Deferred liabilities	660,000	600,000	608,267	.....	.....	.....
Profit and loss surplus	1,697,903	3,776,272	3,413,346	3,396,841	2,982,561	2,422,699
Total	$49,950,926	$42,386,239	$41,822,151	$39,954,296	$35,193,963	$33,617,175

Note: In 1911, the item, current liabilities, includes $128,931 due the government of Cuba in December, 1916, and in 1910, $399,599 due the government of Cuba in 1916. In 1912, these items were paid four years before maturity.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Salability.	Net Rating.
1. Cuba R. R. first 5s	J&J	Jl 1952	(1st) 619	$20,000	$3,047	$972	68%	High	Fair	Aa.
2. Cuba R. R. imp. and equip. 5s	M&N	Jl 1960	(2d) 619	(see text)	2,075	323	85%	"	"	Aa.
3. Cuba R. R. 5% notes	M&N	N 1918	(coll.)	.....	1,752	242	77%	"	"	A.
4. Cuba R. R. equip 5s	Var.	(see text)	(equip.)	.....		157	77%	"	"	Aa.

For Reference Note, see next page.

Note: "Average income available" is the average net income available for interest charges, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see "Introduction." For Key to Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth. at $20,000 per mile; outstanding, $12,030,000. Dated Sept. 18, 1902; due July 1, 1952; int. paid Jan. and July 1 at Royal Bank of Canada, New York. Coupon, $1,000; reg., $1,000, $5,000, $10,000. First lien on entire property, consisting of 619 miles. Listed on New York, London and Amsterdam Stock Exchanges. Interest payable without deduction for normal income tax.

2. Auth. at $12,000 per mile; outstanding, $4,000,000. Dated July 1, 1910; due May 1, 1960. Int. paid May and Nov. 1 at agency of Royal Bank of Canada, New York. Coupon, $100, $500, $1,000 and 500 francs and 1,000 francs. Secured by second lien, following No. 1, on 619 miles, and also on new extensions, when constructed, as first lien. Issued to retire $2,000,000 of two-year notes, due Aug. 1, 1912, and also for terminal and other improvements. Interest paid without deduction for normal income tax.

3. Auth. and outstanding, $3,000,000; dated Nov. 15, 1915; due Nov. 15, 1918. Int. paid May and Nov. 15 at Fidelity Trust Co., Philadelphia. Callable on six weeks' notice at 101½ on Nov. 15, 1917. Prin. and int. guaranteed by Cuba R.R. Secured by pledge of $2,000,000 stock of Camaguey & Nuevitas R.R. Co. No mortgage can be placed on this property while these notes are outstanding. Interest paid without deduction for normal income tax.

4. In several series as follows: (1) $688,000 Series of 1914; dated Feb. 1, 1914; due $43,000 each Feb. and Aug. to Feb., 1924; int. Feb. and Aug. at Montreal Trust Co., Montreal, Can. Coupon, $1,000. Secured on equipment costing $958,393. (2) $495,000 Series of 1915; dated Jan. 21, 1915; due $28,000 each July 21 and $27,000 each Jan. 21 to Jan. 21, 1925. Int. Jan. and July 21 at U. S. Trust Co., New York. Coupon, $1,000. Secured on equipment costing $667,877. (3) $760,000 Series of Dec., 1915; dated Dec. 15, 1915; due $40,000 each June and Dec. 15 to Dec. 15, 1925; int. June and Dec. 15 at U. S. Trust Co., N. Y. Secured on equipment costing $967,000. Interest paid without deduction for normal income tax on all issues.

Capital Stock: Auth. and outstanding, $10,000,000 6% non-cumulative preferred and $15,000,000 common stock; par, $100. Latter is all owned by Cuba Company. Dividends on preferred: 1909, 1½%; 1910, 3½%; 1911, 4½%; 1912, 5½%; 1913, to date 6% each. On common, 1913, 4%; 1914, to date 6% each, payments May and Nov. In 1916 paid 20% stock dividend Jan. 3 and 25% June 30. TRANSFER AGENT, Royal Bank of Canada, 68 William St., New York. Preferred stock listed on New York, London and Amsterdam Stock Exchanges.

EASTERN BRITISH COLUMBIA RAILWAY

History: Incorporated under the laws of British Columbia, June 6, 1908.

Location: Road extends from McGillivray to Corbin, B. C., 14 miles; sidings, 2 miles. Equipment: Locomotives, 2; passenger cars, 3; freight cars, 19.

Management: OFFICERS: D. C. Corbin, Pres.; R. S. Ord. Gen. Mgr.; A. M. Allen, Sec. and Treas.; J. C. Williams, Aud.; G. B. Paul, Pur. Agt., Spokane, Wash.; Chas. Graham, Supt., Corbin, B. C. DIRECTORS: D. C. Corbin, E. J. Roberts, R. S. Ord, Austin Corbin, 2d, A. J. Devlin, A.T. Herrick, Spokane, Wash.; J. A. Harvey, Granbrook, B. C. Annual meeting, third Wednesday in October. GENERAL OFFICE, Spokane, Wash.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross earnings	$31,559	$33,246	$47,000	$54,611	$42,244
Operating expenses and taxes	34,026	32,025	28,754	28,383	27,972
Net earnings	*$2,026	$1,221	$18,246	$26,228	$14,272
Other income	.....	.....	11	90,620	.....
Fixed charges	3,807	1,983	3,658	2,413	25,573
Balance	*$6,495	*$762	$14,599	$114,435	*$11,301

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Cost of road and equip.	$856,593	$856,034	Common stock	$420,000	$420,000
Cash on hand	714	1,718	Current liabilities	5,801	5,014
Current accounts	31,998	37,261	Deferred liabilities	420,000	420,000
			Profit and loss	43,504	49,999
Total	$889,305	$895,013	Total	$889,305	$895,013

Capital Stock: Authorized and outstanding, $420,000; par, $100. No bonded debt. No dividends paid.

ELGIN & HAVELOCK RAILWAY

History: Incorporated under Canadian laws in 1892. Succeeded to the Elgin, Petitcodiac & Havelock Ry., which was sold under foreclosure in October, 1892.

Location: Elgin to Havelock, N. B., with branch, 28 miles. Sidings, etc., 2 miles. Equipment: Locomotives, 2; cars, 10; snow plow, 1; flanger, 1.

Management: OFFICERS: Reginald V. Harris, Pres.; F. B. Oxley, Sec. and Treas.. Halifax, N. S.; A. H. Robinson, Mgr. and Supt., Petiticodiac, N. B. DIRECTORS: Chas. H. Cahan, Montreal, P. Q., Reginald V. Harris, F. H. Oxley. Halifax, N. S. Annual meeting, first Wednesday in September. GENERAL OFFICE, 41 Barrington St., Halifax, N. S.

Income Account, year ended June 30, 1915: Gross earnings, $11,761; operating expenses, $11,927; deficit, $166.

Bonded Debt: $50,000 Elgin & Havelock 1st 5s. Dated Feb. 10, 1904; due Feb. 10, 1934. Interest paid Feb. and Aug. 10, at Halifax, N. S. Coupon, $500. Secured by first lien on property.

Capital Stock: Authorized, $125,000; outstanding, $44,900. Government and municipal bonuses, $203,153.

EL ORO MINING & RAILWAY COMPANY, LTD.

History: This is an English corporation registered July 27, 1899 under English laws for the purpose of acquiring capital stocks of the American R.R. & Lumber Co.. and the American Mining Co. Property of the company consists of valuable gold and silver mines in the El Oro district of Mexico. Claims are known as San Antonio, San Rafael, Trianon Diamente, Carmen No. 2, Sonora No. 1, and Ofir. Also owns railroad of 38 miles connecting mines with National Rys. of Mexico at Tultenango.

Equipment: Locomotives, 7; passenger cars, 7; freight cars, 110.

Management: OFFICERS: T. Dundas Pillans, Sec., London, Eng.; A. F. Main, Gen. Mgr.; R. E. Agnew, Supt., El Oro, Mex.; R. M. Raymond, Mgr. Dir. in Mexico. DIRECTORS: Robert Baring, Henry W. Barnett, R. T. Bayliss, Henry V. Hart-Davis, Alfred Naylor, L. Breitmeyer, J. H. M. Shaw, London, Eng.; P. L. Foster, New York. Annual meeting, in October. LONDON OFFICE, 21 Lombard Street. NEW YORK OFFICE, 61 Broadway.

Comparative Income Account, Years Ended June 30, *Mexican Currency.*

	1913	1912	1911	1910
Freight earnings	$466,945	$436,575	$440,391	$463,426
Passenger earnings	38,170	35,658	31,197	34,021
Gross earnings	524.178	487,923	491,670	514,083
Operating expenses	288.211	278,333	286,144	306,801
Net earnings	235,967	209,590	205,526	207,282

Note: Owing to the necessity of a complete shut-down on account of political conditions, no reports have been issued since 1913.

Capital Stock: Authorized, £1,150,000; outstanding, £1,147,500. Par, £1. Recent dividends as follows: fiscal years ended 1907 to and including 1911, 15% each; 1912, 12½%; 1913, 10%. None since.

ENTRE RIOS RAILWAYS COMPANY, LTD.

History: Registered under English Companies Act, November 19, 1891. Under a national concession dated Oct. 11, 1905, the company is exempt from national taxes for twenty years from 1905, and under a provincial concession dated, November 13, 1905, is free from provincial and municipal taxation for 30 years. National concession also provides that company shall be free from paying duty on materials for 20 years. The agreement under which the Agentine Ry. Co. operated this property was terminated in 1914, and the company's lines are now operated by their own management.

Location: Road extends from Paraná to Concepcion del Uruguay with branches to Hasenkamp, Victoria, Macia, Puerto Ruiz, Ibicuy, Gauleguaychu, Villaguay, Concordia, Ellsa and San Salvador. From Ibicuy rolling stock is transferred across the River Paraná by ferry boats, and by means of a link line to Zarate, and over the line of the Buenos Ayres Central Ry., through connection is made with Buenos Ayres. Total, 730 miles.

Management: OFFICERS: W. H. Williams, Sec.; R. Mackenzie, Gen. Mgr. DIRECTORS: Follett Holt, Chairman; H. B. Binder, J. Percy Clarke, Lord Farrer, A. H. G. Knox Little, London; Dr. N. R. Fresco, M. A. Rodriguez, R. H. F. Stuart, Buenos Ayres. LONDON OFFICE, 3 St. Helen's Place, E. C.

Comparative Income Account, Years Ended June 30
(Latest available.)

	1915	1914	1913	1912	1911
Gross revenues	£437,630	£609,850	£611,145	£472,101	£478,730
Operating expenses	326,328	332,414	345,846	291,923	254,253
Net revenues	£111,302	£277,436	£265,299	£180,178	£224,477

Profit and Loss Account, year ended June 30, 1915: Credit balance at beginning of year, £11,743; credit balance transferred from income, £111.302; sundry credits, £10.753; total, £133,797. Contra: Debenture interest, £158,351; other interest, £3,455; appropriations of surplus, £21.291; debit balance, June 30, 1915, £49,299; total, £133,797.

Bonded Debt: (1) Authorized and outstanding, £1,505.000 4% debenture stock. Must not exceed one-third issued capital. Interest payable Apr. and Oct. 1. Secured by trust deeds as a floating charge on all property and assets; redeemable at par Apr. 1, 1986, or at 105 on six months' notice, and in event of voluntary liquidation prior to 1986.

(2) Issued and outstanding, £700,000 debenture 5s in £100 bonds. Interest payable June and Dec. 1. Secured (without trust deed) as a floating charge on the undertaking, property and assets, following above issue. Total of this issue, together with the amount of the 4% debenture stock, must not exceed one-half of the issued capital. Redeemable at par Dec. 1, 1950 or at any time after Dec. 1, 1918 on six months' notice.

(3) Outstanding, £1,303,000 5% consolidated debenture stock. Int. paid Mar. and Sept. 1. Secured by trust deed (subject to above issue) as a floating charge on the undertaking and assets, but excluding such railways and work as may not be charged under the Argentine law. Further stock can be issued ranking pari passu with this issue, but the aggregate of the 4% debenture stock and 5% debentures and 5% consolidated Debenture Stock must not exceed the issued capital. Redeemable at par on March 1, 1973, or earlier at 105 any time after March 1, 1920 on six months' notice from the company or in event of voluntary liquidation.

Capital Stock: (1) Authorized and issued, £2,000,000 first preference. £108,423 held by Argentine Ry. Co. Under Act of 1905, 4% non-cumulative 2d preference stock was issued in satisfaction of arrears of dividends of this issue to June 30, 1904, amounting to 39½%, and cumulative rights were suspended from that date until such a time as both classes of Preference Stock should have been paid for three consecutive years when the dividend should again become cumulative on 1st Preference. This occurred upon payments for dividends 1912-13. Entitled to priority over Second Preference and Ordinary for capital without further participation.

(2) Authorized, £1,000.000; outstanding, £734,049 second preference stock. £236,929 held by Argentine Ry. Co. Entitled to non-cumulative dividend of 4%, and to priority over the ordinary stock without further participation.

(3) Authorized, £2,000,000; outstanding, £1,783,140 ordinary stock. £1,166,812 held by Argentine Railway.

ESSEX TERMINAL RAILWAY

History: Incorporated under the laws of Canada, May 15, 1902, to construct a belt line connecting Ford City, Windsor, Walkerville and Sandwich, with an extension to Amherstburg, Ont. Operated for freight only. Connects with Grand Trunk Ry., Canadian Pacific Ry., Pere Marquette Ry., Michigan Central R.R., and Wabash R.R. First section of road opened in 1908.

Location: Road extends from Ford City to Ojibway, Can., 10 miles; Walkerville to factory district of Windsor, Can., 2 miles; total, 12 miles. Sidings, 4 miles. Equipment: Locomotives, 2.

Management: OFFICERS: F. C. McMath, Pres.; Wm. W. Woollatt, Vice-Pres. and Gen. Mgr.; C. F. Doherty, Treas. and Pur. Agt.; J. H. Coburn, Sec., Walkerville, Ont. DIRECTORS: E. H. Gary, W. J. Filbert, C. MacVeagh, New York; F. B. Thompson, Pittsburgh; F. C. McMath, Willard Pope, Wm. W. Woollatt, Walkerville, Ont. Annual meeting, third Tuesday in September. GENERAL OFFICE, Walkerville, Ont.

Bonded Debt: $420,000 Essex Terminal Ry. first 5s. Dated July 2, 1912; due July 2, 1942. Interest paid Jan. and July 2, at Toronto, Ontario, or New York City. Authorized, $1,200,000. Coupon, $1,000. Callable on and after Jan. 2, 1917 at 105 and interest. First lien on all property of company.

Capital Stock: Authorized, $400,000; outstanding, $300,000. Par, $100. No dividends paid.

THE GRAND TRUNK RAILWAY COMPANY OF CANADA

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

History: Incorporated in 1882 as a consolidation of the Grand Trunk Railway and the Great Western Railway. Acquired the Midland Railway of Canada in 1884, the Northern Railway of Canada in 1888, and the Northern & Pacific Junction Railway in 1892. Also controls by stock ownership the Detroit, Grand Haven & Milwaukee, the Grand Trunk Western, the Michigan Air Line, the Toledo, Saginaw & Muskegon, the Central Vermont, and the Canada Atlantic railroad companies. The Cincinnati, Saginaw & Mackinaw R.R. is operated under lease and the Chicago, Detroit & Canada Grand Trunk Ry. under agreement. A majority of the stock of the Grand Trunk Pacific Railway (constructing extensive western extension) is owned. Full details of these separately operated properties are given under their own headings. The entire system forms a network of lines covering the entire Dominion of Canada, and when all extensions are completed will embrace over 10,000 miles of road.

Location: The directly operated system embraces 4,015 miles of lines, operating from Quebec and Portland, Me., and New London, Conn., westerly through Ontario and Michigan, making connection with various other lines and entering Toronto, Detroit, Grand Haven, Chicago, and many other points. Extensive steamer lines are operated on Lakes Huron, Michigan, and Superior. The entire system, including separately operated lines, was 4,788 miles on Dec. 31, 1915. In 1914, the Canada Atlantic Railway was directly merged and is now operated as part of the main system.

Management: OFFICERS: Alfred W. Smithers, Chairman; Sir Henry Mather Jackson, Vice-Chairman; Edson J. Chamberlin, Pres.; Howard G. Kelley, J. E. Dalrymple, R. S. Logan, Vice-Prests.; Frank Scott, Vice-Pres. and Treas.; H. H. Norman, Sec.; W. H. Ardley, Gen. Aud. DIRECTORS: Alfred W. Smithers, Sir Henry Mather Jackson, Edson J. Chamberlin, John Alan Clutton-Brock, Col. Frederick Firebrace, Sir Felix Schuster, Stanley Baldwin, Sir H. Arthur Yorke, Wm. Molson Macpherson, Sir W. Lawrence Young. MAIN OFFICE, Montreal, Canada. LONDON OFFICE, 9 New Broad Street, E. C.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	3,535	671	803	819	30,609	64%	.....	912,286	290	$1.67	.....	.67c
1908.....	3,536	700	875	891	31,256	63	.....	851,074	275	1.61	.....	.68
1909.....	3,536	709	875	894	30,206	63	.....	794,676	278	1.61	.....	.68
1910.....	3,536	709	924	900	30,914	64	.....	908,268	297	1.71	.....	.67
1911.....	3,536	710	958	905	30,392	64	.....	910,540	298	1.78	.....	.66
1912.....	3,545	710	992	917	31,914	63	.....	1,003,743	314	1.86	.....	.69
1913.....	3,545	711	1,085	983	32,070	64	.....	1,149,849	323	1.95	.....	.69
1913 Dec. 31	3,545	715	1,154	966	38,085	64	.....	1,154,840	338	1.95	.....	.69
1914 "	4,015	728	1,181	1,095	41,976	63	.....	966,319	339	1.90	.....	.68
1915 "	4,015	728	1,166	1,088	41,169	65	.....	933,578	358	1.96	.....	.70
10-Year Average	3,634	709	1,001	946	33,860	64%	.....	958,517	311	$1.80	.....	.68c

Yard tracks and siding, Dec. 31, 1915, 1,564 miles. Passenger density and passenger rates not furnished in annual reports. Fiscal year has been changed to Dec. 31st.

Comment: The freight density tended to decline on the Grand Trunk Railway during 1915, but there was some improvement in the train load and the train mile earnings. Average freight rates were a little higher than in recent years.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Earnings.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	Cond. Transportation Gen. Exp. etc.	Net Earnings.	Total Net Income.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Disposal of Surplus. For Dividends.	Disposal of Surplus. For Imp. Etc.	Balance Carried Forward.
1907.....	$9,577	$1,102	$1,852	$2,954	$3,831	$2,792	$2,993	$1,840	31%	$1,153	$1,155	.....	$2*
1908.....	9,184	1,141	1,273	2,414	4,104	2,666	2,798	1,825	35	973	991	.....	18*
1909.....	8,589	1,155	1,187	2,342	3,687	2,560	2,837	1,845	35	992	980	.....	12
1910.....	9,578	1,369	1,802	3,171	3,833	2,574	3,043	1,999	34	1,044	1,036	.....	8
1911.....	9,959	1,356	1,712	3,068	4,181	2,710	3,165	2,137	32	1,028	1,028	.....	.....
1912.....	10,925	1,273	1,915	3,188	4,719	3,018	3,387	2,211	35	1,176	1,181	.....	5*
1913.....	12,309	1,307	1,949	3,256	5,713	3,340	3,635	2,298	37	1,337	1,327	.....	10
1913, Dec. 31...	12,524	1,400	1,910	3,310	5,968	3,246	3,708	2,367	36	1,341	1,336	.....	5
1914 " ...	10,406	1,303	1,665	2,968	5,317	2,121	2,950	2,435	17	515	530	.....	15*
1915 " ...	10,056	1,217	1,705	2,922	4,972	2,162	3,083	2,464	25	619	604	.....	15
10-Year Average	$10,311	$1,262	$1,697	$2,959	$4,633	$2,719	$3,160	$2,142	32%	$1,018	$1,017	.....	$1

* Deficit.

Comparative Income Account, Years Ended June 30

	Dec. 31, 1915	Dec. 31, 1914	Dec. 31, 1913	1913	1912	1911
Gross earnings	£$8,292,688	£8,596,768	£9,134,554	£8,978,396	£7,970,103	£7,261,081
Maintenance of way....	£1,002,729	£1,076,061	£1,021,515	£952,413	£929,179	£988,433
Maintenance of equip..	1,406,930	1,375,300	1,392,362	1,422,913	1,398,297	1,248,095
Traffic	237,621	280,895	273,692	261,660	249,378	231,715
Conducting transporta'n	3,337,983	3,679,522	3,677,204	3,537,657	3,084,132	2,629,953
General expenses	320,899	265,098	239,881	221,606	208,704	186,538
Taxes	205,095	165,043	162,615	145,545	134,466	134,158
Total	£6,511,257	£6,841,919	£6,767,269	£6,541,794	£6,004,156	£5,418,891
Net earnings	1,781,431	1,754,849	2,367,285	2,436,602	1,965,947	1,842,190
Operating ratio	78.5%	79.6%	74%	73%	75%	75%
Other income	759,270	682,744	336,723	214,467	371,173	331,442
Total income	£2,540,701	£2,437,593	£2,704,008	£2,651,069	£2,337,120	£2,173,632
DEDUCTIONS:						
Int. on bonds, deb., etc.	£1,730,192	£1,592,034	£1,297,398	£1,252,853	£1,181,995	£1,128,412
Rental of leased lines.	155,206	155,206	155,206	155,206	155,206	155,206
Adv. to controlled lines	144,620	265,237	274,282	268,555	144,412	141,051
Div. on guar. 4% stock.	500,000	437,500	496,823	490,591	455,394	416,769
Div. on 1st pfd. stock..	.....	.....	170,842	170,842	(5%) 170,842	(5%) 170,842
Div. on 2d pfd. stock...	.....	.....	126,420	126,420	(5%) 126,420	(5%) 126,420
Div. on 3d pfd. stock...	.....	.....	179,116	179,116	(1½%) 107,469	(¼%) 35,823
Surplus for year..	£10,684	* £12,384	£3,921	£7,486	£18,492	* £892

* Deficit.

Note: For comparative purposes, the income figures are reduced to dollars in Table B, but the income account is given in "pounds." The two six months' statements of the company, ending Dec. 31 and June 30, respectively, were combined to obtain the figures for the year ended Dec. 31, 1914.

As the usual balance sheet, modeled on the plan exhibited by American roads, is not furnished by this company, the comparative capitalization figures are omitted from this analysis. The various bond and stock issues are all described and rated under Table D. The company has changed its fiscal year to Dec. 31st and therefore it is no longer possible to present the accounts under date of June 30.

TABLE D.—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of Syatem.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Grand T. Ry. perp. deb. 5s..	J&J	Irred.	.....	.....	$3,160	$260	54%	High	Good	Aa.
2. G. T. Ry. perp. cons. deb. 4s.	Qu.J	"	.....	.....		1,190	54%	"	"	Aa.
3. G. T. Ry. second equip. 6s.	J&J	Jl 1919	.....	.....		25	50%	"	"	Aa.
4. G. West. perp. deb. 5s.....	F&A	Irred.	.....	.....		165	50%	"	"	A.
5. Nor. Ry. of Can. third pfd.. deb. 6s.....	A&O	"	.....	.....		1	50%	"	"	A.
6. N. Ry. of Can. perp. deb. 4s.	F&A	"	.....	.....		20	50%	"	"	A.
7. Can. Atlantic first 4s.....	J&J	Ja 1955	(1st) 396	$40,432	1,710	159	50%	"	"	A.
8. G. T. Ry. equip. 4½s.....	M&N	1917-1923	(see text)	.....		64	50%	"	"	A.
9. G. T. Ry. 5% guar. notes..	M&N	N 1917	(coll.)	.....		50	50%	"	"	A.
10. G. T. Ry. 5% sec. notes...	(text)	(see text)	"	.....		147	50%	"	"	A.
11. G. T. Ry. 5½% sec. notes.	"	"	"	.....		238	50%	"	"	Ba.
12. Well. Grey & Bruce bds....	"	"	(1st) 168	388	.....	.....	.....	"	"	Ba.

For Reference Notes, see next page.

Note: "Average income available" is the average net income per mile available for interest charges, after deducting taxes, for the ten years ending Dec. 31, 1915. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Outstanding, £4,270,375; dated May 26, 1874; irredeemable. Int. paid Jan. and July 14, at Glyn, Mills, Currie & Co., London. Secured by direct lien, jointly with No. 2, on 2,950 miles of road, but subject to No. 3 on equipment.

2. Outstanding, £24,624,455; dated May, 1874; irredeemable. Int. paid quarterly Jan. 14 at Glyn, Mills, Currie & Co., London. Secured by direct lien, equally with No. 1 above, on 2,950 miles, but subject to No. 3 on equipment. In addition to the amount outstanding as shown above, additional amounts have been pledged on security for Nos. 11 and 12.

3. Outstanding, £373,000; due July 1, 1919. Int. paid Jan. and July at Glyn, Mills, Currie & Co., London. First lien on equipment. Original issue was £500,000, but all except above amount have been exchanged for Nos. 1 and 2.

4. Outstanding, £2,723,080; irredeemable. Int. paid Feb. and Aug. at Glyn, Mills, Currie & Co., London. Assumed by Grand Trunk Ry., but not secured by mortgage.

5. Outstanding, £14,500; dated 1868; irredeemable. Int. paid Apr. and Oct., at Glyn, Mills, Currie & Co., London. Assumed by Grand Trunk Ry., but not a mortgage. Nearly all have been exchanged for No. 6 below.

6. Outstanding, £308,215; irredeemable. Dated July, 1884. Int. paid Feb. and Aug., at Glyn, Mills, Currie & Co., London. Assumed by Grand Trunk Ry., but not a mortgage. Were issued in exchange for No. 5, at rate of 125 for 100.

7. Outstanding, £3,287,690; dated Jan. 1, 1905; due Jan. 1, 1955; int. Jan. and July at Grand Trunk offices. London, Montreal and New York. Assumed by Grand Trunk Ry. Co. First lien on 396 miles from Depot Harbor, Ont., to International Boundary Line.

8. Series A, 4½; dated May 1, 1912; due $197,000 s.a. to May 1, 1922. Int. paid May and Nov. 1, at Blair & Co., New York. Coupon, $1,000. Original issue, $3,940,000; unmatured, $2167,000. Callable at 102½ and interest. First lien on equipment costing $4,483,675.

Series B, 4½s; dated Nov. 1, 1912; due $168,000 s.a. to Nov. 1, 1922. Int. paid May and Nov. 1, at Blair & Co., New York. Coupon, $1,000. Original issue, $3,360,000; unmatured, $2,016,000. Callable at 102½ and interest. First lien on equipment costing $3,820,730.

Series C, 4½s; dated Nov. 1, 1913; due $113,000 s.a. to Nov. 1, 1918, and $112,000 s.a. thereafter to Nov. 1, 1923. Int. paid at Blair & Co., New York. Coupon, $1,000. Original issue, $2,250,000; unmatured, $1,572,000. First lien on equipment costing $2,625,185.

9. Outstanding, $4,000,000; dated Nov. 1, 1915; due Nov. 1, 1917; int. paid May and Nov. in New York and Montreal. Coupon, $1,000. Secured by pledge of $5,254,632 (131%) Grand Trunk Pacific Ry. sterling 4s of 1914. Prin. and int. guaranteed by endorsement by the Dominion of Canada. Convertible at par into pledged guaranteed bonds at 80 at option of holder.

10. (a) Outstanding, £2,000,000; dated Oct. 1, 1913; due Oct. 1, 1918; int. Apr. and Oct. at Union of London and Smith's Bank, London. Coupon, £100, £200. Secured by deposit of £2,667,000 of No. 2. Callable at 101 on 60 days' notice. Issued in part payment of equipment costing in excess of £2,000,000.

(b) Outstanding, $2,000,000; dated Aug. 1, 1916; due Aug. 1, 1918; int. Feb. and Aug. in New York and Montreal. Coupon, $1,000. Secured by pledge of $3,265,000 of No. 2. Company agrees to maintain market value of collateral at least 10% in excess of note issue.

11. (a) Outstanding, £1,000,000; dated Jan. 15, 1915; due Jan. 14, 1918; int. Jan. and July 15 at Union of London and Smith's Bank, London. Coupon, £100, £200. Callable at 101 on 60 days' notice. Secured by pledge of £1,430,000 of No. 2.

(b) Outstanding, £2,500,000; dated July 1, 1915; due July 1, 1920; int. Jan. and July. Coupon, £100, £200 and £500. Callable at 101 on 60 days' notice. Secured by pledge of £3,600,000 of No. 2.

12. Outstanding, £65,200; date of maturity extended indefinitely; balance of issue of £532,000 first 7s which matured July, 1891, remainder having either been paid or exchanged for Grand Trunk debenture 4s. Int. now paid in accordance with traffic agreement which gives bonds 30% of gross receipts of "Wellington" lines as interest. This has been insufficient for full interest charges and payments are now in arrears. First lien on 168 miles.

Note: There are also £700 of matured bonds not paid off, and $225,000 Whipple Car Co. first real estate and collateral car trust 5s, due serially to 1922, assumed by Grand Trunk Ry. Company; also guarantees $250,000 New England Elevator Co. first 3¾s due annually to 1941 and $1,000,000 Montreal Warehouse first 4s due 1936.

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TABLE E.—Stock Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name and Details of Issue.	Rate and Date Dividends.	Amount Outstanding per Mile.	Average Income Available per Mile.	Dividend Required per Mile of System.	Factor of Safety.	Basis for Rating.		Net Rating.
						Equity.	Salability.	
1. Grand Trunk Ry. guaranteed stock..... Par £100. Outstanding, £12,500,000.	4% M&N	.....		$610	.....	Good	Good	A.
2. Grand Trunk Ry. first preference stock..... Par £100. Outstanding, £3,420,000.	5% M&N	.....		205	.....	Fair	"	Baa.
3. Grand Trunk Ry. second preference stock.. Par £100. Outstanding, £2,530,000.	See text	.....		150	.....	Mod.	"	B.
4. Grand Trunk Ry. third preference stock.... Par £100. Outstanding, £7,168,055.	See text	.....		200	.....	"	"	Caa.
5. Atlantic & St. Lawrence gtd. stock..... Par £100 and $100. Outstanding, $5,484,000.	6% F&A	.....	$1,200*	80	.....	Good	"	A.
6. Buffalo & Lake Huron stock..... Par £10. Outstanding, £525,130.	5s. 3d.	.....		40	.....	"	"	A.
7. Chic., Det. & Can. Grand Trunk Junc. R.R. Par $100. Outstanding, $1,095,000.	4% J&D	.....		20	.....	"	"	A.
8. Cinn., Saginaw & Mack. guaranteed stock.. Par $100. Outstanding, $1,500,000.	2.88%	.....		11	.....	"	"	A.
9. Grand Trunk Ry. ordinary stock..... Par £100. Outstanding, £23,955,436.	.....	.....	.....	.....	.....	Mod.	"	Ca.

For Key to Stock Ratings, see page 21. * This balance is before deducting rental guarantees on leased line stock.

REFERENCE NOTES ON STOCK ISSUES

1. Has preference over all other stock issues and received 4% per annum up to year ending Dec. 31, 1914, when only 3½% was paid. Full rate has been paid since.

2. Received 3% in 1898 and the full rate of 5% per annum up to 1914. None in 1914. Payments resumed at full rate in 1916.

3. Received 3¼% in 1899, 3% in 1900, 5% from 1901 to 1907 inclusive, 2½% in 1908, 5% in 1909 to 1913 inc.; none in 1914 and 1915.

4. Received 1% in 1902, 2% in 1903, 2% in 1905, and 3% each in 1906 and 1907, ½% in 1910, 1½% in 1911, 2½% in 1912 and 1913, none in 1914 and 1915.

5. Road leased to Grand Trunk Railway for 999 years; rental, assumption of all obligations and guaranty of 6% on stock.

6. Road leased to Grand Trunk at annual rental of £70,000, which equals interest on bonds and dividends as shown on stock.

7. Road leased to Grand Trunk at rental covering all interest and dividends of 4% on stock. All the bonds of the road are owned by the Grand Trunk Ry.

8. Road leased to Grand Trunk until 2000 at rental of $43,225 per annum.

9. No dividends have been paid on the "consolidated" or ordinary stock.

COMPANIES CONTROLLED BY GRAND TRUNK RAILWAY CO. OF CANADA

ATLANTIC AND ST. LAWRENCE RAILROAD

History: Incorporated under laws of Maine, Feb. 10, 1845; under laws of New Hampshire, July 30, 1847, and under the laws of Vermont, Oct. 27, 1848. It was leased to the Grand Trunk Railway of Canada on Aug. 5, 1853 for 999 years, the lessee assuming all outstanding obligations and guaranteeing 6% on the stock. The privilege has been granted the Grand Trunk Ry. Co. under Act of 1884 to redeem the rental payable to the company by the issue of 4% debenture stock in exchange for the shares. Lessee furnishes equipment.

Location: Line of road, Portland, Maine, to Canadian boundary, 165.20 miles. Leased Norway Branch R.R., 1.5 miles. Total miles operated, 166.70 miles; sidings, 83.46 miles.

Management: Officers: E. J. Chamberlin, Pres.; H. G. Kelley, Vice-Pres.; Frank Scott, Vice-Pres. and Treas.; W. H. Ardley, Compt., Montreal, Que.; H. P. Sweetser, Clerk, Portland, Me. Directors: E. J. Chamberlin, H. G. Kelley, J. E. Dalrymple, Montreal, Que.; W. H. Moulton, W. W. Duffett, F. D. True, E. A. Noyes, P. G. Brown, H. P. Sweetser, Portland, Me. Office, Montreal, Que.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$2,080,394	$1,557,152	$1,657,507	$1,739,091	$1,540,809	$1,372,655	$1,430,546
Net earnings	496,735	277,677	246,244	170,391	62,513	15,972	337,434
Net income	510,307	323,754	246,537	170,684	62,806	16,265	338,764
Interest	206,280	206,280	206,280	206,280	206,280	206,280	206,280
Dividend	330,598	328,792	329,040	329,040	329,040	329,040	329,040
Total deductions	689,362	698,813	679,090	781,372	696,198	662,766	671,079
Deficit	179,067	375,059	432,554	610,688	633,393	646,500	332,314

Bonded Debt: On June 30, 1916, the total outstanding bonded debt consisted of the following: Secured on 165.20 miles, being line from Island Pond to Portland, Me., 149.56 miles and from Island Pond to boundary line, 15.64 miles.

(1) $1,499,916 Atlantic & St. Lawrence R.R. first 5-20-year 6s; dated Oct. 1, 1864. Trustee, C. A. Hight, Portland, Me.

(2) $712,932 Atlantic & St. Lawrence R.R. second 5-20 year 6s; dated May 1, 1871. Trustee, C. A. Hight, Portland, Me.

(3) $786,984 Atlantic & St. Lawrence R.R. third 5-20 year 6s; dated July 1, 1889.

(4) $438,000 Island Pond 30-year debenture 6s; dated Dec. 1, 1882. All owned by the Grand Trunk Railway.

Total of above, $3,438,000, including balance due in exchange of bonds, $168. $3,000,000 are held by the Grand Trunk Railway Co., which issued against them its 5% perpetual debenture stock. The sinking fund for the redemption of the City of Portland bonds was finally closed Nov. 2, 1888, by payment of the bonds which matured on that date, $308,000 in all. Under the terms of agreement of the Grand Trunk Railway and this company, the lessor is required to issue stock to replace the City of Portland debt when the lessee demands such issue.

Capital Stock: Authorized and outstanding, $5,484,000. Shares, £100, and $100. Dividends paid in cash, Feb. 1 and Aug. 1, at Portland, Me., and sterling, March 15 and Sept. 15, at London, Eng. Dividends have been paid as follows: 1900 to 1916, 6% each. TRANSFER AGENTS AND REGISTRARS, H. H. Norman, London, Eng., and W. W. Duffett, Treas., Portland, Maine.

BUFFALO AND LAKE HURON RAILWAY

History: Incorporated May 16, 1856. Leased in perpetuity to the Grand Trunk Railway of Canada, Feb. 2, 1870, rental being £70,000 per annum. The rent charge up to £42,500 takes precedence of the lessee's first equipment bonds, and the balance ranks after the second equipment bonds. Fixed charges call for £42,006 per annum and the residue is available for dividends on the ordinary shares. Line of road, Buffalo to Goderick, Can., 162.5 miles.

Management: OFFICERS: M. H. Maxwell, Chairman, 63 So. John St., Liverpool, Eng.; C. D. Brassey, Sec.; Edward Capern, Asst. Sec., London, Eng. DIRECTORS: Maxwell H. Maxwell, Edward Ashton, Liverpool, Eng.; Thomas Lindley, London, Eng. OFFICE, No. 5 Gt. Winchester Street, London, Eng.

Bonded Debt: (1) £297,600 Buffalo & Lake Huron Ry. first mortgage irredeemable £100 5½s. These bonds and also interest are a charge on the railway and property of the company vested in the Grand Trunk Railway Co. of Canada, which company holds £600 of the issue.

(2) £466,158 Buffalo & Lake Huron Ry. second mortgage irredeemable £100 5½s. These bonds follow No. 1 and are subject thereto. £11,867 of this issue are held by the company. Int. paid at London County and Westminster Bank, Ltd., 21 Lombard Street, London, Eng.

Capital Stock: Outstanding, £525,130; par, £10. Dividends, Mar. and Sept., at London, Eng. Secretary of company acts as TRANSFER AGENT AND REGISTRAR. Dividends of 5s 3d have been regularly paid semi-annually since 1881, except in June, 1902, when 5s 6d was paid. Stock listed on London, Glasgow and Liverpool Exchanges.

CHICAGO, DETROIT AND CANADA GRAND TRUNK JUNCTION RAILROAD

History: Incorporated under laws of Michigan, March 18, 1858. Leased to Grand Trunk Railway Co. of Canada for 999 years from 1859, which company operates the road, supplies equipment, and advances any deficiency in net income to meet interest on bonds and dividends of 4% per annum on the stock.

Location: Line of road, Detroit Junc. to Fort Gratiot, Mich., 60 miles; sidings, 54.89 miles.

Management: OFFICERS: E. J. Chamberlin, Pres.; H. G. Kelley, Vice-Pres.; Frank Scott, Vice-Pres. and Treas., Montreal, Que.; J. E. Dalrymple, Vice-Pres., Montreal; W. H. Ardley, Compt., Montreal; G. W. Alexander, Sec., Detroit, Mich. OFFICE, Detroit, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$1,184,579	$969,098	$1,016,607	$984,227	$925,344	$733,187	$639,866
Net revenues	332,419	197,969	140,254	127,327	83,430	488	* 28,745
Fixed charges	65,700	65,700	65,700	65,700	65,700	65,700	65,700
Dividends	22,846	22,847	22,846	43,800	43,800	43,800	43,800
Total deductions	346,452	197,969	127,713	158,329	135,438	128,917	117,165
Deficit	† 191,486	.....	† 12,541	31,002	52,008	128,429	145,910

* Deficit. † Surplus.

Bonded Debt: (1) $689,000 Chicago, Detroit & Canada Grand Trunk Junc. R.R. first 6s; dated 1864; due July 1, 1884. Int. paid quarterly in London, Eng. The shareholders of the Grand Trunk Railway Co. own all the bonds.

(2) $691,141 Chicago, Dotroit & Canada Grand Trunk Junc. R.R. non-interest bearing bonds. Exchangeable for stock within ten years from June 26, 1883.

Capital Stock: Outstanding, $1,095,000; par, $100. Dividends payable semi-annually at Montreal, Can., or London, Eng. A regular semi-annual dividend of 2% has been paid since 1901. The shareholders of the Grand Trunk Railway of Canada own $521,281 of the capital stock. Secretary of the company acts as TRANSFER AGENT AND REGISTRAR.

CINCINNATI, SAGINAW AND MACKINAW RAILROAD

History: Incorporated under laws of Michigan, Dec. 6, 1889. Operated under lease by the Grand Trunk Railway Co. of Canada. said lease to be effective until Jan. 1, 2000, rental being $21,612.50 semi-annually, being the equivalent of a dividend of 1.44%.

Location: Line of road, Durand to West Bay City, Mich., 52.97 miles; sidings, 35.85 miles. Equipment: Locomotives, 15; cars, 19; including 2 service cars.

Management: OFFICERS: W. R. Burt, Pres.; G. M. Stark, Vice-Pres.; W. T. Knowlton, Sec. and Treas., Saginaw, Mich. OFFICE: Saginaw, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$264,861	$249,060	$378,125	$255,572	$258,264	$207,224	$203,509
Operating expenses	323,003	324,813	315,985	*321,804	*300,505	232,292	222,840
Net revenues	†$58,142	†$75,754	$62,140	†$66,232	†$42,241	†$25,068	†$19,331
Taxes	19,238	16,389	13,924	.....	.....	12,542	15,781
Rentals	43,225	43,225	48,215	53,334	51,666	45,355	46,272
Total deductions	$69,618	$66,208	$62,140	$185,796	$51,666	$57,897	$62,053
Deficit	‡§3,985	‡§49,398	.....	119,565	93,907	82,965	81,384

* Includes taxes. † Deficit. ‡ Surplus. § Includes $185,979 contributed by Grand Trunk Ry. in 1915 and $128,640 in 1916.

Capital Stock: Authorized, $5,000,000; outstanding, $1,500,000. Par, $100. Dividends of 2.88% per annum, payable Jan. and July at Saginaw, Mich.

DETROIT, GRAND HAVEN & MILWAUKEE RAILWAY

Origin: Incorporated under laws of Michigan, Nov. 9, 1878, as successor to the Detroit & Milwaukee R.R. Entire capital stock is owned by the same interests that control Grand Trunk Ry. Co. of Canada.

Location: Line of road, Detroit to Grand Haven, Mich., 190.52 miles. Equipment: Locomotives, 8; passenger and freight cars, 135.

Management: OFFICERS: E. J. Chamberlin, Pres. and Gen. Mgr.; H. G. Kelley, Vice-Pres., Montreal, Que.; G. W. Alexander, Sec. and Treas.; W. H. Ardley, Compt. DIRECTORS: E. J. Chamberlin, H. G. Kelley, Frank Scott, Montreal; W. E. Gillen, Chicago, Ill.; A. B. Atwater, J. Pridgeon, Jr., A. P. Sherill, G. W. Alexander, Detroit, Mich.; H. R. Safford. OFFICE, Detroit, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$3,242,210	$2,655,553	$2,558,130	$2,516,327	$2,273,729	$2,046,680	$2,041,402
Operating expenses	2,410,208	2,244,076	2,271,261	2,405,458	1,930,484	1,733,266	1,555,975
Net operating revenues	$832,002	$411,477	$286,869	$110,869	$343,245	$313,414	$485,427
Other income	14,416	649,218	10,181	11,476	7,835	9,607	8,979
Total net income	$846,418	$1,060,695	$297,050	$122,345	$351,080	$323,021	$494,406
Fixed charges, including taxes	831,482	750,863	710,989	674,354	630,046	497,360	603,813
Balance (deficit)	*$14,936	*$309,832	$413,939	$552,009	$278,966	$174,339	$109,407

* Surplus.

Bonded Debt: (1) $3,200,000 Detroit, Grand Haven & Milwaukee consolidated 6s; dated Nov. 15, 1878, due Nov. 15, 1918. Int. payable at office of Grand Trunk Ry. Co., in London, Eng., and National Bank of Commerce, New York, N. Y. Coupon, $200, $500, and $1,000 each. Prin. may be registered. Listed on London Stock Exchang. Trustees: Francis Pavy, London, Eng.; F. E. Driggs, Detroit, Mich. One vacancy. Normal income tax deducted from interest.

(2) $2,000,000 Detroit, Grand Haven & Milwaukee 1st equipment 6s; dated Nov. 14, 1878; due Nov. 14, 1918. Int. payable April 1 and Oct. 1 at office of Grand Trunk Ry. in London, Eng., and National Bank of Commerce, New York. Coupon, $1,000. Prin. may be registered. Trustees: Detroit Trust Co., Detroit, Mich. Listed on London Stock Exchange. Normal income tax deducted from interest.

Capital Stock: Auth. and outstanding, $1,500,000. All owned by the Grand Trunk Ry. Co. of Canada. Shares, $50. TRANSFER AGENT and REGISTRAR, Geo. W. Alexander, Sec., Detroit, Mich. Annual meeting, first Monday in October at Detroit, Mich. Books do not close in advance.

GRAND TRUNK PACIFIC RAILWAY COMPANY

Origin: Incorporated under laws of Dominion of Canada, Oct. 24, 1903, to construct a line in the interest of the Grand Trunk Railway of Canada from Moncton, N. B., *via* Quebec, thence in a direct line to Winnipeg and from there to the Pacific Ocean at Prince Rupert, British Columbia. The system consists of 3,549 miles, exclusive of branches. The Grand Trunk Ry. of Canada owns the entire issue of common stock of this company.

Equipment: Locomotives, 272; passenger and freight cars, 13,756.

Management: OFFICERS: E. J. Chamberlin, Pres., Montreal; E. M. Donaldson, Vice-Pres. and Gen. Mgr., Winnipeg, Man.; W. H. Biggar, Vice-Pres.; Frank Scott, Vice-Pres.; J. E. Dalrymple, Vice-Pres.; Henry Phillips, Sec.; Frank Scott, Treas.; W. H. Ardley, Compt., Montreal, Canada. DIRECTORS: Alfred W. Smithers, Sir Henry Mather Jackson, Sir Felix Otto Schnelder, Sir Wm. Yorke, C.B., E. J. Chamberlin, Howard G. Kelley, W. H. Biggar, J. E. Dalrymple, Frank Scott, W. H. Ardley, E. B. Greenshields, Hon. R. Dandurand, Jules Hone, Montreal, Que.; William Molson Macpherson, Quebec, P. Q.; J. B. Fraser, Ottawa; Peter McAra, Winnipeg, Man. OFFICE, Montreal, Que.

Bonded Debt: (1) £14,000,000 Grand Trunk Pacific Ry. Co., Western Division first mtge. 3s, Guaranteed Bonds; dated July 1, 1905, and July 1, 1909, due Jan. 1, 1962. Interest Jan. 1 and July 1 at 203 Dashwood House, London, E. C.; Bank of Montreal, New York, and Bank of Montreal, Montreal. All payments are free of Canadian taxes. Principal and interest guaranteed (up to 75 per cent. of the cost of construction) by the Canadian Government. Coupon, £100, £500, or £1,000 each, registerable as to principal only, at the offices of the company. Secured by first mortgage on the Western Division, from Winnipeg to Prince Rupert, 1,745 miles, exclusive of branch lines exceeding six miles in length. Authorized, £14,000,000. Trustee, Royal Trust Co., Montreal, Que. Listed on London Stock Exchange.

(2) £4,150,000 (£2,100,000 Prairie Section Series "A"; £2,050,000 Mountain Section Series "B") second mtge. 4s Sterling Guaranteed Bonds; dated April 1, 1905; due April 1, 1955. Interest April and Oct. 1 in London, Eng.; Bank of Montreal, New York, N. Y., and at company's office. Of the "B" bonds £696,000 were issued in London under prospectus dated March 10, 1911. Principal and interest guaranteed by the Grand Trunk Ry. Co., in priority to its own guaranteed preference and ordinary stocks. Coupon bonds, £100 or £200 each, registerable as to principal only, at the offices of the company. Authorized issue, £4,150,000. Secured by second mortgage on the railway equipment and tolls of the company, including the leasehold interest in the Eastern Division, but not on branch lines exceeding six miles in length, nor on ships, land grants (other than for railway purposes), and the equipment of the Eastern Division, or of the aforesaid branch lines over six miles in length. Trustee, National Trustee Co., Ltd., Toronto, Ont. Listed on London Stock Exchange.

(3) £1,550,000 Lake Superior Branch first mtge. 4s; dated March 15, 1905; due April 1, 1955. Interest April and Oct. 1 at company's office, London, Eng., or Bank of Montreal, New York, N. Y. Coupon, £100 and £200 each. Registerable as to principal. Bonds are guaranteed principal and interest by endorsement by the Grand Trunk Ry. Co. in priority to its own guaranteed preference and ordinary stocks. Authorized issue, £1,550,000. Secured on line from Thunder Bay on Lake Superior to Junction with Eastern Division east of Winnipeg, 188 miles. Trustee, National Trust Co., Ltd., Toronto, Ont. Listed on London Stock Exchange.

(4) £7,176,801 4% Debenture Stock, subject to redemption at £105 on and after March 1, 1936, on one year's notice. Interest Mar. 1 and Sept. 1. The stock is secured on the same properties as the first mtge. bonds, but subject to them and securities granted or to be granted, to secure the second mortgage bonds and the Lake Superior Branch bonds (see above). Authorized issue, $50,000,000 or £10,273,960 (increased from $25,000,000 or £5,135,980 early in 1913; created by "The Grand Trunk Pacific Act, 1913"). The Grand Trunk Ry. of Canada has guaranteed the due payment of interest in each year ending March 1, on these debentures, but only out of the net earnings of the Grand Trunk Ry. Co. of each year ending Dec. 31 previously, after deducting (1) its working expenses; (2) all interest and other moneys payable by the Grand Trunk Ry. Co. (a) on loan capital or prior charges or (b) on bonds or liabilities of any other company, under or pursuant to any guaranty. Listed on London Stock Exchange.

(5) £3,280,000 sterling 4s; dated Aug. 5, 1914; due Jan. 1, 1962; interest Jan. and July 1, at office of agency of company in London, Eng., and in Montreal and New York, at rate of exchange of $4.86 per pound sterling. Coupon, £100 and multiples; principal may be registered. Royal Trust Co., Montreal, Trustee. Guaranteed as to both principal and interest by the Dominion of Canada. Authorized, £3,280,000, or $16,000,000, of which £1,081,200 are pledged under the Grand Trunk Railway 5% notes of 1917 and £1,543,200 are pledged under the Canadian Government Loan of 1914. Bonds are issuable to pay for completion of road. Secured on present and future undertakings and properties of company of every kind, subject only to a (a) securities heretofore or hereafter issued under existing mortgages or trust deeds; and (b) such priority in favor of other mortgages and charges hereafter created by the company, as the Government-in-Council may expressly approve.

Government Loans.—(1) $10,000,000 4% Canadian Government Loan, issued in 1909, repayable in 10 years or at any time on six months' notice, interest payable semi-annually. Secured by the company's bonds to the same amount, maturing 1919, guaranteed principal and interest by the Grand Trunk Ry. Co. of Canada, under a mortgage on the Prairie Section, subject to existing prior liens.

(2) $15,000,000 4% Canadian Government Loan, issued in 1913, payable in 10 years on July 1, 1923, to be covered by debentures constituting a charge of the entire Western Division next after all existing authorized charges and guaranteed principal and interest, by the Grand Trunk Ry. Co. of Canada. The stockholders, on July 16, 1913, authorized the issuance of $15,000,000 debentures to secure this loan of not exceeding $15,000,000.

(3) $6,000,000 5% Canadian Government Loan, made in 1914 and secured by a like amount of company's sterling 4s of 1962. (No. 5 above.) Interest payable semi-annually, principal on demand.

Note: £2,000,000 7-yr. 5% secured sterling notes, dated Mar. 2, 1914, due Mar. 2, 1921; interest Mar. and Sept. 2. Coupon, £100 and £200; principal may be registered. Trustee, Union of London and Smith's Bank, Ltd., London, Eng. Proceeds to be used in part to pay advances made by the Grand Trunk Railway Co. towards providing the company's proportion of the expenditure required to complete the Mountain Section, and also for the general purposes of company. Guaranteed, principal and interest, by the Grand Trunk Railway of Canada, which company endorses the notes. Secured by deposit of £3,000,000 Grand Trunk Pacific Railway 4% debenture stock, ranking pari passu with that already issued. Redeemable as a whole or in amounts of not less than £200,000, at 101 on any interest date upon sixty days' notice; and in the event of any notes being redeemed before maturity, the trustee will release a proportionate part of the deposited stock. Initial offering in London in 1913, at £97.

Capital Stock: Auth., $20,000,000 preferred and $25,000,000 common; outstanding, $24,942,000 common; no preferred. Par, $100. All owned by Grand Trunk Railway Co. of Canada.

GRAND TRUNK PACIFIC BRANCH LINES COMPANY

Origin: Incorporated under laws of Dominion of Canada, 1906, for the purpose of constructing branch lines of railway in connection with the main lines of the Grand Trunk Pacific Ry. Company has the right to construct approximately 8,000 miles of road, of which about 1,000 miles are now under construction in Saskatchewan, Alberta, and Manitoba. Company is controlled by the Grand Trunk Pacific Ry. through the ownership of the entire capital stock of the company.

Management: OFFICERS: E. J. Chamberlin, Pres.; W. Hardley, Vice-Pres.; M. Donaldson, Vice-Pres.; W. Hardley, Compt.; Henry Philips, Sec.; Frank Scott, Treas. DIRECTORS: E. J. Chamberlin, Frank Scott, M. Donaldson, W. H. Biggar, Howard G. Kelley, W. Hardley. OFFICE, Montreal, Can.

Bonded Debt: (1) £500,000 Alberta Lines first 4s; dated July 28, 1909; due Feb. 25, 1939. Interest May 1 and Nov. 1 in New York, N. Y.; Montreal, Can., and London, Eng. Coupon, £100 and £200; registerable as to principal. The authorized amount is limited to $13,000 per mile. Power is reserved, subject to the sanction of the Provincial government, to increase the amount to $15,000 per mile. These bonds will rank *pari passu* with any similar bonds which the company may issue (up to $15,000 per mile) for the construction of any additional lines in the Province of Alberta, in respect of which the Provincial Government may give its guaranty. Secured by first mortgage on 491 miles of lines in the Province of Alberta and on equipment, etc. Principal and interest unconditionally guaranteed by the Government of the Province of Alberta. Trustee, National Trust Co., Ltd., Toronto, Can. Listed on the London Stock Exchange.

(2) £2,032,800 Saskatchewan Lines first 4s; dated 1909; due Jan. 22, 1939. Interest May 1 and Nov. 1 in New York, N. Y.; Montreal, Can.; London, Eng. Coupon bonds, £100 and £200. Registerable as to principal. The authorized amount is limited to $13,000 per mile. The power is reserved, subject to the sanction of the Provincial Government, to increase the amount to $15,000 per mile. These bonds will rank *pari passu* with any similar bond which the company may issue (up to $15,000 per mile) for the construction of any additional lines in the Province of Saskatchewan, in respect of which the Provincial Government may give its guaranty. Secured by first mortgage on 670 miles of lines in the Province of Saskatchewan, and on equipment, etc. Principal and interest unconditionally guaranteed by the government of the Province of Saskatchewan. Trustee, Royal Trust Co., Montreal, Can. Listed on the London Stock Exchange.

(3) £238,600 Alberta Lines first 4s; dated July 31, 1912; due Feb. 15, 1942. Interest May and Nov. 1 in Montreal, New York and London. Coupon and registered bonds, £100 and £200. Bonds are registerable as to principal only. Guaranteed principal and interest by the Province of Alberta. This is a separate issue on the Alberta Coal Branch, extending from Bickerdike, Alberta, on main line of the Grand Trunk Pacific Ry. Co. southerly and westerly to coal mines, 58 miles, at $20,000 per mile. Trustee, National Trust Co., Toronto, Canada.

Capital Stock: Authorized, $50,000,000; outstanding, common, $1,000,000; 20% paid. Par, $100. Of the amount of stock authorized not more than $20,000,000 may be preferred. The Grand Trunk Pacific Ry. owns the entire outstanding stock. It is provided that the majority of the common stock must be held by the latter company, so long as any of the guaranteed bonds remain outstanding and unpaid.

GRAND TRUNK WESTERN RAILWAY

Origin: Incorporated under laws of Michigan and Indiana, Nov. 20, 1900, as successor to the Chicago & Grand Trunk Ry. Co. Controlled by the Grand Trunk Ry. of Canada through ownership of entire capital stock. Latter company guarantees the interest on the Grand Trunk Western Ry. first mtge. bonds.

Location: Line of road, Port Huron, Mich., to Chicago and Western Indiana Junction, Chicago, Ill., with leased lines to Kalamazoo, etc., 347.05 miles. Equipment: Locomotives, 285; passenger, freight, and service cars, 6,286. Company also controls the Pontiac, Oxford & Northern R.R., operating 100.59 miles from Pontiac to Caseville, Mich.

Management: E. J. Chamberlin, Pres.; Howard G. Kelley, Vice-Pres., Montreal, Que.; G. W. Alexander, Sec. and Treas., Detroit, Mich.; W. H. Ardley, Compt., Montreal, Can. DIRECTORS: E. J. Chamberlin, Howard G. Kelley, M. E. Gillen, Arthur Dixon, Chicago, Ill.; L. R. Skinner, Valparaiso, Ind.; A. B. Atwater, Detroit, Mich.; M. H. Lane, Kalamazoo, Mich. OFFICE, Montreal, Quebec, Canada.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$8,818,661	$7,238,465	$7,184,559	$7,476,500	$6,666,805	$6,339,113
Operating expenses ...	5,717,700	6,054,365	6,038,874	5,657,081	4,829,761	4,739,851
Net oper. revenues.	$3,100,961	$1,184,100	$1,145,685	$1,819,419	$1,836,844	$1,599,262
Other income	465,082	458,262	675,545	358,193	372,871	302,141
Total net income..	$3,566,043	$1,642,362	$1,822,230	$2,177,612	$2,209,716	$1,901,403
Fixed ch'ges, Inc. taxes	3,560,959	2,410,295	2,375,818	2,210,473	2,135,172	2,078,544
Balance	$5,084	(def.)$767,933	(def.)$553,588	(def.)$32,861	(sur.)$74,544	(def.)$177,141

Bonded Debt: (1) $14,999,720 Grand Trunk Western first 4s. Dated Nov. 30, 1900; due July 1, 1950. Int. Jan. and July 1 on dollar bonds at Bank of Montreal, New York, N. Y.; sterling bonds in London, Eng. The interest is unconditionally guaranteed by the Grand Trunk Ry. Co. Coupon and registered. Authorized and issued $15,000,000, of which $5,000,000 (£1,033,058) are in sterling bonds of £100 and £1,000, and $10,000,000 in gold bonds of $500 and $1,000. Secured on the line from Port Huron, Mich., to Elsdon, Ill., 326.91 miles, rolling stock owned, and Grand Trunk Western Ry. Co.'s income. Retirement provided for by No. 3. Trustee, Farmers' Loan & Trust Co., New York, N. Y. Interest paid without deduction for normal income tax.

(2) $3,872,000 (£800,000) Grand Trunk Junction Ry. first 5s. Dated Jan. 1, 1883; due Jan. 1, 1934. Interest Jan. 1 and July 1 at office of Grand Trunk Ry. Co., London, Eng. Assumed by the Grand Trunk Western Ry. Co. Coupon, £100, £200, and £500 each. Principal may be registered, or both principal and interest. The Grand Trunk Ry. Co. has at various times offered the holders of these bonds the option of exchanging them for Grand Trunk 4% debenture stock, and to June 30, 1913, £606,000 had been so exchanged. Secured by first mortgage on the double track line from Elsdon to Chicago and Western Indiana Junction, Chicago, Ill., 3.9 miles; guaranty of interest on Grand Trunk Junction Ry. bonds by Grand Trunk Western Ry. Co.; rental of land, tracks, buildings, etc., in perpetuity, also leasehold interest in Chicago & Western Indiana R.R. property for 999 years from July 1, 1880. Normal income tax deducted from interest.

(3) $11,541,000 Grand Trunk Western Ry. general consolidated 4s; dated Sept. 1, 1912; due Sept. 1, 1962. Int. paid Mar. and Sept. 1 at Bank of Montreal, New York and London. Guaranteed principal and interest by Grand Trunk Ry., which owns entire issue. Auth., $30,000,000, of which $15,000,000 reserved to retire No. 1. Proceeds used to extend and improve road and to purchase the Pontiac, Oxford & Northern R.R.

(4) $120,000 Thornton Junction land mortgage 5½s; dated Dec. 12, 1913; due Dec. 12, 1918; int. June and Dec. First lien on land for yard purposes at Thornton Junc., Ill.

Capital Stock: Authorized and outstanding, $6,000,000. All owned by the Grand Trunk Ry. Co. Par, $100. TRANSFER AGENT and REGISTRAR OF STOCK, G. W. Alexander, Sec., Detroit, Mich. Annual meeting, first Monday in October at Detroit, Mich. Books close one month in advance.

INTERNATIONAL BRIDGE COMPANY

Origin: Incorporated under laws of New York, April 17, 1857, and under the laws of the Dominion of Canada, Aug. 27, 1857.

Location: Black Rock, New York, to Fort Erie, Canada, 0.69 mile.

Management: OFFICERS: E. J. Chamberlin, Pres.; H. G. Kelley, Vice-Pres.; Frank Scott, Treas., Montreal, Que.; G. W. Alexander, Sec., Detroit, Mich. OFFICE, Buffalo, N. Y.

Bonded Debt: Authorized and outstanding, $512,269, International Bridge Co. first 7s; dated 1883; due Jan. 21, 1903. Int. paid June and Dec. at Montreal, Que. Entire issue owned by Grand Trunk Ry. Co. of Canada.

Capital Stock: Outstanding, $1,500,000. Par, $100. Dividends payable in October, at Montreal, Que. Recent dividends as follows: 1900 to 1904, inclusive, 6%; 1905, none; 1906 to 1916, inclusive, 8% per annum. Secretary of the company acts as TRANSFER AGENT and REGISTRAR.

MICHIGAN AIR LINE RAILWAY

Origin: Incorporated under laws of Michigan, Aug. 28, 1868, for the purpose of building a road from Ridgeway to South Bend, Ind. The line from Jackson, Mich., to South Bend, Ind., is operated by the Michigan Central R.R. Co. The line from Ridgeway to Shelby was sold to the St. Clair and Chicago Air Line R.R. Co., but that company failed and the road was sold under foreclosure in November, 1875. The present company was organized by the purchasers on Nov. 18, 1875. In November, 1878, traffic agreements were made by the Grand Trunk Railway by which that company contributes a certain proportion of the fixed charges. On Jan. 1, 1881, was leased to the Grand Trunk Ry. Co.; a supplemental lease being made, bearing date of Dec. 10, 1881.

Location: Line of road, Richmond to Jackson, Mich., 105.6 miles; sidings, 14.80 miles.

Management: OFFICERS: E. J. Chamberlin, Pres.; H. G. Kelley, Vice-Pres.; Frank Scott, Vice-Pres. and Treas., Montreal, Que.; G. W. Alexander, Sec., Detroit, Mich.; W. H. Ardley, Compt., Montreal. OFFICE, Detroit, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$247,652	$218,823	*$215,737	$193,982	$181,699	$152,229	$153,376
Operating expenses	284,539	287,074	296,551	256,357	219,470	195,780	184,927
Net revenues	†$36,887	†$68,251	†$80,446	†$62,375	†$37,771	†$43,551	†$31,550
Fixed charges	.....	.....	.....	.....	75,433	75,433	75,433
Other deductions	16,843	15,007	15,481	23,150	17,471	15,102	14,338
Deficit	$53,730	$83,258	$95,928	$85,525	$130,675	$130,087	$121,322

* Includes other income. † Deficit.

Bonded Debt: Authorized and outstanding, £310,000 ($1,500,000) Michigan Air Line first 5s; dated Jan. 1, 1882; due Jan. 1, 1902. Int. paid Jan. and July in London, Eng. Coupon, £100, £200 and £500 each. The entire issue has been exchanged for 4% debenture stock of the Grand Trunk Railway Co.

Capital Stock: Authorized, $1,500,000; outstanding, $300,000. All held in trust for stockholders of the Grand Trunk Railway Co. of Canada. Par, $100. Secretary of company acts as REGISTRAR and TRANSFER AGENT.

PONTIAC, OXFORD & NORTHERN RAILROAD

Origin: Incorporated under laws of Michigan, Sept., 1889, as successor to the Pontiac, Oxford & Port Austin R.R. In 1909 the Grand Trunk Western Ry. acquired control by the purchase of the stock of the company and assumed its bonded debt.

Location: Line of road, Pontiac to Caseville, Mich., 100 miles. Equipment: Locomotive, 1; cars, 25.

Management: OFFICERS: E. J. Chamberlin, Pres.; H. G. Kelley, Vice-Pres., Montreal, Que.; G. W. Alexander, Sec. and Treas., Detroit, Mich.; W. H. Ardley, Compt., Montreal, Que. DIRECTORS: E. J. Chamberlin, Frank Scott, H. G. Kelley, H. R. Safford, Montreal, Que.; A. B. Atwater, L. C. Stanley, Detroit, Mich. OFFICE, Detroit, Mich.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$305,741	$287,867	$253,058	$240,838	$254,374	$232,136	$248,089
Net operating revenues	41,390	12,160	*30,706	*47,864	2,334	20,048	69,111
Total net income	84,912	12,711	*30,176	47,120	2,922	20,720	69,111
Fixed charges, inc. taxes	55,260	58,869	50,943	50,692	41,641	49,640	61,087
Balance (deficit)	$29,652	*$46,158	$81,119	$97,812	$38,719	$28,919	†$8,024

* Deficit. † Surplus.

Capital Stock: Authorized and outstanding, June 30, 1913, $1,000,000. All owned by the Grand Trunk Western Ry. Co. Par, $100. Annual meeting, first Monday in Oct. at Detroit, Mich. REGISTRAR and TRANSFER AGENT, G. W. Alexander, Detroit, Mich.

ST. CLAIR TUNNEL COMPANY

Origin: Incorporated under the laws of Michigan and under the laws of Canada, Nov. 9, 1886. Connects the Grand Trunk Railway with railroads in Michigan by a tunnel 6,000 feet in length. Forms a part of the Grand Trunk Railway System.

Location: Port Huron, Mich., to Sarnia, Ont., 2.25 miles. Equipment: 6 electric locomotives, 9 cabooses and 2 work cars.

Management: OFFICERS: E. J. Chamberlin, Pres.; H. G. Kelley, Vice-Pres.; Frank Scott, Treas., Montreal, Que.; G. W. Alexander, Sec., Detroit, Mich. OFFICE, Detroit, Mich.

Bonded Debt: $2,500,000 St. Clair Tunnel, first 5s; dated July 1, 1890; due July 1, 1940. Int. Jan. and July. Trustees, L. J. Sargent, and one vacancy. Secured on entire property.

Capital Stock: Authorized and outstanding, $700,000. All owned by the Grand Trunk Railway of Canada. Par, $100. TRANSFER AGENT and REGISTRAR, G. W. Alexander, Sec., Detroit, Mich.

TOLEDO, SAGINAW & MUSKEGON RAILWAY COMPANY

History: Incorporated under the laws of Michigan, Jan. 25, 1886. Road opened for traffic in 1888. Controlled by same interests that control Grand Trunk Ry. Co. of Canada.

Location: Line of road, Ashley to Muskegon, Mich., and branches, 116.24 miles.

Management: OFFICERS: E. J. Chamberlin, Pres.; H. G. Kelley, Vice-Pres.; Montreal, Que.; Geo. W. Alexander, Sec. and Treas., Detroit, Mich.; W. H. Ardley, Compt., Montreal, Que. DIRECTORS: E. J. Chamberlin, H. G. Kelley, Frank Scott, A. B. Atwater, Detroit, Mich.; C. H. Middleton, F. E. Ranney, Greenville, Mich.; W. E. Gillen, Chicago, Ill.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$197,854	$172,121	$172,957	$174,975	$170,120	$153,328	$148,189
Net operating deficit	54,730	84,565	89,004	57,739	3$,667	19,138	18,147
Fixed charges, including taxes.	125,575	128,456	123,341	119,884	114,307	108,825	106,418
Balance (deficit)	$180,306	$213,021	$212,339	$177,623	$144,974	$127,963	$124,549

Bonded Debt: $1,662,000 Toledo, Saginaw & Muskegon Ry. 1st 5s; dated July 1, 1888; due July 1, 1918. Int. payable Jan. 1 and July 1 at Detroit, Mich. Coupon, $1,000. Authorized, $1,734,000 and $17,000 per mile for any additions to main line. The bonds have a traffic guaranty from the Grand Trunk Ry. Co. of Canada. Secured on the line from Ashley to Muskegon, Mich., 95.91 miles, rolling stock, and company's income. Entire issue owned by the Grand Trunk Ry. of Canada.

Capital Stock: Authorized, $2,800,000; outstanding, $1,600,000. Par, $100. All the stock is held by the Grand Trunk Ry. Co. of Canada. Annual meeting, first Monday in October at Detroit, Mich.

UNITED STATES & CANADA RAILROAD

History: Incorporated under the laws of New York, by consolidation of a company with the same name with the Massena Springs and Fort Covington R.R. Co. Operated by the Grand Trunk Railway of Canada, which owns majority of the capital stock and entire bonded debt, under agreement dated Sept. 27, 1888.

Location: Line of road, Massena Springs, N. Y., to International Boundary line, 22.18 miles; sidings, 2.3 miles.

Management: OFFICERS: E. J. Chamberlin, Pres., Montreal, Que.; H. G. Webley, Vice-Pres.; Frank Scott, Treas. and Asst. Sec.; W. H. Ardley, Compt., Montreal, Que.; J. W. Gaudion, Sec., Port Covington, N. Y. OFFICE, Montreal, Que.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$47,947	$44,893	$59,023	$50,587	$44,945	$44,183	$44,413
Net revenues	*27,290	*53,234	*48,546	*53,059	*48,491	*9,241	10,436
Taxes	6,307	5,523	5,704	4,227	4,062	3,256	3,572
Interest	11,250	11,250	11,250	11,250	11,250	11,250	11,250
Rentals	575	1,241	782	3,259	2,147	1,128	869
Total deductions	18,571	18,632	17,736	18,736	17,459	15,634	15,691
Deficit	45,286	71,866	66,283	71,795	65,950	24,875	5,255

* Deficit.

Bonded Debt: (1) $225,000 United States & Canada R.R. first 5s; dated 1889; due Jan. 1, 1910. Int. payable Jan. and July. Authorized, $350,000. Trustees, R. Wright and W. Wainwright, Montreal, Que.

(2) $208,470 United States & Canada R.R. second 5s; (one bond) dated 1891 and due Jan. 1, 1910.

Capital Stock: Authorized and outstanding, $230,000. Par, $25. Lessee owns $218,925 of the capital stock and entire bonded debt.

CENTRAL VERMONT RAILWAY COMPANY

NOTE: The analysis is based on official documents of the company, including its annual reports of the past ten years. For Definitions and Key to Ratings, see pages 19-26.

Origin: Incorporated in 1898 as successor to the Central Vermont Railroad. Afterwards acquired other lines, including Burlington & Lamoille Valley R.R., Missisquoi Valley R.R., and Montreal & Vermont Junction Ry. Leases the New London Northern R.R. and controls the Stanstead, Shefford & Chambly R.R.

Location: Operated lines extend from St. Albans, Vt., to St. Lambert, Que., with branches, and also from St. Albans, Vt., to White River Junc., and New London, Conn. Total operated, 536.4 miles. Mileage chiefly in Vermont, Massachusetts, and Connecticut. Population of these States in 1890, 3,317,623; 1900, 4,057,407; 1910, 4,837,128. Controls Central Vermont Transportation Co., operating a line of steamers from the terminals at New London to New York City.

Control: The Grand Trunk Ry. Co. owns all the stock and a portion of the bonds of the Central Vermont Ry. Co.

Management: OFFICERS: E. J. Chamberlin, Chairman; E. C. Smith, Pres.; W. H. Biggar, K.C., G. C. Jones, Frank Scott, J. E. Dalrymple, Vice-Prests.; E. Deschenes, Jr., Auditor; W. H. Chaffee, Treas. and Clerk. DIRECTORS: E. A. Chittenden, G. C. Jones, E. C. Smith, W. H. Biggar, K.C., W. Seward Webb, S. E. Kilner, H. S. Marston, A. Tuttle, Chas. P. Smith, E. J. Chamberlin, J. G. Smith, Chas. R. Batt. Annual meeting, second Tuesday in October. MAIN OFFICE, St. Albans, Vt.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture....	13.31%	11.68%	15.73%	15.68%	20.41%	22.78%	18.95%	21.24%	21.42%	20.07%
Products of Animals.....	5.15	5.08	4.39	3.83	3.54	3.60	3.83	3.90	5.18	5.80
Products of Mines.....	17.80	18.04	26.92	28.00	24.37	28.29	28.64	28.70	29.14	30.68
Products of Forests.....	12.08	12.20	9.57	8.83	12.52	12.22	11.91	11.31	11.33	10.91
Manufactures.....	11.77	11.39	14.94	14.64	17.87	20.63	22.93	23.18	22.93	24.13
Merchandise and Miscel...	39.89	41.61	28.45	29.02	21.28	12.48	13.74	11.67	10.00	8.41

Total revenue tonnage in 1909, 3,252,245 tons; in 1910, 3,678,366 tons; in 1911, 3,949,973 tons; in 1912, 4,033,639 tons; in 1913, 4,323,512 tons; 4,020,048 in 1914; 3,651,234 tons in 1915; 4,288,183 tons in 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density.	Freight Density.	Average Freight Train Load (Tons).	Train Mile Earnings.	Average Rate per Passenger per Mile. (Cents)	Average Rate per Ton per Mile. (Cents)
1907.....	536	6	102	113	3,146	65%	90,782	491,963	184	$1.49	2.22c	.95c
1908.....	536	6	101	113	3,302	62	91,926	450,286	179	1.43	2.24	.96
1909.....	536	6	101	113	2,893	64	88,100	541,347	219	1.52	2.29	.84
1910.....	536	6	94	111	2,677	65	92,008	543,983	214	1.61	2.34	.91
1911.....	536	6	94	105	2,524	67	92,021	561,000	209	1.68	2.40	.94
1912.....	536	6	101	115	3,661	65	94,319	577,625	202	1.56	2.38	.93
1913.....	536	6	101	114	3,509	65	101,743	594,699	216	1.61	2.32	.93
1914.....	536	6	98	113	3,249	69	93,015	617,801	237	1.74	2.32	.92
1915.....	536	6	97	111	3,194	67	78,610	545,901	241	1.77	2.50	.96
1916.....	536	6	100	109	3,147	69	76,487	605,464	272	2.05	2.49	.98
10-Year Average	536	6	99	112	3,130	66%	89,901	553,007	217	$1.65	2.35c	.93c

Yard tracks and sidings, 168 miles.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

Years Ended June 30.	Gross Revenues.	Maintenance. Way.	Maintenance. Equipment.	Total Maintenance.	All Other Operat'g Expenses.	Net Operat'g Reven's.	Total Net Income.	Taxes Accrued.	Balance for Charges.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Dividends Paid.
1907.....	$7,151	$940	$886	$1,826	$3,848	$1,477	$1,503	$193	$1,310	$1,307	.....	$3	.....
1908.....	6,979	948	962	1,910	3,561	1,508	1,534	201	1,333	1,326	.....	7	.....
1909.....	7,081	929	875	1,804	3,576	1,701	1,744	223	1,521	1,515	.....	6	.....
1910.....	7,628	1,039	1,355	2,394	3,475	1,759	1,839	248	1,591	1,545	3%	46	.....
1911.....	8,093	929	1,178	2,107	3,923	2,063	2,155	274	1,881	1,716	9	165	.....
1912.....	8,276	850	1,239	2,089	4,248	1,939	2,049	280	1,769	1,702	4	67	.....
1913.....	8,540	1,033	1,376	2,409	4,407	1,724	1,843	330	1,513	1,522	.....	9*	.....
1914.....	8,396	1,370	1,507	2,877	4,485	1,034	1,409	366	1,043	1,527	.....	484*	.....
1915.....	7,855	1,058	1,172	2,230	3,928	1,697	2,669	356	2,313	2,284	.....	29	.....
1916.....	8,605	1,008	1,204	2,212	4,215	2,178	3,117	361	2,756	2,430	12	326	.....
10-Year Average	$7,860	$1,010	$1,175	$2,185	$4,067	$1,708	$1,986	$283	$1,703	$1,687	3%	$16	.....

* Deficit.

Note: Margin of safety is the proportion of surplus left over after deducting all fixed charges.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	$4,612,317	$4,210,411	$4,500,111	$4,577,590	$4,435,832	$4,337,644	$4,088,410
Maintenance of way.....	540,108	566,995	734,419	553,449	455,843	497,823	494,843
Maintenance of equipment.....	645,230	628,000	807,733	737,452	663,911	631,138	725,628
All other operating expenses..	2,259,381	2,105,273	2,403,922	2,362,389	2,277,289	2,104,094	1,862,459
Net operating revenues...	$1,167,598	$910,143	$554,037	$924,300	$1,038,789	$1,104,589	$1,005,480
Operating ratio	74.7%	78%	87.7%	80%	77.4%	74.5%	75.4%
Other income	503,317	520,362	201,436	63,789	59,092	50,331	42,788
Total net income.....	$1,670,915	$1,430,505	$755,473	$988,089	$1,097,881	$1,154,920	$1,048,268
Taxes accrued	192,998	190,964	196,018	177,110	150,000	146,763	133,125
Balance for charges.....	$1,477,917	$1,239,541	$559,455	$810,879	$947,881	$1,008,157	$915,143
Fixed charges	1,302,710	1,224,123	818,713	815,818	934,929	917,906	880,369
Surplus over charges.....	$175,207	$15,418	* $259,258	* $4,839	$12,952	$90,251	$24,774

* Deficit.

Note: Fixed charges, as shown above, include interest, rentals, hire of equipment, etc. To cover deficit year ended June 30, 1914, the company received from the Grand Trunk Ry. a contribution of the amount $259,258, as per guarantee. Other income in 1914 includes $150,000 dividends from Central Vermont Transportation Co.; in 1915, $358,366 from securities owned and accounts, and $345,696 in 1916.

Profit and Loss Account, year ended June 30, 1916: Credit balance on June 30, 1915, $459,289; credit balance transferred from income account, $175,207; total, $634,496. Contra: Depreciation on equipment retired from date of purchase to June 30, 1907, $3,209; miscellaneous adjustments, $268,533; credit balance carried to balance sheet, $362,754; total, $634,496.

Comment: The Central Vermont increased its business and reported a very fair surplus in 1916. While the fixed charges increased, the final balance carried forward was the best shown for years.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

	Capitalization Per Mile of Road.								Dividend Record.					
Years Ended June 30.	Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Preferred Dividend. Amt. per Mile.	Preferred Dividend. Rate.	Common Dividend. Amt. per Mile.	Common Dividend. Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1907	$5,597	21%	$21,793	79%	$8,379	$35,769	$621	$35,148	4.2%	.....	.....	.....	.....	.....	.....
1908	5,597	19	23,959	81	8,379	37,935	640	37,295	4.1	.....	.....	.....	.....	.....	.....
1909	5,597	19	23,840	81	8,379	37,816	1,755	36,061	4.8	.....	.....	.....	.....	.....	.....
1910	5,597	20	22,619	80	8,080	36,296	892	35,401	5.2	.....	.....	.....	.....	.....	.....
1911	5,597	20	22,608	80	8,080	36,285	648	35,637	6.8	.....	.....	.....	.....	.....	.....
1912	5,597	23	24,010	77	8,080	37,717	548	37,169	5.5	.....	.....	.....	.....	.....	.....
1913	5,597	19	24,121	81	8,080	37,798	597	37,201	5	.....	.....	.....	.....	.....	.....
1914	5,597	19	23,800	81	8,080	37,477	366	37,111	3.9	.....	.....	.....	.....	.....	.....
1915	5,597	19	23,442	81	8,080	37,119	438	36,681	7.3	.....	.....	.....	.....	.....	.....
1916	5,597	19	23,627	81	8,196	37,420	360	37,060	8.4	.....	.....	.....	.....	.....	.....
10-Year Average	$5,597	20%	$23,385	80%	$8,181	$37,163	$687	$36,477	5.4%	.....	.....	.....	.....	.....	.....

Note: The bonded debt, as shown above, includes the company's own but not guaranteed issues. Investments include Central Vermont Transportation stock, stocks and bonds of leased lines unpledged, etc.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1916	1915	1914	1913	1912	1911
Property investment	$26,026,807	$24,180,990	$22,215,509	$19,842,288	$18,030,298	$16,237,713
Working assets	1,215,290	1,048,179	1,723,932	1,445,183	1,205,771	970,030
Deferred debit items	135,896	1,131,693	770,152	461,226	467,065	51,076
Accrued income not due	7,057	7,349	7,349	7,348	5,682	5,682
Profit and loss deficit	.....	.....	3,565	.....	.....	.....
Total	$27,385,050	$26,368,211	$24,720,507	$21,756,045	$19,708,816	$17,264,501
Liabilities:						
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	12,663,840	12,565,000	12,758,000	12,929,000	12,886,000	12,015,000
Working liabilities	10,907,822	9,412,960	7,848,550	4,990,081	3,026,733	1,520,217
Accrd. liabilities not due	193,028	192,544	390,005	259,956	199,400	148,979
Deferred credit items	257,605	738,418	268,290	43,351	36,478	34,861
Appropriated surplus	.....	443,871	445,662	455,661	455,661	453,614
Profit and loss surplus	362,755	15,418	.....	77,996	104,544	91,830
Total	$27,385,050	$26,368,211	$24,720,507	$21,756,045	$19,708,816	$17,264,501

TABLE D—Bond Record and Ratings (Based on 10-Year Results, Per Mile of Road)

Name of Issue.	Interest Payable.	Maturity.	Lien on Miles.	Outstanding per Mile.	Average Income Available.	Interest R'q'r'd per Mile of System.	Factor of Safety.	Basis for Rating. Security.	Basis for Rating. Salability.	Net Rating.
1. Cen. Ver. Ry. first 4s	Qu.F	My 1920	(1st) 296	$36,300	$1,703	$800	53%	High	High	Baa.
2. Mon. & P. L. Ry. first 4s	A&O	O 1950	(1st) 41	4,886		15	73%	"	"	Baa.
3. Cen. Ver. Tran. Co. first 5s	M-S15	1917-21	See below	.....		10	73%	Good	Fair	Ba.
4. Cen. Ver. Tran. Co. 5s	M&N	1917-22	"	.....	903	51	73%	"	"	Ba.
5. New L. Nor. R. R. first 4s	J&J	Jl 1940	(1st) 121	12,400		112	73%	"	"	Ba.
6. West River R. R. first 4s	Je&D	Je 1990	(1st) 36	2,084		6	73%	"	"	Ba.
7. Cen. Ver. Ry. Equipment 5s	F&A	1917-22	(see text)	.....		46	73%	"	"	A.

For Reference Notes, see next page.

Note: "Average income available" is the average net income per mile available for interest charges after deducting taxes, for the ten years ending June 30, 1916. "Interest requirement" is the current requirement. The ratings are based not only on the statistical exhibits and averages, but other considerations are given due weight, such as the general financial condition of the property, character of its business, relative position of the issue, etc. For full explanation, see Introduction. For Key to Bond Ratings, see pages 19 to 21.

REFERENCE NOTES ON BOND ISSUES

1. Auth., $12,000,000; outstanding, $10,732,000. Dated May 1, 1899; due May 1, 1920. Int. paid at Blair & Co., New York, or American Trust Co., Boston. Coupon, $500 and $1,000; reg., $100 and multiples. Voting Power, one vote for each $100 in the election of three members to the Board of Directors. Guar. as to int. by Grand Trunk Ry. up to an amount not to exceed 30% of the gross earnings from the interchange of traffic between it and the Central Vermont Ry. First lien on 295.50 miles as follows: from St. John, Que., to Windsor, Vt., 177.50 miles; Essex Junc. to Burlington, Vt., 8 miles; Swanton Junc., Vt., to Rouse's Point, N. Y., 17.70 miles; Montpelier Junc. to Williamstown, Vt., 14.90 miles; Essex Junc. to Cambridge Junc., Vt., 26 miles; St. Albans to Richford, Vt., 28 miles; Farnham to Frelighsburg, Que., 18 miles, and Bethel to Quarries, 5.40 miles; first lien on the capital stock of companies owning 81.40 miles, as follows: $1,000,000 (entire) capital stock of the Montreal & Province Line Ry., owning 40.60 miles, as follows: from St. Lambert to Farnham, Que., 32 miles; Marieville to St. Cesaire, Que., 8.60 miles; upon which there are $200,000 first mortgage 4% bonds; and upon the entire capital stock and about four-fifths of the bonds of the Standstead, Shefford & Chambly R.R., owning 40.8 miles from St. Johns to Waterloo, Que.; upon leasehold interests of the company on 159.50 miles as follows: the New London Northern R.R., owning 123.50 miles as follows: from New London, Conn., to Brattleboro, Vt., 121 miles; and form Montville to Palmertown, Conn., 2.50 miles, upon which there are outstanding $1,500,000 First Mortgage 4% bonds; the West River R.R., owning 36 miles from Brattleboro to South Londonderry, Vt., upon which there are $75,000 First Mortgage 4% bonds. Legal for Savings Banks in Maine. Listed on New York, Boston and London Stock Exchanges. Normal income tax deducted from interest.

2. Auth. and outstanding, $200,000. Dated Oct. 1, 1900; due Oct. 1, 1950. Int. paid at American Trust Co., Boston. Coupon, $1,000. Guar. prin. and int. by Central Vermont Ry. First lien on 40.66 miles, from St. Lambert to Farnham and St. Cesaire to Marieville, Que.

3. Now outstanding, $112,000; dated May 15, 1909; due in semi-annual instalments of $12,000 and $13,000 on each May and Nov. 15 to May 15, 1921. Int. paid at Bankers' Trust Co., New York. Guar. prin. and int. by Central Vermont Ry. Co. Interest paid without deduction for normal income tax.

4. Auth., $1,000,000; outstanding, $550,000; redeemed, $450,000. Dated May 1, 1912; due $50,000 each Nov. and May 1 to 1922 inclusive. Int. paid at Bankers' Trust Co., New York. Coupon, $1,000. Redeemable at 102½ and int. on any interest date on 30 days' notice. Guar. prin. and int. by Central Vermont Ry. by endorsement. First lien on two steamships, cost price of which is to be $1,280,000; of this amount the company pays $280,000 in cash, these bonds being issued for the balance. Company to insure vessels for an amount not less than 110% of the principal amount of the outstanding and unpaid bonds. Interest paid without deduction for normal income tax.

5. Auth. and outstanding, $1,500,000. Dated July 1, 1910; due July 1, 1940. Int. paid at Mechanics and Metals National Bank, New York. Coupon, $1,000. First lien, 121 miles, Brattleboro, Vt., to New London, Conn. Road leased to Central Vermont Ry. together with West River R.R., for 99 years from 1891 at rental of $216,552 per annum, which more than covers interest on bonds and 6% on stock. Interest paid without deduction for normal income tax.

6. Auth. and outstanding, $75,000. Dated June 1, 1905; due June 1, 1990. Int. paid at New London. Guar. prin. and int. by New London Northern R.R., and leased to Central Vermont Ry. (see No. 5 above). First lien, 36 miles, Brattleboro to Londonderry, Vt.

7. Auth., $980,000; outstanding, $490,000. Dated Feb. 1, 1912; due $49,000 each Aug. and Feb. 1 to Feb. 1, 1922, inc. Int. paid at Blair & Co., New York. Coupon, $1,000. Redeemable as a whole only at 102½ and int. on any interest date on 40 days' notice. Direct obligation of the company and secured under terms of an agreement of conditional sale upon 1,000 thirty-ton steel underframe box-cars, 200 fifty-ton all-steel hopper cars, 2 standard baggage cars, 6 passenger coaches, 2 parlor cars, 1 dining car, 3 switching locomotives and 4 Pacific-type locomotives, costing $1,094,210, of which the company paid $114.210 in cash, these notes being issued for the balance. Title to the equipment remains in the name of Blair & Co. until all these notes are paid. Interest paid without deduction for normal income tax.

Capital Stock: Auth. and outstanding, $3,000,000; par, $100. The Grand Trunk Ry. owns $2,191,100 of the issue. TRANSFER AGENT: American Trust Co., Boston, Mass.

GREAT WESTERN OF BRAZIL RAILWAY COMPANY, LTD.

History: Registered under English Companies Act, Dec. 31, 1872. Company has leased the following lines from 1901 from the Brazilian Government, Conde d'Eu Railway, Sao Francisco Railway, Alagoas Railway, Natal & Nova Cruz Railway, and the Sul de Pernambuco Railway. In February, 1912, the company purchased the railway of the Companhia Geral de Melhoramentos em Pernambuca, (56 kilometres). Government also grants to the company freedom during the term of the lease from custom duties and "Expediente" charges on all stores and materials imported for working its own system and the leased lines and for construction and working of all future extensions, and also freedom from all Federal, State or Municipal taxes.

Total length of lines now worked, 1,625 kilometers.

Management: OFFICERS: Henry Tattam, Sec.; H. O. Jungstedt, Gen. Mgr. DIRECTORS: Follett Holt, Woodbine Parish, N. B. Dickson, H. C. Allen, J. P. Clarke. LONDON OFFICE: River Plate House, Finsbury Circus, E. C.

Comparative Statement of Earnings, Years Ended December 31

	1915	1914
Gross revenues	£514,984	£640,852
Operating expenses	410,008	449,939
Net revenues	£104,976	£190,913

Profit and Loss Account, year ended December 31, 1915: Credit balance at beginning of year, £11,895; credit balance from earnings, £104,976; miscellaneous credits, £46; total, £133,916. Contra: Rentals, £18,398; debenture interest, £100,781; other interest, £2,206; income tax, £2,250; credit balance, Dec. 31, 1915, £10,282; total, £133,916.

Bonded Debt: (1) Authorized and outstanding, £306,250 permanent 6% debenture stock. Secured as first floating charge on net revenue of main line. Redeemable only in event of the Brazilian Government exercising its power of purchasing the original railway, or any part thereof.

(2) Issued, £1,693,700 4% debentures. Outstanding, £1,631,400 in £100 bonds. Interest paid, Jan. and July 1. Floating charge on undertaking and assets, subject to No. 1. Further debentures may be created ranking pari passu with this issue, but total loans must not exceed authorized share capital. Redeemable at par on or before Jan. 1, 1955, by operation of cumulative sinking fund, or at any time on six months' notice from the company.

Capital Stock: Authorized, £2,500,000. Issued, £1,000,000 preferred and £1,250,000 ordinary shares. Par, £10. Preferred is entitled to a non-cumulative dividend of 6%, payable May and Nov. 1, and ranks pari passu with ordinary shares for capital. Dividends on preferred due Nov., 1914, postponed. Ordinary dividends in recent years: 1909 to 1913, 6%; 1914, none.

GUANTANAMO & WESTERN RAILROAD COMPANY

History: Incorporated under the laws of Maine, Sept. 25, 1909, and on March 1, 1910, acquired the properties of the Cuba Eastern Railroad, Northeastern Cuba Railroad, Cuba Eastern Terminals Co. and Eastern R.R. of Cuba.

Location: Road extends from Boqueron to San Justo, San Justo to La Maya, La Maya to San Luis and branches. Equipment: Locomotives, 10; passenger and baggage cars, 13; freight cars, 393; gasoline motor and service cars, 3; total, engines and cars, 419.

Management: OFFICERS: M. H. Lewis, Pres., New York; I. McD. Garfield, Vice-Pres. and Treas., Boston; Robert L. Dean, Sec. and Asst. Treas., New York, N. Y.; E. M. Wise, Gen. Mgr., Guantanamo, Cuba. DIRECTORS: T. B. Cannett, Benj. P. Cheney, I. McD. Garfield, Boston; M. H. Lewis, Wm. Barbour, C. D. Barnes, R. L. Dean, I. H. Lehman, New York; J. H. Caldwell, Troy, N. Y.; J. M. Gilbert, Syracuse, N. Y. Annual meeting, second Tuesday in August at Portland, Me. NEW YORK OFFICE: 82 Beaver Street.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross earnings	$579,732	$465,097	$465,222	$440,774	$382,342
Operating expenses and taxes	479,324	356,479	317,629	377,874	328,269
Net earnings	151,882	108,618	147,593	62,900	54,073
Other income	12,802	27,990	27,177	*6,728	*12,692
Fixed charges, etc.	129,773	113,988	110,410	66,276	56,026
Balance	34,911	22,620	64,360	*10,105	*14,645

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property investment	$7,126,182	$6,754,123	Capital stock	$5,750,000	$5,750,000
Current assets	306,983	230,638	Funded debt	1,274,500	1,159,500
Deferred assets	31,672	32,154	Current labilities	380,413	125,802
Unadjusted debits	28,213	50,050	Unadjusted credits	61,766	38,949
Profit and loss deficit	.....	7,286	Profit and loss surplus	26,372	.....
Total	$7,493,050	$7,074,251	Total	$7,493,050	$7,074,251

Bonded Debt: $600,000 Guantanamo & Western R.R. first 6s. Dated Nov. 15, 1909; due Nov. 15, 1929. Interest paid, May and Nov. 15, at Columbia Trust Co., New York. Coupon, $500 and $1,000. Interest paid without deduction for normal income tax.

Equipment Trust 6s: $95,000 Series 1; $10,000 Series 2; $140,000 Series 3 6s. Series 3 dated Oct. 1, 1915; due $14,000 annually from Oct. 1, 1916 to 1925, inclusively. Interest paid April and Oct. 1, at Syracuse Trust Co., Syracuse, N. Y., Trustee. Coupon, $500 and $1,000. Authorized, $140,000. Callable at 101 and interest. Secured on equipment costing $185,721, of which $45,721 was paid in cash.

Notes: There was also outstanding June 30, 1916, $429,500 2-year 6% notes, due Nov., 1916.

Capital Stock: (1) Authorized and issued, $2,750,000 7% non-cumulative first preferred. Par, $100. On June 30, 1916, $233,650 were in treasury.

(2) Authorized and issued, $250,000 5% non-cumulative second preferred, of which $153,000 is held in treasury. Par, $100.

(3) Authorized and issued, $2,750,000 common, of which $232,750 held in treasury. Par, $100.

All preferred and common stocks, except directors' shares, is held in a voting trust expiring March 1, 1915. Voting trustees: William Barbour, I. H. Lehman, F. C. Walcott, I. McD. Garfield, F. Q. Brown. Columbia Trust Co. of New York, acts as TRANSFER AGENT for voting trust certificates.

THE GUAYAQUIL & QUITO RAILWAY COMPANY

History: Incorporated under the laws of New Jersey, Sept. 7, 1897. Formed to carry out agreements made with the Government of Ecuador in June, 1897, and Nov., 1898, to construct a railway from Chimbo Bridge to Quito, 300 miles, and to put into condition the line between Duran and Chimbo, 65 miles, and building connecting lines between Duran and Guayaquil. Road opened for traffic in June, 1908.

Location: In operation, Duran to Quito and two branches, 287 miles. Guage, 3ft. 6 ins.

Management: OFFICERS: E. H. Norton, Pres.; T. H. Powers Farr, Vice-Pres.; A. C. Watson, Sec.; S. H. Lever, Treas., New York; C. Rother, Aud., Quito, Ecuador; H. W. Henderson, Gen. Mgr., Hurgra, Ecuador; Geo. O. Houstoun, Pur. Agt., New York. DIRECTORS: Carlos Davalos, J. C. Hallock, E. H. Norton, T. H. Powers Farr, Arthur Turnbull, C. H. Lee, Erskine Hewitt, S. H. Lever, C. K. Beekman, A. A. Wheat, Clark Williams, New York. Annual meeting, first Tuesday in April. OFFICES: Quito, Ecuador, and 25 Broad Street, New York.

Comparative Income Account, Years Ended June 30

	*1915	1914	1913	1912
Passenger earnings	$362,204	$303,658	$297,966	$308,678
Freight carnings	645,627	705,359	709,134	689,155
Miscellaneous earnings	15,187	16,799	10,712	13,891
Operating expenses	1,099,313	1,091,696	1,084,007	1,236,771
Operating deficit	63,079	65,881	66,195	225,047

* Year ended Dec. 31.

Condensed Balance Sheet, as of December 31, 1915

ASSETS:		LIABILITIES:	
Property investment	$25,561,995	Capital stock	$12,283,000
Current assets	844,579	Funded debt	13,294,000
Sinking fund	490,952	Current liabilities	224,587
Due on Govt. Guar.	2,781,911	Accrued liabilities	2,778,057
Profit and loss deficit	372,938	Sinking fund	490,952
		Reserves	981,780
Total.	$30,052,375	Total.	$30,052,375

Bonded Debt: (1) $10,808,000 Guayaquil & Quito Ry. first 5s (formerly 6s). Dated Jan. 2, 1899; due Jan. 2, 1932. Interest paid, Jan. and July 1, at Glyn, Mills, Currie & Co., London, Eng., and United States Mortgage & Trust Co., New York. Guaranteed principal and interest by Government of Ecuador. Secured by lien, subject to that of prior lien bonds on all the custom duties.

On Sept. 30, 1908, agreement was made for the surrender of the four coupons on these bonds from July, 1907, to Jan., 1909, inclusive, in exchange for $90 of No. 3. Interest due Jan. 2, 1913, is in default. Listed on London Stock Exchange.

(2) $1,975,000 Guayaquil & Quito 6% prior lien bonds. Dated Jan. 2, 1909; due Jan. 2, 1930. Interest paid Jan. and July 2, at Glyn, Mills, Currie & Co., London, Eng., and Empire Trust Co., New York. Coupon, $1,000. Authorized, $2,486,000, of which $511,000 have been retired by sinking fund. Callable at 105 and interest on 6 months' notice, and at par for sinking fund of 2½% per annum of bonds issued. Guaranteed principal, interest and sinking fund by the Government of Ecuador. Listed on London Stock Exchange.

Interest Loan: Pending repayment from the Government of Ecuador, the company obtained a loan enabling it to pay the Jan. 1, 1916 interest of above issue.

(3) $1,004,040 "Salt" bonds. Issued in 1908 under agreement in satisfaction of interest due Jan. 2, and July 2, 1908 and Jan. 2, 1909, on the railway bonds, to provide funds for the payment in cash of interest in arrear on the Special Series bonds and payment of expenses connected with the arrangement. Interest payable Jan. and July 2, at Robarts, Lubbock & Co., London. Authorized, $1,105,380. Denomination, $90. Sinking fund of 4% is applied in redeeming bonds by drawings at par or by tenders when price is below par. Service of interest and sinking fund is secured as a first charge on the required proportion of the proceeds of the salt monopoly. The salt bonds are not an obligation of the Railway but of the Government.

Capital Stock: (1) Authorized and outstanding, $5,250,000 7% cumulative preferred. Par, $100.

(2) Authorized and outstanding, $7,033,000 common. Par, $100. This issue (of which Government of Ecuador owns 49%) divided into three classes, "A," "B" and "C," $3,445,700, $3,586,300 and $1,000 respectively. Class "C" special voting stock held by council of foreign bondholders, who have right to appoint three directors. Class "C" subject to redemption at par at any time after all bonds guaranteed by the Government shall have been paid. TRANSFER AGENT: Corporation Trust Co., Jersey City, N. J.

INTERNATIONAL RAILWAYS OF CENTRAL AMERICA

History: Incorporated under the laws of New Jersey, June 8, 1904, as the Guatemala Ry. Co., which in April, 1912, assumed control of the Central R.R., the Occidental R.R. and the Ocos R.R., at the same time changing title to above. The Occidental Railroad is maintained as a separate property, but the International company owns $2,600,000 of its $3,000,000 capital stock. Property operated under long concessions, that in Guatemala giving Government right to purchase property at an arbitrated price after 2003. The concession in Salvatore expires in 2007, at which time the railways become the property of the Government without indemnity. Has traffic contract with the United Fruit Co.

Location: Road extends from Puerto Barrios on the Atlantic Ocean to port of San Jose on the Pacific Ocean, 270.5 miles; from Sta. Maria to Mazatenango, 63 miles; Mazatenango to Port of Champerico on the Pacific Ocean, 42 miles; branch to San Filipe, 9.25 miles; Port of Ocos on the Pacific via Ayutla on the National Rys. of Mexico to Vado Ancho in the interior of Guatemala, 51 miles; Port of La Union on the Pacific to Lempa River, 84 miles; total, 519.75 miles; sidings, 43 miles. Guage, 3 feet. Under construction, an extension in Salvador from Lempa River, to a point near Zacatecoluca.

Equipment: Locomotives, 76; passenger cars, 88; combination, 1; baggage and mail cars, 23; freight, 1,396; molasses tank cars, 6; refrigerator car, 1; tank cars, 3; cabooses, 12; service cars, 96.

Management: OFFICERS: Minor C. Keith, Pres.; H. M. Keith, Vice-Pres.; E. S. Hyde, Sec. and Treas.; H. H. Hanson, Comptroller, New York; Alfred Clark, Gen. Mgr., Edmund A. Osborne, Asst. Gen. Mgr.; Edgar J. Hitchcock, Gen. Aud., Guatemala. DIRECTORS: H. H. Hanson, E. S. Hyde, M. C. Keith, H. M. Keith, H. I. Miller, New York; Brasley W. Palmer, A. W. Preston, Boston; S. G. Schermerhorn, G. W. Taylor, New York. Annual meeting, second Wednesday in January in Jersey City. GENERAL OFFICE: 17 Battery Place, N. Y.

Comparative Income Account, Years Ended December 31

	1915	1914	1913	1912
Miles operated	483.23	469.5	437.8	410.10
Gross revenues	$2,203,938	$2,421,060	$2,461,797	$2,352,385
Operating expenses	1,226,163	1,319,365	1,274,257	1,104,369
Net earnings	$977,775	$1,101,695	$1,187,540	$1,248,016
Taxes	11,336	11,576	10,184	4,125
Operating income	$966,439	$1,090,119	$1,177,356	$1,243,891
Outside operations (net)	45,061	28,263	42,010	42,972
Other income	1,641	6,012	30,517	.....
Total net income	$1,013,140	$1,124,394	$1,249,882	$1,286,863
Fixed charges	568,333	533,333	498,333	465,973
Other deductions	28,138	28,138	28,138	30,000
Dividends	.....	375,000	500,000	250,000
Surplus	$416,669	$187,923	$223,411	$540,890

Condensed Balance Sheet, as of December 31, 1915

ASSETS:		LIABILITIES:	
Property investment	$49,422,664	Capital stock	$40,000,000
Securities owned	992,939	Bonded debt outstanding	10,850,000
Other investments	187,289	Current liabilities	322,084
Materials and supplies	445,035	Accrued liabilities	171,424
Cash on hand	228,559	Other liabilities	965,998
Bills receivable	10,000	Deferred credit items	861,258
Current accounts	167,070	Profit and loss	781,252
Deferred debit items	2,498,459		
Total	$53,952,016	Total	$53,952,016

Bonded Debt: (1) $4,850,000 (£1,000,000) International Railways of Central America 1st 5s. Dated May 1, 1912; due May 1, 1972. Interest paid May and Nov. 1, at Empire Trust Co., New York, and in London, Paris and Brussels. Coupon, £20, £100 and £500. Authorized, £4,500,000, which can be increased under certain conditions to £6,000,000. Of unissued bonds sufficient reserved to retire Nos. 2 and 3, and proceeds of balance to construct and equip railway lines to connect Zacapa on the Guatemala Ry. line, with existing line of company in Salvador. Callable at 102½ and interest on 6 months' notice. Annual sinking fund of ½ of 1% commences July 1, 1922, which is to be applied to purchase of bonds at not exceeding par and interest, or to their redemption at that price. All bonds purchased or redeemed shall be held uncancelled in tho fund. First lien on all lines constructed or to be constructed, except 142 miles subject to prior liens. Interest paid without deduction for normal income tax.

(2) $2,500,000 Guatemala Central R.R. first 6s. Dated April 1, 1886; due April 1, 1916, extended to April 1, 1931. Interest paid April and Oct. 1, at 17 Battery Place, New York. Coupon, $1,000. First lien on line from San Jose to Guatemala City, 75 miles.

(3) $3,500,000 Central Division Purchase Money Bonds. Dated May 1, 1912; due Jan. 1, 1972. Interest paid Jan. and July 1. Bonds bear interest from Jan. 1, 1912, at 2% for first year; 3% for second year; 4% for third year and 5% thereafter. Coupon, $1,000. Callable on any interest date. Lien on property covered by first 5s due 1972, but subject thereto. Interest paid without deduction for normal income tax.

Capital Stock: (1) Authorized and outstanding, $10,000,000 5% cumulative preferred. Par, $100. Has preference as to assets as well as dividends. Payments regularly made Feb., May, Aug. and Nov. 1, until August 15, 1914. None since. Listed on London Stock Exchange.

(2) Authorized and outstanding, $40,000,000 common. Par, $100. No dividends. Listed on London Stock Exchange.

TRANSFER AGENT: Both issues, Corporation Trust Co., Jersey City, N. J. **REGISTRAR:** Both issues, Empire Trust Co., New York.

JUCARO & MORON RAILWAY

History: Incorporated under the laws of Delaware, June 1, 1912, successor to Cia de Ferrocarril del Norte y del Sur, which in turn succeeded the Jucaro & San Fernando R.R. & Transportation Co. The property is operated under lease from the Cuban Government which extends to Oct. 15, 1929, with privilege of extending to Oct. 15, 1939, at an annual rental of $1,628 up to 1929, and $11,000 per annum thereafter.

Location: Road extends from Jucaro to San Fernando, Cuba, 42 miles. Equipment: Locomotives, 7; passenger cars, 3; freight cars, 101; stock cars, 3.

Management: OFFICERS: Roland R. Conklin, Pres., New York; J. M. Tarafa, Vice-Pres., Havana, Cuba; C. A. Clarke, Sec. and Treas., New York; P. F. Diago, Asst. Sec. and Asst. Treas., Havana, Cuba. DIRECTORS: Roland R. Conklin, C. A. Clarke, S. L. Conklin, H. H. Miller, New York; J. M. Tarafa, P. F. Diago, Havana, Cuba; J. M. Satterfield, Dover, Del. Annual meeting, second Monday in May. GENERAL OFFICE: 1 Wall Street, New York. OPERATING OFFICE: Ciego de Avila, Cuba.

Capital Stock: Authorized and outstanding, $1,000,000. Par, $100. No bonded debt.

KAHULUI RAILROAD

History: Incorporated July 18, 1881, under the laws of the Kingdom of Hawaii, subsequently amended under the laws of the Territory of Hawaii, to build a railroad on the Island of Maui, T. H.

Location: Road in operation, 35.2 miles. Equipment: Locomotives, 9; passenger cars, 6; freight cars, 132.

Management: OFFICERS: F. F. Baldwin, Pres., Puunene, Maui, T. H.; W. R. Castle, W. O. Smith, Vice-Pres.; J. P. Cooke, Treas.; John Guild, Sec., Honolulu, T. H.; D. B. Murdoch, Aud., Paia Maui, T. H.; Wm. Walsh, Supt., Kahului, Maui, T. H. DIRECTORS: F. F. Baldwin, Puunene, Maui, T. H.; W. R. Castle, W. O. Smith, J. P. Cooke, John Guild, Honolulu, Oahu, T. H. Annual meeting, in February. GENERAL OFFICE: Kahului, Maui, T. H.

Comparative Income Account, Years Ended June 30 (Latest available.)

	1915	1914	1913	1912
Passenger earnings	$22,735	$20,679	$19,335	$15,529
Freight earnings	210,698	206,071	216,618	222,953
Gross earnings	414,694	333,595	290,669	301,205
Operating expenses	310,074	283,792	250,363	249,800
Net earnings	104,620	49,803	40,306	51,404
Other income	4,238	12,095	52,565	58,395
Taxes, etc.	12,319	9,870	7,569	6,401
Surplus for dividends	96,539	52,028	85,302	103,398

Condensed Balance Sheet, as of June 30, 1915 (Latest available.)

ASSETS:		LIABILITIES:	
Road and equipment	$1,387,308	Capital stock	$300,000
Materials and supplies	23,276	Current liabilities	232,304
Cash	801	Appropriated surplus	7,044
Current accounts	36,229	Deferred credit items	189,984
Deferred debit items	963	Profit and loss	719,245
Total	$1,448,577	Total	$1,448,577

Capital Stock: Authorized and outstanding, $300,000. Par, $100. No bonded debt, and no dividends paid.

MARITIME COAL, RAILWAY AND POWER COMPANY, LTD.

History: Incorporated under an Act of the Legislature of Nova Scotia in 1904, successor by change of title to the Maritime Coal & Railway Co. In May, 1907, acquired the property of the Canada Coal & Railway Co., consisting of 17 square miles of coal-bearing lands, and 12 miles of railway. Also owns an electric power plant at Chigneto from which it furnishes electric power to manufacturing plants in the City of Amherst, and owns and operates electric light plant of that city. The line of the power plant has also been extended to Maccan, Riber Herbert and Joggins.

Location: Road extends from Maccan to Joggins, N. S., 12 miles; branch, Chignecto to Maccan, N. S., 3 miles; total, 15 miles; sidings, etc., 3 miles. Equipment: Locomotives, 4; cars, 11; snow plows, 2.

Management: OFFICERS: William Hanson, Pres.; A. E. Dyment, Vice-Pres. DIRECTORS: Foregoing and Hon. N. Curry, G. R. Hulme, A. MacLaurin, Wm. L. Madgen, Hon. Wm. Mitchell, W. H. Tottie.

Comparative Income Account, Years Ended February 28

	1916	1915	*1914	*1913	*1912	*1911	*1910
Gross earnings	$90,342	$69,472	$71,244	$68,087	$63,669	$71,927	$65,870
Operating expenses	53,879	40,310	47,814	40,059	37,564	48,789	43,822
Net earnings	$36,462	$28,962	$23,430	$28,029	$26,105	$23,138	$22,047

* Years ended June 30.

Comparative Condensed Balance Sheet, as of February 28

ASSETS:	1916	1915	LIABILITIES:	1916	1915
Property account	$3,455,670	$3,416,951	Capital stock	$2,027,500	$2,016.500
Investments	56,500	56,500	Bonded debt	1,634,000	1,595,000
Current assets	265,067	197,577	Current liabilities	69,184	56,440
Deferred charges	3,780	4,803	Reserve fund	144,114	103,762
Amortization	159,137	149,526	Profit and loss	65,256	53,655
Total	$3,940,154	$3,825,357	Total	$3,940,154	$3,825,357

Bonded Debt: $1,634,000 Maritime Coal, Railway & Power Company, Limited, first 6s. Dated April 1, 1904; due April 1, 1934. Interest paid April and Oct. 1, at Eastern Townships Bank, Montreal and Quebec. Coupon, $500. Authorized, $2,000,000; issued, $1,669,500, of which $35,500 retired by sinking fund. Callable at 110 and interest on any interest date. Sinking fund of 3 cents per ton of coal marketed, payable June 30, each year. First lien on railway, mines and power plants.

Capital Stock: (1) Authorized, $1,000,000 7% preferred; outstanding, $27,500. Par, $100. No dividends paid.

(2) Authorized and outstanding, $2,000,000 common. Par, $100. REGISTRAR: Both issues, Robert Wilson, Jr., 109 Board of Trade Building, Montreal. No dividends.

MEXICAN MINERAL RAILWAY

History: Incorporated under New York laws in 1899.

Location: Road extends from Monterey, Mex., to Diente in the San Pedro mining district, 16 miles. The road is practically a belt terminal property connecting the Santa Catarina mining district with Monterey and the International and National Railroads. Equipment: Locomotives, 2; cars, 84. Company owns 105 acres of land in Monterey.

Management: OFFICERS: D. C. Brown, Pres. and Gen. Mgr., San Luis Potosi, Mex.; C. J. Peabody, Vice-Pres.; R. E. Safford, Sec. and Treas.; W. F. Gillesby, Aud., New York. DIRECTORS: D. C. Brown, W. M. Smith, Acosta Nichols, C. J. Peabody, Geo. F. Peabody, R. E. Safford, Robt. S. Towne, Arthur B. Turner, W. F. Gillesby, New York. Annual meeting, third Wednesday in February. NEW YORK OFFICE: 82 Beaver Street.

Bonded Debt: $326,000 Mexican Mineral Ry. first sinking fund 6s. Dated Aug. 1, 1899; due Aug. 1, 1919. Interest paid Feb. and Aug. 1, at Guaranty Trust Co., New York, Trustee. Guaranteed principal and interest by the Compania Metalurgica Mexicana. Sinking fund is 5 per cent. of gross earnings to be applied to purchase of bonds at not exceeding 110 and interest. If bonds cannot be purchased at this price they can be drawn by lot. There are now $24,000 in the sinking fund. The entire issue is subject to redemption at 110 and interest on thirty days' notice. Authorized, $500,000. Balance to be used at not exceeding $25,000 per mile for extensions or connections. Interest paid without deduction for income tax.

Capital Stock: Authorized and outstanding, $350,000. Par, $100. All owned by Mexican Lead Co., which is controlled by the Compania Metalurgica Mexicana.

MEXICAN NORTHERN RAILWAY

History: Incorporated in New York, June, 1890. Constructed under special concession from Mexican government.

Location: Line of road, Escalon to Sierra Mojada, Mex., 81.35 miles. Connection is made with National Ry. of Mexico at Escalon.

Management: OFFICERS: Robt. S. Towne, Pres. and Treas.; C. J. Peabody, Vice-Pres.; R. E. Safford, Sec. DIRECTORS: C. J. Peabody, R. E. Safford, R. S. Towne, W. F. Gillesby, Isaac Jackson, D. C. Brown, V. P. Safford. OFFICE IN NEW YORK, 82 Beaver Street.

Comparative Income Account, Years Ended June 30
(Latest available.)

	1914	1913	1912	1911	1910	1909	1908
Gross revenues	$13,786	$167,842	$235,873	$256,731	$288,643	$345,330	$422,074
All operating expenses	16,016	85,501	101,671	105,727	118,743	126,942	145,333
Net operating revenues	*$5,230	$82,341	$134,202	$151,004	$169,900	$218,388	$276,741
Other income	.....	55,173	59,213	56,464	52,397	53,056	49,434
Total net income	*$5,230	$137,514	$193,415	$207,468	$222,297	$271,444	$326,175
Fixed charges, including taxes.	42,480	50,622	54,273	55,330	109,978	117,172	128,356
Surplus	*$47,710	$86,892	$139,142	$152,138	$112,319	$154,272	$197,819
Dividends paid	.....	60,000	120,000	120,000	120,000	120,000	.....
Balance	*$47,710	$26,892	$13,142	$32,138	*$7,681	$34,272	$197,819

* Deficit.

Bonded Debt: $708,000 Mexican Northern Ry. first sinking fund 6s; dated Dec. 1, 1890; due Dec. 1, 1930. Int. June and Dec., at company's office. First lien on all property owned. Sinking fund, 5% of gross earnings, to be invested in these bonds; bonds so purchased to be kept alive in sinking fund and the accumulated interest reinvested in further bonds for the benefit of the fund. Under the agreement by which these bonds were extended in 1910 the sinking fund interest on the bonds then in the fund ($952,000) ceased. The original issue was $1,660,000, and has been reduced by sinking fund payments to above amount. Listed on New York Stock Exchange. Net Rating, Ba.

Capital Stock: Authorized and outstanding, $3,000,000. Par, $100. Has paid dividends at from 2% to 6% per annum for twenty years. Rates from 1909 to 1912, 4% per annum; in 1913, 2%; none in 1914. Listed on New York Stock Exchange.

MEXICAN RAILWAY COMPANY, LTD.

(Compania del Ferro Carril Mexicano.)

History: Registered under English laws, August 20, 1864, as the Imperial Mexican Railway Co., Ltd. The Mexican Government granted a subvention of $560,000 a year for 25 years from Nov. 11, 1868, and pledged itself not to subsidize any other lines from Vera Cruz and Mexico City for sixty-five years from that date.

Location: Road extends from Vera Cruz to City of Mexico, 264 miles; Apizaco to Pueblo, 29 miles; Ometusco to Pachuca, 29 miles; Zacatlan branch, 33 miles; Cordoba & Huatusco branch, 21 miles; Huajuapam branch, 27 miles; total, 403 miles; sidings and second track, 68 miles. There is also operated by animal traction, 5.3 miles of the Tlaxcala Tramway. Gauges: standard; 3 feet, 2 feet 6 inches, and 2 feet.

Management: OFFICERS: Walter Morcom, Gen. Mgr., Mexico City; B. E. Holloway, Sec., London, Eng. DIRECTORS: V. W. Yorke, Henry Goschen, C. J. C. Scott, M. R. Pryor, H. C. Waters, Pablo de Escandon, J. A. Gibbs, Walter Morcom, Vincente Vertiz. Appointed by Mexican Government, Frederico C. Revilla, Mex. OFFICES: Buena Vista Station, Mexico, and Finsbury Court, London, Eng.

Earnings: Owing to disturbed conditions in Mexico, no income accounts are available for 1915 and 1916.

Capital Stock: (1) Authorized and outstanding, £2,554,100 8% first preference stock. Par, £10. Recent dividends, 8% from 1909 to and including 1912; 4% in 1913. None since.

(2) Authorized and outstanding, £1,011,960 6% second preferenee stock. Par, £10. Dividends of 6% were paid in 1910, 1911 and 1912; 3% in 1913. None since.

(3) Authorized and outstanding, £2,254,720 ordinary stock. Par, £10. In 1911 dividend of 11/16 of 1% was paid, and in April, 1912, 1 15/16%; in Oct., 1912, 1¼%; and 1¼ in April, 1913; none since.

Debenture Stock: £2,000,000 perpetual 6% debenture stock. Issued at par in 1890, for the purpose of paying off bonds then outstanding. Interest paid Jan. and July 1, at office of Glyn, Mills, Currie & Co., London, Eng.

£481,000 second 4½% debenture stock. Dated Dec., 1960. Authorized, £1,000,000; issued, £500,000, of which £18,600 have been redeemed; balance reserved for extensions, improvements, etc. Interest paid April and Oct. 1,

at Glyn, Mills, Currie & Co., London, England. Cumulative sinking fund began Dec. 31, 1909. Callable for sinking fund any April 1; redeemable at par on six months' notice.

Jan. 7, 1915, directors were authorized to defer interest payments due in 1915 and 1916 until 1917 and to omit the sinking fund for second debentures in 1915 and 1916.

This company and three other railway companies guarantee jointly and severally the payment of interest on and the redemption of the debentures issued by the Vera Cruz Terminal Co., Ltd., and to provide for possible deficit in the working expenses of the company.

MEXICO NORTH WESTERN RAILWAY

Origin: Incorporated in Canada, February, 1909, as Mexican Transportation Co., Ltd. Acquired Rio Grande, Sierra Madre & Pacific R.R., Chihuahua Pacific R.R. and Sierra Madre and Pacific R.R., and 3,000,000 acres timber lands, mills, etc.

Location: Mileage in operation in 1913, 495 miles, of which 476 miles was from Ciudad Juarez to Chihuahua.

Management: OFFICERS: R. Home Smith, Pres.; H. I. Miller, Vice-Pres.; Miller Lash, Vice-Pres.; U. de B. Daly, Treas.; A. M. Trueb, Sec. DIRECTORS: Miller Lash, W. T. Eldridge, E. R. Wood, J. S. Lovell, E. N. and R. C. Brown, H. Malcolm Hubbard, H. I. Miller, J. O. Crockett, S. G. Crowell, R. Gowans, R. Home Smith. OFFICES, Toronto, London and 115 Broadway, New York.

Income Account, Years Ended December 31 (Mexican Currency)

	1911	1910	1909
Gross revenues	$961,468	$1,091,083	$1,293,439
All operating expenses	509,302	503,840	811,932
Net operating revenues	$452,166	$587,243	$481,507
Other income	261,646	344,872	.....
Total net income	$713,812	$932,115	.....
Fixed charges, including taxes	1,038,600	861,340	.....
Surplus	*$324,788	$70,775	.....

* Deficit.

Note: No report issued since December 31, 1911.

Bonded Debt: £5,600,000 sterling 5s. Dated March 1, 1909; due Mar. 1, 1959; interest March and Sept., at Guaranty Trust Co., New York; Canadian Bank of Commerce, Toronto; Bank of Scotland, London. A first charge on immovable property and securities owned, and a floating charge on all other assets. Redeemable at par Mar. 1, 1959, by annual payments commencing Mar. 1, 1919, drawings or by purchase. Callable at 105 at any time on six months' notice.

An issue of 6% convertible income bonds was announced in 1912, of which £750,000 are now outstanding. In February, 1913, £1,600,000 15-year prior lien 6s, due 1928, were sold.

Capital Stock: Outstanding, $25,000,000. Par, $100. No dividends.

MONCTON & BUCTOUCHE RAILWAY

History: Incorporated under the laws of Canada, December, 1895; a reorganization of the Buctouche & Moncton Railway, sold under foreclosure in December, 1894.

Location: Road extends from Moncton to Buctouche, N. B., 32 miles; sidings, etc., 2 miles. Equipment: Locomotives, 3; passenger cars, 4; freight cars, 43; snow plow, 1.

Management: OFFICERS: I. J. Merritt, Pres., New York; J. Robinson, Vice-Pres., Millerton, N. B.; E. G. Evans, Gen. Mgr.; F. N. Hall, Supt., Moncton, N. B. DIRECTORS: I. J. Merritt, I. J. Merritt, Jr., F. G. Pauley, New York; E. G. Evans, Hampton, N. B. OFFICES: Moncton, N. B., and 27 William Street, New York.

Comparative Income Account, Years Ended June 30

	1915	1914	1913
Gross earnings	$31,213	$29,763	$30,806
Operating expenses	31,584	31,304	23,732
Net earnings	*371	*1,541	7,074

* Deficit.

Capital Stock: Authorized, $250,000; outstanding, $60,000. Bonded debt, $60,000; government bonuses, $197,600.

MORELIA & TACAMBARO RAILWAY

History: Incorporated under the laws of New Jersey, Dec. 30, 1901, successor to the Morelia & Tacambaro Ry., Timber & Land Co. Has projected a standard gauge railroad in southern Mexico from Irapuato south to Ario City, 200 miles, for which it has concessions, including exemptions from Federal and State taxation, and from import duties on construction material for fifteen years, together with subsidies amounting to $4,800 per mile. Grading had been completed on 55 miles from Guanajuato to Puruandiro, and several miles of track have been laid.

Management: OFFICERS: E. J. Chamberlin, Pres., Montreal, Que.; G. E. Fauquier, 1st Vice-Pres. and Gen. Mgr., Ottawa, Ont.; J. L. Greatsinger, 2nd Vice-Pres., Brooklyn, N. Y.; C. D. Knapp, Sec. and Treas., New York. DIRECTORS: Edson J. Chamberlin, Montreal, Que.; Gilbert E. Farquier. Ottawa, Ont.; Clyde D. Knapp, Geo. Buckman, New York; C. C. Frick, R. H. Shindel, York, Pa.; D. S. Cook, Wrightsville, Pa.; J. L. Greatsinger, John C. Loud, Brooklyn, N. Y. Annual meeting, second Monday in January at Jersey City, N. J. GENERAL OFFICE: 149 Broadway, New York.

Bonded Debt: $1,700,000 Morelia & Tacambaro Railway first 5s. Dated Jan. 1, 1903; due Jan. 1, 1943. Interest paid Jan. and July 1, at U. S. Mortgage & Trust Co., New York. Coupon, $1,000. Authorized, $5,000,000. Issuable at the rate of $22,222 per mile of road.

Capital Stock: Authorized and outstanding, $6,000,000. Par, $50. TRANSFER AGENT: Registrar & Transfer Co., New York.

MORRISSEY, FERNIE & MICHEL RAILWAY

History: Incorporated under the laws of British Columbia, April 28, 1903.

Location: Road extends from Swinton to Carbonado, B. C., 5.82 miles; Fernie to Coal Creek, B. C., 5.03 miles; total, 10.85 miles. Sidings, 5.4 miles. Equipment: Locomotives, 5; passenger cars, 6; freight and service cars, 60.

Management: OFFICERS: Elias Rogers, Pres. and Treas., Toronto, Ont.; E. C. Whitney, Vice-Pres., Ottawa, Ont.; R. M. Young, Secretary; W. R. Wilson, Gen. Mgr.; R. J. Black, Supt., Fernie, B. C. DIRECTORS: Elias Rogers, Toronto, Ont.; E. C. Whitney, H. B. McGivernin, Ottawa, Ont.; C. A. Thompson, St. Paul, Minn.; W. H. Robinson, Granby, Que. Annual meeting, second Friday in April. HEAD OFFICE: Toronto, Ont. OPERATING OFFICE: Fernie, B. C.

Capital Stock: Authorized, $2,000,000; outstanding, $1,263,000. Par, $100. No bonded debt. All owned by Crow's Nest Pass Coal Co., Ltd., except directors qualifying shares.

NATIONAL RAILROAD OF HAITI

History: Incorporated under the laws of the Republic of Haiti, Sept. 11, 1905. Construction work was begun April 15, 1911. When completed road is to extend from Port-au-Prince to St. Marc, to Hinche, and to Cape Haitien, with a branch line from Gonaives eastward to a junction with the main line at Hinche. About 175 kilometers have been completed and put in operation. Gauge, 3 feet 6 inches.

Management: OFFICERS: R. L. Farnham, Pres.; Thos. A. Reynolds, Vice-Pres. and Treas.; H. C. Newland, New York. DIRECTORS: R. L. Farnham, Samuel McRoberts, L. H. Shearman, T. A. Reynolds, J. P. McDonald, New York; I. d'Ennery Dejoie, Port-au-Prince, Haiti; Otto H. Fuerth, Paris, France. Annual meeting, first Tuesday in February in New York. GENERAL OFFICE: Port-au-Prince, Haiti. NEW YORK OFFICE: 55 Wall Street.

Bonded Debt: $3,500,000 National R.R. of Haiti first 6s. Dated August 1, 1911; due Aug. 1, 1960. Interest paid Feb. and Aug. 1 in Paris, France. Denomination, 500 francs or $96.53. The Haitian Government guarantees interest of 6% per annum on $20,000 (American gold) of bonds per kilometer of principal track, and it also guarantees the payment semi-annually of a sum equal to ½ of 1% of all bonds issued to provide for the retirement of the bonds by the sinking fund in 44 years from 1916. Callable as a whole at 110. Each bond also subject to call and retirement after Jan. 1, 1916, at par and accrued interest.

Capital Stock: Authorized and outstanding, $7,000,000. Par, $100.

NATIONAL RAILWAYS OF MEXICO

(Ferrocarriles Nacionales de Mexico.)

NOTE: The analysis is based on official documents of the company, including its annual reports.

Note: *Owing to the disturbed political conditions in Mexico, the system was only partially operated during* 1915 *and* 1916, *and no complete report has been published since* 1914.

Origin: Chartered in City of Mexico in March, 1908, to acquire and consolidate the properties of the old National Railroad of Mexico and the Mexican Central Railway, Ltd., and to acquire, construct, and operate other railroad properties. The company is controlled by the Mexican Government, which owns practically all the common stock.

Location: At the present time the company owns or controls over 7,000 miles of road, extending to all parts of Mexico. Includes in its mileage controlled, are the lines of the Mexican International R.R. Co., acquired in 1910 from the Southern Pacific Co.; the company has also acquired a majority interest in the stock of the Pan-American R.R. and the Vera Cruz and Isthmus R.R. Further mileage is under construction, and it owns, jointly with the St. Louis, Brownsville & Mexico Ry., the stock of the Brownsville-Matamoras Bridge Co., the latter company owning the concessions granted by the United States and Mexican governments to construct a bridge over the Rio Grande River, which is now open for traffic. Population of Mexico in 1910, 13,607,259.

Confiscated: On August 16, 1914, all the lines of the company were confiscated by the Constitutionalist Administration, thus making the financial statement for the fiscal year 1915 a report of only six weeks' actual operation by the company. With a recognized government now established in Mexico the company will claim indemnification for use of the properties, etc., as specified in the laws of the country, on the basis of the average earnings for the five years prior to their being taken over, plus 10% of those same earnings.

Management: OFFICERS: Carlos Basave, Chairman; E. S. A. de Lima, Vice-Chairman; Luis Cabrera, Pres.; A. J. Pani, Vice-Pres.; J. B. Tamez, Sec.; F. M. Souther, Asst. Treas. DIRECTORS: Elias E. A. de Lima, Walter T. Rosen, Henry H. Wehrhane, Jesus Acuna, Manuel Aguirre Berlanga, Juan N. Amador, Carlos Basave, Luis Cabrera, Rafael Nieto, Modesto C. Rolland, Jose Simon, Rafael Zubaran, Gabriel Mancera, W. E. Curtis, Ignacio Enriquez, J. J. Hanauer, Roberto V. Pesqueira, Richard Schuster, Fernando Roa, Chas. H. Sabin. MEXICO OFFICE: Segunda Calle de Bolivar, No. 19. NEW YORK OFFICES, 25 Broad Street.

Classification of Freight Tonnage (Years Ended June 30)

	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
Products of Agriculture	.....	.....	23.43%	19.33%	22.33%	23.48%	24.71%	36.00%	.....	.....
Products of Animals	.....	.....	3.42	3.00	3.15	4.01	4.49	6.66	.....	.....
Products of Mines	.....	.....	52.41	57.19	50.90	49.76	47.31	29.83	.....	.....
Products of Forests	.....	.....	10.02	10.71	12.88	11.56	11.80	14.95	.....	.....
Merchandise	.....	.....	10.72	9.77	10.74	11.19	11.69	12.56	.....	.....

Total freight tonnage in 1909, 5,707,972 tons; in 1910, 7,631,085 tons; in 1911, 6,764,369 tons; in 1912, 6,476,877 tons; 5,931,406 tons in 1913; 3,356,320 tons in 1914. No reports issued for 1915 and 1916.

TABLE A.—Physical Factors (Mileage, Equipment and Operation)

Years Ended June 30.	Average Miles Operated.	Extra Main Track.	Locomotives Owned.	Passenger Cars Owned.	Freight and Company Cars.	Fgt. to all Traffic.	Passenger Density. *	Freight Density. *	Average Freight Train Load (Tons).	Train Mile Earnings. †	Average Rate per Passenger per Mile. (Cents) †	Average Rate per Ton per Mile. (Cents) †
1906	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1907	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1908	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
1909	5,227	....	646	403	14,504	72%	68,830	235,343	270	$2.89	1.79c	1.77c
1910	5,262	....	675	496	14,176	74	73,251	240,358	263	3.06	1.85	1.85
1911	6,132	....	761	570	20,389	72	70,872	247,034	271	3.12	1.81	1.82
1912	6,008	....	744	548	19,523	72	78,344	239,452	285	3.42	1.79	1.87
1913	6,089	....	729	553	18,492	70	76,277	204,781	261	3.49	1.73	1.98
1914	3,538	....	762	567	17,479	62	101,320	137,992	156	3.27	1.31	2.67
1915	.....	....	.....	.....	.....	....	.....	.....	.....	.....	.....	.....
6-Year Average	5,376	....	736	523	17,427	70%	76,816	217,493	251	$3.21	1.71c	1.99c

* Per kilometer, not per mile. † In Mexican currency per kilometer.

Yard tracks and sidings, 942 miles. Of the total mileage operated in 1914, 387 miles were narrow gauge.

Note: Decrease in mileage operated in 1914 due to disturbed political conditions. In 1915, no detailed report of operations issued as the road was operated by the company only six weeks, having been confiscated by the Constitutionalist Administration, Aug. 16, 1914. No report for 1916.

TABLE B.—Income Factors (Earnings and Their Distribution, Per Mile of Road)

(Mexican Currency)

Years Ended June 30.	Gross Earnings.	Maintenance.		Total Maintenance.	Cond. Transportation, Gen. Exp. etc.	Net Earnings.	Total Net Income.	Fixed Charges.	Margin of Safety.	Surplus over Charges.	Disposal of Surplus.		Balance.
		Way.	Equipment.								For Dividends.	For Imp. Etc.	
1906	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1907	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909	$9,292	$1,248	$1,132	$2,380	$3,162	$3,750	$4,015	$3,633	10%	$382	$222	.....	$160
1910	9,994	1,522	1,219	2,741	3,274	3,979	4,202	3,667	15	535	329	.....	206
1911	10,046	1,812	1,424	3,236	3,129	3,681	3,934	3,431	15	503	376	.....	127
1912	10,227	1,887	1,612	3,499	2,898	3,830	4,130	3,717	15	413	376	.....	37
1913	9,422	1,326	1,661	2,987	2,965	3,470	3,800	3,681	3	119	189	.....	70*
1914	9,687	1,941	3,084	5,025	3,989	673	972	9,122	.....	8,150*	.....	.....	8,150*
1915	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
6-Year Average	$9,778	$1,623	$1,688	$3,311	$3,236	$3,231	$3,509	$4,542	.....	$1,033*	$249	.....	$7,690*

No figures given for 1915 as report covers only six weeks' operations. * Deficit.

Note: In above exhibit, fixed charges include taxes, interest on bonds, equipment trusts and notes, also rentals, deficits in operations of certain controlled lines, and some large items reported under the head of "Pending charges account operating expenses." The dividends paid apply to the first preferred stock, the second preferred having received nothing.

Comparative Income Account, Years Ended June 30

	1915	1914	1913	1912	1911	1910
Gross revenues	$1,776,982	$34,273,341	$57,370,282	$61,447,791	$61,934,421	$61,483,147
Maintenance of way	339,699	6,865,752	8,076,638	11,340,034	11,161,931	9,704,300
Maintenance of equipment	573,813	10,912,267	10,116,459	9,687,119	8,788,388	7,766,516
All other operating exps.	908,957	14,115,547	18,050,850	17,408,102	19,329,026	19,257,502
Net operating revs.	*$45,487	$2,379,775	$21,126,335	$23,012,586	$22,655,076	$24,754,829
Other income	760,648	1,057,573	2,012,821	1,658,652	944,893	1,226,384
Total net income	*$715,161	$3,437,348	$23,139,156	$24,671,188	$23,599,969	$25,981,213
Fixed charges	29,624,490	32,272,973	22,415,595	22,186,612	21,042,098	21,453,382
Surplus	*$28,909,329	*$28,835,625	$735,561	$2,484,576	$2,557,871	$4,527,831
Dividend paid	.....	.....	1,153,316	2,306,632	2,306,632	1,729,974
Balance	*$28,909,329	*$28,835,625	*$429,755	$177,944	$251,239	$2,797,857

* Deficit.

Note: Income figures furnished by the company for 1915 cover only six weeks' operation. No report available for 1916. For current news, apply to our Investors Service.

TABLE C.—Capitalization Factors (Security Obligations and Earning Power)

Years Ended June 30.	Capitalization Per Mile of Road. Stock Outstanding and Per Cent of Whole.		Bonds Outstanding and Per Cent of Whole.		Rentals Cap. at 5 Per Cent.	Total Gross Capital.	Owned by Co. as per Balance Sheet.	Net Capitalization.	Net Income on Net Capital.	Dividend Record. Preferred Dividend. Amt. per Mile.	Rate.	Common Dividend. Amt. per Mile.	Rate.	Margin of Safety Preferred.	Margin of Safety Common.
1906.....	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1907.....	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1908.....	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1909.....	$85,224	52%	$78,339	48%	Nom.	$163,563	$11,891	$151,672	**2.7%**	$222	2%	.....	.....	40%	.....
1910.....	85,043	53	76,998	48	"	162,041	3,260	158,781	**2.6**	329	4	.....	.....	40	.....
1911.....	73,022	53	65,721	47	"	138,743	3,456	135,287	**3**	376	4	.....	.....	25	.....
1912.....	74,525	54	64,389	46	"	138,914	3,593	135,321	**3.1**	376	4	.....	.....	10	.....
1913.....	73,570	53	64,620	47	"	138,190	3,569	134,621	**2.8**	189	2	.....	.....	.....	.....
.....	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	...	.....	...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
5-Year Average	$78,277	53%	$70,013	47%	Nom.	$148,290	$5,154	$143,136	**2.8%**	$298	3.2%	.....	.....	24%	.....

Note: In above exhibit, stock column includes both second and preferred stock, and also the outstanding common stock which is owned by the Mexican Government. The bond column includes the entire outstanding debt of the National Railways of Mexico; that of the National Railroad of Mexico, assumed; that of the Mexican International R.R., assumed; the issues of the old Mexican Central National R.R. of Mexico, and the Mexican International R.R., which are still in the hands of the public; and the equipment and collateral trusts of the Mexican Central Railway, Ltd., assumed.

The investment column includes the various stock and bond issues, pledged or unpledged, in the book value of Mexican currency. All figures shown above are in Mexican currency.

Comparative Condensed Balance Sheet, as of June 30

Assets:	1915	1914	1913	1912	1911
Road, equipment, etc.	$901,763,275	$901,471,670	$869,971,680	$859,850,799	$850,448,738
Securities	17,539,432	17,698,557	21,730,469	21,588,094	21,294,614
Bills and accounts receivable	7,853,580	9,336,095	11,287,954	8,325,260	6,626,663
Materials and supplies	11,203,480	10,830,984	13,979,159	10,141,064	11,124,722
Sundry	776,105	2,210,745	4,293,846	676,492	957,497
Cash	1,009,712	2,212,867	16,680,861	18,327,023	15,540,210
Profit and loss deficit	57,645,990	28,736,662	.....	.....	.....
Total	$997,791,574	$972,497,580	$937,943,969	$918,908,732	$905,986,444
Liabilities:					
Capital stock	$448,025,717	$448,014,717	$447,967,467	$447,866,567	$447,770,353
Funded debt	413,716,788	413,732,788	393,472,603	394,365,768	403,002,583
Interest and dividend accrued	29,672,726	7,905,128	9,559,212	10,200,535	9,576,815
Bills and accounts payable	81,922,074	81,521,369	73,428,383	54,682,248	39,710,929
Reserve funds	24,454,269	21,323,578	13,417,341	11,226,562	5,363,840
Profit and loss surplus	.....	.....	98,963	567,052	561,924
Total	$997,791,574	$972,497,580	$937,943,969	$918,908,732	$905,986,444

Condition of Funded Debt at Close of June 30, 1915

Bond Record and Ratings: 1. National Railways of Mexico, prior lien guaranteed gold 4½s; dated July 1, 1907; due July 1, 1957. Int. Jan. and July, at 25 Broad St., New York. Authorized, $225,000,000, of which $84,804,115 are outstanding. Others are reserved for payment of notes, for improvements, for prior liens of Mexican Central, etc., while $6,000,000 were issued to Mexican Government in consideration of guaranty. Callable in $10,000,000 lots after Jan. 1, 1917. Secured on entire property, subject to underlying mortgages. Coupon, $100, $500, $1,000; reg., $1,000, $5,000. Defaulted July, 1914. Net Rating, B.

2. National Railways of Mexico general mortgage guaranteed 4s; dated Oct. 1, 1907; due Oct. 1, 1977. Int. April and Oct., at 25 Broad St., New York. Auth., $160,000,000, of which $50,748,575 are outstanding. Others are reserved to retire National R.R. notes for betterments, etc., and for underlying mortgages. Callable after April 1, 1927, in $10,000,000 lots. Secured subject to prior liens on same property. Guaranteed by Mexican Government, which received $2,450,000 for said guaranty. Coupon, $100, $500, $1,000. Prin. may be registered. Defaulted Oct. 1, 1914. Net Rating, Ca.

3. National R.R. of Mexico prior lien gold 4½s. Dated March 15, 1902; due Oct. 1, 1926. Int. Jan. and July, at 25 Broad St., New York. Authorized and outstanding, $23,000,000. First lien on 1,598.73 miles; second lien on 250.76 miles; third lien on 523.31 miles, and assumed by new company. Callable at 105 on six months' notice. Coupon, $500 and $1,000. Prin. may be registered. Defaulted July, 1914. Net Rating, Ca.

4. National R.R. of Mexico first consol. gold 4s. Dated March 15, 1902; due Oct. 1, 1951. Int. April and Oct., at 25 Broad St., New York. Direct lien on 2,622.62 miles, following No. 3 on 2,372.80 miles. Authorized, $69,000,000; outstanding, $24,740,000. Assumed by new company. Coupon, $500 and $1,000. Prin. may be registered. Defaulted Oct., 1914. Net Rating, Ca.

Note: There are also outstanding portions of the direct issues of the old Mexican Central, and Mexican International Railways, and the National Railroad Co. of Mexico to the amount of $1,908,748. The National Rys. of Mexico has also assumed $7,000,000 prior lien 4½s of the Vera Cruz & Pacific R.R. Co., due July 1, 1934; $2,003,000 prior lien 5s and $1,489,000 gen. 5s of 1937 of the Pan-American R.R. Co., all of which are in default.

The issue of $26,730,000 2-year 6% notes, due June 1, 1915, are in default as to both principal and interest and also the interest on $2,640,341 3-year 6% notes, due June 1, 1917, as well as some minor note issues.

Capital Stock (Mexican Currency): First preferred, 4% non-cumulative, $57,662,000, of which $20,000,000 is owned by Mexican Government; $240,756,783 second preferred, 5% non-cumulative, of which about $60,000,000 is owned by Mexican Government; and $149,606,933 common, all owned by Mexican Government.

NORTH SHORE RAILWAY COMPANY, LTD.

History: Incorporated under laws of New Brunswick, Dec. 3, 1907, in New Brunswick, to purchase the franchises, rights, property, etc., of the Beersville Coal and Railway Co., incorporated for the purpose of constructing a railroad from Adamsville, N. B., to Richibucto River and tidewater, a distance of about 27 miles.

Line of Road: Road extends from Adamsville to Mount Carlyle, 8.63 miles; sidings, 1.37 miles. Equipment: Locomotive, 1; passenger car, 1; freight cars, 5; service, 2; snow plow, 1.

Manager: Melbourne F. Keith, Moncton, N. B. Annual meeting, second Tuesday in April. GENERAL OFFICE: Beersville, N. B.

Bonded Debt: $35,000 Beersville Coal & Railway Co. first 6s. Dated Nov. 1, 1903; due Nov. 1, 1913. Interest paid May and Nov. 1, at Equitable Trust Co., New York. Coupon, $100. Callable at 110. Authorized, $100,000.

Capital Stock: Authorized, $100,000; outstanding, $98,000. Par, $100. Government bonuses, $43,816.

PACIFIC GREAT EASTERN RAILWAY

History: Incorporated under laws of British Columbia, Feb. 27, 1912, to construct a line from Vancouver, B. C., to junction with Grand Trunk Pacific Ry. at or near Prince George, B. C., about 480 miles, of which about 180 miles completed. The British Columbia Legislature has authorized the company to extend its line from Prince George to the eastern boundary of the "Peace River Country," 330 miles, and securities have been granted to the extent $35,000 per mile. Letters Patent have been issued to the Pacific Great Eastern Development Co., Ltd., with $250,000 nominal capital stock by the Provincial Government of British Columbia to act as a subsidiary of the railway. Powers conferred include right to operate hotels, railways, water powers, and to conduct a general land and real estate business. It will be vested with land at Squamish and other towns along the proposed line acquired for other than railway purposes.

Management: OFFICERS: J. W. Stewart, Pres., Vancouver, B. C.; D'Arcy Tate, Vice-Pres., Victoria, B. C.; Timothy Foley, Vice-Pres., St. Paul, Minn.; R. D. Thomas, Sec., Treas. and Aud., Victoria, B. C.; A. H. Sperry, Gen. Mgr. (Constr. Dept.), Vancouver, B. C. DIRECTORS: Timothy Foley, St. Paul, Minn.; J. W. Stewart, F. Wilson, E. F. White, Vancouver, B. C.; D'Arcy Tate, Victoria, B. C. Annual meeting, third Wednesday in Sept. GENERAL OFFICE: Victoria, B. C.

Bonded Debt: $20,160,000 Pacific Great Eastern Ry., of which $16,800,000 is first mortgage 4½% Guaranteed Debenture stock, and $3,360,000, second charge 4½ Guaranteed Debenture stock; due July 15, 1942. Interest paid Jan. and July 15, at Brown, Shipley & Co., London, Eng., or at company's office, Victoria, B. C. $14,234,805 is outstanding and $5,925,195 is pledged under loan described below. Guaranteed principal and interest by Province of British Columbia. A first and second lien respectively on property. Stock is transferable at office of Brown, Shipley & Co., London, and at COMPANY'S OFFICE: Victoria, B. C. Listed on London Stock Exchange.

Loan: The Government has authorized the company to make a loan of 80% of par value of securities pledged, which will realize $4,800,000. Secured by deposit of guaranteed debentures described above.

Capital Stock: Authorized, $40,000,000; outstanding, $25,000,000. Par, $100. No dividends paid. Secretary of company acts as TRANSFER AGENT AND REGISTRAR.

PARRAL & DURANGO RAILROAD

History: Incorporated under laws of Colorado, in 1898. The road was built under concession from the government of Mexico in 1898 and 1899. Mileage operated, Minas Nuevas, Chihuahua, Mex., to Pareje Seco, State of Durango, with various branches making connection with the Mexican Central Railway. Total operated, 65 miles. Equipment owned: Locomotives, 6; passenger cars, 5; freight cars, 160.

Management: OFFICERS: S. E. Gill, Pres.; Wm. E. Evans, Vice-Pres.; W. G. Muzzy, Sec. and Treas., Pittsburgh, Pa.; M. L. Hutchins, Gen. Mgr.; A. G. Field, Aud., Parral, Chihuahua, Mex. DIRECTORS: Wm. E. Evans, J. R. McGinley, C. D. Armstrong, W. F. Lloyd, W. G. Muzzy, W. H. Robinson, S. E. Gill, F. O. Graham, L. J. Brecht, Pittsburgh, Pa. Annual meeting in October. GENERAL OFFICES: Pittsburgh and Parral, Mex. CORPORATE OFFICE: Denver, Colo.

Comparative Income Account, Years Ended June 30 (Mexican Currency)

	1914	1913	1912	1911	1910	1909
Gross revenues	$258,354	$326,871	$356,732	$327,605	$246,660	$241,364
Operating expenses	166,793	195,489	204,248	152,562	142,650	174,516
Net operating income	$91,561	$131,382	$152,483	$175,043	$104,010	$66,848
Operating ratio	64.5%	59.8%	57.2%	46.6%	57.8%	72.3%
Other income	21,604	2,267	22,690	41,754	43,367	30,305
Total net income	$113,165	$133,649	$175,173	$216,797	$147,377	$97,153
Fixed charges	80,336	81,946	85,301	89,803	91,998	30,000
Surplus	$32,829	$51,704	$89,872	$126,994	$55,379	$67,153

Note: Owing to disturbed conditions in Mexico, regular train service has been impossible and reports of current earnings are not available.

Bonded Debt: $574,000 Parral & Durango R.R. general gold sinking fund 6s. Dated Jan. 1, 1908; due Jan. 1, 1933. Int. Jan. and July 1, at Union National Bank, Pittsburgh, Pa. Coupon, $1,000. Sinking Fund: $37,500 per annum, payable Jan. 1, either in cash or bonds. Entire issue subject to call at 105 on any interest date on 60 days' notice. First lien on entire property. Interest paid without deduction for normal income tax. Rating B.

Capital Stock: Authorized and outstanding, $1,000,000. Par, $50. No dividends.

PHILIPSBURG RAILWAY & QUARRY COMPANY

History: Incorporated under Canadian laws, 1888. Road opened June 1, 1894. Road connects with Canadian Pacific Ry. & Central Vermont Ry., and is operated primarily for transportation of company's product for shipment via these railroads.

Location: Road extends from Philipsburg, Que., to Stanbridge Station of the Canadian Pacific and Central Vermont Railways, 7 miles. Sidings, 2 miles. Equipment: Locomotive, 1; cars, 2.

Management: OFFICERS: H. W. Richardson, Pres., Kingston, Ont.; Wm. Mann, Vice-Pres., Montreal, Que.; T. A. McGinnis, Sec., Treas. and Gen. Mgr., Philipsburg, Que. DIRECTORS: H. W. Richardson, Kingston, Ont.; James Playfair, Midland, Ont.; W. J. Morrice, S. H. Ewing, R. J. Dale, W. Mann, Montreal, Que.; F. A. McGinnis, Philipsburg, Que.; Wm. Flavelle, Lindsay, Ont.; J. A. Richardson, Toronto. Annual meeting, first Wednesday in August. GENERAL OFFICE, Philipsburg, Orc.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Gross earnings	$12,282	$7,696	$6,571
Operating expenses	10,879	6,104	6,018
Net earnings	1,403	1,592	353

Capital Stock: Authorized, $125,000; outstanding, $124,500. Government bonuses, $49,379. No bonded debt.

POTOSI & RIO VERDI RAILWAY

History: Incorporated under the laws of New York, Sept. 16, 1898, and by special charter from Mexican Government. Company is exempt from all taxes and import duties for 15 years from date of opening, and has concessions for 99 years, at which time, (Nov. 4, 1985) road becomes property of Mexican Government.

Location: Road extends from San Luis Potosi, Mex., to Ahuacatal, 40 miles. Gauge, 3 feet. Equipment: Locomotives, 4; cars, 102.

Management: OFFICERS: Robt. S. Towne, Pres. and Treas.; Charles J. Peabody, first Vice-Pres., New York; D. C. Brown, 2nd Vice-Pres. and Gen. Mgr., San Luis Potosi, Mex.; R. E. Safford, Sec., W. F. Gillesby, Aud., New York. DIRECTORS: Robt. S. Towne, Chas. J. Peabody, W. Mason Smith, R. E. Safford, W. F. Gillesby, H. H. Dean, E. C. Griffith, R. H. Cromwell, New York; D. C. Brown, San Luis Potosi, Mex. Annual meeting, first Tuesday in June. NEW YORK OFFICE: 82 Beaver Street.

Bonded Debt: $600,000 Potosi & Rio Verdi Ry. first Sinking Fund 6s. Dated Oct. 1, 1898; due Oct. 1, 1918. Interest paid, April and Oct. 1, at New York Office. Coupon, $1,000. Authorized at rate of $15,000 per mile. Sinking fund 5% of gross earnings to be invested in bonds at not exceeding 110 and interest. Bonds so acquired to be kept alive and interest thereon added to fund. Callable at 110 and interest. Guaranteed principal and interest by Compania Metalurgica Mexicana. Interest paid without deduction for normal income tax. On June 30, 1915, there were $78,000 bonds in sinking fund.

Capital Stock: Authorized and outstanding, $200,000. Par, $100. All owned by Compania Metalurgica Mexicana.

THE ROBERVAL-SAGUENAY RAILWAY COMPANY

History: Incorporated under Canadian laws, March 24, 1911, to construct a railway from Ha Ha Junc. to Mistassini River, 80 miles located. In Jan., 1914, acquired the Ha Ha Bay Ry., which railway began operations in Dec., 1910.

Location: Main line, Bagotville to Ha Ha Junc., 20 miles; branches, Laterriere Junc. to Lake Kenogami, 12 miles; La Brosse to Chicoutimi, 3.4 miles; Bagotville to St. Alexis, 1.4 miles; total operated, 36.8 miles. Connects Chicoutimi and Ha Ha Junc. with the Quebec & Lake St. John Ry. and at Chicoutimi and Bagotville with the Canada Steamship lines. Equipment: Locomotives: Electric, 2; steam, 5; passenger cars, 4; freight cars, 180; snow plows, 2.

Management: OFFICERS: J. E. A. Dubuc, Pres. and Gen. Mgr.; J. E. Cloutier, 1st Vice-Pres.; F. W. Fuqua, 2d Vice-Pres.; J. E. Robitaille, Treas. and Aud.; Ray. Belleau, Sec. DIRECTORS: F. X. Gosselin, J. E. Cloutier, J. F. Grenon, R. H. Beaulieu, J. E. A. Dubuc, Chicoutimi, Que.; F. W. Fuqua, Philadelphia, Pa. Annual meeting in September. GENERAL OFFICE: Chicoutimi, Que.

Comparative Income Account, Years Ended June 30

	1916	1915
Gross revenues	$109,295	$110,755
Operating expenses	102,640	86,984
Net operating revenues	$6,654	$23,771
Other income	50,737	47,500
Total net income	$57,391	$71,271
Fixed charges, etc.	74,712	51,924
Balance	*$17,321	$19,347

* Deficit.

Bonded Debt: $1,260,000 Roberval-Saguenay Ry. first 5s. Dated Sept. 1, 1915; due Sept. 1, 1955. Interest paid Mar. and Sept. 1, at Montreal, Que., and London, Eng. Coupon, $1,000. General Trust Co., Montreal, Que., Trustee.

Capital Stock: Authorized, $1,200,000 common and $800,000 non-cumulative preferred. TRANSFER OFFICE: Chicoutimi, Que.

ST. JOHN AND QUEBEC RAILWAY COMPANY

History: Incorporated in New Brunswick in 1910 to construct a line from St. John to Grand Falls, N. B., 210 miles. Completed up to Dec., 1914, Gagetown to Centerville, N. B., 120 miles. The Dominion Government has authorized a subsidy of $6,400 per mile and will operate the line on completion as a part of the Government Railway System for 99 years at a rental of 40% of annual gross earnings.

Management: OFFICERS: F. W. Sumner, Pres., Moncton, N. B.; John D. Palmer, Treas., Fredericton, N. B.; Edward Girouard, Sec., Moncton, N. B.; R. Thompson, Chief Eng., Fredericton, N. B. DIRECTORS: F. W. Sumner, Pres., Moncton, N. B.; W. S. Fisher, St. John, N. B.; Richard O'Leary, Richibucto, N. B.; Edward Girouard, Moncton, N. B.; J. D. Palmer, Fredericton, N. B. Annual meeting, first Tuesday in September, at Fairville, N. B. GENERAL OFFICE: Fredericton, N. B.

Income Account, six months to June 30, 1915: Gross revenues, $38,884; operating expenses, $47,951; deficit from operation, $9,067; deductions, $4,883; final deficit, $13,950.

Bonded Debt: $4,250,000 St. John & Quebec Ry. first mortgage 4% guaranteed debenture stock; issued in 1912, maturing June 1, 1962. Interest paid, July and Dec. 1, at Bank of Montreal, London, Eng., and at Prudential Trust Co., Ltd., Montreal, Can., Trustee. Authorized, $5,000,000. Guaranteed principal and interest by the Province of New Brunswick. Sinking fund of 1% per annum beginning 1922 is provided to be applied to the purchase of stock at not exceeding 105. Additional loan capital ranking pari passu with this stock may be issued up and not exceeding $25,000 per mile. First lien on railway property. Listed on London Stock Exchange.

Capital Stock: Authorized, and outstanding, $2,000,000. Par, $100. Owned by the Province of New Brunswick.

ST. MARTINS RAILWAY

History: Incorporated under the laws of New Brunswick. Successor April, 1906, by change of name to the Hampton & St. Martins Ry.

Location: Road extends from Hampton Station to St. Martins, N. B., 30 miles. Equipment: Locomotives, 2; cars, 9.

Management: OFFICERS: W. E. Foster, Pres. and Gen. Mgr.; W. G. Scovil, Vice-Pres.; F. M. Anderson, Treas., St. John, N. B.; G. W. Vaughan, Supt. and Pur. Agt., St. Martins, N. B. DIRECTORS: F. M. Anderson, W. E. Foster, W. G. Scovil, St. John, N. B. Annual meeting, second Tuesday in April. GENERAL OFFICE: St. Martins, N. B.

Comparative Income Account, Years Ended June 30

	1915	1914	1913
Gross earnings	$18,390	$14,552	$14,787
Operating expenses	16,624	13,990	15,659
Net earnings	1,766	562	*872

* Deficit.

Bonded Debt: $90,000 St. Martins Railway first 5s. Dated May 1, 1907; due May 1, 1927. Interest paid May and Nov. Authorized, $360,000.

Capital Stock: Authorized and outstanding, $90,000. Par, $100. No dividends paid.

SALISBURY & ALBERT RAILWAY

History: Incorporated under Canadian laws in 1909, successor to the Salisbury & Harvey Ry. Co.

Location: Road extends from Salisbury to Albert, N. B., 45 miles; sidings, etc., 5 miles. Equipment: Locomotives, 3; cars, passenger, 1; combination, 2; freight, 29.

Management: OFFICERS: A. S. Swan, Pres.; D. E. Bergen, Vice-Pres.; Wm. Ludewig, Sec., New York; Geo. H. Frazier, Treas., Boston; E. M. Sherwood, Mgr., Hillsboro N. B. DIRECTORS: A. S. Swan, Wm. Ludewig, New York; C. A. Peck, Hillsboro, N. B.; C. H. Frazier, Boston; D. K. Hazen, E. P. Raymond, St. John, N. B. Annual meeting, in September. OFFICE: Hillsboro, N. B.

Income Account, year ended June 30, 1915: Gross revenues, $36,162; operating expenses, $34,941; net revenues, $1,220.

Bonded Debt: Authorized, $250,000 Salisbury & Albert Ry. first 5s; due Sept. 2, 1915. Coupon, $1,000. None sold.

Capital Stock: Outstanding, $150,000. Government bonuses, Dominion, $29,665; Provincial, $455,000; Municipal, $70,000; total, $554,665.

SAN PAULO RAILWAY COMPANY, LTD.

History: Registered, 1859; re-registered as limited, Nov. 11, 1902. Brazilian Government has option of purchasing road in February, 1927, on payment to company of such an amount of government stock as will give an income equal to average dividends of the previous five years, provided that such revenue equals 7%; otherwise road remains the property of the company in perpetuity. When dividends have exceeded 12% for two consecutive years, the Government may demand reduction of the fares.

Location: Main line (5 ft. 3 in. gauge), runs from Santos through San Paulo, to Jundiahy, a distance of 86.5 miles. Company also owns the Bragantina Railway, 67 miles; total operated, 153.5 miles.

Management: OFFICERS: W. H. Moxey, Sec. DIRECTORS: Lord Balfour of Burleigh, Chairman; F. N. Chapple, John Gordon, W. J. Hammond, C. E. Johnston, Lt. Col. Sir Gerard Smith. LONDON OFFICE: 111 Gresham House, Old Broad Street, E. C.

Comparative Income Account, Years Ended June 30

(Latest available.)

	1915	1914
Gross revenues	$7,010,206	$10,521,327
Operating expenses	4,702,046	7,166,386
Net revenues	$2,308,160	$3,354,941
Other income	273,326	290,112
Total net income	$2,581,486	$3,645,053
Fixed charges	455,625	455,625
Other deductions	373,749	205,077
Balance	$1,752,112	$2,984,351

Capitalization: (1) Authorized and outstanding, £750,000 permanent 5½% debenture stock, not secured by any charge. Redeemable at par in event of sale of line. Interest Jan. and July 1.

(2) Authorized and outstanding, £250,000 permanent 5% debenture stock. Subject to conditions governing No. 1.

(3) Authorized and outstanding, £1,000,000 permanent and 4% debenture stock. Ranks pari passu with, and subject to conditions governing Nos. 1 and 2. Interest payable Jan. and July 1.

Capital Stock: (1) Authorized and outstanding, £1,000,000 preference stock. Entitled to non-cumulative dividend of 5%, payable Apr. and Oct. 1, and to priority for capital. Full dividends regularly paid.

(2) Authorized and outstanding, £3,000,000 ordinary stock. Recent dividends, 1909 to 1911, 13% each; 1912 and 1913, 14%; 1914, 12%.

TEMISCOUATA RAILWAY

History: Incorporated under Canadian laws, October 17, 1885. First section of road opened Jan. 1, 1889.

Location: Road extends from Riviere du Loup, Que., to Edmundston, N. B., 81 miles; branch Edmundston to Connors, N. B., 32 miles; total, 113 miles; sidings, etc., 9.11 miles. Equipment: Locomotives, 9; passenger cars, 8; freight cars, 140; snow plows, 4; miscellaneous, 9.

Management: OFFICERS: J. H. Walsh, Pres.; E. O. Grundy, Vice-Pres., Sherbrooke, Que.; C. A. Stewart, Sec., Mgr. and Pur. Agt.; F. Sawyer, Supt.; J. T. Lavoie, Cashier and Acct., Riviere du Loup, Que. DIRECTORS: W. Noble Campbell, A. H. Cook, Arch. Laurie, F. Murphy, Quebec, Que.; J. H. Walsh, E. O. Grundy, T. J. Maguire, Sherbrooke, Que. Annual meeting, any Tuesday in September at Quebec. GENERAL OFFICE: Riviere du Loup, Que.

Comparative Income Account, Years Ended June 30

	1915	1914
Passenger earnings	$50,249	$56,410
Freight earnings	158,558	200,458
Gross earnings	220,482	271,777
Operating expenses and taxes	180,895	203,899
Net earnings	39,587	67,878
Other income	2,754	2,945
Fixed charges, etc.	22,249	24,387
Surplus for year	20,092	46,436

Bonded Debt: (1) £47,900 Temiscouata Ry. prior lien 5s; due May 1, 1926. Interest paid May and Nov. 1, at Bank of Montreal, London. Authorized, £50,000, of which £2,100 have been redeemed and cancelled. Callable at 105 on three months' notice, or at 110 on 1 month's notice. First lien on entire property. Listed on London Stock Exchange.

(2) £586,870 Temiscouata Ry. consolidated mortgage income 5s; due July 1, 1950. Interest paid Jan. and July 1, at Bank of Montreal. Denominations, $500 and $1,000. By act of 1904 the Main Line bonds, with 6 years' interest to July 1, 1904, and the St. Francis Branch bonds, with four years and four months' interest to same date, became exchangeable into consolidated mortgage income bonds; the holders of the former received £130, and of the latter £121 2/3 of consolidated bonds for every £100 held. By act of 1907 the company was authorized to issue scrip certificates for £582,600 had been issued in exchange for Main Line and St. Francis Branch first mortgage debenture bonds, and a further £4,270 will be issued as the remaining bonds outstanding are exchanged. The profits of the railway after payment of interest on No. 1 and an appropriation to the sinking fund for their redemption, are to be applied first, to paying interest on, and then in the redemption of the consolidated mortgage income bonds. Interest payments have been made as follows: For the three years ended June 30, 1907, 1½%; 1908 to and including 1912, 1% each; 1913, 1¼%; 1914, 1¼%; 1915, none. Holders of bonds on registering same have same voting privilege as stockholders. Callable at par. Secured on entire property subject to No. 1.

Capital Stock: Authorized and outstanding, $1,000,000. Par, $100. No dividends paid. Secretary of company acts as REGISTRAR and TRANSFER AGENT.

TEMISKAMING & NORTHERN ONTARIO RAILWAY

History: Authorized in Canada by act approved Mar. 17, 1902, and amendments June 12, 1903, and April 22, 1904. Road is owned by the Government of Ontario and is operated by a Commission.

Location: Road extends from North Bay to Cochrane and Junction of the Transcontinental Railway, a distance of 253.60 miles; Iroquois Falls to Timmins, 40.10 miles; Earlton to Elk Lake City, 28.50 miles; Charlton branch, 7.60 miles; total, 329.80 miles; sidings, 108.20 miles. Equipment: Locomotives, 43; passenger cars, 57; freight cars, 621; work and equipment cars, 92.

Management: J. L. Englehart, Chairman, Toronto, Ont.; G. W. Lee, Commissioner, North Bay, Ont.; Denis Murphy, Commissioner, Ottawa, Ont.; W. H. Maund, Sec., Treas., Toronto; R. H. Mitchell, Aud.; S. B. Clement, Chief Eng. and Supt. of Maintenance; W. A. Griffin, Supt. of Traffic; W. A. Graham, Pur. Agt., North Bay, Ont. GENERAL OFFICE: 25 Toronto Street, Toronto, Ont.

Comparative Income Account, Years Ended Oct. 31
(Latest available.)

	1915	1914
Gross earnings	$1,551,552	$1,670,899
Operating expenses, etc.	1,328,497	1,468,574
Net earnings	223,055	202,325
Total income	303,695	314,922
Provincial Treas.	225,000	225,000
Other deductions	72,747	31,126
Surplus for year	5,948	58,796

Comparative Condensed Balance Sheet, as of Oct. 31
(Latest available.)

ASSETS:	1915	LIABILITIES:	1915
Road and equipment	$20,156,825	Provincial loan account	$20,483,416
Other investments	464,678	Current liabilities	619,120
Current assets	877,540	Profit and loss	415,664
Other assets	9,386		
Deferred debit items	9,771		
Total	$21,518,200	Total	$21,518,200

The total amount loaned to the Commission up to Oct 31, 1915, was $20,483,416, toward which the Government has made various issues of bonds bearing interest at 3½ and 4%. The bonds are guaranteed by the Province of Ontario. The surplus income from operation is to be paid over annually to the Provincial Treasurer, to provide a sinking fund for the redemption of the bonds. This sinking fund is to be invested in such securities as the Lieut.-Governor in Council from time to time shall think proper.

THOUSAND ISLANDS RAILWAY

History: Incorporated under the laws of Canada, May 22, 1888, a consolidation of the Gananoque & Rideau Ry. and Thousand Islands Ry. Road completed in 1890.

Location: Road extends from Gananoque to Gananoque Jct., 6.08 miles; bridge across St. Lawrence River, 0.25 mile; total, 6.33 miles. Sidings, etc., 1 mile. Equipment: Locomotives, 2; cars, 3. The Grand Trunk Railway supplies additional cars as required.

Management: OFFICERS: E. Walter Rathbun, Pres., Deseronto, Ont.; J. H. Valleau, Sec.-Treas.; H. W. Cooper, Mgr. and Pur. Agt.; H. A. Cooper, Roadmaster, Gananoque, Ont. DIRECTORS: E. Walter Rathbun, Deseronto, Ont.; J. H. Valleau, H. W. Cooper, C. S. Lee, Gananoque, Ont.; B. R. Hepburn, Pictou, Ont. Annual meeting, second Monday in September at Deseronto, Ont. GENERAL OFFICE: Gananoque, Ont.

Comparative Income Account, Years Ended June 30

	1915	1914	1913	1912
Passenger earnings	$8,019	$9,020	$10,172	$8,951
Freight earnings	19,142	23,573	28,858	24,051
Gross earnings	34,984	40,684	46,241	39,955
Operating expenses and taxes	25,841	29,468	30,558	33,761
Net earnings	9,143	11,216	15,683	6,194
Other income	590	449	192	2,307
Fixed charges	3,852	5,594	1,615	3,159
Dividends	.....	3,600	3,600	.....
Surplus for year	5,881	2,471	10,660	5,342

Bonded Debt: $50,000 Thousands Islands Railway first 6s. Dated Feb. 28, 1894; due March 1, 1909. (Not paid off.) Interest paid semi-annually at Gananoque, Ont. Registered, $500. Secured on road and equipment.

Company also has outstanding a second mortgage of $8,000 to the Grand Trunk Railway Company. Interest nominal, $10 a year.

Capital Stock: Authorized, $250,000; outstanding, $60,000. Par, $50. Dividends paid in recent years as follows: 1899 and 1900, 15% each; 1901, 14%; 1902, 15%; 1903 and 1904, 8%; 1907, 10%; 1913, 1914 and 1915, 6% each.

TORONTO, HAMILTON & BUFFALO RAILWAY

History: Incorporated in Canada, December 1, 1892. Successor to Brantford, Waterloo & Lake Erie Ry. Controlled by New York Central, Canadian Pacific, Canada Southern and Michigan Central Rys.

Location: Welland to Waterford, Ont., 79.88 miles; branches, 22.27 miles and traffic rights, 4.36 miles; total operated, 106.51 miles.

Management: OFFICERS: John N. Beckley, Pres.; Thos. G. Shaughnessy, Vice-Pres.; Dwight W. Pardee, Sec.; M. S. Barger, Treas. DIRECTORS: J. N. Beckley, Wm. H. Newman, H. B. Ledyard, T. G. Shaughnessy, David McNicoll, E. B. Osler, W. P. Torrance, W. L. Scott, D. W. Saunders, A. H. Smith, W. K. Vanderbilt, Jr. Annual meeting, Tuesday preceding first Wednesday in June. OFFICE: Hamilton, Ont.

Comparative Income Account, Years Ended Dec. 31

	1915	1914	1913	1912	1911	1910
Gross revenues	$1,404,320	$1,335,672	$1,745,918	$1,702,713	$1,256,012	$1,145,610
Operating expenses	899,636	972,110	1,170,187	872,207	726,776	631,285
Net operating rev.	$504,683	$363,562	$575,731	$830,506	$529,236	$514,484
Operating ratio	64%	73%	67%	52%	42%	55%
Other income	132,094	149,957	96,676	57,326	46,334	43,086
Total net income	$636,777	$513,519	$672,307	$887,832	$575,570	$557,570
Fixed charges, inc. taxes.	313,964	292,226	433,042	337,126	275,463	296,997
Dividends paid	.....	105,000	210,000	.....	.....	.....
Surplus	$322,813	$116,293	$29,265	$550,706	$300,107	$260,356

Profit and Loss Account, year ended December 31, 1915: Credit balance at beginning of year, $948,920; credit balance transferred from income, $322,813; profit on road and equipment sold, $4,312; miscellaneous credits, $1,385; total, $1,277,430. Contra: Loss on retired property, $1,948; credit balance carried to balance sheet, $1,275,482; total, $1,277,430.

Bonded Debt: (1) $3,280,000 Toronto, Hamilton & Buffalo first 4s; dated June 1, 1896; due June 1, 1946. Int. paid at Lincoln National Bank, New York. Guaranty Fund: The New York Central R.R., the Michigan Central Ry., the Canada Southern Ry., and the Canadian Pacific Ry. agree to set aside, if necessary, 25% of their entire gross earnings, upon the traffic delivered to and received from the Toronto, Hamilton & Buffalo Ry. as a fund to meet the interest on these bonds. First lien from Waterford, via Hamilton, to Welland Junc., 79.88 miles, and extensions in Hamilton to Grand Trunk Ry., .27 mile; Belt Junc. to Wellington St., Hamilton, 3.52 miles; total, 83.67 miles; all in Ontario. Underlies No. 2. Listed on New York Stock Exchange. Normal income tax deducted from interest. Market: Ladd & Wood, F. H. Hatch & Co., Coffin & Co., New York; Riggs & McLane, Baltimore.
Net Rating, Aaa.

(2) $2,000,000 Toronto, Hamilton & Buffalo consolidated Series "A" 4½s; dated August 1, 1916; due August 1, 1966. Interest paid Feb. and Aug. at Lincoln National Bank, New York. Coupon, $1,000. Authorized, $10,000,000. Second lien upon the whole of the railway and its property, assets, rents and revenues following No. 1. Guarantee Fund, same as No. 1. Rating, A.

(3) $1,125,000, series "A," equipment 4½s; dated Feb. 1, 1913; due, $75,000 semi-annually, Feb. and Aug. 1 to Feb. 1, 1923. Int. paid, Feb. and Aug. in New York. Original issue, $1,500,000; now unmatured, $975,000. First lien on equipment costing over $1,650,000. Interest paid without deduction for normal income tax. Market: Wm. A. Read & Co., New York. Net Rating, A.

Capital Stock: Authorized, $5,000,000; outstanding, $4,512,500. In October, 1912, $1,000,000 stock was sold for improvements, and a cash dividend of 20% ($500,000) was at the same time paid, and in May, 1916, $1,000,000 stock was sold to retire $1,000,000 second 4s. The above-named companies own 91% of the total outstanding issue. Par, $100.

UNITED RAILROADS OF YUCATAN

History: Incorporated under the laws of Yucatan and Mexico, Nov. 1, 1902. A consolidation of three railways and two pier companies. In 1908 company purchased the Merida and Peto Railway. Owns 503 kilometers of lines.

Equipment: Locomotives, 53; passenger cars, 103; freight cars, 622; service cars, 68.

Management: OFFICERS: Augusto Camara, Pres.; P. Alcala Hernandez, Vice-Pres.; Julian Aznar, Sec.; F. W. Blake, Gen. Mgr., Merida, Yucatan, Mex. DIRECTORS: Augusto Camara, P. A. Hernandez, Julian Aznar, Luis Carranza, Martin Diaz de Cosio, Enrique Schmid, Auturo Peiree, Juan Berzunza. Annual meeting in March. GENERAL OFFICE: Merida, Yucatan, Mex.

Bonded Debt: £825,000 United Railroads of Yucatan first redeemable 5s. Dated April 1, 1910; due April 1, 1950. Interest paid Apr. and Oct. 1, at J. H. Schroeder & Co., London, Eng., also at Ladenburg Thalmann & Co., New York, and in Mexico, Germany and Holland at fixed rates of exchange. Coupon, £50, £100, £200 and £500. Sinking fund commencing April 1, 1913, sufficient to redeem whole issue by maturity is to be applied to purchase of bonds in the open market at or below par, or if bonds are unobtainable at that price, to their redemption by semi-annual drawings at par. Callable at 110 and interest on April 1, 1920, or thereafter on three months notice. Issued to provide funds for improvements. First lien on all property of the company, and (with the consent of the Mexican Government), on all concessions granted to the company. Listed on London Stock Exchange. Free from all present and future Mexican taxes.

Capital Stock: Authorized and outstanding, $23,000,000 (Mexican currency). Par, $1,000. Secretary of company acts as Transfer Agent.

UNITED RAILWAYS OF HAVANA AND REGLA WAREHOUSES

History: Incorporated in England, February 8, 1898, and acquired the railways, lands and warehouses of the Bank of Commerce, United Rys. of the Havana & Regla Warehouses. In 1896 acquired the Cardenas & Jucaro Ry. and also the Matanzas Ry. In 1907 a controlling interest in the Havana Central R.R. Co. was acquired, and on Nov. 18, 1911, the stockholders voted to acquire the entire capital stock of the Western Ry. of Havana, Ltd., for £10 ordinary shares and £4 15s of 5% cumulative Preference shares of the United Rys. of Havana & Regla Warehouses. On Dec. 9, 1913, stockholders approved the acquisition by the company of £900,000 Ordinary capital stock of the Cuban Central Rys., Ltd. Company operates 680 miles of main line; total single track, 837 miles.

Equipment: Locomotives, 223; passenger cars, 214; freight cars, 5,795; service cars, 207; floating equipment consists of 2 ferry boats and 12 water cars.

Management: OFFICERS: C. J. Cater Scott, Chairman; W. L. Maslen, Sec.; Robert M. Orr, Gen. Mgr. DIRECTORS: C. J. Cater Scott, Sir Henry Mather Jackson, Hon. Arthur O. Crichton, W. E. Ogilvie, R. Popkiss, Capt. C. A. Reid Scott. GENERAL OFFICE: 9 Dashwood House, 9 New Broad Street, E. C., England.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912
Gross earnings	£2,104,411	£1,702,066	£1,621,864	£1,635,250	£1,422,098
Net earnings	971,173	803,001	666,746	744,194	643,851
Total income	1,340,925	1,130,594	974,664	1,004,658	887,932
Fixed charges	460,483	399,052	382,010	384,099	370,024
Preferred dividends	139,321	139,321	126,767	114,110	114,028
Common dividends	327,278	328,002	328,001	293,000	263,700
Reserves	415,000	262,363	140,000	215,000	135,000
Surplus	*1,157	1,857	*2,113	*1,551	5,180

* Deficit.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1915	LIABILITIES:	1915
Road and equipment	£10,597,663	Capital stock	£9,816,336
Other investments	5,016,800	Debenture stock	7,064,298
Securities deposited	1,776,212	Bonds of old company	119,100
Disc. and comm. on debs. and stk.	154,044	Premiums on capital issued	36,907
Havana Central R.R.	152,237	Interest and dividends	231,992
Materials and supplies	264,991	Creditors	879,241
Sundry debtors	910,901	Bills payable	216,753
Cash	278,756	Reserve account	673,122
Loans	445,000	Insurance account	25,000
Other assets	96,071	Pension account	26,376
		Profit and loss	603,550
Total	£19,692,675	Total	£19,692,675

Debenture Stock: Authorized, £380,000 5% "A" irredeemable Debenture Stock; £1,425,900 5% Consolidated Irredeemable Debenture Stock; £3,574,100 5% Ireedeemable Debenture Stock; £1,323,100 4% Irredeemable Debentures and Debenture Stock, and £988,750 4½% Redeemable Debentures to bearer. Outstanding, June 30, 1915, all the "A" Irredeemable Stock and the Consolidated Irredeemable Debenture Stock; £2,988,193 of the Irredeemable Debenture Stock; £1,281,455 6s 3d. of the Redeemable Debentures and Debenture Stock, and all of the Redeemable Debentures to bearer. Transferred and registered at company's office. All issues listed on London Stock Exchange.

Capital Stock: (1) Authorized, £3,500,000 5% cumulative preference shares; outstanding, £2,786,429. £7,227 10s reserved for exchange of shares of Western Ry. of Havana, Ltd., and Cuban Central Rys., Ltd., not exchanged to date.

(2) Authorized, £6,860,000; outstanding, £6,535,150 ordinary stock. Has preference over deferred ordinary. Recent dividends paid: 1912, 4½%; 1913 to date, 5% per annum.

(3) Authorized, £600,000 Deferred Ordinary Stock; outstanding, £494,756 12s. £94,303 15s 10d reserved for exchange of Havana Central R.R. common stock still outstanding.

All three classes of stock have equal voting power. Transferred and registered at company's office in London. All issues listed on London Stock Exchange.

CUBAN CENTRAL RAILWAYS, LTD.

History: Registered under English laws, May 2, 1899, to acquire perpetual concessions for 214 miles of completed railroads in Cuba.

Location: Road extends from Concha to Cienfuegos, 70 miles; Santa Clara to Cruces, 24 miles; Palmire to Aguada, 40 miles; Sitiecito to Caibarien, 55 miles; Calabazar Branch, 2 miles; Cifuentes to Tumba la Burra, 18 miles; Camajuani to Placetas del Sur, 17 miles; Ranchuelo to Matagua, 21 miles; Caibarien to Placetas, 22 miles; Sagua to Carralillo, 39 miles; Resolucion spur, 2 miles; Camarones to Cumanayagua, 17 miles; Palmarito to Lequeitio, 8 miles; Santa Rosalia to Delicias, 9 miles; Caibarien to Dolores, 9 miles; total, 353 miles.

Equipment: Locomotives, 93; passenger cars, 78; freight cars, 3,022.

Management: OFFICERS: Geo. A. Morson, Gen. Mgr., J. Williams, Acct., Sagua La Grande, Cuba; W. J. Maslen, Sec., London, Eng.; Cosme de la Torriente, Legal Rep., Havana. DIRECTORS: C. J. Cater Scott, Chairman; Sir Henry M. Jackson, Hon. Arthur Crichton, W. E. Ogilvie, R. Popkiss, Capt. C. A. R. Scott. OFFICES, 9 New Broad Street, London, E. C., and Sagua La Grande, Cuba.

Comparative Income Account, Years Ended June 30

	1916	1915	1914
Passenger earnings	£792,000	£116,625	£119,515
Freight earnings		386,703	345,156
Express and baggage		21,075	20,290
Miscellaneous earnings		125,722	101,049
Operating expenses and maintenance	425,000	343,408	368,161
Net earnings	367,000	306,717	217,849

Debentures: £771,700 4½% debentures, redeemable on 6 months' notice at 110 and interest. Interest paid Feb. and Aug. 1. Denomination, £100. Authorized, £1,000,000; issued, £887,300 of which £115,600 redeemed by sinking fund to June 30, 1915. Unissued debentures reserved for payment of mortgage bonds of extinct companies outstanding at date of acquisition. Sinking fund of 1% per annum commenced in 1905 to redeem debentures by drawings at or above par. Secured by general mortgage on entire property owned. Listed on London Stock Exchange.

Debenture Stock: £1,178,000 5% debenture stock; redeemable at 110 on 6 months' notice. Charge on entire property subject to prior liens. Listed on London Stock Exchange.

Capital Stock: (1) Authorized, £1,400,000 5½% cumulative preference stock. Outstanding, £1,220,000. Par, £10. Has priority as to capital. Dividends have been paid regularly since organization. Listed on London Stock Exchange.

(2) Authorized and outstanding, £900,000. Par, £10. Dividends have been paid for many years at varying rates; 2% was paid in year ended June 30, 1914, and 4% in 1915 and 1916.

HAVANA CENTRAL RAILROAD

History: Incorporated under laws of New Jersey, April 4, 1905, and acquired rights of the Insular Railway to build 120 miles of road extending from Havana, Cuba. Company has completed 78 miles. Controls Havana Terminal Co., jointly with United Rys. of Havana and Regla Warehouses. Franchise is perpetual.

Management: OFFICERS: W. E. Ogilvie, Pres. and Chairman of Board; W. F. Baumann, F. Von Schroder, Vice-Pres.; H. Bellefeuille, Sec. and Treas., New York; R M. Orr, Mgr., Havana, Cuba. DIRECTORS: W. E. Ogilvie, Adolf Pavenstedt, W. F. Baumann, A. Von Goeben, H. A. Von Schroder, F. O. Dettmers, New York; Chas. A. R. Scott, C. J. Cater Scott, A. O. Crichton, London, Eng. Annual meeting, third Wednesday in September at Jersey City, N. J. GENERAL OFFICE: 42 Broadway, New York.

Bonded Debt: $8,500,000 Havana Central R.R. first 5s. Dated May 1, 1905; due May 1, 1955. Interest paid May and Nov. 1, at company's office, New York. Coupon, $1,000. Central Trust Co., New York, Trustee. Authorized, $10,000,000 of which $1,500,000 were reserved for corporate purposes. A sinking fund commenced in 1908. Approximately all bonds have been exchanged for United Rys. of the Havana & Regla Warehouses, Ltd., 4% redeemable debentures and debenture stock.

Capital Stock: Authorized, $10,000,000; outstanding, $8,162,500. Par, $100. Secretary of company acts as Transfer Agent. REGISTRAR: Metropolitan Trust Co., New York. Practically all stock has been exchanged for United Railways of the Havana and Regla Warehouses, Ltd. Deferred ordinary stock.

WESTERN RAILWAY OF HAVANA, LTD.

History: Registered in London, Eng., July 28, 1892.

Location: Road extends from Havana to Guane, Cuba, 147 miles. Equipment: Locomotives, 30; passenger cars, 37; electric motor coaches, 6; freight cars, 651; service cars, 54.

Management: OFFICERS: C. J. Cater Scott, Chairman; W. J. Maslen, Sec.; Robert M. Orr, Gen. Mgr. DIRECTORS: C. J. Cater Scott, Sir Henry Mather Jackson, Hon. Arthur O. Crichton, W. E. Ogilvie, R. Popkiss, Capt. C. A. Reid Scott. GENERAL OFFICE: 9 New Broad Street, London, E. C.

Comparative Earnings, Years Ended June 30.

	1915	1914
Gross revenues	£297,783	£297,960
Operating expenses and maintenance	176,228	185,905
Net revenues	121,555	112,055

Debenture Stock: £590,000 4½% debenture stock. Redeemable at 6 months' notice at 120. Interest Apr. and Oct. 1. Authorized, £733,333. Secured by trust deeds, dated March 30, 1901, Oct. 22, 1903 and Nov. 5, 1908, as a first floating charge on the undertaking. Listed on London Stock Exchange.

Capital Stock: Authorized, £1,200,000; outstanding, £1,100,000. Par, £10. Practically all owned by United Rys. of Havana, and Regla Warehouses, Ltd. Stock registered and transferred at company's office, London, Eng. Dividends of 7% per annum paid from 1905 to 1915, inclusive. Payments annually in October. Listed on London Stock Exchange.

HAVANA TERMINAL RAILROAD

History: Incorporated under the laws of Maine, July 5, 1910, to acquire and operate freight and passenger terminal facilities in Havana.

Management: OFFICERS: Sir H. M. Jackson, Chairman of Board; W. E. Ogilvie, Pres.; C. J. Cater Scott, Vice-Pres.; W. J. Maslen, Sec.; R. M. Orr, Gen. Mgr. DIRECTORS: Sir H. M. Jackson, W. E. Ogilvie, C. J. C. Scott, A. O. Crichton, Adolf Pavenstedt. Annual meeting, first Tuesday in October. OFFICES: Kittery, Me., 270 Dashwood House, London, E. C. and Havana, Cuba.

Bonded Debt: £1,400,000 5% mortgage debentures. Dated Jan. 1, 1911; due July 1, 1965. Interest paid Jan. and July 1, at J. Henry Schroeder & Co., London, who also act as Transfer Agents. Authorized, £1,500,000. Issued as debenture stock in multiples of £1; or as debentures (to bearer), in denominations of £20, £100 and £500. Convertible at holders option into debenture stock. Callable at 110 and interest by sinking fund commencing July 1, 1916. Secured by joint covenant of the United Rys. of Havana & Regla Warehouses, Ltd., and the Havana Central R.R. Co. to pay an amount sufficient to meet the interest and redemption of debentures; also all charges, insurance, maintenance, etc. Also secured by first lien on 66,944 square metres of land, with the buildings to be erected thereon, and a floating charge on all other property of company subject to debenture stock and bondholders of the two railway companies mentioned above on a further 43,418 and 29,754 square metres of land respectively. Listed on London Stock Exchange.

Capital Stock: Authorized, $5,000,000; outstanding, $4,028,000. Par, $100. All owned by the Havana Central R.R. and the United Rys. of Havana & Regla Warehouses, Ltd.

VERA CRUZ TERMINAL COMPANY, LTD.

History: Incorporated under the laws of England, Nov. 21, 1907, to provide terminal facilities at Vera Cruz, Mex., for the four railroads entering that city. Concession for this project was granted for 80 years from May 29, 1906, with the provision that the Mexican Government as direct owner of four shares of capital stock, was to be represented in the management by two directors.

Management: OFFICERS: Vincent W. Yorke, Chairman of Board; B. E. Holloway, Sec., London, E. C. DIRECTORS: Vincent W. Yorke, Sir Clarendon G. Hyde, G. W. Houghton, London, Eng.; Humberto I. Braschi, Vincente Vertiz, Walter Morcom, F. Adams, Elias S. A. de Lima, Mexico City. Annual meeting in December. GENERAL OFFICE: Finsbury Court, Finsbury Pavement, London, E. C., England.

Bonded Debt: (1) £992,500 Vera Cruz Terminal Co., Ltd., first debenture 4½s; due Jan. 1, 1976. Int. paid Jan. and July 15, at Morgan Grenfell & Co., and Dresdner Bank, London, Eng. Coupon, £100. Authorized and issued, £1,000,000, of which £728,000 were dated May 7, 1908; £72,000, July 15, 1910, and £200,000, Jan. 15, 1911; £7,500 have been retired. Sinking fund of £3,075, which became operative Jan. 1, 1913, provides for purchase of bonds at or under par. Callable at par after Jan. 1, 1923, upon one month's notice. Issued to provide funds for terminal facilities at Port of Vera Cruz. First lien on all property of company now owned or hereafter acquired. Guaranteed principal and interest by four companies using terminal. Listed on London Stock Exchange. Interest in default since July, 1915.

(2) £92,500 Vera Cruz Terminal Co. second debenture 5s. Dated Dec. 21, 1911; due Dec. 31, 1932. Interest paid Jan. and July 15. Coupon, £100. Authorized and issued, £100,000, of which £92,500 have been deposited as security for a loan and £7,500 have been cancelled. Sinking fund of £5,000 per annum became operative Dec. 31, 1912. Callable at par and interest on six months' notice. Lien on all property of company subject to No. 1. Guaranteed principal and interest by four companies using the terminal. Interest in default since July, 1915.

Capital Stock: Authorized and outstanding, 18 shares of a par value of £5 each. The Mexican Government owns 4 shares, the Mexican Railway Co., Ltd., 6 shares, the Interoceanic Ry. of Mexico, Ltd., 4 shares, the Vera Cruz Rys., Ltd., 2 shares, and the National Rys., of Mexico, 2 shares.

VICTORIA & SIDNEY RAILWAY

History: Incorporated under Canadian laws, in 1892. Road opened April 1, 1895.

Location: Road extends from City of Victoria to Sidney, Vancouver Island, B. C., 15.97. Sidings, etc., 1.66 miles. Equipment: Locomotives, 3; cars, 20.

Management: OFFICERS: A. H. MacNeill, Pres., Vancouver, B. C.; J. H. O'Neill, Vice-Pres.; Seattle, Wash.; F. Van Sant, Supt., Victoria, B. C.; A. M. Thomas, Sec., Treas. and Aud., Seattle, Wash. DIRECTORS: A. H. MacNeill, Vancouver, B. C.; F. Van Zant, Victoria, B. C.; J. H. O'Neill, A. M. Thomas, F. V. Brown, Seattle, Wash. Annual meeting, second Wednesday in October. GENERAL OFFICE: Victoria, B. C.

Comparative Income Account, Years Ended June 30

	1915	1914	1913	1912
Gross earnings	$31,680	$56,468	$78,861	$59,714
Operating expenses	44,981	81,868	52,957	50,927
Net earnings	*13,301	*25,400	25,904	8,786

* Deficit.

Bonded Debt: $300.000 Victoria & Sidney Railway first 5s. Due Sept., 1917. Interest paid, Mar. and Sept. Interest on bonds is guaranteed by endorsement, 2% by the Government of British Columbia, and 3% by the City of Victoria, B. C. Interest paid without deduction for normal income tax.

Capital Stock: Authorized, $500,000; outstanding, $103,000. Par, $100. No dividends paid.

WHITE PASS & YUKON RAILWAY, LTD.

History: Registered under the English Companies Act, July 30, 1898, to acquire the property of the Pacific & Arctic Ry. & Navigation Co., the British Yukon Ry. Co. and the British Columbia Yukon Ry. Co. Acquired the 13 steamships and other property of the Canadian Development Co. in 1901. This business has been transferred to the British Yukon Navigation Co., Ltd., the equity in the stock of which is owned by the White Pass & Yukon Ry., Ltd., and which operates steamers between White Horse and Dawson City and Caribou and Atlin. Line of railroad extends from Skaguay, Alaska, to White Horse, B. C., on the Yukon River, 110.4 miles. In 1910 the British Yukon Co. completed an extension of a branch line to the Pueblo copper mine, 11 miles. The White Pass & Yukon Ry. Co. guarantees the 5% bonds of the British Yukon Ry. Co. issued in connection with this extension, limited to 16 miles, to the amount of £6,000 per mile.

Equipment: Locomotives, 13; passenger cars, 17; freight cars, 229; service cars, 8; river steamers, 21; barges, 14.

Management: OFFICERS: O. L. Dickeson, Pres., Vancouver, B. C.; J. A. Robertson, Sec., Woodthorpe; Bevan & Co., Aud., London, Eng. DIRECTORS: Charles Colin Macrae, Chairman; Hon. Sydney Carr Glyn, Edwin Hanson, James Dugdale, Edward Ford North, London, Eng. Annual meeting in November. GENERAL OFFICE: 7 Moorgate Street, London, E. C.

Comparative Income Account, Years Ended June 30

	1915	1914	1913	1912	1911	1910
Inc. from investment	£56,219	£54,219	£100,819	£87,087	£94,298	£102,447
Other income	14	29	158	44	157	184
Total income	56,233	54,248	100,977	87,131	94,455	102,631
Debenture interest	62,689	52,665	52,665	52,665	52,667	52,667
Other deductions	19,726	11,769	7,294	8,625	8,418	9,069
Surplus for dividends	*26,182	*10,186	41,018	25,841	33,370	40,895

Bonded Debt: £746,702 White Pass & Yukon Ry. Co., Ltd., first 5% consol. debenture stock; due Dec. 31, 1930. Int. payable Jan. and July in London. Callable at 110 after Dec. 31, 1920, on six months notice. A sinking fund has been established on a 3% basis for the redemption of this issue at maturity, and as of June 30, 1913, £239,984 was held in the fund, including £175,397 stock and £67,000 British Yukon Ry. 5% branch line bonds guaranteed by the company. Authorized issue, £750,000. A specific first charge upon £752,073 bonds of the local companies owning the railway from Skaguay to White Horse, together with their entire capital stocks.

£225,500 6% mortgage debentures, due Dec. 31, 1930. Callable at 105 on six months' notice. Int. payable Jan. and July 1 in London. These debentures are a first lien on the floating equipment and property purchased from the Canadian Development Company.

Capital Stock: Auth., £1,700,000; outstanding, £1,375,000. Par, £10. Dividends paid annually in January. Dividends for the last ten years as follows: 1904, 5%; 1905, 3½%; 1906 to 1908, inclusive, 5% each; 1909, 3%; 1910, 2%; Jan., 1911, 1%; Jan., 1912, 1%; Jan., 1913, 1%; Jan., 1914 and 1915, none.

FORT WORTH & RIO GRANDE RAILROAD

Origin: Incorporated under laws of Texas, June 1, 1885. Controlled by the St. Louis & San Francisco through ownership of entire capital stock.

Location: Line of road: Fort Worth to Menard, Tex., 220.95 miles; Belt Junction to Missouri, Kansas & Texas Ry. of Texas, crossing Fort Worth, Tex., 2.49 miles; Brandy to Maynard, Tex., 11.78 miles; total, 235.22 miles; total operated, 235.22 miles; sidings, 35.89 miles. Locomotives, 13; cars, 97.

Management: OFFICERS: W. C. Nixon, Pres.; W. B. Biddle, Vice-Pres., St. Louis, Mo.; G. H. Schleyer, Vice-Pres. and Gen. Supt.; L. C. Wilds, Sec. and Treas.; C. S. Snow, Aud., Fort Worth, Tex. OFFICE, Fort Worth, Tex. RECEIVERS: Avery Turner, Amarillo, Tex.; G. H. Schleyer, Fort Worth, Tex.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911
Gross revenues	$844,965	$821,573	$833,123	$886,265	$920,927	$961,635
Operating expenses ...	783,925	722,200	678,821	725,190	854,794	826,137
Net income	$61,040	$99,373	$154,302	$161,075	$66,133	$135,498
Other income	20,673	17,021	5,870	7,640	9,509	15,920
Total income	$81,713	$116,394	$160,172	$168,715	$75,642	$151,418
Taxes	35,085	29,286	29,799	26,541	25,777	29,601
Fixed charges	251,886	242,296	245,115	250,066	245,377	245,200
Deficit	$205,258	$155,188	$114,742	$107,892	$195,512	$123,383

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $259; debit balance carried to balance sheet, $235,982; total, $236,241. Contra: Debit balance at beginning of year, $29,653; debit balance transferred from income, $205,258; loss on retired road and equipment, $1,330; total, $236,241.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment....	$7,606,949	$7,614,976	$7,628,557	$7,612,513	$7,600,468	$7,410,897
Working assets.....	169,416	213,380	289,318	394,395	445,649	705,813
Deferred debit items...	19,000	19,323	4,917	18,639	21,356	130,332
Profit and loss deficit..	235,982	29,653	.....	.....	.....	.....
Total	$8,031,347	$7,877,332	$7,922,792	$8,025,547	$8,067,473	$8,247,042
LIABILITIES:						
Capital stock.....	$2,928,300	$2,928,300	$2,928,300	$2,928,300	$2,928,300	$2,928,300
Funded debt.....	4,796,780	4,735,020	4,467,000	4,467,000	4,467,000	4,450,000
Working liabilities.....	281,102	191,302	377,994	365,656	310,309	299,579
Accrd. liabilities not due	14,742	13,013	11,206	11,860	13,027	15,761
Deferred credit items..	10,423	9,697	12,784	12,988	.....	.....
Profit and loss surplus.	.....	.....	125,508	239,743	348,837	553,402
Total	$8,031,347	$7,877,332	$7,922,792	$8,025,547	$8,067,473	$8,247,042

Bonded Debt: $4,467,000 Fort Worth & Rio Grande Ry. first 4s. Dated July 1, 1888; due July 1, 1928. Under the reorganization plan of the St. Louis & San Francisco these bonds were offered 100% in new prior lien 4s of the St. Louis-San Francisco Ry.

Capital Stock: Auth., $6,250,000; outstanding, $2,928,300. Par, $100. Outstanding stock owned by St. Louis-San Francisco Ry.

PITTSBURGH, LISBON & WESTERN RAILROAD

History: Incorporated Oct. 1, 1902, under laws of Ohio and Pennsylvania, as a consolidation of the Pittsburgh, Lisbon & Western R.R., and the Shenango & Beaver Valley Railway. Has been controlled through stock ownership since 1904 by the Wheeling & Lake Erie R.R. A receiver was appointed for the property on Dec. 25, 1914. The new Wheeling & Lake Erie Ry. Co. plan did not provide for this property.

Location: Line of road, New Galilee, Pa., to Lisbon, Ohio, 25 miles; Cannelton Junc. to Sterling Mines, 2.35 miles; total operated, 27.35 miles; sidings, 6.39 miles. Also owns 6.92 miles from Salem to Washingtonville, Ohio, which is leased to the Youngstown & Ohio River R.R. for 99 years from 1906, at an annual rental of $6,000.

Management: OFFICERS: W. M. Duncan, Rec.; N. B. Billingsley, Pres.; J. G. Stidger, Treas.; C. H. Holmes, Sec. DIRECTORS: N. B. Billingsley, W. H. Hepburn, E. W. Moore, E. W. Powers, R. W. Firestone, J. S. McNutt, J. G. Stidger, C. H. Holmes, F. Mansfield. Annual meeting, first Tuesday in October. OFFICE, Lisbon, Ohio.

Comparative Income Account, Years Ended June 30

	1916	1915	1914	1913	1912	1911	1910
Gross revenues	.....	$62,816	$78,809	$79,225	$68,693	$68,331	$68,000
Operating expenses	.....	57,938	57,650	51,451	47,842	46,573	47,968
Net operating revenues	.....	$4,888	$21,159	$27,774	$20,851	$21,958	$20,032
Other income	.....	6,610	6,355	6,582	6,555	6,535	6,547
Total net income	.....	$11,498	$27,514	$34,356	$27,406	$28,493	$26,579
Fixed charges, inc. taxes	41,020	26,050	26,947	26,316	25,042	24,008	22,194
Surplus	* $41,020	$9,552	$567	$8,039	$2,364	$4,485	$4,385

* Deficit.

Profit and Loss Account, year ended June 30, 1916: Miscellaneous credits, $434,447; debit balance carried to balance sheet, $33,737; total, $468,184. Contra: Debit balance at beginning of year, $415,463; debit balance transferred from income, $41,020; loss on retired road and equipment, $9,776; miscellaneous debit, $1,925; total, $468,184.

Comparative Condensed Balance Sheet, as of June 30

ASSETS:	1916	1915	1914	1913	1912	1911
Property investment	$321,069	$6,178,190	$6,247,435	$6,174,786	$6,169,352	$6,168,498
Working assets	26,244	7,087	19,452	33,073	30,852	26,868
Accrued income not due	.....	.....	.....	.....	1,000	1,000
Deferred debit items	1,052	6,191	10,583	8,118	3,163	3,657
Profit and loss deficit	33,737	39,190	.....	.....	.....	.....
Total	$382,102	$6,230,658	$6,277,470	$6,215,977	$6,204,367	$6,200,023
LIABILITIES:						
Capital stock	$150,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Funded debt	150,000	1,150,000	1,210,995	1,153,750	1,150,000	1,150,000
Working liabilities	28,944	31,903	19,018	17,207	23,336	20,520
Accrd. liabilities not due	2,230	232	.....	.....	2,017	1,910
Deferred credit items	7,087	6,518	19,610	11,485	9,538	10,410
Appropriated surplus	43,841	42,005	.....	6,248	.....	.....
Profit and loss surplus	.....	.....	27,847	27,287	19,476	17,183
Total	$382,102	$6,230,658	$6,277,470	$6,215,977	$6,204,367	$6,200,023

Bonded Debt: (1) $150,000 Pittsburgh, Lisbon & Western Ry. first 30-year 5s; dated July 1, 1896; due July 1, 1926. Int. paid Jan. and July 1 at Equitable Trust Co., New York. Coupon, $500. First lien, 25 miles, New Galilee to Lisbon. Underlies No. 2. Normal income tax deducted from interest.

Capital Stock: Auth. and issued $150,000 (reduced from $5,000,000 June 30, 1916. Par, $100.

TOLUCA, TENANGO & SAN JUAN RAILWAY

Origin: Incorporated under the federal laws of Mexico; successor, in 1896, to Toluca & San Juan Ry. and Toluca & Tenango Ry.

Location: Road extends from Toluca to Tenango, 29.5 kilo; Toluca to San Juan, 15 kilo; total, 44.5 kilo. Equipment: Locomotives, 7; passenger cars, 39; freight cars, 75; gasoline cars, 2.

Management: OFFICERS: Juan Henkel, Pres.; Alberto Henkel, Vice-Pres.; A. A. Henkel, 2d, Vice-Pres.; Gustavo A. Henkel, Sec. and Treas.; E. Alcantara, Aud.; Edward Henkel, Gen. Mgr.; John Shutt, Supt., Toluca, Mex. DIRECTORS: J. Henkel, Edward Henkel, A. A. Henkel, 2d, Alberto Henkel, Toluca, Mex. Annual meeting, in March or April. GENERAL OFFICE, Toluca, Mex.

Comparative Condensed Balance Sheet (Latest available.)

ASSETS:	Dec. 31, 1914	LIABILITIES:	Dec. 31, 1914
Property investment	$1,000,025	Capital stock	$1,000,000
Working assets	243,625	Funded debt	.....
Accrued income not due	.....	Working liabilities	123,087
Deferred debit items	.....	Accrued liabilities not due	.....
Profit and loss	.....	Deferred credit items	553
		Appropriated surplus	25,480
		Profit and loss	94,530
Total	$1,243,650	Total	$1,243,650

Capital Stock: Authorized and outstanding, $1,000,000; par, $100. No bonded debt. Recent dividends as follows: 1908, 6%; 1909 and 1910, 4½% each; 1911, 5%; 1912, 5½%; 1913, 5%; 1914, 7½%; 1915, 4%; payable June and Dec.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS

NOTE: The following table includes the highest and lowest recorded quotations of the different issues of stocks and bonds which are rated in the volume for the entire period from January 1, 1907, to January 1, 1917. The highest and lowest selling price in each year is shown. Where no record of sales could be obtained, the bid price on the last day of the closing year is given. Due to the closing of the Stock Exchanges, however, in the last six months of 1914, most of the bid and asked prices for 1914 are those of July 31, 1914, there being no available quotations for any later date.

Practically all the securities included in this record are listed on one or more of the leading Stock Exchanges. The New York Stock Exchange quotations have been given preference where there has been a difference in recorded quotations on two exchanges.

To conform to the ruling of the New York Stock Exchange, adopted in 1915, stocks of other than $100 par value, formerly quoted on a percentage basis are now shown at dollars per share.

A number of standard railroad stocks and bonds are not listed on any exchange. Some of these are, however, quoted in various outside markets, and, wherever possible, these quotations are furnished in this list.

TITLE	1907		1908		1909		1910		1911		1912		1913		1914		1915		1916	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Adirondack Ry. first 4½s–1942	–		–		101	bid	100	bid	103	bid	100	bid	100	bid					97	bid
Akron & Barberton Belt R.R. first 4s	–		–				90	bid	90	bid	90	bid					90	bid	92	bid
Alabama Cent. first 6s of 1918			108	108	112½	112½	107½	107½	106	bid	105½	105½	102½	bid	104½	104½	100½	bid	102½	103½
Alabama Gt. South. preferred stock					51	bid	56	bid	61	bid	58	bid	54	bid			54½	sale	53	bid
Alabama Gt. South. com. stock					25	bid	31	bid	44	bid	50	bid	37½	bid			35½	sale	43	bid
Ala. Great Southern first 5s			–		105	bid	103	bid	107	bid	103	bid	100	bid	99½	100	98	99	98½	99½
Ala. Great Southern gen. 5s					104½	bid	103½	bid	104	bid	104	bid	100	bid			98	sale	94	bid
Alabama Midland first 5s–1928					109	111	107½	bid	108	108½	108	108	102½	106½	103½	105½	102½	106	106½	107½
Ala., T. & North. R.R. first 5s	–						95	bid	92	bid	90	bid	93	askd	95	askd	90	askd	85	askd
Ala. & Vicks. Ry. con. 5s 1921			–		101	bid	102	bid	101	bid	99	bid	95	bid			100	bid	98½	bid
" second 5s 1921			–		99	bid	90	bid	95	bid	95	bid	90	bid			100	askd	94	bid
Albany & Susquehanna gtd. stock			–		290	bid	280	bid	280	bid	280	bid	255	bid	250	bid	250	bid	250	bid
Albany & Susq. first conv. 3½s–1946	84	110	91½	100	97	107	91	97½	89½	94½	88½	93	83	88½	81½	87	80½	87½	85½	88½
Albany & Vermont R.R. gtd. stock	–		–		70	bid	69	73	69	69										
Allegheny & Western Ry. stock	125	125	–		140	bid	140	bid	135	bid	134	bid	122	bid	125	bid	124	bid	123	bid
Allegheny & West. Ry. first 4s 1998	102	103½	–		100	102½	96	99½	97	97½	95½	bid	95½	95½	91	94	90	94½	90½	bid
Allegheny Valley gen. 4s of 1912	99	99	99	99½	100	102½	100	102½	99½	100½	99½	100½	95	99½	93½	97	93½	96½	96½	97½
Allentown Term. R.R. first 4s	–		–		100	bid	99½	99½	99½	bid	98	bid	95	bid	97	bid	98½	bid	99	bid
Amer. Dock & Imp. first 5s	106½	111	107	111	108½	110½	107	109	106½	108½	104½	107	101½	105½	102½	104½	102½	104	103½	103½
Ann Arbor R.R. com. stock	–		–		20	25	25	36	20	bid	15	bid							6	bid
Ann Arbor R.R. pref. stock	–		–		–		48½	72½	60	bid	50	bid							12	bid
Ann Arbor R.R. first 4s 1995	72	91	78	86	77½	87½	74	83½	78½	85	76½	81½	70	79½	62½	74	55	66½	63	74½
Aroostook Nor. first 5s–1947					107	bid	101	bid					85	bid			88	bid	88	bid
Atch. & East. Bridge Co., first 4s–'28	–				78	bid	82	bid	81	bid	82	bid	80	bid	80	bid	80	bid	82	bid
Atch. Top. & S. F. Ry. pfd. stock	78	101½	83½	104	100½	106½	97	104½	100½	105½	101½	104½	96	102½	96½	101½	96	102½	98½	102
Atch. Top. & S. F. Ry. com. stock	66½	108½	66	101½	97½	125½	90½	124½	99½	116½	103½	111½	90½	106½	89½	100½	92½	111½	100½	108½
A. T. & S. F. convertible 5s 1917	89½	102	94½	108	105½	123½	104½	122½	105½	116½	104½	111	98	105½	99½	102½	100½	102	100½	101½
A. T. & S. F. general 4s 1995	89½	102½	95½	101½	99½	102	97½	101	97	99½	96½	100	91½	98½	90½	96½	89½	95½	92½	95½
A. T. & S. F. adjustment 4s–1995	77½	93½	85½	95½	92	95½	88	95	90½	92½	87½	92½	83	88½	81	88½	80½	88½	83½	88½
A. T. & S. F. East Okla. 4s 1928	91	93	95½	98½	96	99	95½	97½	96	97½	91	96½	91	93½	91½	95½	92	96	95½	97½
A. T. & S. F. Trans. S. Line 4s 1958	–		95	97½	93½	96	92½	94½	92½	94½	90½	94	85½	92	86½	92	84½	89	89	92½
A. T. & S. F. convertible 4s 1955	89½	102	85½	105	102½	123½	101	122½	103½	115½	105	111	92½	105½	89½	100	92½	110	100½	108½
A. T. & S. F. conv. 4s of 1910	–		–		–		98	104½	96½	105½	100½	107½	92	103½	89½	99½	92½	110½	101½	108½
A.T. & S.F., Rocky Mt. Div., 4s 1965	–		–		–		–		–		–		–		–		84	bid	84	89
Atl. & Birm. Ry. first 5s 1931	97½	97½			97	bid	96½	bid	98½	bid	98½	bid	87	bid	25	bid	80	bid		
Atl. Birm. & Atl. income 5s–1930	–		–		–		–		–		–		–		–		–		64	bid
Atl. & Char. Air Line gtd. stock	–		–		185	bid	185	bid	170	bid	164	bid	145	bid	193	bid	175	bid	173	bid
Atl. & Char. A. L. 1st 4s–1944 Ser. A	–		–		–		–		–		–		–		–		–		94½	96
Atl. & Char. A. L. 1st 5s–1944 Ser. B	–		–		–		–		–		–		–		–		–		100½	103½
Atl. K. & N. Ry. first 5s–1946	–		–		103½	108	110	112	111½	112½	112½	112½	110	111	101	bid	102½	bid	107½	110
Atl., K. & N. cons. 4s–2002	–		–		–		92	bid	92	bid	90	bid	92	askd	95	askd	–		–	
Atlanta & West Point R.R. Stock	–		–		155	bid	132	bid	137	bid	150	bid	145	bid	–		150	bid	152	bid
Atlantic City R.R. first 5s	–		–		105	bid	103½	bid	104½	bid	103½	bid	100	bid	102	bid	101	bid	101	bid
Atl. City R.R. first con. 4s–1951	–		–		93	bid	92	bid	92	bid	93	bid	91	bid	91½	bid	94	bid	93	bid
Atl. & Danv. first 4s–1948	–		87	91	92½	92½	89½	93½	90½	90½	84½	bid	86½	87½	86½	88½	83½	85½	81½	85½
Atl. & Danv. second 4s of 1948	–		–		83	87½	82½	bid	82½	82½	82½	82½	80	bid	87½	bid	75½	75½	79½	81½
Atl. C. L. etf. of indeb. (5%)–Irred.	83½	89	61	83	97	bid	83	104	102½	bid	101	bid	100	bid	–		100	bid	100	bid
Atl. Coast Line R.R., com. stock	58	133½	59½	111½	107½	143½	102½	137½	117	139½	130½	*148½	112	133½	114	126	98	116	106½	126
Atl. Coast Line R.R., con. 4s 1952	82	98½	80	96½	94	97½	92	96½	93½	96½	94½	96½	87	95½	85½	95	85	94	91	94½
Atl. C. L. of S. C. gen. first 4s 1948	92½	100½	90½	98½	98	bid	94½	98	95½	bid	95	bid	87½	bid	93½	askd	91	bid	94	bid
Atl. C. Line—L. & N. col. 4s–1952	76	89½	74	88½	86	101½	89	95½	91½	96½	91	96½	85½	92½	84½	95	80	89	83½	88½
Atlantic Coast Line unified 4s–1959	–		–		–		–		89	bid	90	askd	84	bid	92	93	91½	92	90	bid
Atlantic & Yadkin first 4s of 1919	–		–		80	bid	80	bid	85	bid	83½	bid	79	bid	75½	75½	74	bid	–	
Augusta & Savannah R.R. stock	–		–		112	bid	106	bid	105	bid	105	bid	100	bid	100	bid	100	bid	102	bid
Austin & Nor. W. first 5s of 1911	–		–		107½	107½	102	bid	108	108	105	107½	106	106½	101½	103	100	103½	101½	101½

*Ex-rights and dividends.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Avon, Geneseo & Mt. Morris R.R. stk.	.. .-....	....-....	60 bid	No sales	60 – 70	....-....	....-....	....-....	....-....	....-....
Balt., Ches. & At. first 5s, 1934....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	80 bid	76 bid
Bal. & Cum. Val. Ext. 1st 6s of 1931	....-....	....-....	110 bid	110 bid	107 bid	105 bid	100 bid	....-....	100 bid	100 bid
Balt. & Cum. Val. R.R. first 6s of '29	....-....	....-....	112 bid	112 bid	107 bid	108⅜ bid	101 bid	....-....	100 bid	100 bid
Balt. & Harrisb. first 5a of 1936....	....-....	100 –101	106¾ hid	105 bid	108 bid	100 bid	101 bid	....-....	102 bid	....-....
Balt. & Harrisb. West Ex. 5s of 1938	....-....	....-....	106 bid	104 –105	....-....	100 bid	100 bid	....-....	....-....	....-....
Balt. & Ohio pref. stock.....	75 – 94½	80 – 94	91 – 96	87½– 94	85½– 91	86⅛– 91	77½– 88	69 – 83⅜	67 – 79¾	72½– 80
Balt. & Ohio com. stock.....	75⅜–122	76½–111⅞	103½–122¼	100¼–119¼	93½–109¾	101¼–111⅜	90⅜–106⅜	67 – 98⅜	63¾– 96	81½– 96
Balt. & Ohio conv. 4½s 1933.....	....-....	....-....	....-....	....-....	....-....	....-....	88½– 97⅛	83½– 94¾	82½– 97¼	93⅞– 98⅝
Balt. & Ohio first 4s 1948.....	88 –102⅜	96½–102	97½–102	97⅛–100¼	97 – 99½	95½– 99¼	89⅛– 97⅞	87⅛– 96	85 – 92¼	89¼– 92½
B. & O. Pitts. Junc. & Md. first and col. 3½s, 1925.....	80½– 90	80½– 90	88 – 89½	87½– 90	87⅞– 88⅜	87⅛– 90	83½– 89½	88½– 90	84½– 90⅞	91 – 93
B. & O.P. L. E. & W. Va. ref. 4s 1941	83 – 96	87 – 97	92½– 96	89 – 93	90 – 92⅛	88½– 92	82½– 90¼	78 – 89½	77⅛– 89½	85⅛– 90
B. & O. prior lien 3½s 1925.....	85½– 93½	90 – 95⅜	91⅛– 95	89¼– 93	91½– 93	90½– 93⅜	88 – 91⅞	88 – 92⅞	88⅜– 93⅝	92½– 94¼
B. & O. S. W. Div. first 3½s 1925...	80 – 90¾	83¾– 93¼	89 – 91⅞	89 – 91½	89½– 91½	88½– 91½	86½– 90⅝	86⅛– 91½	86 – 92¾	89¾– 92⅝
B. & O. ref. & gen. 5s 1995.....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	99⅞–101⅜
Bangor & Aroostook Railroad stock.	....-....	....-....	....-....	....-....	100 bid	....-....	....-....	....-....	....-....	....-....
Bangor & Aroostook first 5s 1943...	....-....	....-....	112 bid	103 bid	106½ bid	107½ bid	99 bid	103 bid	99 bid	102 bid
Bangor & Aroostook sec. 5s 1945...	....-....	....-....	102 bid	100 bid	....-....	....-....	....-....	....-....	....-....	....-....
Bangor & Aroos. Pisca. div. 5s 1943	....-....	....-....	106 bid	95 bid	103 bid	104 bid	94 bid	95 bid	94 bid	93 bid
Bangor & Aroos. Van. B. ext. 5s 1943	....-....	....-....	105 bid	95 bid	102 bid	102 bid	90 bid	95 bid	84 bid	87 bid
Bangor & Aroostook ref. 4s 1951....	....-....	80 – 80	83 bid	80 hid	80 bid	80 bid	70 bid	70 bid	64 bid	63 bid
Bangor & Aroostook Washburn ext. 5s 1939.....	....-....	....-....	....-....	98½ bid	96 bid	94 bid	88 bid	90 bid	84 bid	78 bid
Battle Creek & Stur. first 3s 1989...	....-....	....-....	70 bid	70 bid	70 bid	67 bid	75 bid	....-....	....-....	....-....
Bay City & Battle Creek first 3s 1989	....-....	....-....	70 bid	70 bid	70 bid	67 bid	67 askd	70 askd	87 askd	....-....
Beech Creek Ext. R.R. first 3½s 1951	....-....	....-....	84½ bid	86½ bid	84½ bid	84 bid	84 bid	....-....	72 bid	....-....
Beech Creek R.R. gtd. stock.....	....-....	....-....	100 –100	95 bid	92 bid	92½ bid	86 bid	84 bid	85 bid	45⅝ bid
Beech Creek R.R. first 4s 1936.....	98¼–102¼	99 – 99	100 –100¾	97 – 98¾	99 – 99	98¾– 99¼	98 – 98	95¼– 95¾	92½– 96½	94½– 96½
Beech Creek R.R. sec. 5s 1936.....	....-....	....-....	107 bid	105½ bid	106½ bid	106⅛ bid	106½ bid	....-....	100 bid	104 –104
Belleville & Caron. first 6s 1923....	....-....	....-....	121 –121	117½–117½	116 bid	108⅛ bid	108⅛ bid	....-....	104 bid	....-....
Bellingham Bay & Br.Col. first 6s 1932	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	92½ bid	92½ bid
Belt R.R. & Stock Yards of Indianapolis ref. 4s.....	....-....	....-....	....-....	....-....	97½ askd	92 bid	98 askd	98 askd	94 bid	94 bid
Belt Ry. of Chatt. first 5a of 1945..	....-....	....-....	101 bid	100 bid	100 bid	100 bid	95 bid	....-....	....-....	91 bid
Belvidere Del. consol. 4s of 1927...	....-....	....-....	101 bid	97 bid	98 bid	97 bid	94 bid	96 bid	99 bid	99 bid
Belvidere Del. consol. 3½s of 1943...	....-....	....-....	92½ bid	91⅜ bid	89 bid	87½ bid	85 bid	86½ bid	81½ bid	87 bid
Ben. & Rut. first ref. 4½s of 1927...	....-....	....-....	100 bid	95 bid	95 bid	96 bid	90 bid	90 bid	87 bid	87 bid
Big Sandy Ry. first 4s 1944.....	....-....	89½– 92½	87½– 91	87 – 89	87 – 89	86 – 89	85½– 85½	83½– 83½	80 – 83⅞	83½– 85
Birmingham Belt 4s of 1922.....	....-....	....-....	96 bid	88 bid	86 bid	86 bid	80 bid	90 askd	....-....	82 bid
Birm. Term. Co. first 4s of 1957....	....-....	....-....	88½ bid	80 bid	88 bid	86 bid	85 askd	85 askd	79 bid	83 bid
Bluff Point L. imp. first 4s 1940....	....-....	....-....	92 bid	92 bid	92 bid	85 bid	84 bid	....-....	....-....	87 bid
Boston & Albany R.R. gtd. stock...	180 –240	181½–230	225 –239¼	221½–226	219 –226	213 bid	187 bid	181 bid	190 bid	173 bid
Boston & Albany R.R. cur. 3½s 1951	....-....	....-....	89 bid	87½ bid	86¾ bid	83 bid	77 bid	82 askd	81½ bid	84 bid
Boston & Albany R.R. 3½s 1952....	....-....	....-....	89 bid	87½ bid	86¾ bid	83 bid	77 bid	82 askd	81½ bid	83⅞ bid
Boston & Alb.R.R.25-yr.gtd.4s 1933	....-....	....-....	100 bid	98½ bid	98 bid	94 bid	90 bid	92⅝ askd	94½ bid	95½ bid
Boston & Lowell R.R. gtd. stock....	200 –231	200½–228	223½–234	200 –227	207 –218	202 bid	152 bid	....-....	128* bid	113 bid
Boston & Lowell deben. 3½s 1919...	....-....	....-....	94½ bid	94½ bid	95 bid	94½ bid	91 bid	....-....	....-....	95½ bid
Boston & Me. R.R. pfd. stock.....	150 –165	149 –156	151 –160	162½–160	100 bid	140 askd	55 bid	30 bid	48 bid	52 bid
Boston & Me. R.R. com. stock.....	129 –170	114 –140	132½–153½	118 –152	96½–122⅜	96 bid	43 bid	32½ bid	35¾ bid	41 bid
Boston & Me. plain 4½s of 1929....	....-....	....-....	104½ bid	102½ bid	100½ bid	97 bid	87½ askd	....-....	79 bid	85 bid
Boston & Me. plain 4½s of 1944....	....-....	....-....	106 bid	104 bid	101½ bid	97 bid	....-....	....-....	70 bid	78 bid
Boston & Me. plain 4s of 1926.....	....-....	....-....	98½ bid	96 bid	94½ hid	92½ bid	....-....	....-....	78 bid	83½ bid
Boston & Me. plain 4a of 1942.....	....-....	....-....	99 bid	96½ askd	93½ bid	89½ hid	76 askd	....-....	64½ bid	72 bid
Boston & Me. plain 3½s of 1921....	....-....	....-....	93 bid	92 bid	92 bid	91 bid	....-....	....-....	85⅝ bid	88½ bid
Boston & Me. plain 3¼a of 1923....	....-....	....-....	92⅞ bid	93 askd	91½ bid	90 bid	....-....	....-....	81 bid	85⅛ bid
Boston & Me. s. f. imp. 4s of 1937..	....-....	....-....	99 bid	96¾ askd	93½ bid	90½ bid	....-....	....-....	67⅝ bid	75 bid
Bost. & N. Y. Air Line first 4s of 1955	....-....	....-....	99½ bid	99 bid	98½ bid	99½ 99½	83½ bid	86 bid	89½ bid	89 – 89
Boston & Providence R.R. stock...	285 –301	284 –301	295 –303	205 –300	292 –300	295 askd	245 bid	220 bid	230 bid	212½ bid
Boston & Prov. plain 4s of 1918....	100 –100	....-....	99½ bid	98½ bid	98½ bid	98 bid	95½ bid	....-....	97¾ bid	99½ bid
Boston, Revere Beach & Lynn R.R. first 4½s of 1927	....-....	....-....	102½ bid	101½ bid	101½ bid	98½ bid	95 bid	....-....	99 bid	99½ bid
Boston Term. Co. first 3½s of 1947..	....-....	100 –101¾	104 –105⅛	98½ bid	....-....	....-....	....-....	....-....	....-....	....-....
Brooklyn & M. second 5s 1938.....	....-....	....-....	105 bid	103 bid	193 bid	108 bid	100 bid	....-....	100 bid	98 bid
Bruns. & West first 4s 1938	....-....	....-....	96¾– 96¾	94⅜– 94⅝	95½– 95¼	95 – 95¾	86½ bid	89 – 94⅜	89 – 96	93½– 95
Buffalo Cr. R.R. con. 6s of 1941....	....-....	....-....	112½ bid	105 bid	107½ bid	105 bid	....-....	....-....	104 bid	....-....
Buff., Roch. & Pitts. pref. stock....	90 –139¾	106 –105	130 –133	125 –133	129 bid	130 –137	116½–116½	116½–116½	109⅞–109⅞	110 bid
Buff., Roch. & Pitts. com. stock....	68 –115	75½– 98	90 –105	95 –107	100 –126	105 –119½	100½–116	90 –108⅜	80 – 93½	92 –100
Buff., Roch. & Pitts. first gen. 5s 1937	112 –118½	108 –116	114⅜–117⅜	113⅞–116½	112⅜–113	109⅜–112½	103 –110⅜	108 –110	102½–106⅜	107½–110½
Buff., Roch. & Pitts. con. 4½s 1957..	....-....	101½–106	109 –110⅜	105 –109⅜	107⅛–108⅜	103⅜–107½	103 –104¾	98⅞–104	99½–103	101¼–103
Buff. & Southwestern first 5s 1918..	....-....	....-....	102 bid	100 bid	102 bid	100½ bid	99 bid	100 bid	100½ bid	100½ bid
Buff. & Southwestern sec. 5s 1918..	....-....	....-....	102 bid	100 bid	....-....	96 bid	95 bid	93 bid	95 bid	100½ bid
Buff. & Susq. R.R. Corp. com. stock.	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	42½ bid	65 bid
Buff. & Susq. R. R. Corp. pref. stock	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	57¾*bid	58 askd

*Ex-dividend.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low Higb	Low Higb	Low High	Low High	Low High	Low High	Low Higb	Low High	Low High	Low High
Buff. & Susq. Ry. 4½s of 1953.....	. . –.	. . –.	72 bid	28 bid	25 bid	11 bid	6 bid	1 bid	4 bid	....–....
Buff. & Susq. R.R. first ref. 4s of 1951	89½– 96½	87½– 91	81½– 90	72 – 72	45 bid	40 – 40	38 – 48	....–....	....–....	....–....
Buff. & Susq. R.R., Corp. 1st 4s of 1963	–	–	–	–	–	–	–	....– ..	76½ bid	80 bid
Bur. C R. & Nor. cons. first 5s of 1934	103½–116	106 –116½	115 –117	110 –114½	110½–112½	108½–111½	102 –108½	100½–102½	99 –101½	97½–102
Bur. & Mo. Riv. in Neb. s.f. 6s–1918	–	105½–105½	102 –102	102½–103	102½–103½	102 bid	100½ bid	101 bid	100½ bid	100½ bid
Cairo Bridge Co. first 4s 1950	102½–102½		99½–100	95 bid	96 – 97½	94½– 95	85 bid	90 – 90	86 – 89	90 – 93½
Calif.-Ariz. first and ref. 4½s	–	–	–	–	–	99½–100½	91½–100½	97½– 99	93 – 96	96½– 99
Cal. & Northw. s. f. 5s	–	–	–	104 bid	104 bid	104 askd	101 askd	104 askd	101½ bid	102½ bid
Cambria & Clearf. first 5s of 1941	–	100 –110	105 bid	107 bid	105 bid	101½ bid	104 –106	106 bid	106½ bid	106½ bid
Cam. & Burl'ton County gtd. stock	–		35 bid	135 bid	130 bid	130 bid	130 bid	130 bid	130 bid	. . .–....
Canada South'n Railway stock	52 – 65½	54 – 68	60½– 70½	60½– 70	62 – 68	65 – 68½	58½– 63	60 – 61½	54 – 61	56 – 59
Can. So. Con. guar. A 5s–1962	100½–102½	102½–111	104 –107	102½ 105½	101½–103½	100 –102	103 –106½	101 –106½	100 –105½	101½–104½
Can. Nor. Ry. first cons. deb. 4s 1930	–	....–	101 bid	101 bid	100 bid	98 bid	90 bid	. .–	83 sale	84 bid
Can. Nor. Ry. first land grant 4s, 1919		–	100 bid	100 bid	100 bid	100 bid	100 bid	....–	. . .–....	. . .–....
Can. Pacf. Ry. Pref. stock	–	–	–	104 bid	100½ bid	97 bid	93 hid	....–....	81½ sale	74½ askd
Can. Pacf. Ry. Com stock	138 –195½	140 –180½	165 –189½	176½ 202½	195½–247	226½–283	204 –266½	153 –220½	138 194	162½ 183½
Can. Pef. cons. debn. stock 4% Irred	–		105 bid	105 bid	103 bid	100 bid	95 bid	....–	84 sale	78½ sale
Can. Pef. 6% notes 1924		–			–		–	. . .–....	103 bid	102½ bid
Carb'dale & S'town first 4s–1932	97 – 97	97 –100	96½– 98	95½– 99	94½ bid	94½– 96	87½ bid	87½ bid	85 bid	88 bid
Carolina Cent. first cons. 4s of 1919			92 bid	91 – 92	91½– 91½	92½– 93½	90 91½	85 – 85½	84½ 85½	88 – 88
Carolina, Clinchfield & Ohio 1st 5s				95 bid	96 bid	96 hid	96½– 98	97 –100	94 – 97½	92 – 95½
Caro., Clinchfield & Ohio, com stk	–	–	–	–	–	–	–	–.	–.	29 – 31
Carthage & Adir. first 4s 1981	–	–	97½– 97½	90 bid	90 bid	88 – 88	87½ bid	85½ bid	88½– 88½	88 – 89
Catawissa R.R. first con. 4s	101 103½	103 103½	101 bid	100½ 100½	100 bid	98½ bid	93 bid	97 bid	97 bid	98 bid
Catawissa R.R. gtd. first pfd. stock	51 – 58½	52½– 57½	55½– 59	53½– 57½	55½ bid	55 bid	50 bid	53 askd	54 bid	53½ bid
Catawissa R.R. second pfd. stock	56 – 58	52 – 57	55½– 57½	53 – 57	55 askd	53½ bid	53 askd	52 askd	53½ bid	53 bid
Cayuga & Susq. R.R. gtd. stock	210½–210½		215 bid	215 bid	210 bid	295 hid	190 bid	190 bid	195 bid	*56 bid
Cedar R. I. Falls & N.W. 1st 5s 1921			106 bid	105½–106	104½ bid	102½ bid	99 hid	100½ 103	99 bid	99½ bid
Central Branch Ry. first 4s–1919	90 – 96½	85 – 88	89 – 95½	91½– 95	90½– 93½	91½– 92½	89 – 92	88½– 92½	60 – 85	50 – 67
Cen. Branch Union Pef. 1st 4s–1918	70 – 92½	83½– 89½	88½– 91	86 – 87½	83 – 83½	75 – 81	72 – 76	76 askd	50 bid	61 bid
Central Indiana Ry. first 4s–1953	–		89 bid	87½ bid	86 bid	85 bid	80 bid	85 askd	90 askd	60 bid
Central New Eng. Ry. first 1s					92½– 93½	90½– 93½	80½– 90½	81 – 83	71 – 81	79½– 83
Cent. of Ga. Chat. div. P.M. 4s–1951	87½– 87½	89½– 89½	90½– 90½	86 bid	87½– 88½	89½– 91½	90 – 90	95 – 87	83 – 86	83½– 84½
Cent. of Ga. Consol. 5s 1945	85 –111	97½–110½	107½–111½	103½–109	107 –110	106½–111½	101½–109	99½–105	96 –102½	100 –103
Cent. of Ga. Ry. Eatonton Br. first 5s 1926			104 bid	100 bid	100 bid	100 bid	100 bid	–	98 hid	99 hid
Cent. of Ga. Ry. first 5s–1945	110 –116	112 –116½	115½–116½	109½–113½	112 –114½	111 –113½	110 –110½	107½–108	103½–107½	107½–108½
Cent. of Ga. Ry. Macon & N. div. 1st 5s 1946		100½–104½	105 bid	104½–104½	105½–106½	107½–107½	101½ bid	103 bid	101 –104½	101½–103½
Cent. of Ga. Ry. Mid. Ga. & Atl. div. first 5s–1947	–	–	106 bid	105½ bid	104½ bid	105 bid	98 –102½	101½–104½	100½–100½	103½ bid
Cent. of Ga. Ry Mobile div. 1st 5s 1946	105 –105	–	110½–110½	110 –110	108½–109½	105 bid	101½ bid	101½ bid	103½–103½	102½–104
Cent. of Ga. Ry Oconee div. 1st 5s 1945	–	–	106 bid	102 bid	104 bid	106 bid	100 bid	–	99 bid	101 bid
Cent. Ohio, first consol. 4½s–1930.			103 103	100½ bid	100½ bid	99 101½	95 bid	97 bid	95 bid	101½–101½
Cent. Pef. first Ref. 4s of 1949	86½–100½	93½– 99½	96 – 98½	94½– 98½	96 – 97½	94 – 97	89½– 96½	85½– 91½	83½– 91½	87½– 91½
Cent. Pef. 30-yr. 3½s of 1929	75 – 86	80 – 89	88½– 91	87½– 91	90 – 92	90½– 91½	88 – 91	87½– 91½	84½– 90½	84½– 91½
Cent. Pef. Through Short Line first 4s of 1954	–	88 – 95½	90½ 95	90 91	91½– 93½	89 92½	83 – 91½	85½– 87½	82½– 88	83 – 86½
C. R.R. & Banking Co. col. tr. 5s 1937	95 –105½	92 –107½	101 106	102 –103	101½–103	101 –103	99½–101½	97½–100½	86½– 97½	94 97
C. R. R. of N. J. stock	144 220	160 –229	215 323½	248 312	260 –320	305 395	275 –362	300 –310	250 –325	290 –310
Cent. R. R. of N. J. gen. 5s of 1987	111½–126½	117 –130½	124 129½	120 125½	120 125	118 122½	112½–119½	112 –118	111½–118	115½–118½
Cen. Ver. Ry. first 4s 1920	85 – 89½		80½ 90½	85 – 88½	87½ 92½	89 92½	82 – 90	80 – 86½	68 – 83	79 – 83
Charleston & Savannah 1st 7s, 1936	–			131½ bid	128 bid	127 bid	121½ bid	134 askd	129½–129½	. . . –. . .
Charls. & W. Car. Ry. 1st 5s 1946	104 –104½	101 –106½	106½–109½	106 bid	104 bid	105 askd	100 bid	103½ bid	101 bid	102 bid
Chateaugay O. & I. Ref. 4s 1942	95 – 95	. . –	–	85 bid	85 bid	85 bid	85 bid	. . .–	80 bid	80 bid
Chattahoochee & Gulf R. R. stock	–	. .	100 bid		–	–	. –. .	– .	. –	. . .– .
Chattanooga Station Co. 1st. 4s of '57	–	–	89½ bid	91 bid	90 bid	88 bid	88 bid	91 askd	82 bid	82 bid
Chesapeake & Ohio Ry. Stock. . .	23½– 56	25½– 59½	55½– 91½	65 – 92	68½– 86½	68½– 85½	51½– 80	40 – 68	35½– 64½	58 – 71
Ches. & Ohio convertible 4½s 1930	–	–	–	89 – 95½	92½– 97½	92 – 94	77½ 92½	67½– 86½	70 – 90	83½– 89
Ches. & Ohio convertible 5s–1946	–	–	–	–	. .–	....–....	....–....	....–....	....–....	92½– 98
Ches. & Ohio Craig. Val. Br. 1st 5s 1940	–	–	107½–110½	104 –104½	102½–103	101½–101½	96½–101½	101 askd	95 – 98½	96½ 96½
Ches. & Ohio first cons. 5s 1939	101 –116	107½–116½	112 –117	110½–114½	111 –113½	109 –111½	103 –110	101½–107½	101½–106½	104½–107½
Ches. & Ohio General 4½s–1992	87 –105½	96 –107½	102½ 106½	99 103½	99½ 102	99 103	90½–101	85 – 98½	82 – 95½	89 – 93½
Ches. & Ohio Fund'g & imp. 5s–1929	–	–	100½–105½	102 –105½	102½–106½	99½–104½	95 –102	91 –100½	83 – 99½	94½ 98
Ches. & Ohio Grain El. first 4s–1938.	75 – 90	85 – 85	83 bid	81 bid	80½ bid	80 bid	73 bid	....–....	80 askd	70 bid
Ches. & Ohio Nor. 1st gtd. 5s 1945	. –	...–	–. .	. .–.	....–....	....–....	....–....	....–....	....–....	98 bid
Ches. & Ohio Potts. Cr. Br. first 4s–1916.	. – .	....–....	90 – 90	81 bid	86½– 87	84 – 86½	84½– 81½	95 bid	88 askd	81 bid
Ches. & Ohio R. & A. div. first 4s–1989	92½–100½	93½–101	98 –100½	94½– 99	91 – 96	91½– 96	86 – 93½	88 – 88½	80½– 84½	84½– 88½
Ches. & Ohio R. & A. div. sec 4s–1989	90 – 92½	89 – 93½	94 – 97	90½– 93	90½– 92½	90½– 90½	87 – 88	82 – 85½	77 – 80	81½– 83½
Ches. & Ohio Warm Sp. Val. Br. first 5s–1911...	....–....	. . .–....	106 bid	102 bid	105 bid	100 bid	97 bid	93 bid	100 askd	92½ bid

* Dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Chic. & Alton R.R. common stock..	8½- 27½	10 - 66⅞	57⅞- 74¼	23⅞- 66⅜	15 - 31¼	17 - 24½	7½- 18	9 - 11½	8 - 15¼	8 - 24¼
Chicago & Alton R.R. pfd. stock. .	48 - 69	47 - 79	70 - 78½	64½- 69	37 - 53	25 - 40	17¼- 26⅞	12 - 19	11½- 22¼	18 - 33
Chicago & Alton deb. 5s 1922.....	....-....	....-....	....-....	....-....	....-....	87 bid	88 askd	85 askd	85 askd	75 bid
Chic. & A. Ry. first lien 3½s of 1950..	55 - 76¼	60 - 77½	75 - 77	68½- 75	65 - 71½	60¼- 66½	50 - 63⅜	32½- 65½	38 - 47½	43 - 57⅛
Chic.& A.R.R.Refunding, 3s of 1949.	68 - 80	67¾- 79⅜	74⅜- 80	70 - 77	70 - 73⅜	66⅞- 72½	60¼- 68	58 - 67	52 - 60½	57 - 62
Chic. & Alt. Term. 5s-1918...	....-....	....-....	98 hid	98 bid	100 bid	99 bid	90 bid	....-....	....-....	....-....
Chic. Bur. & Quincy R.R. stock...	220 -228	200 -210	200 -250	210 bid	200 bid	209 bid	220 bid	210 hid	216 bid	295 bid
C. B. & Q. coll. 4s-1921...	82½- 97¼	92½-100⅜	95½- 99½	94⅜- 97½	95⅜- 98⅛	94⅛- 98⅜	93 - 96½	94⅛- 98	94⅞- 98½	97⅜- 99½
C. B. & Q. Denver Exten. 4s-1922.	96⅜-100⅜	97 -101	98⅞-100⅜	98⅜-100	99 - 99⅞	99½-100	98 -100¼	99 -100	98⅜-100	99 -100
C. B. & Q. gen. mtge. 4s 1958.....	....-....	97 -103½	98⅜-101	96⅞-100	95⅞- 98	94½- 97½	89⅞- 96½	89½- 94½	88 - 95	92 - 94½
C. B. & Q. Ill. Div. first 3½s-1949..	82½- 92½	86½- 93⅜	89 - 93	86½- 89½	87½- 88½	83⅜- 88	81⅛- 85⅜	80 - 85⅞	81½- 87½	83¾- 87
C. B. & Q. Ill. Div. first 4s-1949..	95 -103	97⅛-105	100 -103¾	98½-101	98⅛-100⅜	99 - 99½	92 - 98⅞	93 - 96	91⅞- 96⅛	93⅞- 97
C. B. & Q. Ia. Div. s.f. 4s-1919...	96 -102	96 -101	99½-101⅜	98½-100	99 - 99⅞	98¼- 99⅜	96½- 99½	96⅜- 99½	96⅜- 99½	99⅜- 99⅞
C. B. & Q. Ia. Div. s.f. 5s-1919...	104 -106	104⅜-106	105⅜-108⅛	104⅞-104⅞	104⅞-105⅛	104⅛-105	101⅛-103⅜	102⅜-103	101⅛-102⅞	102⅛-103⅜
C. B. & Q. Neh. Exten. 4s-1927...	94 -102	98 -102⅛	99⅜-102⅛	98 -101⅛	96⅜-100	96½- 99½	93 - 97	94⅛- 98	94⅜- 97⅞	97⅛-100
C. B. & Q. So.-w. Div. 4s-1921.....	90 - 90	....-...	99 -100⅜	97½- 99	99 - 99⅛	98⅜- 99½	97⅞- 98½	98⅛- 99⅜	99⅛- 99⅛	99⅜ bid
Chic. & E. Ill. first cons. 6s of 1934.	115 -128⅛	122 -122	126 -137	121 -127	124 -127	119½-125	107 -119	102 -112⅛	91 -104½	104⅛ bid
Chic. & E. Ill. gen. con. and first 5s of 1937.....	102 -117½	106⅛-116⅛	112⅛-115⅝	108⅜-113	108¾-111⅛	106½-113	96 -108	69 -100⅛	51½- 84	75 - 93
Chic. & E. Ill. pur.mon.1st coal 5s.	....-....	....-....	....-....	....-....	....-....	97½- 98	97⅜- 98	97 askd	90 askd	35 bid
Chic. & E. Ill. Ref. & Imp. 4s of 1955	....-....	82½- 88	85 - 90	81 - 86⅜	80 - 83	77 - 81⅜	66 - 80	30½- 68	15 - 29	21½- 36⅛
Chicago & Erie first 5s-1982.....	107½-119	108¼-115⅜	111½-117⅛	110 -115	110⅜-113	110½-114	104⅛- 111	102 -108	101½-105⅛	105⅞-107⅛
*Chic. Gt. Western com. stk.....	6⅞- 18	3⅛- 14⅜	½- 11⅜	19 - 36⅞	17¼- 25⅛	15⅝- 20⅞	10⅛- 17⅞	9⅛- 15⅛	10¼- 17½	11⅞- 16⅛
Chic. Gt. Western pref. stock.....	....-....	....-....	68⅜- 64⅜	40 - 64⅛	35½- 49½	30½- 39⅛	23 - 35	25 - 41⅛	25½- 41⅛	33 - 47⅛
Chic. Gt. W. R.R. first 4s-1959....	....-....	....-....	90 bid	84 - 87½	82¼- 86⅜	75 - 83	70 - 77⅜	68 - 75⅛	64 - 74⅞	69 - 75
Chic. Ham.& West'n first 6s-1927..	....-....	....-....	116 bid	115 bid	116 bid	116 bid	111 bid	111 bid	110 bid	108 bid
Chic. & Ind. Coal Ry. first 5s of 1936	106 -106	107 -109½	112½-115	110 -112	109⅜-110½	106½-109½	100 -105½	27½- 99	17 - 20½	21 - 26
Chic., Ind. & So. R.R. first 4s-1966	....-....	....-....	93¾- 95⅞	92 - 94	91⅜- 93½	90½- 91⅜	91 bid	88½ askd	85½- 86	88 91½
Chic., Ind'apolis & Louisv. Ry. com. stock.....	30 - 30	....-..	53 hid	....-....	....-....	....-....	48 bid	35 bid	40 askd	38 bid
Chic., Indianapolis & Louisv. Ry. pref. stock.....	52½- 70	50 - 50	65 bid	60 hid	50 bid	50 bid	58 bid	55 bid	50 hid	59 bid
Chic., Ind. & Lou. Ry. Ref 6s-1947.	107 -111½	106 -108	112½-114⅞	107⅛ bid	107⅞-111	109⅞-110⅜	102½-105½	118 bid	101 -101	100- 101
Chic., Ind. & Lou. Ry. Ref. 6s-1947.	119 -126½	117¼-130⅝	127 -129	124½-129½	126½-128⅜	124½-129½	116⅜-125	117¾-121	110 -117	111½-115
Chic., Ind. & Lou. Ry. ref. 4s-1947.	....-....	....-....	....-....	95 - 95	95 - 95⅝	91 bid	87 bid	81 bid	80 bid	85 bid
Chic. Ind. & Lou. Ry. gen. 5s-1966..	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	92 bid
Chic. Ind. & St. L. Sh. Line first gtd. 4s-1953.....	....-....	....-....	93½ bid	90 bid	95 bid	94 bid	88 bid	....-....	80 bid	83 bid
Chic., Lake Shore & Eastern Ry. first 4½s of 1969.....	....-....	....-....	106 bid	103½ bid	104 -104½	101 bid	90 bid	90 bid	92¾- 96⅜	96 - 97⅜
Chic., Milw. & Puget Sd. gen. 4s....	....-....	....-....	....-....	....-...	93½- 95	92½- 95½	85 - 94	88 - 93⅞	85⅞- 91⅞	89½- 93⅛
Chic. Mil. & St. Paul Ry. com. stock	93½-157½	103½-152½	141 -165½	113½-158⅜	105¾-133½	99⅜-117⅜	96¾-116½	84⅜-107½	77¾-101½	89 -102½
Chic. Mil. & St. Paul Ry. pref. stock.	130 -165½	138 -164½	158½-181	143 -172½	141 -155½	139¼-146	131½-145	126 -143	120⅞-135	123½-136⅛
C. M. & St. Paul, Chic. & Lake Sup. Div. first 5s-1921.....	108⅜-108⅜	....-....	108½-109⅜	107¼-108	106 -107	105 -108	102⅜-104⅜	101 bid	102⅜-103½	103 -103⅞
C. M. & St. Paul, Chic. & Mo. Riv. div. first 6s-1926.....	109 -113¼	109⅜-112	110¼-113⅛	107 -110½	108¾-109	106½-108¼	102⅜-106⅜	105⅜-107	103 -105	104½-105⅞
C. M. & St. Paul, Chic. & Pcf. West Div. first 6s-1921.....	105 -112	108⅜-112	108 -110½	105⅜-108⅜	106 -107⅛	104½-106⅜	101½-105½	100⅜-104½	101⅜-103⅜	102-104½
C. M. & St. Paul conv. 4½s.....	....-....	....-....	....-....	....-....	....-....	101⅜-107	100 -106⅜	94½-103⅜	93½-103½	99⅞-103⅞
C. M. & St. Paul Debentures-1934 .	....-....	....-....	93½- 95	91 - 94	91 - 93⅞	90 - 92⅜	86 - 91⅞	88 - 93	84½- 93½	90 - 93½
C. M. & St. Paul Dubuque div. first 6s.-1920.....	....-....	116 -116	118¼-118½	113 -114½	113½-114½	111 -113⅜	106 -110⅜	108 -108⅜	106 -107⅞	105⅜-107⅜
C. M. & St. Paul general 4½s-1989..	....-....	....-....	....-....	....-....	....-....	....-....	99½-103	97½-103⅜	97 -103½	100½-104
C. M. & St. Paul general 4s-1989...	98 -107	100 -104½	101 -104⅜	98 -100⅜	98 - 98⅜	96½- 99½	89½- 99	89½- 96⅜	85 - 93½	89½- 94
C. M. & St. Paul general 3½s-1989..	82 - 92½	87 - 93	88 - 92⅞	85⅜- 89	86 - 88⅛	83⅜- 86⅛	79 - 85	80 - 83⅞	76 - 82⅞	78 - 81½
C. M. & St. Paul gen. & ref.4½s-2014	....-....	....-....	....-....	....-....	....-....	....-....	....-....	89⅜- 90	87 - 95⅛	91½- 96⅛
C. M. & St. Paul gen. and ref. conv., 5s Series B, 2014	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	108 bid	104 -110
C. M. & St. Paul, La Crosse & Dav. Div. first 5s-1919.....	106½-108⅜	106⅜-109½	107 -107	104½-106	104½-106	104½-104⅞	101½-102⅛	102⅛-102⅛	102½-103	102 -102⅜
C. M. & St. Paul, Wis. Valley div. first 6s-1920.....	....-....	....-....	118 bid	114 -114⅛	112⅜-114	109⅜-112⅜	107½-109⅜	109½-109½	106½-107	106½-107½
C. M. & St. Paul, Wis. & Minn. div. first 5s-1921.....	104 -110⅜	108 -111	108 -110	105½-108	106½-107⅛	105 -106⅜	102½ bid	101½-104⅛	101⅜-103½	102⅜-105
Chic. & N. Mich. first 5s-1931.....	97½-100	95 -100	103 bid	99 bid	98½-101	90½ bid	101 -104⅜	40 bid	40 bid	43 bid
Chic. & Nor'western Ry. com. stock.	126 -205	135½-185½	173⅛-198½	137½-182½	138⅜-160½	134½-145	123 -138	122 -136⅞	118½-136⅞	123 -134⅞
Chic. Nor'western Ry. pref. stock...	185 -234	185 -224	208 -230	203 -225	191 -209	183 -198	171½-189	170 -180	163 -180	165 -176
Chic. & Nor. W.s.f. Deben. 5s-1933	105 -114⅜	108½-113⅜	109 -113½	109 -111½	107 -110	108¼-108½	100⅜-107½	102½-104	101 -104½	103½-105
Chic. & Nor. W. Extension 4s 1926	98½-102	98½- 99	99½-102	96½-101	97 - 99	96½- 98	92½- 96	94½- 96½	92½- 94½	95½- 98½
Chic. & Nor. W. Ry. gen. 3½s-1987	87 - 98	96 - 90	89½- 94⅜	87 - 90	85 - 88	83⅜- 87	78½- 85½	77⅞- 87½	78 - 83⅜	80 - 84½
Chic. & North-W. Ry. gen. 4s....	.. -....	....-..	....-....	....-....	97½- 99½	95 - 98⅜	92⅜- 98¼	89 - 95	89½- 96½	93⅜- 95⅞
Chic. & N. W. Sink. Fund, 5s-1920.	104½-107	108½-110	108 -110⅞	105 -109½	103⅞-107⅞	105 -106⅞	104 -105	104½-108½	102⅞-104½	104 -105½
Chic. & N. W. Sink. Fund 6s-1929..	105½-107	107½-111½	109⅜-112	110⅜-111½	111⅜-112	109¼ bid	106 -106	108 -112⅜	108 -109½	111 -112½

*New stock beginning with 1910.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low Hligh	Low High	Low High	Low High	Low High	Low High	Low Higb	Low Higb	Low High	Low High
Chic. & N. W. 30-yr deben. 5s–1921	100 -107	105 -108¾	107 -109¼	105 107	104¾-106¾	102¾-105¼	99¾-103	99¾-103	100¾-104¼	101¼-103¼
Chic., Peoria & St. Louis Ry. P. L. 4½s of 1930	88 – 94	80 – 95	88 bid	85 bld	90 bid	91 bid	86 askd	68 bid	70 askd	60 bid
Chic., R. I. & Pef. deben. 5s						89 – 94¼	71 – 90	51 – 80¾	39 – 67	41¾– 80
Chic., R. I. & Pef. Ry. first and refunding 4s of 1934	80 –91¾	83¼– 92	89¾– 94	86 – 92	87¼– 90	86¼– 90¾	70 – 89	64¾– 81	61 – 71¾	63¾– 79¾
Chic., R. I. & Pef. Ry first 6s of 1917	111 –117¼	112 116¼	111¾–114¾	109¼–112	108¾–110	106¾–108¾	103¼–106¾	101¾–105	101¾–102¾	100¾–102¾
Chic., R. I. & Pef. Ry. gen. 4s of 1988	88 –100	94 –102¾	98 – 101¾	94¾– 99	95¼– 98¾	92¾– 97¾	82¼– 94¼	80¼– 90	79 – 86¾	82 – 88¼
Chic., R. I. & Pef. Ry. gold 4s, series										
" " O 1917	90¾– 90¾	90 – 90	93¼– 95	94¼– 94¼	94 bid	6% bs.bid	94 askd	92 askd	82 bid	99 bid
" " P 1918	81 90		93¼– 93¼	98¾ bld	94¼– 94¾	95 askd	92¼ askd	90 askd	79 bid	95 98¼
" " Ry. Stock..	–	–					50 – 65	33 – 33	10¼– 88¾	15¼– 40¾
Chic., St. L. & N. O. cons. 5s–1951.	106 118¼	112¾ 117	117¾ 120	114¾–119	113 –117	113¾–116	102¾–105¾	108 –110	101¼–109¾	106¾–109
Chic., St. L. & N. O. cons. 3½s 1951.	88¼– 88¾	–	90 – 90	90 – 90	84¼ bid	80 bid	80 bid	80¾ bid	81¾ bid	79 bid
Chic., St. L. & N. O. joint ref. 5s 1963	–	–	–.	–	.–			97¾– 99	98¼–108¾	100 –103¾
Chic., St. L. & N. O. Memphis Div first 4s 1951	99 100¾	100 100	97 bid	97¼– 97¾	95 bld	92¼– 92¾	83¾ bid	81 bid	86 – 87¾	87 bid
Chic., St. L. & Pitts. cons. 5s 1932	110 –116¾	109 –116¾	112¾–116¾	111¼–112¾	113 –113¾	107 bid	106 –108	106¾–106¾	104 –104	107¼–107¾
Chic., St. Paul & Minn. first 6s–1918	117¾–128	123 –130	127 129¾	123 –127	123¼–125¾	120 123¾	115¾–119¾	116¼–116¾	115 –116¾	117¼ 118¾
Chic., St. P. M. & Oma. Ry. com. stk	106 –170	114 –160	118 –167	140 –162¾	130¼–144	126 –141	119¼–125	125 –131¾	114 –123	114 –123
Chic., St. P. M. & Oma. Ry. pref. stk.	137¾ 165	140¾ 174	165 180	160 –170¾	117 –160	150 –156	130 –150¾	132 –132	124 –135	130 bid
Chic., St. P. M. & Oma. cons 3½s–1930	–	–	90 – 92¾	90 bid	91 bld	89¼– 89¾	89¾ bid	–	90 – 90	87¼– 87¾
Chic. St. P. M. & Oma. cons. 6s–1930	118 –131¾	121 –132	126¾–130¾	123 –127¾	123 –125¾	120 124	114¾ 120¾	114¾–120¾	111¾ 117¾	117¼–119
Chic., St. P. M. & Oma. deb. 5s.						102 105	98 –102¾	99¼–103	99¼–103	100 –103
Chic., Terre H. & S. E. 1st & ref. 5s				-	94 bid	95¼ askd	89 askd	85 – 85	80 askd	68 – 85
Chic. Union Station first 4½s 1963				–	–					99¾–102¾
Chic. & West. Ind. R.R. cons. 4s.	97¾ 98	91 100	92¾ 98	88 – 93¾	91 – 93¾	88¾ 92¾	82¼– 89¾	83¾ 87	74¼– 83¾	75¾ 81¾
Chic. & West. Ind. R.R. gen. 6s.	109¾–115	112 –113	109¾–112¾	108¾–112	108 –109¾	107¾–108¾	105 –107¾	105¾–106¾	105 –106¾	106 –108
Chic. & W. Mich. con. 5s–1921.	96¼ 102	97 102	105 106¾	100 –102¾	100¼ 100¾	98 99¼	90 bid	73 – 73	72 75	105 bid
Choctaw & Mem. first 5s of 1949.			110 bid	108 –110¾	108 bid	106 bid	97 bid	96¾ bid	93 bid	99¼ bid
Choc. Okl. & Gulf consol. 5s of 1952		107¾ 109	111¾ 112¾	107¾–110	108¾ 109¾	106 108¾	105 106	99 –99¼	97¾ 97¾	97 bid
Choc. Okl. & Gulf first 5s of 1919	104¾–105	102 –104¼	102¾ bid	101 –101	102¾–102¾	102 102	99¾–100¾	98¾ askd	97¾– 98	98¾– 99¾
Cinn. Day. & Ironton first 5s 1941	102 –105¾	96 – 96	95 109¾	101 –108	102¾–104¾	101 104¼	97 –100¾	100¾ 100¾	25 – 25	40 bid
Cinn. Find. & Ft. W. first 4s 1923.			87 bid	85 bid	88 – 88	87 askd	75 bld	75 askd	80 askd	20 bid
Cinn. Ham. & Dayton Ry. stock			35 bid	35 bid				–	–	
Cinn. H. & D. general 5s 1942			106 bid	101 bid	100 bid	100 bid	90 bid	100 askd	70 bid	95¼ bid
Cinn. H. & D. first & ref. 1s 1959		–	95 bid	90¾ 91	88¼ 89	86¼ 87	91¼ askd	88 askd	85 askd	
Cinn. H. & D. gen. gold bonds 1959		–	65 bid	61¾ bid	65¾ bid	65 bid	63 bid	41 bid	69 bid	70 bid
Cinn. H. & D. second (now first) 4½s		97¾ 99	100 bid	99 bid	100¾ 101¾	100¾-101	90¾ bid	93 – 98	80 bid	86¾– 91
Cinn. Ind. St. L. & Chic. first consol 6s 1920		–	103¾ 106	105¾ 105¾	105¼ 106¾	105¾ bid	104¾–105¾	105¾ 105¾	105 105¾	105 -105¾
Cinn. Ind. St. L. & Chic. gen. first 4s	85 – 99	95¾– 99¼	98 –100	96¾– 98¼	96 – 97¾	96 – 97¾	90 – 94¼	91 – 92	90 – 91	91¼ 92¾
Cinn., Ind. & West. R.R. 1st 5s 1965				-				–		75 bid
Cinn., Leb. & North. first con. 4s.				95¾– 95¾	96 – 96¾	90 bid	92¾– 92¾	93 – 93¾	89¼– 90	90¾– 91
Cinn. & Musk. Val. first s.f. 1s of 1948			93 bid	90 bid	90 bid	85 bid	87 bid	89 bid	93 bid	92¾ bid
Cinn., New O. & Tex. Pef. com. stk		-	-	150 bid	175 bid	225 bid	225 bid	210 bid	245 bid	260 bid
Cinn., New O. & Tex. Pef. pref. stk.			102 bid	103¾ bid	101¾ bid	106¾ bid	101¾ bid	103¾ bid	107¾ bid	112 bid
Cincinnati Nor. R.R. stock		20 – 35	10 bid	45 bid	30 bid	10 bid			32 bid	
Cinn. Northern R.R. first 4s 1951	85 92¾	90 90	85 bid	85 bid	90 bid	81 bid	82 bid		80 bid	75 bid
Cinn. Rich. & Ft. W. first 7s of 1921			118 bid	113 bid	115 bid	112 bid	–	–	108 bid	107 bid
Cinn. Sand. & Clev. consol. 5s 1928.	109 109	106¾ 110	109¼ 109¾	108 108	106 107¾	107¼ 107¾	102 –103	103 –103¾	101 –101	102¾ bid
Cinn. Sand. & Clev. pfd. stock				130 bid	135 bid	135 –135	130 bid	125 bid	132 bid	*67 bid
Clearfield & Jeff. first 6s of 1927		115¾ 115¾	117 bid	117 bid	116 bid	115 bid	110 bid	113 bid	110 bid	112 bid
Clearfield & Mahoning Ry. stock			135 bid	142 –145	No sales	–	–			
Clearfield & Mah. first 5s 1943	–	103 113	113¼–116¾	108¾ bid	108 bid	105 bid	101¾ bid	111 –112	106¾ bid	103¼–103¾
Cleve. Akron & Col. first cons. s. f. gtd. 4s of 1940			95 bid	93¾ bid	92¾ bid	89 bid	89 bid		88 bid	92 bid
Cleve. Akron & Col. gen. (now first) 5s of 1927	–	–	108 bid	109 bid	106 bid	105 bid	100 bid		102 bid	102 bid
C. C. C. & St. Louis Ry. com. stock	43 – 92¾	47¾– 70¾	68 – 83¾	61 – 92¾	43¾– 66	45¾– 62¾	34¼– 54	22 – 40	21 – 52	38 – 62¾
C. C. C. & St. Louis Ry. pfd. stock	85 –108¾	85¾– 99¾	100 105¾	98 –104	94¾– 98	95 –101¾	60 – 94¾	40 – 70	53¾– 77	70 – 86
C. C. C. & St. L. Cairo Div. first 4s 1939	99¾– 99¾	96 – 96	94¾– 97	92¾– 92¾	92 – 94	93¾– 94¾	87¾ 90	84¾– 86	80 – 86¾	82 – 87
C. C. C. & St. L. Cin. W. & Mich. Div. first 4s 1991	95 – 98¾	95¾– 95¾	91 – 95	90 – 94¾	90 – 90¾	90 – 93	89¾–'89¾	83 – 83	70 – 78	75¾– 80
C. C. C. & St. L. St. Louis Div. first coll. 4s 1990	70¾ 98¾	90 – 97	94 – 97¾	89¾– 95¾	90¾– 94	89¾ 93¾	83 – 91	82 – 85¾	75¾– 82	79 – 84¾
C. C. C. & St. L. 20 yr. 4½ notes 1931	–				96 bid	91 – 93¾	87¾– 92¾	82 – 87¾	79¾– 87¾	83¾– 90¾
C. C. C. & St. L. gen. 100-yr. 4s 1993	89¾–102	92 – 99¾	95¾– 99¾	90¾–96¾	92 – 95	90 – 93¾	85 – 92¾	72 – 85	68 – 83	77¾– 81
C. C. C. & St. L. Sp'fld & Col. Div. first 4s 1910	–	92 – 92	96 – 96	90¾ bid	90 – 90	87 bid	81 – 82	85 – 85	77 – 85	83 – 86¾
C. C. C. & St. L. W. Water V. Div. first 4s 1910	–	–	93 bid	90 – 91¾	91 – 91	91 – 91	82 bid		82 bid	84 – 84¾
Clev., Col., Cin. & I. gen. 6s 1931	127 –132	120– 130	125 –129	119 –125¾	121¾–125¾	123 –123¾	120 –120	105¾–119¾	106 bid	116¼–116¾
C., I. & W. Ry. con. (now first) 5s 1933	–	–	110¼–113¾	109 –113¾	110¼–111¾	107 –110¾	103 –106¾	105¼–105¾	103¼–104¾	106¾–107¾

*Dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
C. L. & Wh. Ry. general 5s 1936	....-....	....-....	109 bid	....-....	....-....	....-....	....-....	....-....	....-....	....-....
C. L. & Wh. Ry. refunding 4½s 1930	....-....	....-....	99 hid	95 bid	95 bid	98 hid	90 bid	....-....	91 bid	96½ bid
C. L. & Wh. Ry. cons. first 5s, 1933	....-....	....-....	....-....	....- .	....-....	....-..	....-....	....-....	103½–104½	107⅞ bid
Clev. & Mah. Val. first cons. 5s 1938	....-....	121 –121	110 hid	111¼ bid	111 –111⅜	109 –109	101¼ bid	103 –103	101 –101	106⅜ bid
Clev. & Marietta first 4½s 1935	....-....	....-....	102 bid	100¾ bid	103½ bid	101⅜ bid	95 bid	98 – 98	97¾ –97¾	99 –100
Clev. & Pitts. betterment stock	....-....	....-....	99 hid	98 bid	95 bid	96 bid	92½ bid	90 bid	92 bid	*48 bid
Clev. & Pitts. gtd. stock	160 –175	160 –175	175 –175	168 bid	166½–166½	167½–167½	156 bid	161 bid	159 bid	84 bid
Clev. & Pitts. gen. s. f. 4½s series A	....-....	....-....	110¾–110¾	106 bid	107⅜–107⅜	102½ bid	101 –102	94½ bid	104 –104	103⅞–105½
Clev. & Pitts. gen. s. f. 4½s series B	....-....	....-....	109¾–109¾	106 bid	107 bid	102½ hid	100½ bid	98¾ bid	104 –104	103½ bid
Clev. & Pitts. gen. s. f. 3½s series B	....-....	....-....	....-....	....-....	....-....	90½– 91½	85⅜ bid	80 hid	84⅜ bid	89½ bid
Clev. & Pitts. gen. s. f. 3½s series C	....-....	....-....	....-....	90½ bid	91¼ bid	90½– 91½	84 bid	94½ bid	84⅜ bid	89½ bid
Clev. & Pitts. gen. s. f. 3½s series D	....-....	90 – 90	95 bid	91½ bid	91¼ bid	90½ bid	84½– 84½	84 bid	83⅜– 83⅜	89½– 89½
Clev. Short Line first 4½s 1961	....-....	....-....	....-....	....-....	....-....	....-....	....-....	90½– 96½	90¾–101½	99¾–102½
Clev. Term. & Val. first 4s 1995	....-....	91½– 91½	94¾ bid	94 bid	93 bid	90½ bid	80 hid	80 bid	83½ bid	86½ bid
Coal & Coke Ry. first 5s of 1919	....-....	82 – 82	95 bid	92 bid	93 bid	94 bid	93 bid	92 bid	78 bid	94 askd
Coal & Iron Ry. first 5s of 1920	....-....	....-....	101½ bid	100 –102	101 bid	100 bid	97 bid	97½ askd	96½ bid	99½ bid
Coal River Ry. first 4s 1945	....-....	....-....	89½– 89⅞	83 – 88½	85 – 88½	85 – 88½	80 bid	83 – 85	81 – 83	82½– 85½
Colorado Midl. Ry. first 4s of 1947	55 – 74½	55½– 84	80 – 87½	65 – 81⅜	57⅞– 69	35 – 58½	15 – 36	14 – 19⅜	10 – 17	7 – 21
Col. & So. Ry. com. stock	17 – 38⅜	21 – 59	51 – 68⅛	46 – 65⅜	43 – 60	32½– 45	23⅜– 33	20 – 28½	24 – 38½	24⅜– 37
Col. & So. Ry. first pref. stock	41 – 69½	50⅜– 79	76½– 86	70 – 83	70 – 82	72 – 76⅜	60 – 69	37⅞– 62	45 – 60	46 – 62½
Col. & So. Ry. second pref. stock	29½– 58½	39⅜– 76	73½– 84½	70 – 81	63 – 75½	66½– 71	55 – 65⅛	29 – 35	35 – 52	40 – 57⅜
Col. & So. Rfd. & Ext. 4½s 1935	76½– 95	73 – 97⅜	96¾–100⅛	94½– 99	96 – 98⅜	93 – 98½	90½– 94½	72 – 93½	78⅞– 90	82½– 87⅞
Col. & Southern first 4s 1929	75 – 94⅞	82 – 99½	96½– 99	93 – 97⅛	96¾– 97½	93 – 97	89 – 94⅞	85⅛– 93	85 – 93½	90 – 94½
Col. Spgs. & C. Creek Dist. Ry. cons. 5s 1942	....-....	90⅞– 90⅞	99 bid	96½ bid	96 bid	90 bid	89½ bid	92½ askd	87 bid	80 askd
Col. Spg. & C. Creek Dist. Ry. first 5s 1930	....-....	....-....	104 bid	102 bid	102⅜ bid	102 bid	97 bid	101 askd	100 bid	99½ bid
Colum. Con. & Ter. first 5s of 1922	....-....	....-....	106½–106½	104⅜–106	104½–104½	106⅜ bid	105¾–105¾	103½ bid	103½ bid	103 –103½
Columbus & Hock. Val. first 4s 1948	....-....	96 – 96	98½– 98¾	93 – 95½	94 – 95	92 – 92	92 – 92	85½ bid	83½– 85½	87 – 88
Columbus & Toledo first 4s 1955	95 – 99	96 –100	97 – 99½	95 bid	96 – 96	92 – 96½	92½– 92⅞	90½– 90½	86 – 86	86 – 88
Colum. & Xenia R. R. stock	....-....	....-....	201 bid	200 bid	206½ bid	204 bid	200 bid	200 bid	206 bid	*103 bid
Con. & Mont. R. R. gtd. stk. Class 1	170 –180½	160 –164½	165 –168	155 bid	158 bid	135 askd	103 bid	100 bid	90 bid	93 bid
Con. & Mont. R. R. gtd. stk. Class 2	181½–181½	155 –161½	161 –163	155 bid	158 bid	135 askd	103 bid	100 bid	90 bid	93 bid
Con. & Mont. R. R. gtd. stk. Class 3	175 –180	160 –163	163 –168½	155 bid	158 bid	132½ askd	103 bid	100 bid	90 bid	91 bid
Con. & Mont. R. R. gtd. stk. Class 4	168 –187½	163 –165	170 –173	160 –160	158 bid	135 bid	102 bid	100 bid	93 bid	96 bid
Con. & Mont. con. 4s of 1920	....-....	....-....	99 bid	99 bid	97½– 97½	98⅜ askd	93 bid	96⅜ askd	92½ bid	97½ bid
Con. & Mont. deben. 3½–4s of 1920	....-....	....-....	97 bid	95 bid	91½ bid	91½ bid	90 bid	....-....	90 bid	91–93½ bid
Con. & Ports. R. R. gtd. stock	188 –200	185 –185	182½–182½	180 bid	180 bid	180 bid	160 bid	....-....	140 bid	140 bid
Conn. & P. Riv. R.R. first 4s of 1943	....-....	....-....	99½ bid	98 bid	98 bid	98 bid	86 bid	....-....	83½ bid	95 askd
Conn. & P. Riv. R. R. gtd. stock	150 –156⅞	133 –140	136⅜–144½	135 –140	145 bid	130 bid	101 bid	....-....	87 bid	87 bid
Conn. Ry. & Light Co. pfd. stock	....-....	....-....	80 bid	79 bid	80½ bid	75 bid	65 bid	61 bid	70 bid	72 bid
Conn. Ry. & L. Co. ref. 4½s of 1951	....-....	....-....	103 bid	102½–102½	101¾–101⅞	101 –101⅛	95½– 99⅞	92 bid	97 bid	99½–102
Connecticut River R. R. gtd. stock	245 –284	244 –263	264 –275	260 –270	265 –272	240 bid	200 bid	171 bid	152 bid	135 bid
Conn. Riv. R. R. plain 4s of 1943	....-....	....-....	100 hid	98 bid	98 bid	93½ bid	....-....	....-....	83½ bid	85 bid
Conn. Riv. R. R. plain 3½s of 1923	....-....	....-....	93½ bid	92½ bid	93 bid	92 bid	91 askd	....-....	90 bid	91¼ bid
Consol. Ry. deben. 4s of 1930	....-....	....-....	88 bid	88 bid	82 bid	86 bid	73 bid	....-....	76 bid	....- ...
Cripple Ck. Cent. Ry. com. stock	....-....	....-....	....-....	20 bid	45 bid	35 bid	23 bid	25 bid	27½– 27½	33 hid
Cripple Ck. Cent. Ry. pfd. stock	....-....	....-....	50 bid	44 bid	20 – 35	47 – 47	40 bid	35 bid	35 bid	33 bid
Cuba R. R. first 5s 1952	....-....	....-....	....-....	99⅜ bid	102 bid	99 bid	97 bid	101½ askd	93 bid	94 – 94
Cuba R. R. preferred stock	....-....	....-....	....-....	86½ bid	96 bid	102 bid	102 bid	....-....	96⅞sale	98½ askd
Cumb. & Penn. R. R. first 5s of 1921	....-....	....-....	103 bid	....-....	103 bid	105½ bid	....-....	102½ askd	....-....	....-....
Current Riv. R. R. first 5s of 1927	....-....	....-....	100 bid	98 bid	97 – 97	95 bid	90 bid	87 bid	92 bid	96 hid
Dallas & Waco first 5s-1940	104½–104½	102½–105	96½–110	105 –105	105⅝–105⅝	104⅞–105⅝	99⅜–102	90 bid	70 bid	69 – 80
Danb. & Norw. cons. 5s of 1920	....-....	....-....	108 bid	105 bid	105 bid	105 bid	100 bid	....-....	101 bid	101 bid
Danb. & Norw. first ref. 4s	....-....	....-....	99½ bid	98 bid	98½ bid	95 bid	84 bid	87 askd	84 bid	84 bid
Danb. & Norw. gen. 5s	....-....	....-....	110 bid	111 askd	107 bid	107 bid	110 bid	....-....	101 bid	101 bid
Dawson Ry. & Coal Co. first col. 5s of 1951	....-....	90 – 90	97 bid	....-....	99 bid	99 bid	96 bid	95 bid	96 bid	93 bid
Dayton & Mich. Ry. com. stock	....-....	....-....	....-....	75 bid	80 bid	80 bid	80 bid	75 bid	70 bid	40 bid
Dayton & Mich. Ry. pfd. stock	....-....	....-....	....-....	180 bid	182 bid	187½ bid	182½ bid	180 bid	180 bid	92½ bid
Dayton & Mich. first 5s 1911 (now 4½s of 1931)	100½–100⅞	98½– 98½	100 bid	....-....	100 bid	100 bid	95 bid	94⅜–94⅜	90 bid	94 bid
Del. & B. Brook. gtd. stock	206 –206	....-....	195 –196	198 –198	190 bid	188 bid	180 bid	180 bid	175 bid	177 hid
Delaware & B. Brook first 3½s 1955	.. -....	....-....	90 bid	89 bid	90 bid	88 bid	82 bid	....-....	83½ bid	86 bid
Del. & Hudson Co. stock	123¾–227½	141½–181⅜	167¾–200	149½–185	159½–174⅞	162 –175½	147½–167	138¾–159½	138½–154½	148⅞–156
Del. & Hud. conv. 5s 1935	....-....	....-....	. . ....-	....-....	....-....	....-....	....-....	....-....	....-....	104 –108
Del. & Hud. first l. eq. 4½s 1922	....- ...	... -....	. . ....-	....-....	....-....	....-....	....-....	99½–101	99 –100⅞	100⅜–102
Del. & Hud. first and ref. 4s 1943	....-....	100⅞–102½	100 –103	97⅞–100½	97¼–100½	97¼– 99⅜	93½– 99½	90½– 97½	89½– 97½	96½– 99½
Del. & Hud. Penn. div. first 7s 1917	....-....	121½–123	118½ 122	120 –120⅞	115½–116	110½ bid	107½–110⅜	108⅛–108⅜	104¼–105⅜	101 –104½
Del., Lack. & Western R.R. stock	389½–510	420 –500	535 –680	490 –620	505 –570	530 –597	380 –445	388 –406⅞	199⅛–*233	216 –242
Delaware Railroad stock	....-....	....-....	78½ bid	185 bid	175 bid	180 bid	175 bid	*42 bid	164 bid	*41 bid
Del. River R.R. & Bdg. first 4s	....-....	....-....	98 bid	90½ bid	100½ bid	100 –100	87½ bid	91 – 91	94 bid	94½– 96
Del. River Term. Extd. P. M. 5s	....-....	....-....	110 bid	108 bid	110 bid	107 bid	107 bid	....-....	....-....	104 bid
Del. River Term. P. M. 5s 1942	....-....	....-....	110 bid	108 bid	110 bid	107 bid	107 bid	....-....	....-....	106 bid

*Quotation at dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Denver & Rio G. R.R. com. stock	16 - 42¼	14¼- 40¼	37¼- 51	23¼- 52	17¼- 35	18¼- 24	13¼- 23¼	4 - 19¼	4 - 16¼	8¼- 23¼
Denver & Rio G. R.R. prel. stock	52¼- 83¼	39 - 83¼	79¼- 90	62¼- 84	36¼- 74	34¼- 46¼	23 - 41	8 - 31¼	6¼- 29¼	15 - 52¼
Denver & Rio Gr. adj. inc. 7s	-	-	-	-	....	101 -101	81¼ bid	35 bid	62 bid	76 bid
Den. & Rio G. first cons. 4s 1936.	88 - 98	89 - 99¼	95 - 98¼	92¼- 97¼	89¼- 94	84 - 90¼	80½- 89¼	75 - 85	68 - 82¼	76 - 83¼
Den. & Rio G. first cons. 4½s 1936.	100 -102¼	98 -103¼	103 -106	101¼ 104¼	98 - 98	96½- 98¼	90 - 95¼	87 - 90¼	73½- 85¼	83 - 89
Den. & Rio G. first Ref. 5s 1955	-	-	92¼- 96¼	89 - 94¼	80 - 93¼	81 - 90	67 - 84¼	41¼- 74	38 - 63	55¼- 73¼
Den. & Rio G. Imps. 5s 1928.	102 -105¼	97 -103	101¼-104	100 -105	98 -101	93¼- 99¼	85 - 99	76 - 92¼	66 - 85¼	78¼- 90
Des Moines & Ft. Dodge com. stock	5¼- 18	5 - 19¼	9 - 16¼	4¼- 4¼	5¼- 6¼	5 - 5	1¼ bid	3 - 3	6¼ bid	3 bid
Des Moines & Ft. Dodge pld. stock	-	-	- -	50 askd	40 - 40	22 bid	20 bid	9 bid	33 bid	28 bid
Des M. & Ft. Dodge first 4s 1935	-	-	91¼- 91¼	87 - 91¼	78¼- 81¼	76 - 81	76 askd	60 - 69	60 - 60	62 bid
Des M. U. Ry. first 5s of 1917.	-	-	102 bid	100 bid	99 bid	98 bid	98 bid	....	100 -100	98¼- 99
Det. & Bay C. first 5s 1931	-	-	109¼ bid	110¼ bid	106¼ bid	-	....	105 bid	106 bid	106 bid
Det. G. Hav. & Mil. cons. 6s	-	-	101 bid	105 bid	102 bid	101 bid	100 bid	....	100 askd	95 bid
Det. G. R. & West. consol (now first 4s 1946	89 - 90	80 - 90	89 bid	88 - 90	85¼- 87¼	80 - 86¼	78 bid	52 bid	70 bid	83 bid
Det., Hillsd. & So. W. R.R. gtd. stk	-	-	97 bid	95 bid	90 bid	93¼ bid	85 bid	84 hid	85 bid	88 bid
Det. & Mackinac Ry. com. stock	-	43¼- 45	40 - 40	80 - 85	100 -120¼	105 bid	85 bid	85 bid	90 bid	80 bid
Det. & Mackinac Ry. pfd. stock	90 - 90	98¼- 98¼	87¼- 95	96¼- 96¼	100 -120	105 -105	90 - 90	85 bid	85 bid	90 bid
Det. & Mackinac first lien 4s 1995.	89 92¼	80 90	88 - 92¼	94 - 97¼	92 - 92	89 bid	84 - 88	84 - 85	71¼- 87	82 - 90
Det. & Mackinac mortgage 4s 1995	89 - 92¼	80 - 90	88 - 92¼	88 - 91	88¼- 95	87 - 92¼	82 - 82¼	82 - 84	78 - 85	75 - 85
Detroit Term. Tunnel first 4½s	-	-	- -	- -	- -	98 -101¼	95¼- 99¼	93¼- 97	89¼- 95	90¼- 94
Dul. & I. R. R. R. first 5s of 1937	109¼- 114¼	107 -111¼	111 -116	106 -111	105¼-109¼	103¼-107	100 -100	99¼-104¼	98¼-103¼	101¼-103¼
Dul., Missabe & No. Ry. first 6s	-	-	106 bid	105 bid	104 bid	104 bid	101 bid	101 bid	102 bid	104 bid
Dul., Mis. & No. Ry. first con. 6s	-	-	105 bid	105 bid	101 , bid	104 bid	100 bid	104 bid	102 bid	103¼ bid
Dul., Mis. & No. Ry. gen. 5s of 1911	-	-	105 bid	105 -105	101¼-106¼	105 -106	101¼-101¼	103½-105	101¼-105¼	101 -105¼
Dul., R. L. & Win. Ry. first 5s 1921	-	-	99 bid	96 bid	98¼ bid	98 bid	97 bid	98¼ bid	94¼ bid	95¼ bid
Dul., S. S. & Atlantic com. stock.	6¼- 19¼	6 - 18¼	13¼- 21	10 - 18¼	9 - 15¼	8 - 11¼	4 - 8¼	3 - 6	2 - 8¼	4¼- 9
Dul., S. S. & Atlantic prel. stock.	10 - 39	11¼- 33¼	28 - 36¼	17 - 34¼	17¼- 30¼	14 - 23	10 - 16¼	8 - 11	4 - 15¼	10 - 16
Dul., S. S. & Atl. first 5s 1937	110 -111	107¼-109	110 -110¼	106¼-108¼	107¼-108	103 -108	99¼-103¼	101 -101	99 -100	92¼- 96¼
Dutchess Co. R.R. 4½s 1940	-	-	- -	- -	- -	-	-	-	85 bid	85 bid
Eastern Ry. of Minn. No. Div. first 4s 1948	-	-	98¼-101¼	99¼- 99¼	96 - 96	96¼- 98¼	90¼ bid	94¼- 95	89¼- 89¼	92¼- 94¼
East Mahanoy R.R. gtd. stock	-	-	110 bid	110 -112	112 -112	-	-	-	-	-
Easton & Amboy first 5s 1920	104 -110¼	105¼-109	108¼-108¼	106 -106¼	106¼ bid	104 bid	102¼ bid	-	102 bid	102 bid
East Penna R.R. gtd. stock	-	64¼- 67¼	66 - 69	68¼- 69	68¼ askd	66¼ askd	60 bid	65¼ askd	65 bid	65 bid
E. Tenn., Va. & Ga. con. 5s of 1956	100¼-117¼	102 -113	112 -114¼	109 -114¼	109¼-112	109¼-111¼	104¼-109¼	103 -108¼	100¼-105¼	105¼ 107¼
E. Tenn., Va. & Ga. first 5s of 1930	110¼-113¼	100 -109	109¼ 111¼	110 -110	107¼ 108¼	106¼-108¼	103 -106	104¼-106	102¼-102¼	103¼-105¼
Elgin, Joliet & E. Ry. first 5s of 1941	110¼-110¼	106¼-106¼	112 -115	108¼-108¼	112 -112	110 -112¼	103 bid	104¼-104¼	103 -105	103 -104¼
Elmira & Williamsp. R.R. com. stk	-	51 - 51	49 - 49	50 askd	51 bid	51¼ askd	48 bid	48¼ askd	44 bid	49 bid
Elmira & Williamsp. R.R. pld. stk	70 - 70	48¼- 48¼	65 bid	71¼ askd	27 askd	72 askd	68 bid	68 askd	65 bid	69 bid
Elmira & Williamsp. first 6s of 1910 extended at 4 % to 1950	100 -100	100¼-104¼	101 -101¼	100 bid	99¼ bid	99 bid	95 bid	98 bid	97 bid	97 bid
Elmira & Williamsp. Income 5s	-	101 -104¼	- -	112 -112	107¼ bid	111 bid	110 bid	108 bid	105 bid	103 bid
El Paso & Rock I. Ry. first 5s of 1951	-	-	102 bid	102¼ bid	100¼ bid	100 bid	101 askd	100 askd	95 bid	93 bid
Erie & Jersey Ry. first 6s 1955	-	-	- -	- -	- -	- -	- -	-	108 bid	109¼ bid
Erie & Kalamazoo gtd. stock.	-	-	225 bid	220 bid	200 bid	210 bid	195 bid	190 bid	190 bid	*95 bid
Erie & Pittsburg general gtd. stock	-	-	147 bid	140 bid	135 bid	134 bid	125 bid	125 bid	140 askd	62¼ bid
Erie & Pitts. gen. (now first) 3½s of 1940	92 - 92	-	93 bid	91 - 92¼	90¼- 91	91¼- 91¼	86¼- 86¼	86¼- 86¼	86¼ bid	88¼- 90
Erie & Pitts. gen. 3½s, ser. C	-	-	-	90 bid	90¼ bid	90¼- 90¼	85¼ bid	85¼ bid	86¼ bid	88 bid
Erie R.R. first prel. stock	28 - 75¼	24¼- 51¼	36¼- 56¼	35 52¼	45¼ 61¼	47¼- 57¼	33¼- 49¼	32 - 49¼	32¼- 59¼	46 - 59¼
Erie R.R. second pref. stock	20 - 67	16 - 41	28¼- 46¼	26¼- 42	35 - 49¼	38 - 48	28¼- 41	26¼- 40¼	27 - 54¼	40 - 54¼
Erie R.R. common stock.	12¼- 44¼	12 - 38	22¼- 39	19¼- 34¼	27¼- 38¼	30 - 39¼	20¼- 32¼	20¼- 32¼	19¼- 45¼	32 - 43¼
Erie R.R. coll. 5% notes 1917	-	-	-	-	- -	-	-	-	101¼ bid	100¼ bid
Erie R.R. cons. gen. lien 4s 1996.	68 - 88	55 - 76¼	69¼- 80	67 - 76¼	73¼- 79¼	73¼- 80¼	66¼- 76	64¼- 76¼	65 - 77¼	71 - 77
Erie R.R. conv. series A 4s 1953	46¼-103¼	44 - 80¼	63 - 89¼	64 - 83	73 - 92	81 - 91¼	66 - 82¼	59¼- 77¼	59 - 73	67¼- 72¼
Erie R.R. conv. series B 4s 1953	49 - 87	40 - 70	57¼- 80	56 - 73¼	69 - 80¼	75 - 80¼	66 - 77¼	59 - 76	63¼- 86¼	68 - 84
Erie R.R. conv. series D 1952	-	-	-	-	-	-	-	-	-	83¼- 88¼
Erie R.R. first cons. prior lien 4s 1996	81¼- 98¼	80 - 90¼	82 - 91	80¼- 87¼	82¼- 90	85¼- 90	81¼- 87	78¼- 87¼	77 - 87¼	83 - 86¼
Erie R.R. Penn. Coal col. 4s 1951	71 - 91¼	67¼- 87¼	75¼- 90	83¼- 88	86 - 91	88¼- 91	85¼- 90	87¼- 92	86 - 88¼	88¼- 90¼
Erie Railway cons. 7s 1920	118 -129¼	117 -126	120¼-125¼	118¼-122¼	117¼-120¼	115 -118¼	109¼-115	111¼-112	106¼-111	108 -111¼
European & No. Am. Ry. first rel. 4s	-	-	99 bid	96 bid	96 bid	93 bid	87 bid	-	92¼ bid	92¼ bid
Evans. & Ind. first 6s of 1921	-	-	112 bid	108 bid	110 -110¼	105 bid	95 bid	20 bid	25 bid	25 bid
Evans. & Indpls. first cons. 6s of 1926	-	108 -113¼	109¼-115	110 bid	111¼-113	106 -106	106 bid	30 bid	25 bid	-
Evans. & T. H. R.R. pld. stock	90 - 92	80 - 85	86 - 87	82¼- 82¼	85 - 90	-	-	-	-	-
Evans. & Terre Haute R.R. com. stk.	-	60 - 62¼	62 - 65	55 - 61¼	60 - 88	-	-	-	-	-
Evans. & T. H. 1st cons. 6s of 1921	116 -116	112 -112	113 -115¼	111¼-111¼	111¼-113	110 -112¼	104 -110	100 -100	81 - 97	90 -102
Evans. & T. H. first gen. 5s of 1942	90 -106¼	96 -103	100¼-104¼	101 -102¼	101 -102¼	101¼ 102¼	98¼-101¼	85 askd	58 bid	63 - 63
Evans. & T. H. Mt. Vernon Branch 6s of 1923	-	-	105 bid	106 bid	108 -108	107¼ bid	90 bid	-	95 askd	-
Evans. & T. H. Sull. County Coal Br. 5s of 1930	-	95 - 95	99 bid	95 bid	95 bid	95 - 95	80 bid	-	92 askd	-
Fargo & So. Ry. first 6s 1924.	-	-	118¼-121	116¼-116¼	117¼-117¼	113¼ bid	110 -110	106 bid	110¼ bid	109¼ bid
Fitchburg R.R. gtd. pfd. stock	116 -135	117 -133	128¼-136	121¼-133¼	125 -130	120 bid	82¼ bid	75 bid	75 bid	72 bid

* Dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Fitchburg R.R. plain 4s of 1920	99½– 99½	----–----	99 bid	----–----	----–----	----–----	87 bid	----–----	----–----	----–----
Fitchburg R.R. plain 4s of 1927	100 –100	96 – 96	99 bid	97½ bid	98 bid	96 bid	87 bid	92 askd	86½ bid	91 bid
Fitchburg R.R. plain 3½s ref	----–----	----–----	94 bid	91½ bid	91½ bid	93½ hid	86 bid	92⅞ askd	89⅞ bid	93½ bid
Flint & P. M. consol. 5s 1939	100⅜–100¾	104½–105	104¼–109½	101 –104	99⅜–103	96 –100	87 – 96	65 – 90	65½– 73	94 bid
Flint & P. M. first 6s 1920	110¾–115	110 –112	111½–115	108½–112¼	109⅜–110⅜	104 –108⅜	100¼–101½	87 bid	90 –101	116 bid
Flint & Pere Marq. gold 4s 1920	----–----	----–----	----–----	----–----	94½ bid	92 bid	87 bid	85 –104	72 bid	100 bid
Flint & P. M. Port H. Div. 5s 1939	----–----	100½–106	107 –108⅜	101 –106	98 –103	97 – 97½	89 – 96½	75 – 90½	65 – 68	49 hid
Florida Cent.& Penin.first 5s of 1918	----–----	----–----	100 –100	103 –104	102 –103	103¼ bid	103¼–103¼	100⅛ bid	99⅞–100¼	100¼ bid
F. Cent.&Penn. firstconsol. 5s of 1943	----–----	----–----	99 –99	100⅜–104	105⅜–106⅜	107 –107	101½–101⅞	100 –101⅞	100⅞–102	102⅜–103¾
Fla. Cent. & Pen. second 5s of 1930	----–----	----–----	100 bid	101⅜ bid	103 bid	104 –104	101½ bid	104 askd	101 –101	101⅞–bid
Fla. E. C. Ry. first 4½s of 1959	----–----	----–----	100 bid	95½ bid	95 – 98½	96 – 98⅞	90 – 96⅞	88 – 94	86½– 95	91½– 95¼
Florida So. R.R. first 4s 1945	----–----	----–----	92½ bid	90 – 93	92½ bid	91 bid	86 bid	85 bid	89 bid	91 bid
Fla. W. Shore first 5s of 1934	----–----	----–----	96 bid	97 – 97	98 bid	95 bid	90 bid	100 askd	92 bid	91 bid
Fonda, Johnst. & G'ville first con. ref. 4½s of 1917	----–----	----–----	92 bid	90 bid	95 bid	93 bid	84 bid	86½ bid	77 bid	82 bid
Fonda, Johnst. & G'ville first cons. ref. 4½s 1952	----–----	----–----	----–----	83 bid	89 bid	88⅞ bid	83 bid	88 askd	77 bid	77 bid
Fonda, Johnst. & G'ville gen. ref. 4s of 1950	----–----	----–----	92⅜ bid	82 bid	85 bid	84 bid	80 bid	----–----	75 bid	70 bid
Fort. W. & Jackson R.R. gtd. stock	----–----	----–----	130 bid	132 bid	128 bid	127 bid	118 bid	----–----	118 bid	120 bid
Ft. Worth & D. C. first 6s 1921	100 –112	104 –115⅜	113 –117¼	111⅛–114	111⅛–113½	106 –112½	102 –108	100 –107	100 –106⅛	104¼–106⅛
Ft. Worth & Rio G. first 4s of 1928	73 – 87	74 – 88	85 – 88	84 – 87	82½– 84½	76 – 81½	63½– 76½	58½– 64	50 – 70	61¼– 70⅛
Fremont, Elk. & Mo. Val. first 6s 1933	128 –128	128 –130½	133 –133	126⅜–127	127 –128⅛	124 –127⅛	117 –121¼	120 –122	117 –119½	120½–121¼
Gal. Harris & San Ant. Mex. & Pcf. ext. first 5s of 1931	105 –106	107 –112¾	110 –112	103⅜–109	106½–108⅜	104¾–107	101 –104¾	102½–103¾	100 –104	102 –102
Genesee River R.R. first 6s 1957	----–----	----–----	----–----	----–----	----–----	----–----	----–----	----–----	108 bid	109 bid
Gen. & Wy. R.R. first 5s of 1929	----–----	----–----	90 bid	92 askd	83 bid	85 bid	83 bid	85 bid	75 bid	72½ bid
Georgia & Ala. first con. 5s of 1945	99 –107⅞	92 –105	102¼–106½	104 –105⅝	104 –107	104⅜–107¼	102 –105	100⅜–105½	100½–104½	102¼–103¾
Georgia & Ala. Term. first 5s of 1948	----–----	----–----	102 bid	102 bid	105½ askd	102 bid	100 bid	102 bid	100 bid	99½ bid
Georgia, Car. & Nor. first 5s of 1929	----–----	----–----	105 bid	104 –104¾	104 –105⅛	104⅜–105¾	101⅜–103⅛	103¼–103¾	100½–103	101⅜–103
Georgia & Fla. first 5s 1956	----–----	----–----	----–----	----–----	75 bid	75 askd	60 askd	45 askd	28 bid	20 bid
Georgia Coast & Piedmont 5s 1946	----–----	----–----	----–----	85 bid	65 bid	80 bid	----–----	----–----	----–----	----–----
Georgia Midland first 3s of 1946	65 – 67½	67½– 82	64 – 68	67 askd	67 – 67	63¼– 64½	63 – 64½	64½ askd	60 – 60	57 – 60½
Georgia Pcf. Ry. first 6s of 1922	105 –119½	106 –117	113 –117	111⅛–113¾	112½–114	109⅜–112⅞	106 –110	108 –109	105 –107⅞	106⅞–107⅝
Georgia R.R. & Bkg. Co. deb. 6s 1922	----–----	----–----	----–----	112 bid	112 bid	107 bid	101 bid	----–----	103 bid	105 bid
Georgia R.R. & Bkg. Co. ref. cur. 5s 1922	----–----	----–----	----–----	104½ bid	105 bid	101 bid	100 bid	----–----	102 bid	104 bid
Georgia R.R. & Bkg. Co. ref. deb. 4s 1947	----–----	----–----	----–----	92 bid	93 bid	91 bid	85 bid	88 bid	85 bid	90 bid
Georgia So. & Fla. first preferred	92½– 98	75 – 85	93 – 97½	92½– 96	92 bid	95 askd	87½ bid	90 bid	77 bid	80 bid
Georgia So. & Fla. second preferred	----–----	50 – 67½	68 – 78	73 – 80	73 bid	78 bid	70 bid	75 bid	60 bid	70 bid
Georgia So. & Fla. common stock	21 – 21	17 – 21	21½– 35	30 – 31	30 bid	30 bid	30 askd	21 bid	15 bid	20 bid
Georgia Southern & Fla. first 5s	----–----	----–----	109 bid	105¾–109½	107½ bid	105½ bid	101¾ bid	105 bid	102½ bid	101⅜ bid
Gettysburg & Harrisb. cons. 5s	----–----	----–----	104 bid	104 bid	103½ bid	104 bid	102 bid	102½ bid	102 bid	101 bid
Gila Val., Globe & No. first 5s of 1924	----–----	101½–105	104 –104¾	102 bid	103 –103	102⅛–104¾	99 bid	101 –102¾	100⅛ askd	100¼–100¼
Goshen & Deckertown Ry. stock	----–----	----–----	80 bid	----–----	----–----	----–----	----–----	----–----	----–----	----–----
Gouverneur & Osweg. first 5s 1942	----–----	----–----	109 bid	107½ bid	108 bid	108 bid	102⅜ bid	----–----	101⅛ bid	----–----
Grand Rapids B. & S. first 5s 1924	----–----	----–----	97 bid	95 bid	95 bid	92 askd	92 bid	83 askd	----–----	35 bid
Grand Rapids & Indiana Ry. stock	----–----	----–----	47 bid	45 – 52	30 – 46	24 bid	100 bid	----–----	10 bid	35 bid
Grand R. & Ind. Ry. first extd. 4½s 1941	----–----	106¾–106¾	104½–104½	104 bid	104½–105	101½–105	95⅜–101½	100 askd	95 –100	95½–100
Grand River Val. R. R. stock	----–----	----–----	125 bid	120 bid	115 bid	115 bid	100 bid	100 bid	105 bid	125 bid
Grand Trunk W. Ry. first 4s	----–----	----–----	97 bid	96 bid	96 bid	92 bid	87 bid	----–----	74¼ sale	71 bid
Gray's Point Term. first 5s of 1947	----–----	----–----	98 bid	96⅛ bid	95 bid	99¼ bid	93 bid	98½– 98½	100 bid	100 bid
Great Northern Ry. Stock	107½–189¾	113¾–148¼	136⅜–157⅞	118 –143⅞	119 –140	126 –143¾	115½–132⅜	111⅜–134⅜	112¾–128⅜	115 –127½
Great Northern Ry. 4½s	----–----	----–----	----–----	----–----	100 –101½	99¾–101⅜	96⅞–100⅜	99½–101⅜	94 –101	100¼ bid
Green Bay & Western R.R. stock	71 – 71	----–----	85 bid	65 bid	78 bid	80 – 89	75 bid	70 bid	71 bid	72 bid
Green Bay & W.R.R. Class A debcn.	75 – 75	71 – 84	82½– 86	75 bid	76½– 82½	80 – 84	75 – 75	75 – 75	70 – 77	74 – 79¾
Green Bay & W.R.R. Class B debcn.	5¾– 14½	8 – 17½	13½– 21	11 – 18⅛	11 – 15½	10⅞– 18	11 – 17½	10½– 14⅛	10½– 14⅛	11 – 18⅛
Greenbrier Ry. first 4s 1940	----–----	95 – 95	94¼– 94½	87⅛– 95	89⅛ bid	87½ bid	82 bid	90 – 90	80 bid	88½– 88½
Greene R. R. guaranteed stock	----–----	----–----	140 bid	----–----	----–----	----–----	----–----	----–----	----–----	----–----
Greenwich Tram. first 5s	----–----	----–----	105 bid	104 bid	105⅜ bid	----–----	100 bid	100 bid	102 bid	102½ bid
Gulf & Ship I. first ref. & Ter. 5s1952	93 –102½	95 – 95	95 – 97½	87 – 94⅞	88⅛– 95⅜	91½– 95	85 – 95½	89 – 92	82 – 88	84½– 88½
Gulf Term. Co. first 4s of 1957	----–----	----–----	87 bid	85 bid	84 bid	85 bid	82 bid	86½ askd	80 bid	80 bid
Harlem Riv. & Port Chester first 4s of 1954	----–----	----–----	100 bid	99⅜– 99¾	99 – 99	99 – 99¼	87 bid	88 bid	90 bid	91 – 93
Har., Ports. Mt. Joy & Lan. gtd. stk.	92 – 98	91 – 91¾	92½– 96½	96 bid	97¼ askd	92½ askd	87 bid	92 askd	85 bid	100 bid
Harris., P., Mt. Joy & Lan. first 4s	----–----	----–----	99 bid	98 bid	99 bid	99¾ bid	----–----	----–----	----–----	----–----
Hartf.,Man. & Rockv. Tram. first 5s	----–----	----–----	105 bid	106 bid	106 bid	106 bid	104 bid	----–----	100 bid	100 bid
Hartford St. Ry. first 4s 1930	----–----	----–----	100 bid	100 –101	101 bid	99 bid	98 bid	----–----	95 bid	98 bid
Henderson B'ge Co. first 6s 1931	----–----	----–----	110 –110	103 bid	106 –106	105 bid	105 –105	106 –106	105 –105	105¾–107
Hereford Ry. gtd. stock	----–----	----–----	80 bid	85 – 92	85 – 91	----–----	----–----	----–----	----–----	----–----

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907		1908		1909		1910		1911		1912		1913		1914		1915		1916	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Hereford Ry first 4s 1930					91	bid	93	bid	93	bid	93	bid	87	bid			91	bid	91	bid
Hibernia Mine R. R. gtd. stock					100	bid														
Hocking Valley common stock	63	115	62	104¼	97	126	112	140	121	134	127	150	125	125	125	127	112	118	90	bid
Hocking Valley cons. 4½s 1999	94	105	98½	107¼	102½	108	97¼	101	101	103¾	99¼	103	96	101¼	93	101	87½	96¼	90½	96
Housatonic R. R. con. 5s of 1937	113	113	112	118½	114½	bid	112½	116	113¼	114¾	114	115	110	110	106¾	106¾	105	105¼	106¼	bid
Houston Belt & Term. Ry. first 5s of 1937					100	bid	91	bid	99½	101¼	99½	100	96¾	bid	95	bid	93	93½	93½	bid
Houston E. & W. Tex. first 5s of 1933			100	101	103	105	104	105	105	105¼	103	105	100	102	102¾	102¾	100	103	101	102¼
Houston E. & W. Tex. first red g. 5s 1933															101	104½	99¼	101¼	100	103½
Houston & Tex. Cent. first 5s of 1937	109¼	113	109¼	112¼	109¼	114	109	110	109¾	110	109¼	110	108	108	108¾	109	102¾	107	106	107¼
Houston & Tex. Cent. gen. 4s of 1921	93½	96	83¾	91	87	95	93	96	93½	96	93¼	96	92½	94	93¾	95½	93	95½	94¼	96¼
Hudson Coal Co. deben. 4s					98	bid	94	bid	94	bid	90	bid	90	bid					97	bid
Huntgd. & Broad Top Mtn. R. R. & Coal Co. consol. 5s of 1925					97	bid	94	bid	93	bid	53	bid	84	bid	80	bid	60	bid	70	bid
Huntgd. & Broad Top Mtn. R. R. & Coal Co. first 4s of 1920					97	bid	94	bid	99	bid	91	bid	84	bid	84	bid	80	bid	80	bid
Huntgd. & Broad Top Mtn. R. R. & Coal Co. second 4s 1925							84	bid	88	bid	85	bid	80	bid	80	bid	60	bid	70	bid
Huntgt. & Big Sandy first 6s 1922					87½	bid	108	bid	105	bid	104	bid	100	bid			100	bid	104	bid
Hutchinson & So. Ry. first 5s 1928					102	bid	100	bid	100	bid	103	bid	100	bid	104	askd	100	bid	100	bid
Illinois Cent. R. R. stock	116	172	122¼	149¼	137	172	121	147	112	147	120¼	141	102¼	128¼	103¾	115	99	113	99¼	109¼
Illinois Cent. R. R. "Leased Line" stock	90	99	90	99¼	99¼	100	96	97	91	97	90	bid	82	bid	75	askd	75	bid	77	bid
Ill. Cent. coll. trust 4s 1952	97	102	97	102	99	102½	97¼	100	98	99¼	97½	100	90	96¼	85	91	81	90	83	91½
Illinois Cent. ex. first 3½s 1951															78¼	78¼	83	83	84¼	86½
Illinois Cent. first 4s 1951	97	103¼	101	104¼	101¼	106	104	105¾	100	103	100¼	101	100	102¼	94¼	97¼	94½	97¼	96½	98¾
Illinois Central first 3½s 1951	89	100	91½	94	90	91¼	89	92	89	91	90	92	81¼	88	78½	85	78¼	84	83	86
Illinois Central first 3s 1951					85	bid	87	87	82	bid	80	bid	66½	bid			71½	sale		
Ill. Cent. Litchfield Div. first 3s 1951					78	bid	71	bid	77½	78¼	73½	75	67	bid	71	71	77	bid	71¼	bid
Ill. Cent. Louisville Div and Term. first 3½s 1953	89	97	85	90	88	92	87½	88	85	87	84¼	87¼	81	81	77	bid	76½	77½	78½	82
Ill. Cent. (La. N. O. & T.) coll. tr. 4 1953	96	103	94	102	99	102	97	100	94½	99½	95	99½	87	97	86	91	79½	87½	84½	88½
Ill. Cent. Omaha Div. first 3s 1951					79	79	77½	77½	75¼	78¼	75	75	70	70	71	72	68	73	70	71
Ill. Cent. Purchased Lines first 3½s 1952					84	bid	84	87	86	88	86	86	77	83	79	82	79	84	80½	83
Illinois Central refund. 4s 1955			89½	100	94	101	96	97	96½	98	93	96	88½	96	85	94	83	92	87½	92½
Ill. Cent. St. L. Div. and Term first 3½s 1951	82	93	79	90	84	90	86	89	86	87½	85½	86½	77½	77½	77	bid	78	80	81½	83
Ill. Cent. St. L. Div. & Term. first 3s 1951	74	78	76½	79½	78	bid	75½	78	75½	75½	75½	75½	77	askd	77	askd	68½	68½	62	bid
Illinois Cent. Sp'gfield Div. 3½s 1951					87	bid	75½	75½	81	bid	68½	bid	78	78	78¾	78¾	75	bid	78½	80½
Ill. Cent. West. Lines first 4s 1951	97	102	100	104	95	98	96	98	95½	96½	92½	96¼	87	94	90	91	84½	88½	89	91½
Ind. Bloom & W. first pfd. 4s 1940			94	95	93	bid	90	bid	90	bid	90	bid	90	bid	80	bid	80	bid	83¼	bid
Ind., Ill. & Iowa R. R. first 4s 1950	92½	100	95	95	97	98	95	98	94½	96½	92¾	96	86¼	93¾	86½	88½	82	90	90	92½
Ind. Union Ry. first 4½s of 1925					85	bid	85	bid	98	bid	90	bid	90	bid	92	bid	95	bid	95	bid
Ind. U. Ry. gen. and ref. 5s 1965, series A																	102	bid	103	bid
Indianapolis & Lou. first 4s 1956					92	bid	94	97	84½	askd	86	90	80½	askd	65	bid	55	55	70	72
Indianapolis & St. L. first 7s 1919					120	bid	117	bid	116	bid	111	bid	105	bid			103	bid	103	bid
Internat. & Gt. Nor. R. R. first 6s of 1919	131	115	141	110	109	112	107	110	107½	109	106¾	109¾	102¼	107	99¼	101	96	100	95	100¼
Iowa Central Ry. common stock	9	28	10	32	21½	36	15	30	15	22	10½	15	7½	10¼	7	7	7	bid	2	9½
Iowa Central Ry. pref. stock	29	51	27½	57	48	62	25	54	28	12	22	30	13	23	13	13¾	15	bid	9	15½
Iowa Central first 5s 1938	100	111	106¾	112	104	111½	102	106¾	100½	103	95¾	105	86¼	99¾	88	94	80	90½	86	91¼
Iowa Central Refunding 4s 1951	73	85	70	82	75	82	65	77½	63	71	58	66¼	50	64¼	39	57½	35	66	51½	63¾
Iowa Falls & Sioux C. first 7s 1917					115¾	bid	114	bid	112¾	bid	107	bid	106¾	bid			103	bid	101	bid
Ia., Minn. & No. W. Ry. 1st 3½s 1935					90	bid	87	bid	86¾	bid	87	bid	80¾	bid	90	askd	87¾	bid	88¾	bid
Jackson, Lansing & Sag. R.R. stock					87	bid	80	bid	80	bid	80	bid	70	bid	70	bid	72	bid	87½	bid
Jacksonv. Term. Co. first 5s of 1939					101	bid	100	bid	100	bid	96	bid	90	bid					101¾	bid
James., F. & Clfield first 4s 1959					93	bid	91	95	94	95¾	91	91½	90¼	91	91½	92¼	88	92	89½	93
Jefferson Branch R.R. first 5s 1919	101	101¼	98½	106	103	bid	102	bid	103	bid	100	bid	100	bid			90	bid	101	bid
Joliet & Chicago gtd. stock					170	bid	172	172	160	bid	161	bid	135	bid	130	bid	115	bid	*77	77
Joplin Union Station 4½s 1910							100	bid	97	bid	90	bid	90	bid			92	bid	92	bid
Kalam., Alleg. & G. Rapids gtd. stk.					140	bid	131	bid	130	bid	130	bid	120	bid	125	bid	120	bid	122	bid
Kal., Alleg. & G. R. first 5s 1938					112¾	bid	110¼	bid	108	bid	105	bid	103	bid	106	bid	104	bid		
Kalam. & So. Haven first 5s 1939					112¾	bid											100	bid		
Kalamazoo & White P. first 5s 1940					112½	bid	109	bid	108	bid	113	bid	109	bid			110	bid	107	bid
Kanawha & Mich. Ry. stock	30	63	29	56	60	61	75	100												
Kana. & Mich. Ry. first 4s 1990	80	97	81	91	91½	95	90½	91¼	90	92	91¼	93	83¼	91½	85¼	87½	86	86½	82	84¼
Kana. & Mich. Ry. second 6s 1927					95	bid	96	99¾	96½	99	97¾	99½	94	99	95¼	98¾	92	99	96¼	99
Kank. & So. W. R R. first 5s 1921					108½	bid	106¾	bid	105	bid	102	bid	100	bid			90	bid		
Kan. C. Belt Ry. first 6s of 1916					107	bid	108¾	108¾	106	bid	104½	bid	101½	bid	101½	bid	100¾	bid		

* Dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
K. C., Clint. & Spgfld. first 5s of 1925			95 bid	93½– 97	94½– 94½	93½ bid	80 bid	71 askd	61 bid	70 bid
Kan.City, Ft.Scott&M. pfd. stk ctfs.			74¾– 82	68 – 80	74 – 80	74½– 81	53½– 78	65½– 74½	60 – 68½	70 bid
Kan. C., Ft. S. & M. cons. 6s of 1928	110 –117	111 –114½	116¾–120½	114 –117½	116 –118⅜	111¾–118	105 –113½	107½–112½	104¾–110	109½–111½
Kan. C., Ft. S. & M. ref. 4s of 1936	61 – 82¾	66¾– 85	82 – 86⅛	76 – 82¾	77⅛– 81	76½– 80½	68 – 78	67⅛– 77½	66½– 80½	75 – 79⅛
K. C. & M. Ry. & Bge. first 5s of 1929			103½ bid	102½–103	102 –103½	103½–103½	95 bid	95 – 95	91½– 91½	90 – 90
Kan. C., Mem. & Bir. gen. 4s of 1934			93½ bid	92 – 93½	92 – 93½	92½ askd	90 askd	80 askd	83½ bid	83½ bid
Kan. C., Mem. & Bir. Inc. 5s of 1934			91 bid	90 – 92	88 – 90	85 askd	80 askd	73 askd	72 bid	90 hid
Kan. C. Mex. & Orient first 4s			77 bid	70 bid	45 bid	28 bid	26 bid			
Kan. C., N. W. R.R. first 5s 1933			100 bid	96 bid	90 bid	96½ bid	93 bid	100 askd		50 bid
Kan. C. & Pcf. first 4s 1990	95½– 95½	87 – 95	91 – 93	89½– 93½	88 – 91	88 – 91	82 – 87⅞	78 – 82½	70 askd	60 – 72
Kan. C., St. L. & Chic. pfd. stock			125 bid	130 bid	120 bid	105 bid	95 bid	90 bid	90 bid	90 bid
Kan. City So. com. stock	18 – 30¾	18 – 42¾	37 – 50¼	23 – 44¼	25½– 37⅝	22½– 31¼	21⅜– 28⅝	20½– 28½	20⅜– 35½	23½– 32½
Kan. City So. pref. stock	45 – 61¾	46 – 72½	67½– 75½	58 – 71	61½– 69⅞	56 – 65⅞	56 – 61½	49½– 62	54½– 65½	56⅛– 64⅞
Kan. C. So. first 3s 1950	65 – 73	69 – 74	71¾– 75¼	71½– 74	73¼– 74¼	71⅞– 74	68 – 72	66½– 72½	66½– 72	66¾– 71
Kan. C. So. ref. & imp. 5s 1950			94¼–104	99½–103	98½–102	96½–100½	94½– 99	88½– 98½	87 – 96	89¾– 94
Kan. City Term. Ry. first 4s 1960				96½ bid	97⅞ bid	96¼– 98⅝	90 – 96½	92 – 95½	83½– 93	85⅞– 89⅛
Kans. C. Viad. & Term. 1st s. f. 4½s						37 bid	40 bid	35 bid	20 bid	20 bid
Kan. & Colo. Pac. first & ref. 6s				107½ bid	106½ bid	103 bid	100 bid	95 askd	50 bid	60 bid
Kan. & Mo. R.R. first 5s of 1922			98 bid	98 bid	98 bid	98 bid	90 bid			
Kentueky Cent. Ry. first 4s 1987	93 – 97½	88 – 97¾	96 – 98¾	94 – 97½	94 – 96	91½– 95	87 – 92¼	84 – 90½	86 – 88¾	87⅞– 89½
Keokuk & Des Moines com. stock				4¾– 9	6 – 7¾	5½– 9½	5½– 7¼	4 bid	3 bid	3 – 6
Keokuk & Des Moines pfd. stock				37 – 42	35½– 42	40 – 55	45 – 48	38 bid	30 bid	50 askd
Keokuk & Des M. first 5s of 1923	95 –103	98¾–104½	103 –105	100 –104	99 –103	98 –101½	91 – 98	91½– 92¾	49½– 84	55 – 65
Knoxville & O. first 6s of 1925	116 –118⅜	107 –118	118½–118½	114 –116	114 –116	114 –115	107½–112	109 –110½	105½–105½	108 –110½
Lake Erie & Western R.R. com. stk	11 – 28½	12 – 26	19½– 29½	15 – 25¾	10 – 17	11¼– 18	7 – 11½	5½– 9	5 – 16⅜	10 – 30
Lake Erie & Western R.R. pfd. stk	39½– 86	34 – 58	48 – 64⅞	35 – 62⅞	25 – 40	30 – 40	16 – 35	17 – 21½	19 – 41½	32 – 55½
Lake Erie & Western first 5s 1937	109 –114	106½–114½	112¾–115½	108½–112⅝	108½–111¼	106½–110	101⅛–106½	100 –103¾	89¾– 98½	96½–101¾
Lake Erie & West. second 5s 1941	106½–107⅛	100 –106	107 –109½	106½–107⅛	104 –104½	104 –104½	97 –102¾	94¾– 95	74 – 88	80¾ bid
Lake Shore & M. S. Ry. stock	300 –300	274 –330	300 –320	350 –375	350 –350	450 –495	470 –500	440 bid	490 bid	495 bid
Lake Shore & M. S. deben. 4s 1928	93 – 99	88⅞– 97⅞	94 – 97	92 – 95⅜	92½– 95	91⅜– 94½	88½– 93½	89½– 94⅞	90 – 95½	94⅛– 96½
Lake Shore & M. S. Ry. first 3½s 1997	83 – 95	89¾– 96	90½– 95⅜	89½– 92½	87½– 90	87 – 89⅞	85 – 88½	82 – 88	81 – 86⅜	83½– 87½
L. S. & Mich. S. 25-yr. deben. 4s 1931	83¾– 91	88⅛– 96	93 – 96¾	92 – 95¾	92¼– 94¾	91½– 93⅞	88 – 92⅜	88½– 93⅞	88¾– 94¾	93¾– 96
Leavenw. Term. Ry. & Bdge. Co. first 5s of 1923			85 bid	85 bid	85 bid	80 bid	85 askd	71 bid	68 bid	75 bid
Leh. & Del. Rlv. R.R. gen. 5s of 1954			94 bid							
Leh. & Hud. R.R. R. gen. 5s 1920			100 bid	101 bid	100⅜ bid	102½–102½	100 –100	100 bid	100½ bid	102 bid
Leh. & Hud. R.R. R. sec. con. 5s 1917			100 bid	100 bid	100 bid	100 bid	95 bid	100 askd	107 askd	99½ bid
Leh. & L. Erie first 4½s 1957			100 bid	100 bid	100 bid	100 bid	100 bid		95 bid	95 bid
Leh. & New E. R.R. cons. 5s of 1953			99 bid							
Leh. & New E. R.R. first 5s of 1945			98 bid		105 bid	104½ bid	100 bid	102 bid	105½ bid	106 bid
Leh. & New E. R.R. gen. 4s of 1958			89 bid							
Leh. & N. Y. R.R. first 4s 1945	95½– 95⅝	95½– 97	96 – 97	93¾– 95	93½– 94¾	93 – 94⅛	84 bid	88½– 88½	84 – 89	89½– 95
Leh. Val. Coal Co. first 4s 1933			97⅞ bid	96 bid	97½ bid	106 bid	90 bid	93 bid	93 bid	96 bid
Lehigh Val. Coal Co. first 5s 1933	106 –112½	106 –107¾	108 –109	108½–110⅝	109 bid	106½–108	102¾–105½	104½–104½	101½–105½	104 –106½
*Lehigh Valley R.R. com. stock	48½– 78⅞	52⅜– 76¾	67 –113	62½–121½	151 –186⅞	155⅞–185¾	141½–168¾	118 –156½	64½–83½	74½– 87½
Lehigh Valley R.R. pref. stock			110 –120	120 askd	120 askd		120 askd	120 askd	82 bid	116 bid
Lehigh Valley consol. 4½s 1923	101 –107½	104 –106⅞	105 –105½	103 –105½	103½ bid	103 bid	100¼ bid		101 bid	101½ bid
Lehigh Valley consol. 6s 1923	112 –122	116 –121½	120 –121½	115¾–120	117 bid	114 bid	110½ bid		109½ bid	110½ bid
Lehigh Valley cons. irred. 6s				148½ bid	147 bid	142 bid	140 askd		133 bid	136 bid
Lehigh Valley cons. irred. 4½s				111 bid	111 bid	107½ bid	107 bid		106 bid	106 bid
Lehigh Valley first extd. 4s 1948	103½–105	104 –104	105½–106	101½–106¼	104 bid	101 bid	99 bid		99 bid	100¾ bid
Lehigh Valley gen. consol. 4s 2003	87 – 90	87½– 95	97 – 98	94½– 98	96¾– 97½	95½– 98¼	91 – 97½	87½– 90¾	86¾– 91¾	89 – 92¼
Lehigh Valley gen. consol. 4½s 2003								96½– 99⅝	97½–101⅜	99½–101¼
Leh. Val. of N. Y. first 4½s –1940	101½–107½	102½–109⅜	106½–108½	105¾–108⅛	104¼–106½	103½–106	100 –104½	99 –101½	98 –101½	100½–103
Leh. Val. Term. first 5s–1941	106 –113½	108 –117½	115½–118¾	112½–115¾	111¼–114¾	109½–114	107¼–111½	110⅜–111⅜	105½–109½	110 –113
Leh. & Wilkesb. Coal con. 4s	94 –101	98½–101	99¾–100½	100 – 101½	4.30% basis bid	4.35% basis bid	4.90% basis bid		4.90% basis bid	4.30% basis bid
Leroy & Caney Val.A.L.first 5s–1926			101½ bid	100 bid	102 askd	98 bid	90 bid	94 bid	35 bid	48 bid
Lexington & Eastern first 5s 1965									101⅞ bid	100 –103
Litchfield & Mad.Ry.first 5s of 1934			95 bid	92 bid	90 bid	87 bid	90 askd	90 askd	90 askd	75 bid
Little Miami R. R. original stock			212 bid	210 bid	210 bid	207 bid	200 bid	205 askd	205 bid	105 bid
Little R. & Hot S. W. first 4s 1939			85 bid	80 bid	84½ askd	83 bid	80 bid	79 bid	75 askd	72 bid
Little Schuyl. Nav. R. & C. gtd. stk.	53 – 66	54½– 58	56 – 59½	57 – 61	57½ askd	56½ bid	54 bid		53 bid	53½ bid
Long Dock Co. cons. 6s –1935	123 –130	121 –128	126½–128½	120 –127	123 –125½	123¾–124½	121½–124	121½–123	119¾–122½	121½–123½
Long Island R. R. stock	26 – 67½	30 – 56⅞	59 – 71½	60 – 70½	45 – 63	43½– 54½	30 – 43½	28 – 36	15 – 27⅞	20 – 41½
Long Island R. R. deben. 5s of 1934		104½–104½	105 bid	105 bid	102 bid	102½ askd	95 – 95	100½–101	95½– 99½	96 – 97½
Long Island Ferry first 4½s of 1922		101 –102	100½–100½	97 –100½	98½–100	96½– 98	92 – 92	95 – 97	95½ bid	97 – 99¾
Long Island R.R.first cons.5s of 1931	108½–114½	105 –112½	110 –112¾	110 –112	109¾–112½	108¾–110¾	107 –108	106 –106¾	102 –104½	104½–106¾
Long Island C. & F. cons. 5s of 1937			105 bid	103 bid	103 bid	102 bid	100 bid		97 bid	100 bid
Long Island R. R. first cons. 4s of 1931			97½– 99¾	96 bid	93 bid	94 – 96½	89 bid	92 bid	94 – 94	94½– 96¼
Long Island R. R. gen. 4s of 1938	82 – 99	83¼– 97½	95½– 98½	93 – 97¾	92¾– 96½	91¾– 94½	86 – 94	85½– 92½	85 – 87¾	85 – 90
Long Island R. R. Mont. ext. 5s					102 bid	102 bid	95 bid		104 bid	100 bid

*Previous to 1911, prices based on Phila. Stock Exchange quotations. 1915 and 1916 quotations in dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907		1908		1909		1910		1911		1912		1913		1914		1915		1916	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Long Island No. Sh. Br. first consol. 5s of 1932	..	.-....	..	-....	102½	bid	101½	-104	103½	-106	104½	-107½	104	-104	102	-102	100½	-101	99½	-102
Long Island Refunding 4s of 1949	86	- 99½	90	- 98½	97	- 99½	94½	-100	94	- 97	93	- 97½	89½	- 96	89	- 92	82½	- 88½	86½	- 90½
Long Island R. R. sec. 7s 1918	..	.-....	....	-....	.	- .	110	bid	..	-..	111	bid	101	bid	....	-....	101	bid	....	-....
Long Island Stewart Line 4s of 1932	.	.-....		-....	89	- 90	91	bid	91½	bid	97	askd	90	bid	..	.-....	82	bid	...	-....
Long Island R.R.Unified 4s of 1949	84	- 95½	81	- 96½	94	- 97½	93½	- 95	93	- 95½	90	- 95½	81	- 89½	86	- 87½	82½	- 89½	84½	- 86
Louisiana & Ark. Ry. first 5s of 1927	100	-103½	98	- 98	96	- 99	95½	- 96	94	- 98½	93	- 96	86	- 93½	91½	- 91½	94½	- 95½	88	- 97½
Louisiana & Mo. gtd. pfd. stock.	-	..		- .	160	bid	155	bid	120	bid	130	bid	115	bid	125	askd	100	bid	100	bid
Louisiana West. first 6s of 1921	-	.		- .	108	bid	107	bid	105	bid	107	bid	101	bid	109	-109	101	bid	105½	bid
Lou. Cin. & Lex. gen. 4½s -1931.	-	....	103½	-104	107½	-107½	103	-106	104½	-105½	104½	-105	98	bid	100½	-102½	98½	-101	100½	-102½
Louisv., Hend. & St. L. pref. stock	30	- 40	15	- 21½	35	bid	30	bid	20	bid	30	bid	25	bid	33	bid	....	-....	....	-....
Louisv., Hend. & St. L. com. stock	10	- 13½	8½	- 10	15	bid	10	bid	15	bid	17	bid	..	-....	....	-....	....	-....	...	-....
Louisv., Hend. & St. L. 50-yr. first 5s-1946	102	-108	104	-109	109	bid	107½	bid	108½	bid	106½	bid	100	bid	101	bid	101	bid	102½	bid
Louisv. & Jeff. Bdge. first 4s 1945		-	91½	- 91½	94	- 95½	88½	- 94	91½	- 91	91½	- 91½	83½	- 83½	83	- 85	74	- 82½	80½	- 82½
Louisville & Nashv. R. R. stock	85½	145½	87½	-125½	121	162½	131½	-159½	136½	-160½	138	-170	126½	-142½	125	-141½	104½	-130½	121½	-140
Louisv. & Nashv. Atl., Knox. & Cin. div. 4s 1955	88½	- 88½	86	- 95½	93½	- 96½	91	- 95½	92	- 93½	91	- 93	86½	- 92½	85	- 90½	83	- 90	85½	- 90
Louisville & Nashv.coll. first 5s 1931	103½	109	102	-109½	108½	110	107	110	108½	109½	107½	-110½	103	-106½	105	-105½	99½	-105½	103½	-106½
L. & N. E., Hend. & N. first 6s-1919	111	113½		-	111	111½	111½	115	111	113	110½	111½	105	-108½	108½	-108½	107½	-107½	107½	-107½
Louisv. & Nash. gen. gold 6s-1930	112	-117	112½	120	115½	117½	112½	116½	112	-116½	112½	-117½	110½	-114½	111½	-115	110	-115	111½	-113½
L. & N. M. & Mont. first 4½s-1945		-	97½	-103	105	bid	102	-105½	101	bid	103½	-104½	99½	-103½	100	-101	98	-101	99½	-101
L. & N. N. O. & M. div. first 6s 1930	121	125½	115½	122	124½	125½	121½	125½	118½	122½	120½	-121	120½	120½	113½	bid	113½	-115½	113½	-116½
L. & N. N. O. & M. div. sec. 6s 1930		-		-	120	-120	118½	118½	118½	118½	117½	117½	111	-114½	111	-111	108	-109½	106	bid
L. & N. Pad. & M. div. first 4s 1946		-		-	96½	bid	95½	- 95½	95	- 96½	93½	- 96	91	- 91	84	- 89	86	- 86½	88½	- 90½
L. & N. Pensa. div. first 6s-1920	.	.-....	..	-...	107	-107	105½	-110½	105½	-105½	105½	bid	105½	-105½	.	-.	108	bid	104½	bid
L. & N. S'east & St. L. div. first 6s 1921	117	-120	.	- .	116½	-117	113	-114	113	-113	112½	-113	108½	-109	108½	-108½	105½	-107½	107	-108½
L. & N. S'east & St. L. div. second 5s-1980	62½	- 72½		- .	71	- 71	71½	bld	71½	- 71½	69½	- 69½	58	bid	64½	askd	58½	- 65	61	- 64
L. & N. So. Monon. Jt. Coll. 4s 1952	86½	- 92	79½	- 88½	88	- 92	88½	92	88	- 91	88½	- 90½	81	- 90	80½	- 85	75½	- 81	77½	82
Louisv. & Nash. Term. gold 4s 1952		-		-	97	bid	94½	bid	94	bid		-				-	85	bid	89	bid
Louisv. & Nash. 50-yr. first 5s 1937.	110	-117½	110½	110½	114	- 117	111½	-114	112	-112½	110½	-112½	105½	-111	105½	110	106½	-108	108½	-110½
Louisv. & Nash. Unified 4s 1940	92	-101½	95	-103	89	-102½	96½	-100½	98½	- 99½	96½	- 99½	91½	- 99½	90½	- 96½	89½	- 95	92½	- 97
Lowell & Andover R. R. gtd. stock	215	225	208	-220	215	220	215	bid	210	bid	210	bid	165	askd	96	bid	100	bid	90	bid
Macon, Dublin & Sav. first 5s 1947		-		-	94½	- 97	96	- 97½	100½	bid	99½	askd	92	bid	95	bid	92½	bid	90	bid
Mahoning Coal R.R. common stock		-		-	320	bid	600	bid	600	bid	700	bid	730	bid	.	..-.	650	bid	*390	bid
Mahoning Coal R.R. gtd. pref. stock		-	106	-106	100	bid	100	bid	102	bid	100	bid	100	bid	.	.-..	101	bid	*51	bid
Mahoning Coal R.R. first 5s-1934	109	-109		-	112½	bid	110	bid	110½	-111½	110	bid	103½	bid	107½	-107½	104½	-104½	106	bid
Maine Central pfd. stock		-		-		-		-	..	.		-		.-.		.-.		.-.	102½	bid
Maine Central R. R. common stock	190	-198	193	-193	195	-200	202	-218	135	-215	125	askd	90	bid	93½	bid	100	bid	98½	bid
Maine Central coll. tr. s.f. 5s-1923		-		-	107	bid	106	bid	106½	bid	103½	bid	100	bid	..	-.	102	bid	102	bid
Maine Central ref. 4s 1935		-		-		.-		-		-		-		.-.		.			100	bid
Manchester & Lawrence gtd. stock	250	-250½	210	-248½	238½	216	210	askd	220	bid	220	bid	150	askd	100	bid	116	askd	101	bid
Manit., Gr. Bay & N. W. first 5s 1941		-		-	90½	- 90	86½	bid	85½	bid	85½	askd	78	bid	.	- .	85	bid	.	.-....
Manit. S. W. col. tr. 5s-1934		-		-	100	-100		-		-	102½	bid	102½	bid	.			- .		....-....
Marq., Ho. & Ont. gen. 6s 1925		-	115	-115	111	bid	111	bid	111½	bid	112	bid	101	bid	105	bid	100	bid	103	bid
M'd. & Penn. R. R. first 4s 1951	92	- 92½	86	- 91½	91	- 92	87	88	87½	bid	87½	bid	81	bid	80	bid	77	bid	74	bid
M'd. & Penn.Term.Ry. first 5s 19..		-		-	100	-100		-		-		-		-	...	-...	...	- .	....	-....
Mason City & Ft. D. R. R. first 4—1955		-		-	87½	bid	82½	bid	82	bid	67	bid	62	bid	...	-...	60	bid	55	bid
Massawippi Val. R. gtd. stock		-	132½	-138	130	-133½	130	bid	135	bid	120	bid	100	bid	....	-....	78	bid	85	bid
McK'port & B. V. first 5s 1918		-		-	111½	bid	107	bid	108	bid	105	bid	100½	bid		.-.	101	bid	101	bid
Memphis Union Station coll. tr. 5s		-		-		-	99½	bid	99	bid	99½	bid	101½	bid	100	bid	102	bid	103	bid
Merchants Bdge Co. first 6s 1929	108½	107½			.	- .	111½	bid		.- .	111	askd	105	bid	106½	bid	104	bid	108	bid
Meriden Horse gen. 6s 1921				-	106	bid	105	bid	105	bid	101	bid	98	bid	....	-. .	100	bid	....	-...
Mexican Northern first 6s				-		-	95	bid	90	bid	90	bid	80	bid	.	-..	....	-...	....	-....
Michigan Air Line first 4s 1940				-	98½	-100½	97	bid	98½	askd	99	askd	89	askd	.	.-..	90	bid	91	bid
Michigan Central R. R. stock	125	125	155	-165	150	-150	140	bid	190	askd	190	askd	170	-170	130	bid	135	askd	105	-135
Michigan Central deben. 4s 1929				-	91½	- 95½	89	- 92½	90½	- 93	88½	- 92	93½	- 99½	78½	- 87	78½	- 88½	89	bid
Michigan Cent. R. R. first 3½s 1952	92½	- 91½	88	- 92½	89	- 93½	86	- 90	86½	- 89	85½	- 86½	80	- 86½	79½	- 83½	79½	- 83½	82½	bid
Michigan Central 5s-1931.				-		-	110½	-110½	110½	-111	111	-111	101½	bid	105½	-105½	102½	104½	106½	-106½
Michigan Central 4s 1940				-		-	99	99	98½	- 99	98	- 98	..	-	87	- 87	90	bid	91	bid
Midland R.R. of N.J. first 5s ext. 1940					100	bld	110½	-110½	110½	110½	111½	-111½	98	bid	102½	bid	104	bid	104	-104
Midland Term. R. R. first 5s 1925		-		-	101	bid	99	bid	99	bid	96	bid	90½	bid	88	bid	95	bid	94	bid
Middlesex Val. first 5s 1912.		-		-	103	bid	105	bid	105	bid	105	bid	100	bid	...	-....	105	bid	104	bid
Mineral & Southw. R. R. first 5s		-		-	94	bid	96	bid	95	bid	90	bid	90	bid	100	askd	....	- ...	65	bid
Mil., L. Shore & W. Ity. Ashland Div. first 6s-1925				-	122	bid	117½	bid	116½	bid	114	bid	114½	-114½	113½	-113½	111½	-111½	112½	bid
Mil., L. Shore & W. Ext. & Imp. s. f. 6s-1929	113	-111½	110	-113½	111½	-116	109	-112½	109½	-111	106½	-110	104	-107½	106½	-106½	102½	-104½	106	-107½
Mil., L. Shore & W. Ry. first 6s-1921	111	-123½	118	-120½	117½	-119½	114½	-117½	113½	-115½	110½	-115½	107½	-112½	106½	-110½	105	-108½	107	-109
Mil., L. Sh. & W. Marshfield ext. first 5s-1922.....	....	-....	....	-....	107½	bid	105½	bid	105½	bid	104	bid	101	bld	....	-....	103	bid	103	bid

* Dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Mil., L. Sh. & W. Ry. Mich. Div.. first 6s–1924	....–....	....–....	122⅜–123⅛	118¼–118¼	116⅛–118	116⅜–116⅞	111 –113¼	113¼–113¼	111¼–111¼	111 –112¼
Mil. & Nor. R. R. consol. 6s–1913 extended to 1934 at 4½%	105 –111½	107½–110¼	105⅞–107¾	103⅜–105½	101¼–103¾	100⅜–101¼	99⅛–100	101 –102½	100 –100½	101 –102⅜
Mil. & Nor. R. R. first 6s–1910 extended at 4½% to 1913 and to 1934	100 –111½	105⅛–108½	100¼–101⅞	100⅛ bid	100¼–100⅞	100⅛–100¼	99⅞– 99⅞	99⅛–102½	99 –101	101¼–101⅞
Milw., Sparta & N. W. first 4s	....–....	....–....	....–....	....–....	....–....	109 –111	88½– 94	91 – 94	89½– 93	91 – 94½
Mil. & State Line first 3½s–1941	....–....	.. .–..	87 bid	86½ bid	85½ bid	85½ bid	78 bid	....–....	85 bid	....–....
Minnpls. & Pacific first 4s–1936	....–....	....–....	90 bid	93 bid	95 bid	95 bid	90 bid	....–....	.. –....	....–....
Minnpls. & St. Louis R. R. com. stk.	23½– 59	20 – 56½	51 – 65	23 – 53¾	21½– 42½	18½– 27½	12 – 23¼	9⅛– 16¼	8 – 19⅜	4 – 15⅜
Minnpls. & St. Louis R. R. new stk	...–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–	26 – 36
Minnpls. & St. L. first 7s of 1927	130 –130	125¼–128	132½–133½	131 –132	130 –130	124½–129	106 bid	119 askd	105 –111½	113 –115
Minnpls. & St. L. first consol. 5s–1934	98 –110½	100 –110½	107 –111½	102⅝–109	103 –109	99 –105	88 –100	89 – 94½	81 – 92½	86 – 92
Minnpls. & St. L. first and rfd. 4s–1949	75 – 91	78 – 86	83¼– 87½	67½– 81½	65 – 75	59⅞– 69⅞	50 – 62⅜	40 – 61	40 – 60	52¼– 66
Minnpls. & St. L. Pcf. ext. first 6s–1921	118 –118½	....–....	109 bid	101 bid	110¼–110½	110⅛ askd	108 askd	95 bid	102 –102⅞	102½–103¾
Minnpls., St. P. & S. S. Marie Leased Line Ctfs	...–....	....–....	89 – 94	86¼– 92¾	87½– 90	84 – 88⅞	79 – 83½	80 – 84⅜	70 – 78	75 bid
Minnpls., St. P. & S. S. Marie pfd. stk	110 –168	123½–151¼	147 – 16½	143 –155½	145⅞–160	146 –158	131 –150	130 –145	123 –136	128½–137
Minnpls., St. P. & S.S. Marie com stk.	60 –140¼	79½–135	132½– 19½	114 –145	124⅞–152	129 –154⅛	115½–142¼	101 –137	106 –126½	116 –130
Minnpls., St. P. & S. S. Marie cons. 4s–1938	95 – 99	96⅞–100⅞	99 –100¼	96¼–100	95⅞– 98	95 – 97⅞	89 – 97	90 – 95¼	86½– 93	91¼– 95
Minnpls., St. P. & S. S. Marie second 4s–1919	....	....–....	92 bid	90 bid	90 bid	90 bid	90 bid	87 bid	....–..	81½ bid
Minn., St. P. & S. S. M. & Cent. Term. first Chic. Term. s. f. 4s	....–....	....–....	....–....	....–....	96 bid	97¼– 97¼	92 bid	....–....	95 askd	92 bid
Minnpls., S. S. Marie & Alt. first 4s	102 –102¼	....–....	99 – 99	98½– 98½	95 bid	96½– 96½	96 – 96	96 askd	93½– 98	97 – 99½
Minnpls. U. Ry. first 6s–1922	....–....	....–....	117 –117	113 –114½	111½–116⅞	114 –116	108½ bid	110½–110½	109 –109	109¼–109⅜
Minnesota & Iowa Ry. first 3½s–1924	....–....	....–....	93½ bid	92 bid	91½ bid	91 bid	88 bid	...–..	92½ bid	....–....
Miss. Cent. R. R. first 5s–1949	....–....	....–....	94 bid	92½– 92½	93½– 93½	94 bid	95 askd	91 – 91½	91 bid	90 – 95
Miss., Riv. & Bonne Terre 1st s.f. 5s	....–....	....–....	....–....	....–....	....–	99 bid	93 bid	....–....	97½ bid	100 bid
Mo., Kans. & Eastern first 5s–1942	98 –112	105½–112	113 –114½	106 –113	107⅞–110½	106½–110	101 –108	103½–104½	82 – 96½	74 – 89½
Mo., Kans. & Okla. first 5s–1942	95 107½	102½–109½	106⅞–112	103 –108½	106½–108	103⅜–107½	98 –101½	96⅜– 98½	85½– 88	50 – 85½
Mo., Kans. & Texas Ry. com. stock	20⅜– 44⅝	17⅜– 43½	35¼– 50½	27 – 51⅛	27 – 38⅛	25¼– 31⅞	18½– 29½	8½– 24	4 – 15½	3½– 13½
Mo., Kans. & Texas Ry. prefd. stock	53 – 72½	46 – 75½	71 – 78⅛	57 – 74⅝	62⅜– 70	57⅜– 66	52 – 64½	26 – 60	10½– 40	10 – 24½
Mo., Kans. & Tex. cons. 5s	.. .–....	....–....	....–....	....–....	....–....	97½ bid	90 bid	....–....	....–....	....–....
Mo., Kans. & Texas first 4s–1990	89½– 99½	94 – 99½	98⅜–101½	96½–100	96 – 98	92⅝– 97	86½–95¼	75 – 91⅞	72¼– 83	70½– 79¼
Mo., Kans. & Texas first exten. 5s–1944	93 –105	95 –106½	103⅞–109½	100 –105	99½–103½	99½–102½	95½– 99⅞	90 – 99	65 – 89	37⅞– 52⅜
Mo., Kan. & Texas first rfd. 4s–2004	5 – 86	75⅞– 87	83 – 87½	78½– 85½	78 – 83	77½– 81½	67½– 77½	48¼– 71	40 – 56½	51 – 68½
Mo., Kan. & Texas gen. s.f. 4½s–1936	70½– 88½	71 – 96	89⅞– 93⅞	83½– 90⅞	83½– 89½	85½– 89⅞	79½– 87	70 – 85	42 – 74	36 – 49
M., K. & Tex. St. L. Div. rfd. 4s–2001	82 – 87	80½– 86	88 – 89½	79½– 79½	78 – 79¼	76 – 78	77½– 78½	71½ askd	51 – 60	37 – 46
Mo., Kan. & Texas second 4s–1990	75 – 88	77½– 90	86 – 89½	82 – 87⅞	83 – 86	79½– 84½	71 – 81⅞	52 – 77	49½– 63	40 – 57
Mo., Kan. & Tex. of Tex. first 5s–1942	95 –106¼	97½–108	104½–110	100⅝–105½	102⅜–105⅞	99½–104	97 –101½	90 – 96½	65⅞– 89	48 – 81
Mo., Okla. & Gulf first 5s 1961	....–....	....–....	....–....	....–....	....–....	75 bid	65 askd	...–....	85 askd	...–...
Missouri Pcf. Ry. stock	44⅛– 92½	28½– 67½	65 – 77½	41 – 73	33¼– 63	35 – 47¾	21½– 43⅜	7 – 30	1¾– 18¼	3¼ – 22
Mo. Pcf. coll. tr. 5s–1917	89½ 105	88 –102½	100½–102½	100 –102½	99¾–102½	98¾–100⅞	95 –100	88 – 98½	78¾– 96½	89¼ 100½
Mo. Pcf. consol 6s–1920	103 –120	104½–115	111 –116	107 –111	106½–111	104⅛–108¼	102 –106½	100 –105	92½–101½	100 104
Mo. Pcf. first coll. 5s–1920	89½–105	86 –103½	101 –103⅞	100 –102⅞	99⅞–102	96⅜–100⅞	90 – 99⅞	85 – 95½	72 – 92½	83¼–103⅞
Mo. Pcf. first & ref. 5s–1959	....–....	....–..	95⅞ bid	89⅛– 96	84 – 96⅞	84 – 89⅞	67 – 88	36 – 77⅞	29 – 49	40 – 63⅞
Mo. Pcf. 40-yr. coll. 4s–1945	86 – 90	68 – 80½	78⅜– 85½	75 – 81⅛	70 – 82	70 – 75½	62 – 70	36 – 66½	29 – 53	39⅛– 64
Mo. Pcf. Lexing. Div. first 5s–1920	....–....	....–....	99 bid	98 bid	97 bid	97 bid	90 bid	95 askd	35 bid	55 bid
Missouri Pcf. third 4s–1938	97½– 98	95 – 95	95⅞– 96⅞	98½ askd	96½– 96½	96½ askd	78 bid	86 – 86	78 – 80	82 – 85
Mo. Pcf. common w. i	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	33 bid
Mo. Pcf. preferred w. i	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	60 bid
Mo. Pcf. ref. 5s–1923 w. i	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	98½ bid
Mo. Pcf. ref. 5s–1926 w. i	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	96½ bid
Mo. Pcf. ref. 5s–1965 w. i	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	95 bid
Mo. Pcf. gen. 4s w. i	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	67¼ bid
Mobile & Birm. R. R. stock	....–....	....–....	75 bid	66 bid	70 bid	60 bid	99 bid	....–....	65 bid	....
Mobile & Birm. first 4s–1945	....–....	....–....	81½ bid	75 bid	78 – 78½	77½– 77½	79 – 79	72 bid	72 askd	71½– 71½
Mobile & Birm. P. L. 5s–1945	....–..	....–....	105½ bid	105½–105½	104½ bid	105½–105½	100 bid	100⅛ bid	95 bid	105½–106
Mobile & Ohio first 6s–1927	107½–124	113 –124	119½–125	115 –121½	120 –122	116⅞–121	112½–117½	113½–117	105 –114	111⅜–115
Mobile & Ohio 1st Ext. 6s–1927	103 –108	105½–105½	117 –118	114½–117⅞	114 –116⅜	112⅜–115⅜	112⅜ 112⅜	112½–112½	106 –114	102 –109
Mobile & Ohio Gen. 4s–1938	83 – 94	81 – 88	86½– 91	84 – 90	86 – 87	85 – 87⅞	79⅜– 85⅞	75 – 82	72 – 75	75 – 77½
Mobile & O. Mont. Div. 5s–1947	102½–108½	102½–112½	112½–112⅞	107 –109½	110 –111	107 –110⅜	107½–109	104 –106¼	100 –101½	94½–102
Mobile & O. St. L. & Cairo first 4s–1931	.. .–....	75 – 75	80 bid	80 bid	81 – 83	82 – 85¼	88½– 89	....–....	86½– 88½	88 – 89
Mobile & O. St. L. Div., 5s–1927	... –....	....–.	....–....	....–....	....–....	....–....	....–....	....–....	86 – 89	91½ bid
Mohawk & Malone consol. 3½s–2002	....–....	....–....	85 bid	82 bid	82 bid	80 bid	80 bid	....–....	....–....	70 bid
Mohawk & Malone first 4s–1991	97½– 97½	98 – 98	100 –100½	98⅛– 99⅞	99 – 99¼	99 – 99	98⅜– 98⅞	95 – 95½	87 – 92⅜	94 – 94
Monongabela Riv. R.R. first 5s 1919	105⅞–105⅞	....–....	101 –103¼	109 –113½	102½–102½	102¼–104½	99½ bid	97½ bid	101 bid	100¼–101½
Montana Cent. Ry. first 6s–1937	105 –115½	111½–114	113½–117	110 –113⅞	112½–112¾	109 –111½	105½–109	106⅜–107	105½–108½	109½–110¾
Montana Cent. Ry. first 6s–1937	125 –131½	128 –130	130 –132¼	125 –129	127 –128⅞	124⅜–127¼	118½–128½	121½–125	118⅜–121	120⅜–124
Montville St. Ry. first 5s	....–....	....–....	104 bid	104 bid	102 bid	102 bid	98 bid	100 bid	100 bid	100 bid

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Morgan's La. & Texas S.S. Alex. Ext. first 6s–1920	....-....	....-...	113 bid	110½–110½	111 –111	107½–107½	105½–107	106½–107½	104½–104½	105 –105
Morgan's La. & Tex. S.S. Main Line 7s–1918	....-....	121½–122½	116½ bid	115 –115½	112½–115½	111½–111½	106½–110	106½–107½	102 –104½	104½–104½
Morris Canal & Bank. Co. com. gtd. stock	....-...	....-..	65 bid	70 – 70	69 – 70	....-....	....-....	....-....	....-....	....-....
Morris Canal & Banking Co. pfd. guaranteed stock	– –	170 –170	170 bid	175 –175	169 –170	....-....	....-....	....-....	....-....	....-....
Morris & Essex Ex. R.R. gtd. stock	.-..	.-	98 bid	–	–	....-...	..-....	160 bid	162½ bid	....-....
Morris & Essex R.R. gtd. stock	155 –179	165 –181	182½–185	183 –183	169 bid	171 –175½	161 –163	162 –169	160 –180	*81 bid
Morris & Essex first ref. 3½s 2000		...-.	93½ 96½	91 bid	91 – 91	90 – 90	84 – 84	85½– 88½	84 – 86½	85½– 87½
Muskegon, G. R. & Ind. 1st 5s 1926		.-	65 bid	80 bid	77 bid	85 askd	....-	....-	....-..	50 bid
Nashua & Lowell R.R. Corp. gtd. stk.	225 –260	230 –230½	238½–251	225 bid	244 bid	243 bid	180 bid	150 bid	175 bid	178 bid
Nashville & Decatur R.R. stock	–	....-	180 bid	186 bid	185 bid	186 bid	187 bid	....-..	185 bid	*45 bid
Nash., Chatt. & St. Louis Ry. stk.	97 –147	97½–122	122½–142	125 140	140½–160	160½–180	132½–170	135 –144	131 bid	130 bid
Nash. C. & St. L. Centerville Br. first 6s–1923	–	–	113 bid	109 bid	110 bid	110 bid	107 bid	108 bid	106 bid	107 bid
Nash., C. & St. L. cons. first 5s–1928	101½–116	105½–112½	110 –113½	108½–110½	109½–111	107½–109½	104½–108½	103 –108½	102½–106½	103½–107½
Nash., C. & St. L. Jasper Br. Ex. first 6s–1923	116½ 116½	–	115 bid	115½ 115½	113 bid	111 bid	111 111	106½ bid	109 bid	110½–110½
Nash., Flor. & Sh. Ry. first 5s–1937	113½ 113½	110½–113	112½–115½	106½–112½	108½–112	108½–109½	100½ 104½	104½–106	104½–104½	105½–107½
Nev.-Cal.-Oregon R.R. first 5s 1919	–	–	100 bid	99 bid	100 askd	95 bid	90 bid	....-....	....-....	84 bid
Newburg & New York first 5s–1929	107½ 107½	–	101 bid	100 bid	102 bid	103 bid	100 bid	....-....	95 bid	95 bid
New Castle & Shen. V. first 4½s–1937		–	104 bid	104 bid	–	98 bid	95 bid	....-....	....-	100 bid
New Eng. R.R. first consol. 5s.	–	–	117 bid	116 bid	115 bid	111 bid	100 bid	....-....	105 bid	108 bid
New Eng. R.R. first consol. 4s.	–	–	100 bid	99 bid	99½ bid	99½– 99½	91½ askd	95 askd	90 bid	88 bid
New Haven & Centreville St. Ry. 1st 5s		–	106 bid	106 bid	106 bid	105 bid	100 bid	103 bid	101 bid	101 bid
New Haven & Derby consol. (now first) 5s	–	–	104 bid	101½ bid	102½ bid	99½– 99½	100 bid	100 bid	100½ bid	100½ bid
N. H. & Northampton ref. cons. 4s	–	–	99 bid	98½ bid	98 bid	95 bid	83½ bid	85 askd	86 bid	91½ bid
N. J. Junc. R.R. first 4s–1986.			101 bid	93 bid	95½ bid	96 bid	96 bid	92 – 92	86 – 86	89½– 89½
N. J. & N. Y. first 6s 1910, extended at 5% to 1950	–	–	100 bid	104½ bid	102 bid	101 bid	100 bid	....-....	95 bid	97 bid
N. Mex. Ry. & Coal Co. first and coll. tr. 5s–1947.	...-.	–	97 bid	....-....	98 bid	99 bid	97 bid	....-....	95 bid	93 bid
N. Mex. Ry. & Coal Co. first cons. & coll. tr. 5s–1951	–	-..	95 bid	...-...	98 bid	99 bid	96 bid	....-....	95 bid	93 bid
New Orleans Gt. No. first 5s	–	–	....-.	72½ bid	73 bid	66 bid	62 bid	60 bid	58 bid	61 bid
New Orleans & N. E. prior lien 6s 1915, ext. at 5% to 1940		..-	103 bid	103 bid	104½ bid	104 bid	101½–101½	101 –101½	104 bid	103½ bid
N. Orleans Ter. Co. first 4s–1953.	–	.-	85 bid	83 bid	88 – 88½	87½– 88½	79½– 87½	80 askd	72 – 72	69 – 74½
New Orl., Tex. & Mex. stock	–	.-	.-	...-.	....-....	....-..	...-..	....-....	....-....	21 – 25½
New Orl., Tex. & Mex. 1st 6s–1925.	–	..-	–	.-.	...-.	.-	...-.	....-....	....-....	99 – 99½
Newport & Cin. Bg. gen. 4½s 1945		.-..	101 bid	98½ bid	101 bid	100½–100½	97½–101½	97 –100	90 bid	97½– 97½
N. Y. Bay R.R. Exten. first 5s 1943	...-.	...-...	100 bid	100 bid	101 bid	101 bid	100 bid	....-....	95 bid	90 bid
N. Y., Brooklyn & Man. Beach gtd. pfd. stock	.. – ..	....-....	110 bid	105 bid	110 bid	110 bid	100 bid	100 bid	104 bid	108 bid
N.Y., Brook. & Man. Bch. first cons. 5s	– ..	....- .	104 bid	103 bid	105½ bid	101 bid	100 bid	100½–100½	100 –100½	101½–105
N. Y. C. R. R. stock	89 –134½	90½–126	120½–147½	105½–128	99½–115½	106½–121½	90½–109½	77 – 96½	81½–110½	100½–114½
N. Y. C. & H. R. R. R. deb. 4s–1934	86 – 99	91 – 95½	93½ 96½	92 95½	92½ 94½	90½– 96½	83 – 91½	86 – 92½	84 – 93½	89½– 93½
N. Y. C. & H. R. R. R. deb. 4s–1942	....-	.. –	–	....-. ..	.. -. .	....-....	91½– 91½	90 askd	91 askd	91½ bid
N. Y. C. & H. R. R. R. Lake Sh. coll. 3½s–1998	73 – 88½	75 – 86	78½– 85½	79½– 82½	75 – 80½	78 – 85	76½– 83	73 – 84	71 – 80½	74 – 79½
N. Y. C. & H. R. R. R. Mich. Cent. coll. 3½s 1998	71 – 87½	74½– 86½	78½– 83½	78 – 82½	75 – 79½	78 – 82½	71 – 80	73½– 78	68½– 79½	75 – 80½
N. Y. C. & H. R. R. R. ref'dg. 3½s–1997	85 – 94½	87½– 96	88½– 94½	87½– 92	86 – 90	85 – 88½	80 – 87½	78½– 84	76 – 84	81½– 86½
N. Y. C. & H. R. R. R. ref. and imp. 4½s, series A, 2013	...-	...-...	....- .	....-....	....-....	....-....	....-....	....-....	86 – 94½	96½ bid
N. Y. C. R. R. conv. deb. 6s–1935	. -	-	.. -...	....-.	....-....	....- .	....-....	....-....	99½–114	110½–117½
N. Y., Chicago & St. Louis first pref.	85 –110	85 –105	100 –102½	101 –109½	98½–101½	102½–103	102 –102	....-....	83 bid	75 – 90½
N. Y., Chicago & St. Louis sec. pref.	41 – 91½	59½– 85	76½– 95	82½– 98	82½ –90	85 – 90	74 bid	66 – 72	68 bid	50 – 67
N. Y., Chicago & St. Louis com. stk.	19½– 53½	21½– 57½	48½– 69	55½– 68½	48 – 65	53 – 61½	47 – 63½	35 – 45	46½ bid	33 – 45½
N. Y., Chic. & St. Louis first 4s–1937	93 –103½	95½–103½	99½–102½	97½–100½	98½–100½	97½–100½	93½– 99½	92½– 97	88 – 94½	91 – 95½
N. Y., Chic. & St. Louis deb. 4s–1931	. -...	99 –105	91½– 93½	90 – 92	89½– 92½	87½– 91	83½– 89	82 – 87	75 – 83½	77½– 84½
N. Y. Connecting first 4½s–1953. .	-...	-	- .	...- ..	.- .	-	- .	97½– 97½	94½– 98	99½–100½
N. Y. & Erie R. R. first 4s–1947	92 – 98½	92 – 93	101 –101	100 –100	100½–101½	99 bid	99 bid	97½– 98	94½ bid	95½– 96½
N. Y. & Erie R. R. second 5s–1919	99 –109	101½–104½	105½ 106½	104½–106½	104½–108	104½–101½	101 –103	102 –102½	100 –102½	101½–102½
N. Y. & Erie R. R. third 4½s–1923	94½–103½	93½–104	104½–105	100½–103½	101 –104	99½–103	100 –100½	99½–100	98½– 99½	100 –100½
N. Y. & Erie R. R. fourth 5s–1920	108 –108	101 –106½	106 –107½	106½–106½	105 –106½	103 –105½	101 –103½	100½–102½	100 –102½	101½–102½
N. Y. & Erie R. R. fifth 4s–1928.	91 –100½	98 – 98	97 – 97	99½– 99½	99½– 99½	100 –100	92 bid	93½– 93½	93 – 94	91½ bid
N. Y. & Greenwood Lake P. L. 5s–1946.	96 – 96	100 –100	108 108	99½–103½	100½–102½	103½–105	98½ bid	....-....	99 bid	....-....
N. Y. & Harlem R. R. gtd. stock	350 –350	..-...	310 bid	310 bid	340 –340	350 –400	365 –365	350 bid	345 bid	345 bid

*Dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
N. Y. & Harlem Ref. 3½s–2000	–	96¼– 96¼	91 bid	93 – 93½	90½– 90½	87½– 89	83½ bid	84¼ bid	85 – 85	....–....
N. Y., Lack. & West. gtd. stock	124½–124½	–	125 –125	123 –123	120 bid	121 –124	110 bid	110 –115¼	120 askd	115 –116½
N. Y., Lack. & West. const. 5s–1923	102 –111½	108½–112½	109½–112½	106 –110½	106½–107½	105 –107½	102½–106½	104½–104½	101½–101½	102½–104½
N. Y., Lack. & West. first 6s–1921	115 –122½	116½–125	117½–121	113 –118½	113½–116½	110½–114½	108 –111½	108¼–110¼	107 –109	106½–109½
N. Y., L. & W. Term. Imp. 4s–1923	86 – 97	97½–102	99¾–100¾	97¾–101	97½– 99½	95½– 98	91 – 97	94½– 95½	95½– 96	98 – 98
N. Y., L. E. & W. Coal & R. R. first 6s–1922	....–....	....–....	112½–120	114 –114	104½–104½	106 –107½	107½ askd	103 askd	99⅝ bid	102 –102
N. Y., L. E. & W. Dock & Imp. first 6s–1913, extended to 1943	...–...	106 –106	103½–106	100⅜ bid	100⅜–102½	100½–101⅜	100½–102	101⅞–103	102⅛ bid	102⅜–106
N. Y., L. E. & West. first cons. 7s–1920	....–....	....–....	122 –124	118 –118	120¾ askd	115¾–116½	109 –109	110½–110⅜	108⅜–109	107⅞–111
N. Y. & Long. Br. gen. 4s–1941	. –	....–....	100 –100	98 – 99½	100 –100½	100 –100	100½–100½	93 bid	94½ bid	90½ bid
N. Y., N. H. & H. stock	127½–189	128½–161	154 –174¾	149 –162	126½–151½	126 –142½	65⅝–129¾	49⅛– 78	43 – 89	49½– 77⅞
N. Y., N. H. & H. conv. 3½% deb.–1956	... – .	83 –100½	97½–111½	96⅜–108½	89 –100½	86 – 94⅞	68 – 87	61 – 75	61½– 73	68¾– 77½
N. Y., N. H. & H. conv. 6% deb.–1948	. –...	115½–137½	133 –146	130¾–135½	126¾–134⅞	123 –132½	102½–126	96 –117½	101 –117¼	110 –116
N. Y., N. H. & H. deb. 4s–1922	...–..	... –..	100 bid	....–....	....–....	....–....	....–....	....–....	....–....	94½ bid
N. Y., N. H. & H. non-conv. 3½% debentures–1917	..	. -	96½ bid	83½– 83½	84 – 84	78⅞ bid	69¼ askd	73 askd	63 – 63	71 – 73
N. Y., N. H. & H. non-conv. 3½% debentures–1954	.....	.....	84½ bid	81 – 84	80 – 83⅜	80 askd	60 bid	79 askd	64 – 72	68 – 72
N. Y., N. H. & H. non-conv. 4% debentures–1947	....–....	.. –	85 bid	95 bid	93½ bid	90½ bid	77¼ askd	84 askd	78 – 78	79½– 81½
N. Y., N. H. & H. non-conv. 4% debentures–1955	....–....	.....	97 97	93¾– 96½	93¼– 91⅞	89½– 92	79 – 89½	75 – 80½	71 – 80	77¼– 81½
N. Y., N. H. & H. non-conv. 4% debentures–1956	....–....	....–....	94¼– 96¾	93⅞– 95½	92 – 94½	89½– 93½	77 – 88½	76 – 81	70 – 82½	76½– 82
N. Y. & Northern Ry. first 5s–1927	110½–111	107½–107½	108 –108	108 bid	106 bid	106 bid	102 –107	102 –102	101½–101⅞	105½–106½
N. Y., Ontario & West. Ry. stock	28 – 48⅞	29½– 44⅞	42½– 55⅝	38½– 50	37½– 46⅞	29½– 41⅝	25½– 33⅞	18½– 31⅝	21⅞– 35	26 – 34½
N. Y., Ont. & W. gen. 4s–1955	....–....	....–....	92 bid	88 bid	91½– 92⅝	89¼– 89⅝	82 bid	81½– 83½	70 – 80	76 – 79
N. Y., Ont. & W. Ref. 4s–1992	85 –101¼	92½–100½	96⅜– 99⅞	95 – 98	93¼– 97	92 – 96	84 – 92½	78 – 88	74½– 82⅝	77⅞– 84
N. Y., P. & O. Prior Lien 4½s–1935	..–....	....–....	101 bid	98 bid	97 bid	95 bid	90 askd	....–....	96 bid	98½ bid
N. Y., Phila. & Norf. stock tr. ctfs	126 –127	115 –135	....–...	....–...	....–...	....–....	....–....	....–....	....–....	....–....
N. Y., Prov. & Boston gen. 4s	....–....	....–....	99½ bid	99 bid	99 bid	100 askd	88 – 88	87 bid	89¼ bid	90½ bid
N. Y. & Putnam first cons. 4s–1993	..–....	100 –100	99 bid	95¼– 98½	97½– 97⅞	96 askd	92 – 92	91⅞ askd	83 – 92	88 – 92
N. Y. & Rockaway Bch. first 5s	105 –109¼	....–....	103 bid	101¼ bid	103⅞ bid	103 –104	103 –103	102½–102½	100½ bid	102½–103
N. Y., Susq. & W. first ref. 5s–1937	88½–110½	104 –107	105½–107½	99 –104½	101⅞–104⅞	103 –105	96 –101½	93 – 99½	90 – 99	96½– 99
N. Y., Susq. & W. gen. 5s–1940	94½–100½	89 – 95½	89½– 92	89 – 93	83 – 90	87 – 90	81 – 87	75 – 75	85 bid	72 – 81
N. Y., Susq. & W. second 4½s–1937	....–....	....–....	84 bid	....–....	80 bid	82⅝ bid	74 bid	....–....	90 askd	....–....
N. Y., S. & W. Term. first 5s–1943	110⅞–110½	110 –114½	110 hid	108 –110½	108½–110½	108½–110	107⅝–108	102 –102	100 bid	105½–105½
N. Y., West. & Bost. first 4½s	....–....	....–....	. –...	. .–	....–...	97¼ bid	75 – 98¼	53⅝ 83	66½– 81	72 – 82
Nodaway Val. R.R. first 7s–1920	...–....	...–....	104 bid	103 bid	102 hid	103⅛ bid	102 bid	102 bid	....–....	101 bid
Norf. & Carolina first 5s–1939	105 –115½	110½–111¼	112 bid	108 bid	111 bid	110 hid	....–...	106 bid	104 bid	107 bid
Norf. & Carolina second 5s–1946	110⅞–110⅞	....–....	....–...	109½–113	....–...	. –...	....–...	...–. .	.. .–...	107 bid
Norfolk Southern R.R. stock	....–....	....–....	....–..	....–.	45½– 60	43½– 55	39 – 47⅓	25½– 43	15 – 27	20 – 31½
Norfolk Southern first 5s–1941	...–....	....–...	....–...	100⅞ bid	103 bid	102½–102⅞	99½–100	100 –101½	95½ 102	97 –101
Norf. & Southern first gen. 5s–1954	....–....	....–....	....–...	94 hid	100 bid	98 bid	99½ askd	100 askd	90 bid	84 bid
Norfolk Southern first and ref. 5s–1961	....–....	....–....	....–...	....–.	99 bid	98 –101¼	95 – 99½	92 – 97½	79 – 83	78 – 85
Norfolk & West. Ry. common	56 – 92½	58 – 86½	84½–102	88½–108⅝	99½–111	107¾–119½	98 –113½	96½–105⅞	99½–122⅜	114 –147½
Nor. & W. Ry. preferred	70 – 90½	74 – 81	85¼– 92½	88 – 91½	85½– 91½	88 – 92	80¼ 87	85 – 90	80½ 90	84½– 89½
Nor. & W. Ry. conv. 10-25-yr. 4s	.–...	78 – 95⅞	93½–103¾	94½–108½	100½–110½	107½–118	104½–112½	101 –103⅜	98⅞–121⅛	113½–146½
Norfolk & West. 10-20-year conv. 4s	..–....	....–...	....–.	...–....	. ..–...	108 –117	99 –111½	96½–105⅝	99¼–122	114 –143
Norfolk & W. conv. 4½s	....–....	....–..	....–...	....–...	.–. .	.–..	98 –107	98½ 105⅜	101 122½	115½–145
Nor. & W. Ry. first cons. 4s–1996	86 – 99⅜	92½– 99⅞	97 –100½	96½–100⅜	97½– 99¾	96 – 99⅛	88 – 99	92 – 96	86¼– 94	91½– 96
N. & W. Ry. div. first lien and gen. 4s 1944	81½– 96⅛	84½– 96	92½– 95	91 – 93⅞	91½– 94½	91½– 94	87½– 92¾	86½– 91¾	85½– 92½	88¼– 92¼
Nor. & W. R.R. gen. (now first) 6s–1931	115 –130	120 –128⅜	125 –128	123 –126½	123½–124⅜	123⅜–125⅛	116⅜–120	116 –120⅜	115 –118⅛	118⅞–120
Nor. & W. R.R. Imp. & Ext. 6s–1934	129 –129	117½–129½	125 –129	124⅝–126⅜	124 –127	124 126⅜	123 123	121 bid	116¼–119	120½–122
Nor. & W. R.R. New River Div. first 6s–1932	... –.	126 –126	127 –128⅛	123 –124½	123½–125	124 –124	115½–120⅜	118 –120	119 –119⅜	119 –122
Nor. & W.-Pocah. Coal, joint 4s–1941	75 – 91½	77 – 92	89 – 93	86½– 90½	88⅞– 93	89⅛– 94	83 – 92	86½– 90½	86½– 91½	88 – 91
North Carolina R.R. gtd. stock	....–. .	....–...	160 bid	158 bid	163 bid	165 bid	155 bid	155 bid	155 bid	163 bid
Northeastern R.R. of S. C. conv. 6s–1933	..–.	....–..	123 bid	115 bid	122 bid	121 bid	110 bid	108 bid	110 bid	110 bid
Northeastern Penn. first 5s	....–....	... –...	105 bid	105 bid	104 bid	101 bid	99 bid	102 askd	100 bid	100½ bid
Northern Cal. Ry. first 5s 1929	....–....	....–...	104 bid	100 bid	102 bid	105½ bid	103½ bid	104½ bid	103 bid	104½ bid
Northern Cent. Ry. stock	80 – 96	81½–101	99½–122	118¾–131	126 bid	122 askd	120½ bid	128 askd	86 bid	89 askd
Northern Cent. Ry. cons. 4½s–1925	104 –108½	105½–108½	106 –106	105 –107½	104½ bid	102 bid	100½ bid	100 bid	102 bid	103 bid
North. Cent. Ry. second 5s–1926, Series A	114 –115½	110½–111	113¼–113¾	109½–110½	110 hid	108 bid	105½ bid	104½ bid	106 bid	106 bid
North. Cent. Ry. second 5s–1926, Series B	....–....	108 –110½	110 – 110	110 –111⅜	110 bid	108 bid	105½ bid	104½ bid	106 bid	106 bid

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Northern Me. Seaport & Ter. first 5s–1935	–	–	104 bid	101 bid	103½ bid	100 bid	85 bid	....–....	83 bid	91½ bid
Northern O. Ry. first 5s–1945.	110 –112	105 –112½	112½–114½	108½–112	107½–110½	104½–105½	96 askd	98 – 98	90 bid	92 – 92
Northern Pacific Ry. stock	100½–189½	116½–157½	133½–159½	111½–145½	110½ 137½	115½–131½	101½–122½	96½–118½	99½–118½	108 118½
Nor. Pacific Ry. Gen. Lien 3s–2047	62½– 74½	68 – 74½	70 – 75½	69½– 74	68 – 71½	67½– 70½	63½– 69½	62½– 68½	62 – 66½	65½ 67½
North. Pac. Ry. Prior Lien 4s–1997.	93½–102½	99 –104½	100½–104	98½–102½	98 –100½	97½–100½	90 – 98½	88½– 96	88½– 94½	91½– 94½
North. Pac. Ry. St. P. & Duluth Div. 4s 1996	95½– 95½	89 –100	95½– 97½	96½– 97½	96 – 98½	94½– 96½	90 – 92½	90 – 90	90½– 90½	91½– 91½
North. Pcf. Term. Co. first 6s–1933	113½–113½	112 –117	110½–116½	110½–111½	111 –111½	111 –111½	110½–111½	112 –113½	110 –113	111 111½
Northern R.R. (N. H.) gtd. stock.	143½–160	140 –146½	146 –149	139 – 141	139 –142	129 bid	100 bid	103½ bid	97 bid	97 bid
Northern R.R. of N. J. stock..	–	–	85 bid	85 bid	80 bid	81 bid	75 bid	75 bid	75 bid	75 bid
Northern Ry. of Cal. first con. 5s–'38	–	–	112 bid	111½ bid	112½ bid	112½ askd	106 bid	108 bid	105 –105	.–...
No. Penn. R.R. gtd. stock	97 –102	97½ 101½	100 –102	97 100½	96½ bid	95 bid	90 bid	92 bid	93 bid	93 bid
North Penn. first 4s	103 –105	103½–105	104 –101	102½ bid	102½ bid	101 bid*	99 bid	99 bid	100 bid	99 bid
North Penn. gen. 3½s	90 – 93½	90 – 90	89 – 89	83 bid	84 bid	82½ bid	78 bid	82 bid	80 bid	81 bid
Northwestern Term. Co. first 5s–'26	–	–		91 bid	88 bid	81 bid	86 askd	80 bid	80 bid	73 bid
Northwest. Union Ry. first 7s–1917	–	–	117½ bid	115½ bid	115 –115	109 bid	107½ bid	107½–108½	103½ bid	.....
North Wis Ry. first 6s–1930	–	..–..	129½–129½	123½ bid	123 bid	119 bid	115½ bid	112 bid	117½ bid	118 –118
Norwich St. Ry. first 5s	–	–	104 bid	101 bid	103 bid	102 bid	98 bid	100 bid	100 bid	100 bid
Norwich & Worcester pfd. stock	205 –226½	200 –210½	200 215	210 –212	210 –211	200 bid	185 askd	145 askd	148 bid	140 bid
Norwich & Wor. deben. 4s.	–	–	99½ bid	98 bid	98 bid	97 bid	89 bid	–...	92½ bid	92½ bid
Ocean S.S. Co. first 5s–1920.	–	–	105 bid	102 bid	101 bid	100 bid	98 bid	–..	98 bid	....–....
Ogden Mine R.R. gtd. stock	–	–	100 bid	95 bid	100 bid	100 bid	100 bid	–.	95 bid	100 bid
Ogdens. & L. C. first 4s	–	–	90½– 93½	80½– 91½	85½– 90½	81 86	76 – 81	76 askd	68 – 75	63½ 70
Ohio Connect. Ry. first 4s	–	–	101½ bid	97½ bid	97 bid	93 bid	96 – 96	93 – 93	92½ bid	91½ bid
Ohio, Ind. & W. first pfd. 5s–1938.	–	–	102 bid	101 bid	100 bid	90 bid	80 bid	...	80 bid	94 bid
Ohio & Little Kanawha R.R. first 5s–1950	100 –106	103½–103½	.	.	–	. .	–	–...	. . –	. .–....
Ohio River first 5s 1936		110 111	112 –113½	109½ bid	109½–109½	108½–109½	102 –103½	105½–105½	102½–102½	106½–107½
Ohio River general 5s–1937	–	100½–109	108½–112	103 bid	106 –109½	105 –105½	98½– 98½	104½–104½	98½– 98½	105 –108
Old Colony R.R. stock	175 –200½	175 –196½	190 –201½	181½–200	183 –190	171 bid	155 bid	148 bid	152 bid	135 askd
Old Colony R.R. plain 4s–1924	–	–	100 bid	98½ bid	98½ bid	95 bid	92 bid	96½ askd	96½ bid	97 bid
Old Colony R.R. plain 4s 1925		–	100 bid	98½ bid	98½ bid	95 bid	91 bid	98½ askd	95½ bid	96½ bid
Old Colony R.R. plain 4s–1938	99 – 99	98½– 99	100 bid	98½ bid	98½ bid	95 bid	86 bid	92½ askd	92½ bid	94½ bid
Old Colony R.R. plain 3½s		–	91½ bid	90 bid	90½ bid	88½ bid	82 bid	87½ askd	87½ bid	89½ bid
Ontario & Quebec deben. 5s–Frred			129 bid	127 bid	125 bid	122 bid	115 bid	..–	100 sale	91½ sale
Oregon & Cal. first 5s 1927	97½ 101	102 106	104 104	100 100	102 102	101 101	101½ 102	100 –101½	99½–103	100½–102½
Oregon R.R. & Nav. cons. 4s–1946	87 – 99½	91 –101½	97 – 99½	94 – 98½	93½– 97½	91½– 96½	86 – 91	89 – 94	87 – 93½	91½– 94
Oregon Sh. Line R.R. cons. first 5s–1946	100 114	106 –118½	112½–118	108½–113½	109½ 114½	108½–112	103½ 109	102½–108	100½–106½	106 –107½
Oregon Sh. Line Ry. first 6s–1922	107 121	115 122	117 –120½	113½–117	113 –115½	111 113½	108½–112½	107 –110½	107½–109½	107½–109
Oregon Sh. L. R. R. ref. 4s–1929	75 – 91½	85½– 97	92½– 96½	91½– 94½	92½– 95	90½– 95½	86½– 93½	85½– 94½	87½– 91½	91 – 94½
Oregon-Wash. R. R. & Nav. 1st and ref 4s–1961	–	–	–	–	92½ bid	89½– 92½	86 – 91½	88½– 92	79½– 90	83½– 88
Oswego & Syracuse cons. 5s 1923	–	–	109 bid	106½ bid	106 bid	107 bid	100 bid	..–	100 bid	....–....
Oswego & Syracuse R. R. gtd. stock	201½–201½	200 –213½	218 bid	210 bid	210 bid	205 bid	195 bid	190 bid	195 bid	*97 bid
Ozark & Cher. Cent. first 5s 1913	90 – 97½	91 95	96½ 98	96½ 98½	97½– 99½	99 –100	98½–114½	75 askd	70 bid	85 bid
Pacific R. R. of Mo. Caren Reh. first 4½s 1938	–	–	100½ bid	94½ bid	91 bid	95 bid	90 bid	..–..	98 askd	85 bid
Pacific R. R. of Mo. first 4s–1938	100½–101½	99½– 99½	99½–100½	96½–100½	96 – 96½	92½– 96	88½– 93½	89½– 90½	84 – 90	89 – 93
Pacific R. R. of Mo. St. L. R. Ext. 5s–1938		–	111 bid	105 bid	105 bid	102 bid	95 bid	–	105 askd	100 –100½
Pacific R. R. of Mo. second 5s–1938	112 –117½	111 –111	112½–115	110 –113	108½–108½	103½–103½	101½–103	97½–100	93 – 99½	100½ bid
Paducah & Ill. 1st 1½s 1955	–	–	–	–	–	.–	–	– .	–..	98 –100½
Paterson & H. R. R. R. stock	197 –197	–	185 bid	180 –190	185 –189	–	–	..–	– ..	....– ...
Paterson & Ramapo R. R. stock	202 202		185 bid	140 –185	.–	.–	. – ..	....–	..–..	....–....
Penn. Co. first 4½—1921 coupon	100 –107	102½–106½	104 –107	103½–106	102½–104½	102½–101	100 –101	99½–102½	99½–102½	100½–102½
Penn. Co. gtd 4s 1931	81 – 97½	90 –100½	98 –100	91½– 99	97½– 99	96 – 98½	92½– 96½	92 – 95½	89½– 91½	91½– 96
Penn. Co. Trust ctf. 3½s Series "A"–1937	–		89½ bid	90 – 90	88 bid	88½– 89½	83½– 87	84½– 86	85½– 85½	86½– 86½
Penn. Co. Trust ctf. 3½s Series "B"–1911	83 84	86½ 91½	89½– 91½	88 91½	88 89	85½– 89	83½– 86½	85 – 87½	81 – 86	85 – 87½
Penn. Co. Trust ctf. 3½s Series "C"–1912	–	84½– 87½	89½– 90	87 – 90	88 bid	88 – 88½	84½– 85½	83 – 85½	83 – 83	86½– 86½
Penn. Co. Trust ctf. 3½s Series "D"–1944	–.	– ..	90½– 91	90½ askd	88 – 89	87½– 87½	82½– 85	84 – 85	81 – 81	85 – 88
Penn. Co. Trust ctf. 4s Series "E"–1952	– .	... –...	....–...	....–....	..–....	. ...–....	....–....	....–....	....–....	92 –bid
Penn. R. R. stock	103½–141½	108½–132½	126½–151½	122½–138½	118½–130½	119½–126½	106 –123½	102½–115½	*51½–61½	55 – 60
Penn. R. R. consol. 4s 1948	101 –101	100½–105½	105½–105½	102½–106	102 –103½	101 –103½	99 –100½	99½–100½	95 – 99½	98½– 99½
Penn. R. R. cons. 4½s 1960	–	...–.	–	.–..	–	.–.	.–	. .–....	101½–106½	104½–106½
Penn. R. R. consol. 5s–1919	105 –105	150½–150½	109½–109½	107½–107½	108 –108	108 –110	101 bid	102 –102	102 –103½	102½–103½
Penn. R. R. cons. sterling 3½s–1915	– ...	....–....	93 bid	91 bid	90 bid	90 bid	91 bid	....–....	85½ sale	82 bid
Penn. R. R. sterling 4s–1948	.– ...	....–....	103½–105½	101½–104½	102 –104½	101 –104½	98 –102½	96½–102½	96½–100½	98 –100½

*Quotations on basis of dollars per share, not per cent.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Penn. R. R. gen. 4½s–1965	....–....	....–....	....–	....–....	....–....	....–....	....–....	....–....	....–....	100¾–103
Penn. R. R.–P. W. & B. coll. 4s–1921	....–....	....–....	100¼ bid	99½–100⅝	99¾ bid	98½ bid	97 bid	....–....	99 bid	99 bid
Penn. R. R.–R. E. P. M. 4s–1923	101 –104	102 –105	103– 105	102 –103½	100½–102	100 –102	96 –101¼	98 –100	96 – 99½	98¼– 99½
Penn. & N. Y. Canal & R. R. cons. 5s–1939	109½–114	114 –115	116 –116½	116 –116	112¼ bid	111 bid	106 bid	....–....	106 bid	109 bid
Penn. & N. Y. Canal & R. R. cons. 4½s–1939	104 –110¾	104½–109	108½–110	105 –105⅜	105 bid	103 bid	100 bid	....–....	100½ bid	101½ bid
Penn. & N. Y. Canal & R. R. cons. 4s–1939	102½–102½	97 – 98	100½–100½	99½–100	100 bid	98 bid	97 askd	....–....	95 bid	96 bid
Penn. & North'w'n gen. 5s–1930	108 –110	....–....	108 bid	108 bid	107½ bid	106 bid	104 bid	105 bid	105½ bid	105 bid
Pens. & Atl. Ry. first 6s–1921	112 –112	113 –113	109 –110⅞	110½–110½	110½ bid	110½–112	108 –108⅝	108⅝–110	107½–109½	108½–108¾
Peoria & Bureau Valley R. R. stock	....–....	....–....	183 bid	175 bid	175 bid	175 bid	155 askd	135 askd	130 bid	130 bid
Peoria & Eastern stock	10 – 30	13 – 29½	23½– 28	18 – 28	13 bid	12⅛– 18¼	6 – 12	5 – 8	4 – 15½	8– 17⅞
Peoria & E. first cons. 4s–1940	81 – 95	85 – 95	91 – 96½	89 – 94½	90 – 93	87¼– 92	79 – 89	72 – 84	59 – 72½	63 – 77
Peoria & E. income 4s–1990	37 – 72¾	35 – 60	40 – 67½	53 – 67	40 – 61½	35 – 50	39 – 49¾	20 – 30	20 – 38	23 – 40
Peoria & No. W. Ry. first 3½s–1926	....–....	....–....	91½ bid	90 bid	90½ bid	90½ bid	86¼ bid	99⅜ askd	92 bid	93 bid
Peoria & Pekin Union Ry. first 6s–1921	....–....	....–....	110 –116	112 –112	109 –109	106½ bid	106 –106	101¼–101¼	101⅜–102	....–....
Peoria & Pekin Union Ry. sec. 4½s–1921	....–....	....–....	98 bid	90½– 95	93½– 93½	90 bid	95 askd	89 – 89	85 – 85	87 – 87
Peoria Ry. Term. 4s–1937	....–....	....–....	....–....	84 bid	82½ bid	85 bid	82 bid	82 askd	50 bid	50 bid
Pere Marq. R. R. prior pref. w. i.	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	72½ bid
Pere Marq. R. R. pref. w. i.	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	58 bid
Pere Marq. R. R. com. w. i.	....–....	....–....	....–....	.....–..	....–....	....–....	....–....	.....–..	....–....	36¾ bid
Pere Marq. R. R. 1st 5s–1956 w. i.	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	93 bid
Pere Marq. R. R. 1st 4s–1956 w. i.	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	....–....	77 askd
Pere Marq. R. R. cons. 4s–1951	....–....	....–....	86 bid	80 bid	78 bid	70 bid	60 bid	45 askd	43 bid	60 bid
Pere Marq. R. R. deb. 6s–1912	....–....	....–....	....–....	95 bid	96 bid	25 bid	10 bid	4 askd	2 bid	8 bid
Pere Marq. R. R. refund 4s–1955	....–....	....–....	78 – 78½	67 – 79	66 – 76¾	58½– 60¾	54 – 54	25 – 25	11½– 11½	48 bid
Pere Marq. of Ind. first 4s–1943	....–....	....–....	80 bid	80 bid	80 bid	75 bid	70 bid	70 askd	60 bid	83 bid
Pere Marq. L. E. & Det. Riv. first 4½s–1932	....–....	....–....	95 bid	90 bid	95 bid	93 bid	72 bid	....–....	70 bid	87 bid
Perkiomen R. R. first 5s	....–....	....–....	105 bid	103½ bid	104½ bid	103 bid	101 bid	101½ bid	101 bid	101 bid
Petersburg R. R. Class "A" 5s–1926	107½–113⅜	110 –110½	108 bid	108 –109	106 bid	105 bid	104 bid	104 bid	104 bid	106 bid
Petersburg R. R. Class "B" 6s–1926	111 –126	118 –118	120 bid	116 –117½	116 bid	115 bid	108 bid	110 bid	110 bid	118 bid
Phila., Balt. & Wash. first cons. 4s	....–....	....–....	103½–104	101¾–101¾	101½–102½	99 –103½	99 –100	97 bid	96¼– 99¼	98¼– 99½
Phila. & Erie Gen. (now first) 4s	....–....	....–....	100 bid	99 –101	100 bid	99 bid	97 bid	98 askd	98½ bid	99½ bid
Phila. & Erie Gen. (now first) 6s	119½–121¾	120½–120½	116 bid	116 –116	113¾ bid	109¾ bid	108 bid	108⅞ askd	106½ bid	105¾ bid
Phila. & Erie Gen. (now first) 5s	....–....	....–....	108½ bid	105⅞–108¾	106½ bid	105 bid	102½ bid	....–....	102¾ bid	102 bid
Phila., Germ. & Chest. Hill first 4½s	....–....	....–....	100 bid	98¾ bid	98½ bid	97 bid	....–....	....–....	....–....	....–....
Phila., Ger. & Norrist'n gtd. stock	137 –156	140 –150	150 –153½	146 –152	150 askd	146½ askd	142 askd	....–....	140 bid	140 bid
Phila., Harr. & Pitts. first 5s–1925	....–....	....–....	107 bid	105½ bid	105 bid	106 bid	105 bid	107 askd	103 bid	105 bid
Phila., Newt. & N. Y. first 3s	....–....	....–....	75 bid	75 bid	75 bid	76 bid	76 bid	80 askd	72 bid	72 bid
Phila. & Reading C. & I. Co. s.f. 4s	....–....	....–....	97 bid	98 bid	97 bid	98 bid	92 bid	....–....	95 bid	95½ bid
Phila. & Reading Extd. 5s–1933	....–....	....–....	110 bid	116 –116	114½ bid	....–....	....–....	....–....	....–....	110 bid
Phila. & Reading Extd. consol. 4s	....–....	....–....	100 bid	98½–101½	100 bid	98¼ bid	97 askd	....–....	97½ bid	98 bid
Phila. & Reading Improvement 4s	....–....	....–....	101 bid	98¾–101¾	100⅛ bid	98 bid	94 bid	....–....	97½ bid	98¼ bid
Phila. & Read. sec. 5s 1933	....–....	....–....	....–....	113 bid	114½ bid	113½ askd	109 bid	....–....	108 bid	110 bid
Phila. & Read. Term. first 5s	....–....	....–....	117 bid	114 –118	115¼ bid	112 bid	111 bid	113 askd	110 bid	111½ bid
Phila. & Trenton R. R. gtd. stock	250 –250	242 –247	251 –251	250 –250	242 –246	250 bid	220 bid	225 bid	230 bid	225 bid
Phila., Wilm. & Balt. R. R. 4s–1917	....–....	....–....	100 hid	100 –100	99 bid	99 bid	96 bid	97½ bid	99¼ bid	100 bid
Phila., Wilm. & Balt. R. R. 4s–1922	....–....	....–....	100½ bid	98½ bid	99 bid	98¾ bid	96 bid	97 bid	98 bid	99 bid
Phila., Wilm. & Balt. R. R. 4s–1926	....–....	....–....	100 bid	98½ bid	99¼ bid	98¼ bid	95 bid	96½ bid	96 bid	99 bid
Phila., Wilm. & Balt. R. R. 4s–1932	....–....	....–....	101½ bid	99 bid	99¼ bid	98½ bid	95 bid	96 bid	95¼ bid	98 bid
Pine Bluff & West first 5s–1923	....–....	....–....	99¼ bid	98 bid	100 bid	96½ bid	92 bid	95½ askd	95 askd	92 bid
Pine Creek Ry. first 6s–1932	107 –107	....–....	131½–131½	120 bid	120½ bid	118½ bid	110 bid	116 –116	113 –113	117½–bid
Pitts., Bess. & L. E. cons. 5s 1947	....–....	....–....	....–....	114 bid	112 bid	110 bid	105½ bid	106 bid	107½ bid	105 bid
Pitts., Bess. & L. E. deb. 5s 1919	....–....	....–....	....–....	100 bid	100 bid	99 bid	100 askd	....–....	95 bid	100 bid
Pitts., Cinn., Chic. & St. L. Ry. pref. stock	69½–105½	80 –108¾	104 –116¼	110 –116	102½–112	108½–117	100 –109	95 –101	90 – 98½	88 – 98¾
Pitts., Cinn., Chic. & St. L. Ry. common stock	51 – 78	56 – 88½	86½– 99¾	89 –104⅝	90⅜–100	98½–111½	77⅛–104	64½– 91	65 – 86	78 – 88
Pitts., C. C. & St. L. Series "A" cons. 4½s–1940	107 –108½	106½–109½	107⅞–109½	107 –107⅜	105⅞–107¾	104½–106¾	100½–103½	99 –103	98 –101¾	100 –102¾
Pitts., C. C. & St. L. Series "B" cons. 4½s–1942	106¾–109½	107¼–109	107⅞–109	103½–107¾	105½–107¾	104¾–107	99 –103	99 –102½	97⅛–101⅞	101½–102¾
Pitts., C. C. & St. L. Series "C" cons. 4½s–1942	....–....	....–....	107 bid	106½–107⅛	106 –106	102¾ bid	99½ bid	101 –101	97½–101½	....–....
Pitts., C. C. & St. L. Series "D" cons. 4s–1945	98 –100¾	99 – 99	110 –102	97¼– 98¾	98⅜– 98⅝	96 – 99	92½– 94½	93 – 94	92½– 94	94¾– 95½
Pitts., C. C. & St. L. Series "E" cons. 3½s–1949	91 – 91	90 – 95	93¾ –98	90¼– 94	91¾– 93½	93¼– 95⅜	90 – 90	90½– 92	90 – 91⅜	92 – 95¼
Pitts., C. C. & St. L. Series "F" cons. 4s–1953	....–....	....–....	99¼ bid	98¼ bid	97⅞– 97⅞	96 – 97	95¼– 95½	93 bid	94½ bid	....–....

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Pitts., C. C. & St. L. Series "G" cons 4s 1957	– –	....–..	99¼ bid	98¼– 99¼	98 – 99¼	97 – 99	97¼– 97¼	93 bid	92¼– 93¼	95¼– 95¼
Pitts., C. C. & St. L. Series "H" 4s-1960	....–.	....– .	–	–	. . – .	. ..–...	. .–....	.. –....	....–....	96¼ bid
Pitts., C. C. St. L. Series "I" 4½s 1963	. –	–	–	. –	.. – .	....–...	...–...	....–....	....–....	102¼ bid
Pitts., C.C. St. L. Series "J" 4½s-1964	–	–	–	–	– ..	.....–	....–...	....–...	....–....	102¼ bid
Pitts., Cleve. & Tol. first 6s-1922.	–	. –	110¼ bid	113¼ bid	113¼-113¾	113¼-113¼	105 bid	106 bid	103 bid	....–....
Pitts., Ft. Wayne & Chic. gtd. orig. stock	–		171 bid	167¼-167¼	166¼-167	166 -170	155 -157	161 bid	157 bid	155½-159
Pittsb'g Jct. R. R. first 6s-1922			115 bid	112¼-112¼	112 -112	112 -112	105 bid	103 bid	102 bid	108 bid
Pittsb'g Junc. second 5s 1922		–	102 bid	98 bid	90 bid	90 bid	90 bid	....–..	102 bid	101¼ bid
Pittsb'rg & Lake Erie R. R. stock.	152 152		297 bid	181¼-181¼	180 bid	195 bid	198 bid	185 bid	185 bid	194 bid
Pitts. & L. Erie first 6s 1928		–	125 bid	121 bid	120 bid	116 bid	105 bid	112 bid	111¼ bid	115 bid
Pitts. & L. Erie second 5s-1928.	–	100 -100	100 -100	100 bid	103¼ bid	105 -105	101 bid	105 -105	103 -103	102 -104
Pitts., McK. & Yough. gtd. stock.	124¼-124¼		123 bid	120 bid	118 bid	130 bid	125 bid	120 bid	120 bid	*62 bid
Pitts., McK. & Yough. first 6s-1932.			130¼ 130¼	122¼ bid	121 bid	117 bid	114¼ bid	116¼ bid	115 bid	....–...
Pitts., McK. & Yough. sec. 6s-1934	–	–	121 bid	120 bid	123 -123	123¼-123¼	110 bid	114¾ bid	112¼ bid	....–...
Pitts. & Shawmut first 5s			.–....	–.	85 bid	85 bid	85 bid	....–....	70 bid	85 askd
Pitts., Shawmut & No. first 5s		–	–....	60 bid	50 bid	35 bid	25 bid	....–....	20 bid	10 bid
Pitts., Shawmut & No. gold 4s			– ..	32 bid	25 bid	25 bid	15 bid	....–....	10 bid	15 askd
Pitts., Shen. & L. E. first 5s 1940		–	–..	112 -112¼	112¼-112¼	113 -113¼	108 -108	108¼-108¼	105 -105¼	106¼-106¼
Pitts., Va. & Charleston first 4s	–	–	98 bid	91 bid	100 bid	98 bid	95 bid	90 bid	97 bid	94¼ bid
Pitts. & West. Ry. first con. 4s-1917	88¼– 91	101 -101	98 – 98¼	96¼ bid	97¼– 97¼	96¼– 97¼	96¼– 97	96¼– 96¼	99 – 99	99¼– 99¼
Pitts., Youngst'n & Ash. consol. 5s 1927	–	–	110 -110	109 -109	107¼-bid	105 bid	102 bid	104¼ bid	102¼ bid	104 bid
Pitts., Youngst'n & A. Series "A" 4s		–	98¼ bid	99 bid	91 bid	99¼ askd	94 askd	99 askd	94 bid	97 bid
Pittsfield & No. Adams R.R. gtd.stk.	140 -140	–		....–...	–	....–	....–..	....–...	....–...	....–....
Portl'd & Rum.Falls R.R. coll. tr. 4s	–	–	97 bid	96 bid	96 bid	96 bid	91 bid	....–	93 bid	....–....
Portl'd & Rum. Falls R.R.deb. s.f. 4s	–	–	97 bid	95 bid	95 bid	95 bid	91 bid	91 bid	93 bid	93 bid
Port Reading R. R. first 5s	100 -100		110 bid	105 bid	108 bid	106 bid	. ..–	....–....	....–....	106 bid
Ports., Gt. F. & Conway first 4½s		–	106 bid	104¼ bid	103¼ bid	98¼ bid	90 bid	....–....	88 bid	82 bid
Potomac Val. first 5s 1911	–		108 bid	105¼-108	106 bid	106 bid	102 bid	96 bid	100 bid	103 bid
Princeton & N.W. Ry. first 3½s 1926	–	. –	91¼ bid	90 bid	90¼ bid	90¼ bid	86¼ bid	....–..	92 bid	93 bid
Prov. & Springfield first 5s-1922....	–	–.	–	–	. .–..	. .–		99¼– 99¼	....–...	....–...
Prov. & Worcester R. R. stock....	210 -283	230 -260¼	260 -275	260 -270	271 bid	270 bid	250 askd	225 askd	197¼ bid	200 askd
Providence & Wor. first 4s	–	..–.	99¼ bid	98¼ bid	98¼ bid	97 bid	87 bid	89 bid	92¼ bid	92 bid
Prov. Sec. Co. deben. 4s.....	84¼– 90	....–...	81 bid	81 – 90	84¼– 87	81 – 81	81¼– 83¼	55 – 60	55 – 58¼	69¼– 70
Prov. Term. Co. first 4s	. –..	....–...	99 bid	98¼ bid	98 bid	95 bid	84¼ bid	83¼– 83¼	86 bid	86 bid
Prov., Warren & Bristol stock.....	. –	....–.	130 bid	145 bid	145 bid	145 bid	140 bid	140 bid	125 bid	125 bid
Ral. & Augusta A. L. 6s 1926	111¼-120	111 -117¼	111¼-117¼	118 118	115 bid	113¼ askd	108¼ bid	108¼ bid	107¼ bid	110 bid
Raleigh & Gaston first 5s-1917...	108 -108¼	94¼-109¼	107 bid	106 bid	108 bid	107¼ bid	105 bid	....–	102 bid	103 bid
Raleigh & So. W. Ry. first 4s-1936.	–	....–...	95 bid	86 bid	83 bid	81 bid	84 bid	80 askd	80 bid	....–....
Ravenaw'd, Spencer & Glenville first 6s 192–	–	...–..	110 bid	108¼ bid	108 bid	105 bid	101 bid	....–...	100 bid	103 bid
Reading Belt first 4s..	–	...– .	91 bid	..–...	...–.	...–..	....–..	...–...	... –....	....–....
Reading Co. first preferred stock	73 – 92	78 – 92	89 – 96	85 – 93¼	88 – 92	87¼– 93¼	82¼– 92¼	87 – 89¼	*10¼– 45	41¼– 46
Reading Co. second preferred stock	67 – 91	76 – 99	90 -117¼	87 -110¾	90¼-101	92 -101¼	84 – 95	80 – 93	*40 – 44	41¼– 52
Reading Co. common stock .	70¼ 139¼	92¼-143¼	118 173¼	130¼-172¼	134 -161¼	148¼-179¼	151¼-171¼	137 -172¼	*69¼– 85¼	75¼-115¾
Reading Co. general 4s 1997	86¼– 98¼	93 -102¾	97¼-101	97 -100	96¼– 98¾	96 – 98¼	90¼– 92¼	92 – 95¼	91 – 95¼	93¼– 96¼
Reading Co.-Jersey Cent. coll. 4s-1951	85 – 96¼	86 – 98¼	96 – 98¼	95¼– 98¼	96 – 98¼	95 – 98¼	91¼– 96¼	91 – 96	90¼– 95¼	94¼– 97¾
Rensselaer & Saratoga gtd. stock	–	– .	195 bid	200 -200	176 bid	185 bid	171 bid	170 bid	171 bid	174¼-176
Rens. & Sar. first cons. 7s-1921.	–	128¼-129	128 -128¼	123¼-130¼	122 -124¼	121¼-121¼	114¾ bid	115 -115¼	113¾-113¾	112¼-113
Repub. Valley R.R. s. f. 6s-1919..	102 -103	101¼-105	102 bid	103 bid	103 -103	102 bid	102¼ bid	. – ...	101 bid	100¼ bid
Richmond & Dan. deb. 6s-1927	99¼-103	92 – 92	106¼-108	105 -107¼	104¼-105	101 -101¼	100¼-103¾	103¼-103¾	101¼-102¾	103¼-104¾
Rich., Fredk. & Potom. gtd. stock.		.–..	200 bid	270 275	275 bid	....–..	305 bid	.– ..	345 bid	280 bid
Rich., Fred. & P. cons. 4½s 1940	–	100¼-100¼	105 bid	104¼ bid	104 bid	103¾ bid	100 bid	99 bid	101 bid	101 bid
Richmond & Meck. first 4s-1948..	–.	75 – 75	75 bid	71 bid	71 – 71	73 – 73	70 bid	...– ..	70 bid	65 bid
Richmond & P. cons. 4½s 1940 ..	–	....–...	103 bid	101¼ bid	101 bid	101 bid	100 bid	100 bid	95 bid	100 bid
Rich. Wash. col. 4s	–	....–....	99¼ bid	96¼ bid	96 bid	92 bid	90 bid	....–...	97 askd	95 askd
Rio Grande June. first 5s	.–.	....–....	....–.	105 askd	104¼-104¼	101¼-109	98 bid	95 bid	80 bid	86¼– 88
Rio G. So. R.R. first 4s-1910 (gua.).	.–...	85 – 85	78 – 80	79 askd	61¼– 61¼	70 askd	55 bid	74 askd	35 – 35	35 – 35¼
Rio G. So. R.R. first 4s 1940...	....–...	....–....	....–....	65 askd	45 bid	77¼ askd	40 bid	40 askd	35 bid	37¼ bid
Rio Grande West, first con. & col. tr. 4s-1949	87¼– 87¼	70 – 81	83 – 87	83 – 85	81 – 85¼	78 – 81	67¼– 81	60 – 72¼	58 – 65¼	61 – 72
Rio Grande W. first tr. 4s-1939. .	81 – 95	83¼– 98	92¼– 98¼	87¼– 94¼	87 – 92¼	82 – 88¼	78 – 85¼	75¼– 84¼	69 – 80	73 – 80¼
Rochester & Genesee Val. R.R. stock	–	–	115 bid	115 bid	115 bid	115 bid	115 bid	110 bid	100 bid	105 bid
Roch. & Pitts. R.R. con. 6s-1922 ..	118 -123¼	114 -121¼	118¼-121¼	115 -117	116¼-116¼	111¼-bid	108¼-111¼	110¼-112	107 -109¼	107¼-110¼
Roch. & Pitts. R.R. first 6s-1921.	.–	114 -119¼	116¼-119	116¼-116¼	113¾-114¼	110 bid	107¼-110¼	109 -110	106¼-107¾	106¼-109¼
Rock Island, Ark. & L. 4½s	....–	...–....	....–....	....–....	92¼– 94	87¼– 93	85 – 87¼	78 askd	65¼ askd	54 – 75¼
Rock Isl.-Frisco Term. 1st 5s-1927	...– .	....–....	....–....	101¼ bid	100¼ bid	99 bid	88 bid	91¼ askd	86 bid	94 bid
Rock Island & Peoria cons. first 6s-1925.	–. .	....–...	115 bid	111 bid	105 bid	102 bid	100 bid	....–....	....–....	108 bid

* Quotations on basis of dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued.*)

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low Hligh	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low Hligh
Rome & Clinton R.R. gtd. stock	....-....	....-....	140 bid	140 bid	125 bid	135 bid	125 bid	125 bid	115 bid	115 bid
Rome, Watert'n & Og. R.R. gtd. stk.	107 –125	114½–124½	125 –126	120 –122	116½–121	125½–126	110 bid	100 bid	....-....	....-....
Rome, Water. & Og. first cons. 3½s–1922	....-....	....-....	108½–111	90 bid	90 bid	90 bid	90 bid	....-....	....-....	....- ..
Rome, Water. & Og. first cons. 5s	102½–114	108½–112	108½–111	107 –110	107 –110	106 –107⅞	102 –106½	102½–105	103⅜ bid	103⅜–104½
R., W. & Og. Term. first 5s–1918	....-....	....-....	106¾ askd	104 –104	104 bid	101½ bid	101⅛ bid	99 bid	100¾ bid	102 –102
Rutland-Canadian first 4s–1949	.. -....	....-....	89 bid	86 bid	85 bid	85 bid	72 bid	73 bid	70 bid	67 bid
Rutland R.R. pfd. stock	....-....	....-....	....-....	28 – 44	40 – 45	50 – 65	25 bid	21 bid	26 bid	25 – 35½
Rutland R.R. first cons. 4½s, 1941	....-....	103 –103	101⅛ bid	101⅛–102⅛	98⅜– 98⅝	96 – 98½	90 – 90	82 bid	80 – 85	80⅛ bid
Rutland & Whitehall gtd. stock	....-....	....-....	140 bid	140 –150	140 –150	....-....	....-....	....-....	....-....	....-....
St. Joseph & Grand Island first preferred stock	47 – 61	34 – 53	49¾– 60¼	45 – 55	50 – 55	50 bid	45 – 48	44 bid	20 bid	50 bid
St. Jos. & G'd Island sec. pfrd. stock	32½– 32½	16 – 27⅞	29 – 41	38 – 40	39½– 40	36 bid	15 bid	21 bid	12 bid	35 bid
St. Jos. & G'd Island com. stock	19 – 19	13 – 19	15 – 21	18 – 20	18 – 21	18 bid	8 bid	11 bid	8 bid	15 bid
St. Jos. & G. Is. first 4s–1947	82 – 92½	82 – 94½	92 – 97	87 – 94	85½– 90	86 – 89½	75½– 81	75½– 78	60 – 73	59 – 82
St. Jos., So. Bend & So. R.R. 5% stk.	....-....	....-....	103 bid	....-....	....-....	....-....	....-....	....-....	....-....	....-....
St. Lawr. & Adir. first 5s–1996	....-....	112 –112	115 –115	108 bid	110 bid	108 –108	100 bid	101 bid	100 –101	97½–101
St. Lawrence & Adir. sec. 6s–1996	....-....	125 –125	135 askd	120 bid	118 bid	119½–119½	105 bid	....-....	110 askd	103 –103
St. Louis Bridge Co., first 7s–1929	....-....	....-....	128 bid	130 bid	127 bid	129 askd	110 bid	....-....	117 bid	116 bid
St. Louis & Cairo first 4s–1931	....-....	....-....	92 bid	94 – 96	....-....	91½– 92	86 bid	88½– 91½	88⅝ bid	89½ bid
St. Louis, Iron Mt. & So. gen. consol. & land grant 5s–1931	100 –114	103 –113	108⅞–112	105½–110	106 –108⅝	102½–106½	100 –106	97½–105	93 –102	99¾–103½
St. Louis, Iron Mt. River & Gulf div. first 4s–1933	80 – 92½	76 – 99½	87 – 91	82¾– 87¾	82½– 88⅜	81½– 84	76½– 83½	65 – 81⅞	51 – 73	68 – 82
St. Louis & Iron Mt. unifying and ref. 4s–1929	70 – 88½	68 – 88⅜	86 – 91	81 – 86	79 – 87½	77⅜– 83⅜	74½– 82⅜	65 – 82	61 – 78	74½– 85
St. Louis Merchants Bridge Term. Ry. first 5s–1930	....-....	....-. ..	109 –110½	109 –109⅝	108½–108½	106⅜–112¼	101 bid	101⅜–102	98⅞–100	99½–101¼
St. Louis, Peoria & N. W. 1st guar. 5s	....-....	....-....	....-....	....-....	....-....	....-....	....-....	101⅜–107	102½–106⅞	105 –109
St. Louis, Rocky Mtn. & Pac. 5s	....-....	....-....	....-....	82½ bid	80¼ askd	76 bid	77 bid	81 askd	84 bid	84½ bid
St. L. San Fran. new com	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	15½– 30½
St. L. San Fran. new pfd	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	45½– 50½
St. L. San Fran. p. l. 4s Ser. A–1950	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	67½– 73½
St. L. San Fran. p. l. 5s Ser. B–1950	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	83⅞– 90⅞
St. L. San Fran. cum. adj. 6s–1955	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	74 – 89½
St. L. San Fran. income 6s–1960	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	....-....	39 – 65
St. L. & San Fran. coll. tr. 5s–1987	... -....	....-....	102 bid	97 bid	98 bid	99 bid	90 askd	92 askd	85 bid	....-....
St. L. & San Fran. coll. tr. 6s–1920	....-....	....-....	106 bid	105 bid	....-....	103 bid	100 bid	....-....	100 bid	100 bid
St. L. & San Fran. consol. 4s–1996	91 – 93	90 – 92¾	91 – 96½	88 – 91⅞	90 – 91	83 – 88	72½– 75	73½– 80	79 bid	68½– 78
St. L. & Ssn Fran. gen. 5s–1931	79 –110½	103 –111⅝	108½–111	105 –108⅜	107 –108½	104 –108½	93 –104½	100 –103	98½–103½	100⅞–103⅜
St. L. & San Fran. gen. llen 5s–1927	....-....	....-....	88 – 91¾	84 – 90	85½– 90	81⅞– 88½	50¼– 80½	27½– 54	35 – 57	45⅜– 82½
St. L. & San Fran. gen. 6s–1931	109 –123½	113 –115	121½–124¾	120 –124	118 –119½	118½–119⅜	105 –114½	108 –112	105⅞–110	109 –113
St. L. & San Fran., N. O., Tex. & Mex. Div. 5s 1910	....-....	....-....	....-....	....-....	94 bid	93¾ bid	33 bid	....-....	25 bid	12 bid
St. L. & San F. refund'g 4s–1951	66¼– 82½	65 – 88	83⅜– 89	78½– 85	77 – 83	74½– 81¾	93 –100	59 – 78¼	63½– 73	67½– 83¾
St.L.& San Fran. S.W. Div. 5s–1947	....-....	100 –100	100½–101	99½–100¼	100 –101½	99½–100	93 –100	95¼ askd	90 – 90	89 – 95⅛
St. Louis South'rn first 4s–1931,	97 – 97	98 – 98	97 bid	95 bid	91 bid	95¼ askd	87 bid	95¼ askd	98¼ askd	....-....
St. Louis Southwest, com. stock	11 – 25½	10 – 24	20½– 35⅜	18½– 34½	24 – 34	29½– 40⅞	20 – 35½	17⅞– 26⅞	11 – 23	16 – 32½
St. Louis Southwest, preferred stk.	25 – 62½	21½– 55⅞	47½– 82	51⅜– 77½	59⅜– 72	68½– 80⅝	56½– 75	36 – 65⅛	29 – 45½	37½– 57
St. Louis So'western first con. 4s–1932	54½– 79	56 – 79½	77½– 81¼	72½– 79⅞	75½– 81½	79 – 84½	74½– 81	68 – 77⅞	51⅞– 68	60½– 72
St. Louis So'west. 1st 4% ctfs.–1989	80 – 95	84½– 93½	91⅝– 95	88 – 93⅞	89⅞– 92⅝	89 – 92½	83½– 90	74 – 88	67⅞–81	75⅞– 80½
St. L. Southw. first term. & unif. 5s	....-....	....-....	....-....	....-....	....-....	89 bid	90¼ askd	60 bid	69 bid	60 – 72
St. Louis So'west sec. Inc. 4% ctfs.–1989	60 – 83	66 – 82½	79 – 85	79 – 82½	78 – 83	80 – 83	78 – 80	60 – 75	52 – 65	62 – 70
St. Paul & Duluth R. R. consol. 4s–1968	95½– 95⅞	89 – 96½	92½– 92½	96½ –97½	92⅝ bid	92¼– 96	83 bid	87 – 87	88 – 90	90 – 91½
St. Paul & Duluth R.R. first 5s–1931	117¼–117¼	....-....	104 –104⅝	110 –110	109 bid	107 –107	100⅜ bid	105 bid	102 –102	107 –107
St. Paul & Duluth R.R. sec. 5s–1917	100 –108⅜	102 –103½	97⅝– 99	102 –103⅜	102½–102¾	102⅞–102⅜	100⅜–102⅜	101 –101¼	100½–102	100½–101½
St. Paul & K. C. Short Line first 4½s	....-....	....-....	....-....	....-....	90½ bid	89 – 91½	75 – 89	68½– 80	65 – 65	65 – 76½
St. Paul, M. & M. consol. 4s–1933	....-....	....-....	98 bid	98 –100	98½– 99½	97⅝ – 99⅞	93½– 98½	96⅞– 98	93½– 95⅞	96 – 98½
St. Paul, M. & M. consol. 4½s 1933.	102 –108½	102 –111⅞	106 –111	103⅜–107⅞	105 –106½	103⅜–105½	99½–104½	100 –103½	99½ 103	101⅞–104
St. Paul, M. & M. consol. 6s–1933	119 –131	126½–131⅞	128 –132⅜	125½–128⅜	125 –127½	121½–125½	118 –124½	119¼–122¾	116¼–120½	120½–123¼
St. Paul, M. & M. Mon. Ex. 4s–1937	93¼–100½	94 –100	97½–101	97½–100½	95½– 98½	95½– 98½	92 – 96½	93 – 95⅞	91½– 96½	95⅜– 97½
St. Paul, M. & M. Pacific Ex. 4s 1940	....-....	....-....	94⅜ bid	92½ bid	92⅜– 92⅜	92½ bid	85½ bid	....-....	85½– 85½	....-....
St. Paul & Nor. Pcf. gen. 6s–1922	116½–122½	116 –123½	115 –121	115½–118½	115⅜–116⅜	113 –115½	108½–113	110⅛–112½	109½–111½	109⅜ 113
St. Paul & Sioux C. first 6s–1919	110– 131	115½–118	114 –117½	111⅜–114⅜	111 –112½	109 –111⅜	106 –109½	104 –108⅜	104⅜–105½	104 –105½
San Antonio & Aransas Pass Ry. first gtd. 4s–1943	70 – 87	78 – 92	87 – 92⅛	83½– 88¼	86 – 88½	84⅜– 87¾	75 – 85¾	77 – 84	65 – 81	62½– 70¼
San Fran. & Nor. Pcf. first 5s–1919	....-....	....-....	93 bid	99½ bid	99 bid	94 bid	100 bid	101⅛ bid	99½–101½	101⅛–101½
San. Fran. & San Joaq. V. first 5s–1940	....-....	....-....	114 bid	110 bid	111 bid	110 bid	104 bid	....-....	108 bid	109 bid
Santa Fe, Prescott & P. first 5s–1942	102 –108½	109½–109½	110½–113	107½–109½	108½–109½	108½–110½	103 –107	101½–109	103 –103½	102⅜–106⅜
Sault Ste. Marie Bdge. Co. first 5s–1937	....-....	....-....	104 bld	100 bid	99 bid	97½ bid	96⅜ bid	96 bid	96 bid	....-....

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Savan'h, F. & W. con. (now first 6s 1934	109 -115	104½-113	112½-111	112 -112	110½-111½	106 bid	103½ bid	103½ bid	105 -105	107 bid
Savannah, F. & W. con. (now first 6s-1934	126 -126	113 -125½	127 -127	124½-124½	124½-126	123½-123½	114 bid	121 -121	118 -119½	119½-122
Savannah & Statesb. first 5s 1953									90 bid	85 bid
Schenec. & Duanesb. first 6s-1924			117 bid	115 bid	113 bid	114½ bid	110 bid		112 bid	110½ bid
Schuylkill Riv. E. S. first 4s 1925	100 -104	99½-101	101½ bid	99½-101	100 bid	99½ bid	99 bid	96 bid	98 bid	98 bid
Scioto Val. & N. E. first 4s 1989	87½- 99½	87½- 99	95 98½	94 96½	96½-98½	95 - 98½	84½- 95½	90½- 94½	84½- 92½	91½- 94½
Seaboard Air Line Ry. common		4½ 5½	13½ 24½	19 - 21½	24½ bid	18 - 27½	14½- 20½	10½- 22½	11½- 20½	14 - 19½
Seaboard Air Line Ry. pfd	49½- 49	7½- 10	23½- 35	30 - 33	47 bid	44½- 56½	38 - 49½	45½- 58	30½- 43½	34½- 42½
Seaboard Air Line adj. 5s 1949			72 bid	69½ 78½	74½- 82½	74½- 84½	66½- 77½	62 - 80	59½- 72½	64 - 70
Seaboard A. L. Atla. & Birm. first 4s 1933	88 - 89		81 86	80 - 87	85½- 89	87 - 90	82½- 88	84 - 85½	81 - 90	82 - 87½
Seab'd A.L. first cons. 6s Ser. "A"- 1945									99 bid	98½ bid
Seaboard A. L. first 4s 1950	54½- 79	56 - 79½	77½- 81½	83 - 86½	84½- 88½	86½- 87½	83 - 85½	75 - 85½	83 - 85	74 - 84½
Seaboard Air Line ref. 4s 1959					81½- 83	76½- 83	72½- 99	73½ 78½	66 - 74½	65½- 72
Seaboard & Roanoke first 5s 1926	106 106		106½ 107½	106 -106	109 -109	105 -106½	101½-101½	100½-100½	99½-101½	102 bid
Seaboard & Roanoke Reg. deben. 6s-1916			100 bid	100 bid	103 bid	102½ bid	97 bid	100 bid	100 bid	100 bid
Seacoast R. R. P. L. 5s			107 bid	110 bid	109 bid	106 bid	98 bid	103 bid	108 bid	111 bid
Shamokin, Sunb'y & L. sec. 6s-1925.			116 bid	122½-122½	110 bid	111 bid			109 bid	109 bid
Sharon Ry. stock			120 bid	120 bid	110 bid	110 bid	100 bid	100 bid	105 bid	52 bid
Sherman, S'port & So. first 5s 1943	104 105	100½ 100½	110½ 110½	104 bid	103½ 105½	103½-103½	96 -103	100 askd	95 askd	50 - 51
Shreveport Bge. & Term. first 5s 1945			98½ bid	96½ bid	96 bid	93 bid	85 bid	75 bid	82 bid	85 bid
Silver Spgs. O. & G. first 4s 1918	94 94	93½ 93½	97 97½	95 97½	97 97½	97 97	94½ bid	96 98	97½- 98	99½- 99½
Sioux City & Pac. R. R. first 3½s 1936			88½ bid	87 bid	86½ bid	86½ bid	79½ bid		87 bid	88½ bid
Sodus Bay & Southern first 5s			100 bid	100 bid		99½- 99½	90 bid	80 bid	85 bid	85 bid
Somerset Ry. first and ref. 4s				85 bid	92 bid	95 askd	95 askd	95 askd	80 bid	84 bid
South Bound R R. first 5s 1941	97 -111	97 -105½	105 -106½	105 -107½	108 bid	107½ bid	103 bid	105 bid	103½ bid	104 bid
South Car. & Ga. first 5s 1919	95 -106½	95½- 98	101½-103½	102 -104	103 -104½	102½-104	98½-101	99 -102	100 -101	100½-102
So. & Nor. Ala. con. gold 5s 1936	109½ 111	112 -112½	110½ 115½	109½-114	110½-112½	109½-111½	107 -107	105½ 107	105 -105½	105½-108½
So. & Nor. Ala. gen. conv. 5s 1963								98½-105	99½-104½	100 -103½
Southern Indiana Ry. first 4s			75 bid	80 bid	83 bid	80 bid	70 bid		63 bid	65 bid
Southern Pacific Co. stock	63½- 96½	66½-122½	114½-139½	103½-138½	104½-126½	103½-115½	83 -110	81 - 99½	81½-104½	94½-104½
South'n Pef. R. R. Br. first 6s 1937			125 bid	127 bid	125½ bid	127 askd	119 bid	121 bid	120 bid	122½ bid
South'n Pef. Co. C. P. stk. coll. 4s 1949	70 - 90½	83½- 91	90 - 91½	89 - 95	90 - 93½	88 - 96	87½- 98	82½- 94	79½- 87½	83½- 89
Southern Pef. Co. conv. 4s 1929			97½-107	92½-106½	94½-100	90½- 97	84 - 93½	79½- 92	79½- 90½	86½- 89½
Southern Pac. Co. conv. 5s 1944								94 -103½	95½-108	102½-107½
Southern Pac. Coast first 4s 1937				84 bid	91 bid	91½ 91½	98 hid	86 bid	92 bid	94½- 97
South. Pef. R. R. first cons. 5s-1937	116 116		105 -107	107½ bid	109½ bid	105 bid	101½-101½	105 bid	106 bid	107½-107½
South. Pef. R. R. first ref. 4s 1955	82 - 95½	87½- 97½	93½- 96	93½- 95½	93½- 96	93 - 95½	87 - 94½	83½- 93½	83½- 90½	89½- 93½
Southern Pac.-San. F. Term. first 4s				92½ 92½	90½ 93½	87½-92	86½- 90	78 - 88	77½- 86½	82½- 92½
Southern Ry. com. stock	10 - 34	9½ 27½	22 - 34	18 - 33½	24½- 33½	26½- 32	19½ 28½	14 - 28½	12½- 26	18 - 36½
Southern Ry. pfd. stock	29½- 94½	25½- 63½	60 - 75½	43 - 75	61½- 75½	68½- 86½	72 - 81½	58 - 85½	42 - 65	56 - 73½
South Ry. Aiken Rich. first 4s 1998.			82 bid	78 bid	78 bid	79 bid	77 bid		65 bid	65 bid
South. Ry. devel. and gen. gold 4s Series "A" 1956		70 - 78½	76 - 85	73 - 81½	74½- 80½	76½- 79½	72½- 78½	62 - 76½	58½- 72½	69 - 77½
So. Ry. E. Tenn. reorg. 5s-1938	110½-114	97 -105	105 -107	104½-106	105 bid	105½-106	104½ bid	103½-103½	98 bid	99½-101½
So. Ry. first cons. 5s-1994	90 113½	82½-110	106 113½	103½ 111½	104½ 109½	105½ 108½	101 -107½	97½ 106	96½-103½	100 -103½
So. Ry. Mem. Div. first 5s-1996	101 -116	96 -107	110 -113	106 -110	108 -109½	107½-111	102½ 107	100 -104½	98½ 103½	100 -104
So. Ry. Mob. & O. coll. tr. s.f. 4s '38	79 - 94	75 - 88	85½- 90½	83½- 90½	85 - 88	85 - 87½	78½- 86½	77 - 83½	68 - 77½	75 - 78
So. Ry., Mob. & Ohio stk. tr. ctf.				70 bid	80 - 82½	82 - 86	72½- 72½	65 - 65	65 bid	
So. Ry. St. Louis Div. first 4s 1951	75 - 94½	69 - 88	86 91	80½- 87½	86½- 89	87½- 90½	79½- 88½	83½- 86½	80½- 85	80 - 84½
So. Pef. Coast Ry. first 4s 1937.			88½- 91½	84 bid	91 bid	91 bid	98 bid	93 bid	92 bid	95½ bid
So'west Coal & Imp. first 6s-1929.			109 bid	108 bid	107 bid	103 bid	100 bid		99 bid	
So'west n R.R. of Ga. stock			108 bid	106 bid	110 bid	106 bid	100 hid	102 bid	100 bid	
Spartan Un. & Col. first 4s 1995			84 bid	82 bid	82 bid	80 bid	85 askd		88 askd	75 bid
Spokane Falls & No. 1st 6s 1939			116½ bid	113 bid	110 bid	108 bid	122 askd		125 askd	105 bid
Spokane & Inland Empire first and ref. 5s				98 bid	98 bid	90 bid	95 askd			75 bid
Spokane Internat. Ry. first 5s				102 bid	101 bid	98 bid	97 bid	96½- 98½	88 - 92	91½- 93
Spuy. D. & Pt. M. first 3½s-1959			90 bid							
State Line & Sull. first 4½s-1929			91 bid	85 hid	98 bid	98 bid	92 bid	94 bid	90 bid	95½ bid
Staten Island Ry. first 4½s 1943			87 bid	80 bid	95 - 95	91 - 91	91 bid		91½ bid	82½ bid
Stephenville, No. & So. Tex. 5s						95 bid	97½ askd	82 bid	68½ bid	67 bid
Stony Brook R.R. gtd. stock										
Sumter & Wateree first 5s-1919			97 hid	99 bid	93 hid	93 bid	90 bid		95 bid	
Sunbury, Hazleton & W-B. first 5s	97 -103	100 -102½	100 bid	100 -100½	100 bid	101½ bid			101½ sale	101 bid
Sunbury, Hazleton & W-B. sec. 6s	124 127	117 126½	125 bid	120 -123	122½ bid	118 bid	112 bid	114½ bid		101 bid
Sunbury & Lewistown first 4s			93 -100	95½ bid	97 bid	96½ bid	90 bid	92½ bid	92 bid	93 bid
Superior Short Line 5s-1930					108 bid	109½ bid	100 bid		104 bid	104½-105½
Tampa & Jack'ville Ry. first 5s-1949			90 bid	90 bid	90 bid	90 bid	75 bid	90 askd	86 askd	80 askd

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Tampa Northern first 5s–1936	----–----	----–----	----–----	----–----	----–----	----–----	----–----	----–----	70 bid	75 bid
Tarkio Valley R.R. first 7s–1920	----–----	----–----	104 bid	103 bid	101 bid	103¼ bid	102 bid	102 bid	----–----	101 bid
Term. R.R. Ass'n of St. Louis first 4½s–1939	----–----	----–----	106⅞–109	104¾–107½	104¾–105⅛	103¾–105	98 –104	100 –101	93⅜– 99½	98½–100¾
Term. R.R. Ass'n of St. Louis first cons. 5s–1944	----–----	----–----	115 –117	109 –115½	110¾–112⅜	110¾–112¼	104⅛–104¼	100¼–107	100¼–104½	103½–107¼
Term. R.R. Ass'n of St. Louis gen. refunding 4s–1953	----–----	----–----	96 – 98	96 – 98½	95 – 98	94 – 96	88 – 89¾	85½– 90½	79½– 87½	84⅜– 88
Terre Haute & Ind. consol. (now first) 5s–1925	----–----	----–----	104 bid	104 bid	106 bid	103½ bid	101 bid	----–----	----–----	----–----
Terre Haute & Peoria first cons. 5s–1942	----–----	----–----	109 bid	108 bid	107 bid	101 bid	95 bid	----–----	90 bid	96 bid
Texas Cent. R.R. first 5s–1923	----–----	----–----	105 bid	101 bid	103½ bid	100 bid	94 bid	----–----	95 askd	90 bid
Texas & N. O. cons. 5s–1943	----–----	95¼– 98½	102 –102	101 bid	101⅜–103	101½ bid	95 bid	96 – 96	98 askd	95 – 95
Tex. & N. O. Dallas div. first 4s–1930	----–----	----–----	88 bid	88 bid	89 bid	88 bid	87 askd	----–----	79 bid	----–----
Texas & Okla. first 5s–1943	90½–107	102½–108¾	104 –111⅜	105 –105½	103 –105⅜	100½–105½	101½–101½	97 – 99½	68 – 69½	49 – 63
Texas & Pacific Ry. stock	17½– 37½	12⅜– 37½	30 – 40½	22½– 36⅞	19⅞– 30½	20½–26⅛	10½– 22⅜	11½– 17⅞	8½– 17½	6½– 21⅜
Tex. & Pcf. con. (now first) 5s–2000	104½–118½	99 –118	111 –118½	108½–112½	110 –111⅜	106 –110⅛	99 –107½	94½–104	91½– 99	95 –101½
Tex. & Pcf. Louisv. Div. Br. Line first 5s–1931	----–----	----–----	103 –105	98⅜ bid	99½– 99½	95 bid	93 bid	95 – 95	89½– 90	88 – 90
Tex. & Pcf. sec. income 5s–2000	----–----	65 – 65	65 – 85	70 – 70	50 askd	49⅜ –51	20 bid	40 askd	29 – 36½	35 – 70
Tol. Can. So. & Det. first 4s–1956	----–----	----–----	94 bid	93 bid	93 bid	93 bid	90 bid	----–----	90 bid	87 bid
Tol. & O. C. general 5s–1935	95 –108	95½–104	101 –105	99 –104¼	101½–104	103 –104	100 –103½	98 –101½	99½–103½	85½– 94
Tol. & Ohio Cent. first 5s–1935	100 –111	102 –109½	110½–112½	106 –112½	108¾–110⅜	105⅜–109½	102 –106½	104½–105½	102⅞ bid	103 –105½
Tol. & O. C. St. M. div. 1st 4s–1951	----–----	----–----	92 bid	89 bid	87 bid	85 bid	84 bid	----–----	88 askd	88 askd
Tol. & O. C. W. div. first 5s–1935	95 –111	102 –109½	112 –112	109½ bid	108⅛ bid	107¾–107¾	101 –101	100 bid	100 –103	101 –102½
Toledo, Peoria & W. first 4s–1917	80 – 89	76½– 88	86½– 94½	91½– 93½	90 – 94	90 – 94⅛	80 – 91½	75 – 80	62½– 68	50 – 61
Toledo, St. Louis & Western com	16¾– 33¾	12 – 50	43 – 54⅛	19 – 54⅜	12 – 24⅜	10½– 16⅜	7⅛– 13	2 – 12½	1 – 8⅞	5 – 13¾
Toledo, St. Louis & West. pfd. stock	29⅜– 54⅞	33 – 73½	64¾– 74½	42¾– 72½	34⅞– 53⅞	28 – 36	15½– 29¾	4¾– 23	5½– 14½	10 – 24½
Tol., St. Louis & Western coll. tr. "A" 2–4s–1917	----–----	----–----	83 bid	80½– 86½	75 – 81½	68 – 73½	55⅞ askd	43 – 50	16 bid	18⅜– 18⅝
Tol., St. L. & W. first 4s–1950	55 – 82	67 – 84½	79½– 88½	70 – 81	67 – 74⅞	53¾– 69⅜	47½– 50	40 – 60	42½– 58	54 – 63
Tol., St. L. & W. P. L. 3½s–1925	75 – 87½	80 – 92½	89 – 91⅜	87 – 90	87½– 89½	84 – 87½	80 – 81½	80¾– 82	72½– 87	78½– 83½
Toledo Term. R.R. first 4½s–1957	----–----	----–----	94½ bid	90 bid	91 bid	84 bid	75 bid	----–----	70 bid	82½ bid
Tol., Walh. Val. & O. first 4½s Series "A"–1931	97 –103	----–----	102½ bid	100 –100	101 bid	101¾–102½	97 bid	98½– 99	96¾– 98½	100 –100½
Tol., Walh. Val. & O. first 4½s Series "B"–1933	----–----	----–----	102½ bid	100¼ bid	101¾ bid	102⅜–102⅞	97 bid	98½– 98½	98¼– 98¼	100¼–100½
Tol., Walh. Val. & O. first 4s Series "C"–1942	----–----	----–----	97 bid	94¼ bid	95 bid	95⅝– 95⅞	95 – 95½	93⅛– 93½	92 bid	93¼– 94
Tor., Ham. & Buffalo R.R. first 4s	----–----	----–----	91¾– 91¾	87½– 91	87 – 90½	89 – 90½	84 – 89	85 – 85⅜	82½– 87⅞	83 – 86
Troy & Boston first 7s	----–----	----–----	133 bid	127 bid	127 bid	127 bid	112 bid	----–----	110 bid	111 bid
Troy & Greenbush R.R. gtd. stock	----–----	----–----	170 bid	170 bid	160 bid	160 bid	150 bid	----–----	150 bid	*77 bid
Ulster & Del. first cons. 5s–1928	102 –110	103 –109	105½–108¾	100 –106	104½–106	103½–106	100 –104½	100 –101⅞	98½–102	99½–101½
Ulster & Del. first ref. 4s	----–----	----–----	86 – 89	83½ bid	85½– 85½	85½– 86⅜	75 bid	74 – 76	74 – 74	73 bid
Union Pacific R.R com. stock	100 –183	110½–184⅞	172½–219	152½–204⅜	153½–192⅜	150⅜–176⅜	137⅜–162⅜	112 –164⅜	115⅜–141½	129⅜–153⅜
Union Pacific R.R. pfd. stock	75 – 96	79½– 98	94 –118½	88¼–103⅜	89 – 96	88¼– 96½	79⅜– 93½	77½– 86	79 – 84½	80 – 84½
Union Pacific R.R. conv. 4s–1927	78½– 93	83 –108½	102 –124⅜	101 –116⅞	100 –110⅜	95 –104½	86⅜– 97	85¼– 93⅜	88 – 94	92½– 96
Union Pacific R.R. first ref. 4s–2008	----–----	94⅜– 98½	96¾–100	95 – 98⅛	95¾– 98¼	95¼– 97⅞	88⅞– 95½	88 – 95	84⅛– 92½	89½– 92⅝
Union Pacific Ry. & L.G. first 4s–1947	92¾–102½	99⅛–105	101 –104⅜	99¾–102	99 –102½	98½–102¼	94 – 99⅞	94 – 98⅞	92½– 98	95⅝–100
United N.J. R.R. & Canal Co. gtd. stock	223½–255⅛	229½–254½	250½–254¾	240 –250	235 bid	235 bid	222 bid	220 bid	224 bid	223 bid
United N. J. R. R. & Canal gen. (now first) 4s–1923	102½–102⅝	102½–102½	102 bid	110 –102	100 bid	99 bid	97 bid	99 bid	99 bid	100 bid
United N. J. R. R. & Canal gen. (now first) 4s–1929	----–----	----–----	102¼ bid	100½ bid	100½ bid	99¼ bid	96¼ bid	98¾ bid	98 bid	100 bid
United N. J. R. R. & Canal gen. (now first) 3½s	----–----	----–----	93½ bid	89½ bid	90 bid	88 bid	85 bid	88½ bid	88 bid	89 bid
United N. J. R. R. & Canal gen. (now first) 4s–1944	----–----	----–----	103¾ bid	103 –104	101½–101½	101 –101½	95 bid	93 bid	98¾–100	98½–100
Upper Coos R.R. gtd. stock	----–----	----–----	123 bid	123 –128	123 –128	----–----	----–----	----–----	----–----	----–----
Upper Coos exten. 4½s	----–----	----–----	106 bid	100 bid	100 bid	99 bid	93 bid	----–----	94 bid	94 bid
Upper Coos first 4s	----–----	----–----	99 bid	96 bid	96 bid	93 bid	87 bid	----–----	89 bid	89 bid
Utah & Nor. Ry. cons. 5s–1926	----–----	----–----	107½ bid	106 bid	108 –108	104 bid	100 bid	100 bid	102 –103½	102 –102
Utah & Nor. Ry. first ext. 4s–1933	----–----	----–----	97½ bid	94 bid	91 bid	91½ bid	86 bid	99 askd	93⅜–93⅝	90 – 95⅝
Utica & Black River R.R. gtd. stock	----–----	----–----	173 bid	160 bid	165 bid	169 bid	170 bid	161 bid	155 bid	----–----
Utica & Black River first 4s–1922	103 –103	99¾–103½	102½–102½	100 –102	99¾–100	95 bid	95 – 95½	93½ bid	96 – 97	97½– 97½
Utica, Chenango & Sus. Val. R. R. gtd. stock	145⅛–145⅝	----–----	148 bid	148 bid	140 bid	142 bid	130 bid	130 bid	133 bid	135 bid
Utica, Clinton & Bing. gtd. stock	----–----	----–----	75 bid	75 – 85	75 – 85	65 bid	65 bid	65 bid	65 bid	65 bid
Utica, Clint. & B. first 5s–1939	----–----	----–----	110 bid	111 bid	108 bid	104 bid	101 bid	----–----	100 bid	100 bid
Valley R.R. gtd. stock	----–----	----–----	125 bid	125 bid	115 bid	117 bid	108 bid	112 bid	110 bid	113 bid
Vandalia R.R. stock	----–----	----–----	84⅜– 89½	----–----	70 bid	75 askd	62 bid	60 bid	45 bid	70 bid
Van. R.R. cons. Series "A," 4s–1955	----–----	----–----	98 bid	97⅜– 97⅞	97 – 97	94 – 96⅞	93 – 94	87 bid	90 bid	90¾– 91⅞

* Dollars per share.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High	Low High
Van. R.R. cons. Series "B," 4s–1957			98 bid	96½– 98	95½– 97½	92½– 97½	93 – 93	92½–92½	86 – 86	91 – 91½
Verd. Val. Ind. & W. first 5s–1926			102 –102	102½–102½	100 askd	100 –100	92½– 96		87 – 87	91 bid
Vermont & Mass. R.R. gtd. stock	145 –171½	150 –166	165 –175	151 –168	156 –164½	152 bid	110 bid	130 bid	115 bid	110 bid
Vicksburg & Meridian R.R. first 6s			110 bid	109 bid	107 bid	105 bid	100 bid		101 bid	104 bid
Vicksburg, Shreveport & Pacific p. l. 6s–1915, ext. at 5% to 1940		107½–107½	105 bid	105 bid	103 bid	102½ bid	100 bid		101 bid	100½ bid
Vicksburg, Shrevep. & Pcl. gen. 5s 1941	100 –104	102 –102	102½ bid	102 bid	102 bid	100 bid	105 askd		90 bid	90 bid
Virginia Air Line Ry. first 5s 1952			102 bid							
Virginia Midland gen. 5s–1936	103 –111	101½ 105½	103½–110½	105½–107½	107 –108	106½–108½	101½–108½	102½–104½	102 –103½	102½–104½
Va. Midland Ry. Series D, 5s–1921			108½ bid	104½–104½	104½–104½	103½–103½	101½ bid	100½ bid	101 bid	102 –102½
Va. Midland Ry. Series E, 5s–1926			107 bid	104 –104	106 –106	105½–105½	102 –104½	101½ bid	101½ bid	102 –103½
Va. Midland Ry. Series F, 5s–1931		104½–107	109 –109	105 –108½	105½ bid	104½ bid	104 –105	102½ bid	102 bid	104½–104½
Virginia & Southw. first 5s				105 110	108 –110	109 109	102½–108½	103½–105	98½–103	102½–105½
Virginia & Southw. first cons. 5s				94 – 98½	94½ 99½	95 – 97½	89½– 95½	86½– 93½	81 – 90½	89 – 91
Virginian Ry. first 5s–1962						98½ bid	96 – 98½	95½–100½	92 – 99½	97½– 99½
Wabash-Pitts. Term. first 4s.				33 – 52½	40½– 49½	30 – 39½	11½– 26½	7½– 12	1 – 8½	½– 4½
Wabash-Pitts. Term. sec. 4s				4 – 11½	1 – 7½	1 – 3	½– 3	½– ½	½– 1½	½– ½
Wabash Ry. (new) com									12½– 17½	13½– 17
Wabash Ry. (new) pref. "A"									43½– 49½	41½– 60½
Wabash R. R. (new) prel. "B"									25½– 32½	25 – 32½
Wabash R.R. deb. B. Inc. 6s–1939	47 76½	37 – 90	86 –101	86 – 86	98 – 98	90 –100	103 askd			105 –105
Wabash R.R. Des. M. div. 4s–1939			85 bid	80 – 80	81 – 81½	80 – 80	73 bid	70 bid	70 bid	82½–bid
Wabash R.R. Det. & Chic. ext. first 5s 1911	101 –109	100 –110½	108 –111½	105 –108½	107½–108½	106 –107½	102½–107	102 askd	99 –101½	103 –105½
Wabash R.R. first 5s–1939	99½ 114	102 –114	111½ 114½	107 –113½	103½–110	104½ 107½	101 –106½	96½–105	97 –104½	103 –106
Wabash R.R. first l. equip. 5s–1921								90 – 98	89½– 93½	96½–100
Wabash R.R. first lien term. 4s 1954	53 80	41 – 57	42 – 55½	83 – 90	70 bid	80 bid	75 – 80	75 – 78	65 – 65	80 bid
Wabash R.R. Omaha div., 3½s–1941	80 – 80½	80 – 83	76½– 80	75 – 77	66½– 75½	68½– 71½	65 – 65	60½– 72	55 – 76½	72 – 76
Wabash R.R. sec. 5s 1939	89½–105½	84½–105	101 –105	98 –103½	92½–101	96 –100½	92½– 99½	87 –100	86 –100	98 100½
Wabash R.R. Toledo & Chic. div 4s–1941			83 bid	83 – 90	85 – 85	72½– 83½	70 – 80	70 – 80	66 – 72½	82 - 82
Waco & N.W. first 6s–1930								108 –108	109½–109½	106 bid
Ware River R.R. gtd. stock		185 –185	165 bid	170 bid	171 bid	174 bid	165 askd	165 askd	140 bid	140 bid
Warren R.R. guaranteed stock	173½–173½	167½–175½	173 bid	165 bid	163 bid	165 bid	150 bid	156 bid	155 bid	75 bid
Warren R.R. first rel. 3½s 2000			93 bid	85 bid	85 bid	84 bid	71 bid	80 bid	83½ bid	84 bid
Wash. Cent. Ry. first 4s–1948			92½ 92½	91½– 92½	91½– 91½	95½ bid	81½– 83½	82½ bid	88 – 91½	86½– 90½
Wash. & Col. Riv. first 4s–1935			87 bid	87 bid	86 bid				90 bid	92 bid
Washington Co. Ry. first 3½s			86½ bid	80 bid	80 bid	80 bid	72 bid		77 bid	81 bid
Wash., Ohio & West. first 4s–1924			90 bid	91 – 91	96 – 96	90 – 93½	92 – 92		91 – 93	91 – 94½
Wash. Term. Co. first 3½s			92½ 93½	88½– 90½	87½ 90	83½ bid	80½– 82½	81½– 84	80½– 85	83½– 85½
Wash. Term. Co. 4s 1945			100½ bid	99 bid	89 – 89	97½–100	92 bid	90 bid	91½– 91½	94½ bid
Wash. & Vandermere 4s–1917			88 bid							
Weatherford, Min. Wells & N. W. first 5s			100 bid	95 bid	100 bid	100 bid	98 bid		95 askd	
*Western Md. Ry. com. stock	6 – 30½	5 – 24	3½– 28½	40 – 51½	48½– 66	45 – 64½	28½– 46	10½– 35	9½– 35½	24½– 34½
*Western Md. Ry. prelerred stock			21 56	67 – 77	75 – 88½	66 – 81	51½– 67½	30 – 58	25 – 50½	40 – 55
West. Maryland first 4s–1952			85 bid	82½– 87	86 – 88½	82½– 88½	75 – 83½	53½– 80	54 – 76	71 – 76½
Western N. Y. & Pa. first 5s				109½–110½	109 –110½	106 –108½	103 107½	101 105½	100½–104	103½–105½
Western N. Y. & Pa. gen. 4s				86½– 92	88½– 88½	86 – 88½	75 – 77	75 – 82	74½– 82½	81½– 86
Western Pacific R.R. first 5s–1946										90 bid
Western Penn. Cons. (now first) 4s	100½–103½	100½ 102½	100 bid	99½– 99½	99 bid	98½ bid	94 bid	96 bid	97½ bid	98½ bid
Western Ry. of Ala. first 4½s–1918			99 bid	97 bid	96 bid	95 bid	90 bid			
Western Trans. Co. first 3½s–1921			88 bid	91 bid	88 bid	89½ bid	90 bid		80 bid	
West. J. & S. S. 3½s			93½ bid	91½ bid	90 bid	89 bid	79 bid	88 bid	88 bid	90 bid
West. J. & S. S. 4s			101½ bid	100½–100½	99½ bid	98½ bid	96 bid	96 bid	97 bid	98 bid
West Shore first 4s 2361	91 –105	98½–105	100 –104½	99½–102½	97 –101½	97 –101	90 – 99½	89 – 95	86 – 93	87½– 93
West Va. & Pitts. R.R. first 4s–1990			95 bid	95 bid	93 bid	90 bid	81 bid		86 bid	87 bid
Wheeling & L. Erie new com. stk										21 – 27½
Wheeling & L. Erie new pfd. stk.										46 – 58½
Wheeling&L.Erie 20yr.equip.s.l.5s							90 bid	90 – 90	56 bid	80 – 80
Wheel. & Lake E. ext. 5s–1930			103 bid	99 –102	103 askd	99 bid	99 –103	91 – 91	92 – 96½	97 – 99½
Wheel. & L. E. first cons. 4s–1949	71 – 87½	60 – 83½	83 – 90	77 – 87½	82 – 86	80½– 85½	70 – 80½	68 – 80	49 – 73	68 – 80
Wheel. & L. E.-L. E. div. first 5s–1926	104 –108	98½–107½	105 –109	101 –105½	103½—105	101½–105½	100½–103	100 –102	96 –101	98 –102
Wheel. & L. E. Wh. div. 5s–1928			100 bid	103½–101	102½–104½	99 –100	94 –100	90 bid	95 bid	96 – 99½
Wheel. Terminal first 4s 1940									89 bid	91 bid
Wilkes-Barre & East. first 5s–1942	105½–105½	100 –102	101 –105½	98½–101½	98½–101½	98½–102½	92½– 99	92 – 98½	79 – 86	81½– 90
Wil'mgt'n & N. Br'ch first 4½s–1931			70 bid	70 bid	65 bid	60 askd	50 bid	40 bid	25 bid	25 bid
Willmar & Sioux Falls first 5s 1938			116 –116½	112½ bid	112½–112½	108 bid	101½–110	102½ bid	110 bid	109½–110½
Wilm. & Nor. R.R. first 5s			100 bid	101 bid	99½ bid	99½ bid	98 bid		100 bid	101 bid
Wilm. & Nor. R.R. gen. 5s			105 bid	109½–109½	100½ bid	107 bid	105 bid	103 bid	102 bid	102 bid
Wilm. & Northern stk. etl. 4s			100 bid	95 bid			95 bid		90 bid	
Wilm. & Weldon gen. 4s–1935	92 –100½	95½–100	100½ bid	97½– 98	95½–bid	93 bid	87 bid	90 bid	92 bid	95 bid

* New Stock beginning 1910.

TEN YEAR PRICE RANGE OF RAILROAD STOCKS AND BONDS—(*Continued*).

TITLE	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916
	Low High	Low High	Low High	Low High	Low Higb	Low High	Low High	Low High	Low High	Low High
Wilm. & Weldoo gen. 5s–1935	106 –115¼	105½–113½	112 hid	108 –113	110½ bid	109½ hid	104 bid	106 bid	102½ bid	107⅛ bid
Wilton R.R. gtd. stock	220 –220	215 –235	230 –230	....–....	....–....	....–....	....–....	....–....	....–....	. . .
Wionipeg Terminal 4s–1939	....–....	....–....	97½ bid	99 bid	99½ bid	94 bid	90 bid	....–....	....–....	. .– .
Winstoo-Salem Southbound first 4s	. . .–....	....–....	....–....	....–....	94 – 95	90¾– 93	86⅛– 90¾	88 – 88	82 – 89	84½– 88
Wisconsin Central Ry. com. stock	11 – 25⅛	13½– 38¼	35⅞– 63⅞	44 – 64	48 – 72⅛	48 – 62½	40⅛– 58½	29¼– 48	28 – 45	33 – 56½
*Wis. Central Ry. pref. stock	28 – 51½	33 – 72½	69½– 90⅛	86¼– 92¾	87½– 90½	84 – 88⅞	79 – 83½	. . –. .	70 – 78	. . . –
Wis. Cent. first gen. 4s–1949	72½– 89	80 – 92¼	89½– 96	90 – 95	92⅛– 93⅝	89¾– 93⅜	87 – 90½	83¼– 89¼	81 – 88	84 – 88½
Wis. Cent. Marsh. & So. E. Div. 4s–1951	....–....	....–....	91½ bid	90 bid	90 bid	87 bid	82 bid	88 askd	81 bid	....–.. .
Wis. Cent. Mino. Term. P. M. 3½s–1950	....–....	....–....	83½ bid	80 bid	80 bid	80 bid	80 bid	....–....	70 bid	....–...
Wis. Cent. Sup. & Dul. div. term. first 4s–1936	....–....	....–....	92 – 94⅛	90 – 94	91⅞– 93	89 – 92½	87¼ askd	86 – 89⅜	82⅞– 89	85 – 90⅜
Wis., Minn. & Pcf. R.R. first 4s–1950	....–....	....–....	84 bid	80 bid	76 bid	50 bid	47 bid	45 hid	40 bid	....–....
Worcester, Nashua & Rochester gtd stock	140 –148	138 –140	140 –146	145 bid	149 bid	149 bid	149 bid	....–....	....–....	....–....
Wor., Nash. & Roch. first 4s	....–....	....–....	99 bid	98 bid	98 bid	93 bid	90 bid	90 bid	92 bid	91½ bid

*Beginning 1910 quotation is for leased line certificates of Minn., St. Paul & S. S. Maine, issued for Wis. Cent. pfd. stock.

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